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Albanesi S.A. and Central Térmica Roca S.A.

Interim condensed combined financial statements

At June 30, 2017 and 2016 and for the six- and three-month periods
ended June 30, 2017 and 2016,
presented in a comparative format

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

Albanesi S.A. and Central Térmica Roca S.A.

INTERIM CONDENSED COMBINED FINANCIAL STATEMENTS
AT JUNE 30, 2017 AND 2016

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GLOSSARY OF TECHNICAL TERMS

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

Terms	Definitions
/day	Per day
AESA	Albanesi Energía S.A.
AFIP	Federal Administration of Public Revenue
AFSA	Albanesi Fueguina S.A.
AISA	Albanesi Inversora S.A.
AJSA	Alba Jet S.A.
ASA	Albanesi S.A.
AVRC	Alto Valle Río Colorado S.A.
AVSA	Albanesi Venezuela S.A.
BADCOR	Adjusted BADLAR rate
BADLAR	Interest rates paid by financial institutions on their time deposits for over one million pesos.
BCRA	Argentine Central Bank
BDD	Bodega del Desierto S.A.
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A.
CC	Combined cycle
IFRIC	International Financial Reporting Interpretations Committee
CNV	National Securities Commission
CTE	Central Térmica Ezeiza (Ezeiza Power Plant)
CTF	Central Térmica Frías (Frías Power Plant) located in Frías, Santiago del Estero (merged with GMSA)
CTI	Central Térmica Independencia (Independencia Power Plant) located in San Miguel de Tucumán, Tucumán (merged with GMSA)
CTLB	Central Térmica La Banda (La Banda Power Plant) located in La Banda, Santiago del Estero (merged with GMSA)
CTMM	Central Térmica Modesto Maranzana (MM Power Plant) located in Río Cuarto, Córdoba
CTR	Central Térmica Roca S.A.
CTRi	Central Térmica Riojana (Riojana Power Plant) located in La Rioja (merged with GMSA)
CVP	Variable Production Cost
Dam^3	Cubic decameter Volume equivalent to 1,000 (one thousand) cubic meters.
DH	Historical availability
Availability	Percentage of time in which the power plant or machinery, as applicable, is in operation (generating power) or available for power generation, but not called by CAMMESA
DMC	Minimum Availability Committed
DO	Target availability
DR	Registered availability
the Group	Including combined companies: Albanesi S.A. with its subsidiaries and Central Térmica Roca S.A.
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

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GLOSSARY OF TECHNICAL TERMS (Cont'd)

Terms	Definitions
GFSA	Generación Frías S.A.
GISA	Generación Independencia S.A.
GLBSA	Generación La Banda S.A.
GMSA	Generación Mediterránea S.A.
Large Users	WEM agents classified according to their consumption unto: GUMAs, GUMEs, GUPAs and GUDIs
GRISA	Generación Riojana S.A.
GROSA	Generación Rosario S.A.
GUDIs	Large Demand from Distributors, with declared or demanded supplies of over 300kW.
GUMAs	Major Large Users
GUMEs	Minor Large Users
GUPAs	Particular Large Users
GW	Gigawatt Unit of power equivalent to 1,000,000,000 watts
GWh	Gigawatt hour Unit of energy equivalent to 1,000,000,000 watts hour
IASB	International Accounting Standards Board
IGJ	Superintendency of Commercial Companies
kV	Kilovolt Unit of electromotive force which is equal to 1,000 volts
kW	Kilowatt Unit of power equivalent to 1,000 watts
kWh	Kilowatt-hour Unit of energy equivalent to 1,000 watts hour
LGS	General Companies Law
LVFVD	Sales liquidations with maturity date to be defined
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
Resolution No. 220/07	Regulatory framework for the sale of energy to CAMMESA through the "WEM Supply Contract" under Energy Secretariat Resolution No. 220/07
GR	General Resolution
RGA	Rafael G. Albanesi S.A.
RT	Technical pronouncements
SADI	Argentine Interconnection System
ES	Energy Secretariat
TRASNOA S.A.	Empresa de Transporte de Energía Eléctrica por Distribución Troncal del Noroeste Argentino S.A.
CGU	Cash Generating Unit

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Albanesi S.A. and Central Térmica Roca S.A.

Interim Condensed Combined Statement of Financial Position

At June 30, 2017 and December 31, 2016

Stated in pesos

	Note	06.30.17	12.31.16
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment, net	7	10,270,246,333	6,695,498,090
Investments in associates	8	286,307,000	293,807,569
Other investments		129,861	129,861
Deferred tax assets		5,859,940	1,497,552
Other receivables		97,262,392	85,573,497
Trade receivables, net		61,946,389	130,234,824
Total non-current assets		**10,721,751,915**	**7,206,741,393**
CURRENT ASSETS			
Inventories		35,629,838	31,358,120
Other receivables		1,552,194,358	1,618,092,243
Trade receivables, net		870,710,120	744,047,408
Other financial assets at fair value through profit and loss		75,680,664	231,727,629
Cash and cash equivalents	9	445,251,864	948,307,610
Total current assets		**2,979,466,844**	**3,573,533,010**
Total Assets		**13,701,218,759**	**10,780,274,403**

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

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Albanesi S.A. and Central Térmica Roca S.A.

Interim Condensed Combined Statement of Financial Position (Cont'd)

At June 30, 2017 and December 31, 2016

Stated in pesos

	Note	06.30.17	12.31.16
EQUITY			
Share Capital	10	135,525,630	135,525,630
Legal reserve		5,146,847	2,005,413
Optional reserve		114,892,363	526,539
Technical revaluation reserve		2,044,551,831	2,103,787,253
Other comprehensive income		(3,397,653)	(3,397,653)
Retained earnings and accumulated losses		169,981,095	112,718,645
Equity attributable to the owners		**2,466,700,113**	**2,351,165,827**
Non-controlling interest		106,224,700	100,629,273
Total equity		**2,572,924,813**	**2,451,795,100**
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions	13	8,133,548	9,135,552
Deferred tax liabilities		1,199,030,873	1,121,008,016
Defined benefit plan		6,814,435	5,173,822
Loans	12	6,166,869,803	5,640,657,081
Trade payables		917,031,046	444,542,066
Total non-current liabilities		**8,297,879,705**	**7,220,516,537**
CURRENT LIABILITIES			
Other liabilities		87,347,419	89,630,540
Social security debts		19,229,424	9,238,975
Defined benefit plan		3,196,671	3,250,194
Loans	12	1,515,209,367	544,450,456
Derivative financial instruments		-	2,175,000
Current income tax, net		-	2,649,551
Tax payables		21,624,957	33,012,416
Trade payables		1,183,806,403	423,555,634
Total current liabilities		**2,830,414,241**	**1,107,962,766**
Total Liabilities		**11,128,293,946**	**8,328,479,303**
Total Liabilities and Equity		**13,701,218,759**	**10,780,274,403**

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

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

Albanesi S.A. and Central Térmica Roca S.A.

Interim Condensed Combined Statement of Comprehensive Income

For the six- and three-month periods ended June 30, 2017 and 2016

Stated in pesos

		Six months period at		Three months period at	
	Note	**06.30.17**	**06.30.16**	**06.30.17**	**06.30.16**
Sales revenue	**14**	1,380,787,681	1,605,757,319	616,518,476	886,130,275
Cost of sales	**15**	(936,401,697)	(1,149,749,539)	(401,793,305)	(681,106,047)
Gross income		**444,385,984**	**456,007,780**	**214,725,171**	**205,024,228**
Selling expenses	**16**	13,041,677	(16,357,645)	(3,013,187)	(11,081,680)
Administrative expenses	**17**	(29,397,177)	(26,719,494)	(19,678,725)	(10,400,437)
Income from interests in associates	**8**	(1,620,569)	5,742,816	(2,204,772)	8,087,857
Other operating income	**18**	602,538	-	466,690	(2,198,727)
Other operating expenses	**18**	-	(968,403)	-	(968,403)
Operating income		**427,012,453**	**417,705,054**	**190,295,177**	**188,462,838**
Financial income	**19**	19,689,244	9,749,201	12,488,101	6,976,331
Financial costs	**19**	(222,928,029)	(237,824,297)	(101,131,056)	(111,640,144)
Other financial results	**19**	(29,445,536)	(107,287,101)	(126,964,412)	(29,255,717)
Financial results, net	**19**	**(232,684,321)**	**(335,362,197)**	**(215,607,367)**	**(133,919,530)**
Income before tax		**194,328,132**	**82,342,857**	**(25,312,190)**	**54,543,308**
Income tax		(73,198,419)	(38,440,003)	8,167,858	(23,430,384)
Net income (loss) for the period		**121,129,713**	**43,902,854**	**(17,144,332)**	**31,112,924**
Other Comprehensive (Loss) Income					
Items to be reclassified into income/loss					
Translation difference		-	(84,332)	-	(110,644)
Items not reclassified into income/loss					
Income related to defined benefit plans		-	(13,463)	-	(6,730)
Impact on income tax		-	4,713	-	2,356
Other comprehensive loss for the period		**-**	**(93,082)**	**-**	**(115,018)**
Net comprehensive income (loss) for the period		**121,129,713**	**43,809,772**	**(17,144,332)**	**31,112,924**
Comprehensive income (loss) for the period attributable to:					
Owners of the Group		115,534,286	42,700,112	(17,051,325)	30,488,336
Non-controlling interest		5,595,427	1,202,742	(93,007)	624,588

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

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Albanesi S.A. and Central Térmica Roca S.A.

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

For the six- and three-month periods ended June 30, 2017 and 2016

Stated in pesos

		Six months period at		Three months period at	
	Note	**06.30.17**	**06.30.16**	**06.30.17**	**06.30.16**
Comprehensive income (loss) for the period attributable to:					
Owners of the group		115,534,286	42,607,470	(17,051,325)	30,373,541
Non-controlling interest		5,595,427	1,202,302	(93,007)	624,365
Earnings per share attributable to the owners of the Group					
Basic and diluted earnings per share	**20**	0.85	0.39		

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

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Albanesi S.A. and Central Térmica Roca S.A.

Interim Condensed Combined Statement of Changes in Equity

For the six-month periods ended June 30, 2017 and 2016

Stated in pesos

	Attributable to Shareholders										
	Share capital	Retained earnings			Revaluation reserve	Translation reserve	Other Comprehensive income	Retained earnings /(accumulated losses)	Subtotal	Non-controlling interest	Total shareholders' equity
		Legal reserve	Optional reserve	Total							
Balances at December 31, 2015	**77,525,630**	**62,505**	**526,539**	**589,044**	**1,492,035,429**	**(2,857,973)**	**(1,594,964)**	**(29,846,948)**	**1,535,850,218**	**69,175,833**	**1,605,026,051**
Capital increase as per Minutes of Shareholders' Meeting dated March 22, 2016	58,000,000	-	-	-	-	-	-	-	58,000,000	-	58,000,000
Dividends attributable to the non-controlling interest	-	-	-	-	-	-	-	-	-	(485,000)	(485,000)
Contributions from non-controlling interest	-	-	-	-	-	-	-	-	-	25,000	25,000
Other comprehensive income for the period	-	-	-	-	-	(84,327)	(8,315)	-	(92,642)	(440)	(93,082)
As resolved by Ordinary Shareholders' Meeting held on April 20, 2016.				-							
- Legal reserve	-	1,942,908	-	1,942,908	-	-	-	(1,942,908)	-	-	-
- Distribution of dividends	-	-	-	-	-	-	-	(41,194,827)	(41,194,827)	-	(41,194,827)
Reversal of technical revaluation reserve	-	-	-	-	(32,632,492)	-	-	32,632,492	-	-	-
Comprehensive income for the six-month period	-	-	-	-	-	-	-	42,700,112	42,700,112	1,202,742	43,902,854
Balances at June 30, 2016	**135,525,630**	**2,005,413**	**526,539**	**2,531,952**	**1,459,402,937**	**(2,942,300)**	**(1,603,279)**	**2,347,921**	**1,595,262,861**	**69,918,135**	**1,665,180,996**
Dividends attributable to the non-controlling interest	-	-	-	-	-	-	-	-	-	(600,000)	(600,000)
Reversal of technical revaluation reserve	-	-	-	-	(34,523,625)	-	-	34,523,625	-	-	-
Other comprehensive income for the period	-	-	-	-	678,907,941	2,942,300	(1,794,374)	-	680,055,867	28,063,597	708,119,464
Income for the six-month supplementary period	-	-	-	-	-	-	-	75,847,099	75,847,099	3,247,541	79,094,640
Balances at December 31, 2016	**135,525,630**	**2,005,413**	**526,539**	**2,531,952**	**2,103,787,253**	**-**	**(3,397,653)**	**112,718,645**	**2,351,165,827**	**100,629,273**	**2,451,795,100**
As resolved by Ordinary Shareholders' Meeting held on April 18, 2017:											
- Legal reserve	-	2,438,532	-	2,438,532	-	-	-	(2,438,532)	-	-	-
- Optional reserve	-	-	101,010,691	101,010,691	-	-	-	(101,010,691)	-	-	-
As resolved by Ordinary Shareholders' Meeting held on April 30, 2017:											
- Legal reserve	-	702,902	-	702,902	-	-	-	(702,902)	-	-	-
- Optional reserve	-	-	13,355,133	13,355,133	-	-	-	(13,355,133)	-	-	-
Reversal of technical revaluation reserve	-	-	-	-	(59,235,422)	-	-	59,235,422	-	-	-
Comprehensive income for the six-month period	-	-	-	-	-	-	-	115,534,286	115,534,286	5,595,427	121,129,713
Balances at June 30, 2017	**135,525,630**	**5,146,847**	**114,892,363**	**120,039,210**	**2,044,551,831**	**-**	**(3,397,653)**	**169,981,095**	**2,466,700,113**	**106,224,700**	**2,572,924,813**

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

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

Albanesi S.A. and Central Térmica Roca S.A.

Interim Condensed Combined Statement of Cash Flows

For the six-month periods ended June 30, 2017 and 2016

Stated in pesos

	Notes	06.30.17	06.30.16
Cash flow provided by operating activities:			
Net income for the period		121,129,713	43,902,854
Adjustments to arrive at net cash flows provided by operating activities:			
Income tax		73,198,419	38,440,003
Income (Loss) from interests in associates	8	1,620,569	(5,742,816)
Depreciation of property, plant and equipment	7 and 15	141,817,154	102,998,655
Present value of receivables and debts		(5,917,113)	(5,695,574)
(Decrease) in provisions	13	(1,002,004)	(1,823,886)
Bad debts	13	(76,869)	3,870,073
Accrual of benefit plans	15	302,094	1,298,888
Interest, exchange differences and other financial results		225,567,926	235,767,850
Results from changes in the fair value of financial instruments		(61,179,965)	(11,087,045)
Changes in operating assets and liabilities:			
(Increase) in trade receivables		(59,750,460)	(376,977,628)
Decrease/ (Increase) in other receivables (1)		52,820,316	(480,791,161)
(Increase) in inventories		(4,271,718)	(3,262,421)
Increase / (Decrease) in trade payables		45,335,504	(5,355,277)
Increase in other liabilities		23,949,759	10,061,390
(Decrease) in social security charges and taxes		(4,611,152)	(3,318,291)
Cash flows provided by /(used in) operating activities		**548,932,173**	**(457,714,386)**
Cash flows provided by investment activities:			
Dividends collected		5,880,000	-
Payments for the acquisition of property, plant and equipment	7	(2,042,570,047)	(504,876,574)
Collection of financial instruments		25,521,793	-
Deletion of property, plant and equipment	7	8,050	-
Payment of derivative financial instruments		(2,175,000)	-
Redemption of mutual funds		134,675,257	183,543,719
Loans granted		(14,975,511)	-
Cash flows (used in) investment activities		**(1,893,635,458)**	**(321,332,855)**
Cash flows provided by financing activities:			
Contribution from minority shareholders		-	25,000
Dividends paid by subsidiaries to minority shareholders		-	(485,000)
Payment of loans	12	(946,571,972)	(778,882,511)
Payment of interest	12	(422,482,399)	(252,046,713)
Borrowings	12	2,200,818,974	2,100,098,263
Net cash flows provided by financing activities		**831,764,603**	**1,068,709,039**
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		**(512,938,682)**	**289,661,798**
Cash and cash equivalents at the beginning of the period		933,649,746	(17,796,332)
Financial results of cash and cash equivalents		24,540,800	24,849,036
Cash, cash equivalents at the end of the period	9	445,251,864	296,714,502
		(512,938,682)	**289,661,798**

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

(1) Includes advanced payments to suppliers for the purchase of assets.

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Albanesi S.A. and Central Térmica Roca S.A.

Interim Condensed Combined Statement of Cash Flows (Cont'd)
For the six- and three-month periods ended June 30, 2017 and 2016
Stated in pesos

Material transactions not showing changes in cash		**06.30.17**	**06.30.16**
Acquisition of property, plant and equipment financed by financial institutions	7	(4,017,920)	(6,198,325)
Acquisition of property, plant and equipment financed by suppliers	7	(1,094,893,920)	(28,291,953)
Acquisition of property, plant and equipment not yet paid	7	-	(7,594,947)
Financial costs capitalized in property, plant and equipment	7	(575,091,560)	(121,621,275)
Other comprehensive income for the period		-	(93,082)
Offset capital increase		-	(58,000,000)
Dividends offset against receivables		-	41,194,827
Issuance of Negotiable Obligations paid in kind	**12**	(255,826,342)	-
Cession of receivables from Directors of GROSA to RGA		(20,785,080)	-

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

NOTE 1: GENERAL INFORMATION

These combined financial statements comprise the combination of the interim condensed consolidated financial statements of Albanesi S.A. and its subsidiaries and Central Térmica Roca S.A. (jointly, the "Group"). The scope of the combination is described in Note 3. These interim condensed combined financial statements have been prepared under the responsibility of the Group Management considering the context of a debt issue transaction.

The Group is one of the main operators within the electric power generation segment in Argentina in terms of MW of installed capacity. It operates 8 power plants located in various provinces of Argentina, being the owner of seven of them (including the generation plant of Solalban, where it owns 42%) whereas one of the plants is operated through a long-term lease agreement. These power plants have a total installed generation capacity of 1,042 MW. All power plants of the Group are dual fuel plants and can be fed with natural gas as well as gas oil (or fuel oil in one of them).

New projects

CTR and GMSA, subsidiary of ASA, announced a plan to increase generation of electricity in its installed plants in different locations in Argentina, which involves works that will contribute an additional 460 MW to the national grid (including CTRi and CTMM already operating).

Expansion of Central Térmica Riojana

On September 7, 2015, GRISA executed a contract with Siemens Industrial Turbomachinery AB, whereby it agreed to purchase a turbine Siemens SGT800 of 50 MW, for an amount of USD 19.3 million. The turbine came into operation on May 20, 2017.

Central Térmica Roca S.A. - expansion

CTR continues with the works for the closure of the Power Plant combined cycle, which means that the current capacity will be extended by 60 MW by installing a new 60-MW steam turbine and a boiler, in addition to other equipment. Not only will this work increase power but will also be significant in environmental terms, as the extra power to be generated will not require additional fuel.

The project will require an investment of approximately USD 86 million, USD 54.1 million of which has already been invested at the date of these interim condensed combined financial statements. Its placing into operation is scheduled for the first quarter of 2018. At the date of these interim condensed combined financial statements, the contract for the steam turbine with General Electric for a total of USD 8.9 million had been paid in full, and 60% of boiler contract with the supplier Daniel Ricca S.A. had been paid for a total of USD 13 million. Most of the assets under the contract with the supplier General Electric have already arrived at the plant, only the steam turbine is in transit, which will be arriving to Argentina during August 2017. The contracts also cover the control systems, the cooling tower, the water treatment plant with the respective building, the power transformer, the construction of the base for the steam generator, the TV building and the ancillary rooms, the MT cells, HRSG base, gantry crane and ancillary transformers, long aqueduct and Civil Work for the cooling tower, the manual valves and international transport. The electro-mechanical assembly was hired during this period for a total of USD 12.5 million, and is expected to have been completed by the end of this year. At the date these interim condensed combined financial statements were signed, the total hired was 97.7%.

A new annual external audit for environmental system maintenance is planned for November 2017 (the second one in the triennial certification period), with the new Environmental Management System version under ISO 14001: 2015 already implemented.

NOTE 1: GENERAL INFORMATION (Cont'd)

New projects (Cont'd)

Expansion at Central Térmica Modesto Maranzana

On March 28, 2016 GMSA entered into an agreement with Siemens Industrial Turbomachinery AB for the provision and installation of two Siemens SGT-800 turbines of nominal power 50 MW each. This expansion was carried out within the framework of an agreement executed under ES Resolution No. 220/07. An investment of USD 86.2 million was necessary for this work. CAMMESA authorized the commercial operation of the two Siemens SGT-800 turbines on July 6, 2017. Thus, the Power Plant's installed capacity has increased from 250 MW to 350 MW. At the date of signing these interim condensed combined financial statements, it is in commercial operation.

Resolution No. 21/16

Under Resolution No. 21/16, GMSA presented projects for expanding the generating capacity by 250 MW, which were awarded following a public call for tenders. At June 30, 2016, GMSA executed the agreements under this Resolution with CAMMESA involving the Central Térmica Ezeiza stage I and II projects for 150 MW and CTI stage I and II for 100 MW, with amounts stipulated in USD, take-or-pay clause, and a 10 year effective term as from the committed date or date of commercial authorization, whichever takes place first.

Expansion at Central Térmica Independencia

Also, a 100 MW expansion of the generating capacity was commenced at CTI with the installation of two 50 MW-each Siemens SGT-800 turbines. The estimated investment amounts to approximately USD 82 million. The expansion will be completed in two stages, installing 50 MW in each of them. It is estimated that the first stage will come into commercial operation in the third quarter of 2017, and the second stage in the first quarter of 2018.

On April 30, 2016, a contract was signed with Siemens Industrial Turbomachinery AB for the purchase of the first 50 MW SGT-800 turbine. A payment was made on December 31, 2016 of 50% of the turbine, and the remainder will be paid in 24 installments as from September 2017. The turbine is already at the plant. The total value of this turbine amounts to USD 21 million.

On August 9, 2016 a contract was executed with Siemens Industrial Turbomachinery AB for the purchase of a second 50 MW SGT-800 turbine. A payment of 5% was made that same month, and a second 5% was paid in January 2017, and the remainder (40%) was paid in March 2017. In September 2016 an agreement was signed for the financing by Siemens of the deferred payment of the remaining 50%, which will be paid in 24 installments as from April 2018. The parts of the second turbine and the chimneys are already at the plant. The value of the turbine is USD 20 million.

It should be noted that the hiring of the two 75 MVA transformers, civil works under the project and chiller equipment was concluded in September 2016. Additionally, in November 2016, two contracts were executed with Siemens, an assembly contract for a total of USD 7.5 million and a contract for maintenance and spare parts for a total of USD 1.02 million.

The latter will be paid in July 2017 (35%), September 2017 (35%) and February 2018 (30%). Further, in December 2016 the construction of the 132 Kv field was hired, and a cooling tower was acquired.

During January 2017, the engineering and management services of the external natural gas work were hired for an amount of USD 6.2 million, together with the chillers and cooling towers assembly for USD 1.4 million. In March 2017, the mechanic and electric assembly was hired for $ 20 million, reaching an invested total of USD 39 million. At the date of presentation of the interim condensed combined financial statements, the progress of work of the CTI project is 97.5%.

NOTE 1: GENERAL INFORMATION (Cont'd)

New projects (Cont'd)

Central Térmica Ezeiza

In addition, the construction of a new plant commenced in the Province of Buenos Aires (Central Térmica Ezeiza) with a generating capacity of 150 MW, with the installation of three 50 MW–each Siemens SGT-800 turbines. The total estimated investment amounts to USD 151.8 million.

The project will be completed in two stages, with the installation of 100 MW in the first stage, and of an additional 50 MW in the second stage. The first stage is estimated to come into commercial operation in the third quarter of 2017, and the second stage in the first quarter of 2018.

On April 30, 2016 a contract was executed with Siemens Industrial Turbomachinery AB for the purchase of two 50 MW SGT-800 turbines. In September 2016, a payment was made for 50% of the value of the first two turbines, and the remaining 50% will be paid in 24 installments as from September 2017. Both turbines are already at the plant. The total value of the turbines reaches USD 21 million each.

On August 9, 2016 a contract was executed with Siemens Industrial Turbomachinery AB for the purchase of a third 50 MW SGT-800 turbine. A payment of 5% was made that same month, and a second 5% was paid in January 2017, and the remainder (40%) was paid in March 2017. In September 2016 an agreement was signed for the financing by Siemens of the deferred payment of the remaining 50%, which will be paid in 24 installments as from April 2018. The value of the turbine amounts to USD 20.3 million. The parts of the third turbine and the chimneys are already at the plant. Additionally, contracts have been executed for the purchase of three 75 MVA transformers, the Alfa Laval equipment and chillers, the construction of 132 kv fields, the purchase of the land in Ezeiza, and civil works under the project. In October 2016, two water tanks and one diesel tank were purchased.

In November 2016 an assembly contract was executed with Siemens for USD 9.3 million, and a contract for maintenance and spare parts was executed for USD 1.6 million. The latter will be paid 35% in June 2017, 35% in September 2017, and the remaining 30% in February 2018.

In December 2016 the control room and gantry cranes were built and dirt moving activities were conducted, among other civil works.

During the first quarter of 2017, engineering and management services of the external natural gas work were hired for an amount of USD 5.2 million. In addition, the installation of the gas oil and compressed air systems and drainages was awarded for USD 2.8 million. Services for the electric and civil works and the communication system were hired. At June 2017, USD 83.7 million have been invested. At the date of presentation of the interim condensed combined financial statements, the progress of work of the CTE project is 97 %.

NOTE 2: REGULATORY ASPECTS RELATED TO ELECTRICITY GENERATION

The Group's revenue from electricity generation activity is derived from sales to Large Users on the Forward Market, basic and surplus demand (ES Resolution No. 1281/06), from sales to CAMMESA according to ES Resolution No. 220/07, and sales under ES Resolution No. 22/16 and ES Resolution No. 19/17. In addition, the excess electricity generated under the modalities of ES Resolutions No. 1281/06 and 220/07 is sold on the Spot Market, in accordance with the regulations in force in the Wholesale Electricity Market (WEM) administered by CAMMESA.

NOTE 2: REGULATORY ASPECTS RELATED TO ELECTRICITY GENERATION (Cont'd)

a) Regulations on Energía Plus, Resolution No. 1281/06

The Energy Secretariat approved Resolution No. 1281/06 which provides that the existing energy sold on the Spot Market has these priorities:

(1) Demand lower than 300 KW;
(2) Demand over 300 KW, with contracts; and
(3) Demand over 300 KW, with contracts; and

It also establishes certain restrictions on the sale of electric power and implements the "Energía Plus" service, which allows generating agents to offer the available additional generation. They must fulfill the following requirements: (i) they must be WEM agents whose generating units were authorized for operation after September 5, 2006 and (ii) they must have fuel supply and transportation contracts.

The resolution also establishes that:

• Large Users with demand over 300 KW ("GU300") will be authorized to enter into contract for their demand of electricity in the forward market with the generating agents existing in the WEM at the moment, only for the electricity consumption in 2005 ("Basic Demand").

• The electricity consumed by GU300 above their Basic Demand must be supplied by new generation (Energía Plus) and contracted at a price agreed upon by the parties. This may not exceed 50% of the actual demand.

• New Agents entering the system must contract 50% of their total demand under the Energía Plus service, under the conditions described above.

As to the Energía Plus program, at June 30, 2017 almost all the nominal power available of 135MW was under contract. The term of most of the different Energy Plus contracts entered into between the Group and its customers is between 1 year and 2 years. Sales under this modality are paid by customers directly to the Group.

b) WEM Supply Contracts (Resolution No. 220/07).

In January 2007, the Energy Secretariat adopted Resolution No. 220/07 authorizing the execution of Supply Contracts between the WEM and additional offers of available generation and associated energy submitted by generating, co-generating or self-generating agents which, at the date of publication of the said resolution are not WEM agents or do not have the generation facilities to be agreed under these commercially authorized offers, or are not interconnected with WEM at that date. In this regard, the execution of Supply Contracts was foreseen as another way to generate incentives for the development of additional energy projects.

NOTE 2: REGULATORY ASPECTS RELATED TO ELECTRICITY GENERATION (Cont'd)

b) WEM Supply Contracts (Resolution No. 220/07) (Cont'd)

These Supply Contracts are entered into between generating agents and CAMMESA, with a duration of 10 years or less, as it may be exceptionally established. The valuable consideration for availability of generation and energy shall be established in each contract based on the costs accepted by the Energy Secretariat. The contracts will also establish that the machines and power plants used to cover the Supply Contracts will generate energy as they are dispatched by CAMMESA.

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

Sales under this modality are denominated in dollars and are paid by CAMMESA under a take or pay clause and the generated surplus is sold to the Spot Market, pursuant to regulations in effect in the WEM administered by CAMMESA.

GMSA and CAMMESA entered into several WEM supply contracts: for CTMM, the agreement was on 45 MW of power for a term of 10 years counted as from the commercial operation; for CTI, 100 MW of power for a term of 10 years counted as from November 2011, and for CTF 55.5 MW of power for a term of 10 years counted as from December 2015. Further, CTR and CAMMESA entered into a WEM supply contract for 116.7 MW, for a term of 10 years counted as from June 2012.

These agreements set forth a remuneration made up of 5 components:

i) fixed charge for power hired, affected by monthly average availability; the remunerated price is:

Power Plant	Fixed charge for contracted power	Contracted power
	USD/MW-month	MW
CTMM	USD 16,133	45
CTI	USD 17,155	100
CTF	USD 19,272	55.5
CTR	USD 12,540	116.7

ii) the fixed charge recognizes transportation costs plus other costs inherent to the generating agents

iii) the variable charge associated with the energy effectively prescribed under the contract and which purpose is to remunerate the operation and maintenance of the Plant

Power Plant	Variable charge in USD/MWh	
	Gas	Gas oil
CTMM	USD 7.83	USD 8.32
CTI	USD 7.52	USD 7.97
CTF	USD 10.83	USD 11.63
CTR	USD 10.28	USD 14.18

iv) a variable charge for repayment of fuel costs, all of them at reference price; and

v) a discount for penalties. These penalties are applied to the hours in which 92% of the agreed upon power has not been reached and are valued on a daily basis and according to the operating condition of the machine and the market situation.

NOTE 2: REGULATORY ASPECTS RELATED TO ELECTRICITY GENERATION (Cont'd)

b) WEM Supply Contracts (Resolution No. 220/07) (Cont'd)

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

The contract will be supported by the conversion of the current thermal cycle into a combined cycle, as mentioned in Note 1. To this end, the equipment must be installed, so that the exhaust fume recovery of the present gas turbine generates an amount of steam such that when expanded through a steam turbine, 60-MW power may be generated.

In addition, for CTRi, GMSA and CAMMESA entered into a Wholesale Electric Market (WEM) supply contract for 45 MW, for a term of 10 years counted as from the commercial commissioning, which took place in May 2017. Sales under this modality are denominated in dollars and are paid by CAMMESA under a take or pay clause and the generated surplus is sold to the Spot Market, pursuant to regulations in effect in the WEM administered by CAMMESA.

This contract sets a 5-component remuneration: i) a fixed charge for the average monthly availability of contracted power, for a price of USD 16,790/MW per month; ii) a fixed charge that recognizes the costs of transportation plus other costs of the generating agents; iii) a variable charge associated with the energy actually provided under the contract, the objective of which is to remunerate operation and maintenance of the power plant (Gas 11.44 USD/MWh – Fuel oil 15.34 USD/MWh); iv) a variable charge for repayment of fuel costs, all of them at reference price; and v) a discount for penalties. These penalties are applied to the hours in which 92% of the agreed upon power has not been reached and are valued on a daily basis and according to the operating condition of the machine and the market situation.

c) Sales under ES Resolution No. 22/16

On March 22, 2013 the Energy Secretariat issued ES Resolution No. 95/13 that aimed at adapting the system for the remuneration of the generation pool without affecting special regimes, such as Energía Plus and WEM Supply Contracts.

ES Resolution No. 529/14 was published on May 20, 2014, amending and extending application of ES Resolution No. 95/13. The main change was the increase in the remuneration payable to the generators, implemented through a price increase, as well as the creation of a new item, called Remuneration for Non-recurring Maintenance.

ES Resolution No. 529/14 established that from February 2014, commercial management and fuel dispatch would be centralized in the Dispatch Management Agency (CAMMESA). Costs related to operation would cease to be recognized as the contractual relationships between WEM agents and their suppliers of fuel and inputs were terminated. ES Resolution No. 1281/06 (Energía Plus) was excluded from these regulations.

ES Resolution No. 482/15 was published on July 10, 2015, amending and extending application of ES Resolution No. 529/14. The main change was the increase in the remuneration payable to the generators, implemented through a price increase, as well as the creation of two new items, called "Resource for FONINVEMEM investments 2015-2018" and "Incentives for energy production and operational efficiency".

NOTE 2: REGULATORY ASPECTS RELATED TO ELECTRICITY GENERATION (Cont'd)

c) Sales under ES Resolution No. 22/16 (Cont'd)

ES Resolution No. 22/16 was published on March 30, 2016, amending ES Resolution No. 482/15. The main change was the increase in the remuneration payable to the generators, implemented through a price increase.

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

The remuneration schedule updated under Resolution No. 22/16 basically consisted of the following items:

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

Power Plant	Classification	Fixed Cost as per Res. No. 22/16
		$/MWhrp
CTLB/CTRi	TG Units with Power (P) < 50 MW (small)	152.3
GROSA	TV Units with Power (P) > 100 MW (large)	129.2
CTMM	CC Units with Power (P) < 150 MW (small)	101.2

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

2) Variable cost: this cost was paid on the basis of the power generated and the fuel used. The recognized prices rose from 33.10 $/MWh to 46.30 $/MWh for the generation using natural gas, and from 57.90 $/MWh to 81.10 $/MWh using gas oil.

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

Power Plant	Classification	Additional Remuneration $/MWh as per Res. No. 22	
		Direct Generation	Trust Fund
CTLB/CTRi	TG Units with Power (P) < 50 MW (small)	13.70	5.90
GROSA	TV Units with Power (P) > 100 MW (large)	9.40	7.80
CTMM	CC Units with Power (P) < 150 MW (small)	13.70	5.90

NOTE 2: REGULATORY ASPECTS RELATED TO ELECTRICITY GENERATION (Cont'd)

c) Sales under ES Resolution No. 22/16 (Cont'd)

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

Power Plant	Classification	Res. No. 22
		$/MWh
CTLB/CTRi	TG Units with Power (P) < 50 MW (small)	41.50
GROSA	TV Units with Power (P) > 100 MW (large)	45.10
CTMM	CC Units with Power (P) < 150 MW (small)	39.50

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

Power Plant	Classification	Res. No. 422 $/MWh
CTLB/CTRi	TG Units with Power (P) < 50 MW (small)	15.80
GROSA	TV Units with Power (P) > 100 MW (large)	15.80
CTMM	CC Units with Power (P) < 150 MW (small)	15.80

The balance not recognized for this item amounts to $ 31,708,050.

6) A new schedule of "Incentives to energy production and operating efficiency applicable to thermal power generation":

- Additional remuneration for production: an additional remuneration might be received based on the volume of energy produced during the year, varying according to the type of fuel. This increase would be applied to the variable costs at 15% for liquid fuel and 10% for gas/carbon, when it reached an accumulated value of 25% and 50%, respectively, of the 92% annual generation.

- Additional remuneration for efficiency: an additional remuneration might be received if the fuel consumption objectives were accomplished. Actual consumption was compared to reference consumption for each machine and type of fuel on a quarterly basis. The difference percentage was valued at the variable cost of operation and maintenance associated to the pertinent fuel, and recognized as additional remuneration.

NOTE 2: REGULATORY ASPECTS RELATED TO ELECTRICITY GENERATION (Cont'd)

d) Sales under ES Resolution 19/17

Resolution MinEyM SE 19-E/17 was published on January 27, 2017, and replaces Energy Secretariat Resolution No. 22/16. The new resolution adapts the remuneration criteria to reasonable, foreseeable and efficient economic conditions through medium term commitments.

The Generating Agents under the framework of contracts governed by Resolutions No. 1281/2006, 220/2007, 21/2016, and any other type of WEM contract that has a differential system established or authorized by the competent authority of the WEM, are excluded from this system

The main changes include the proviso that remuneration is based on Available Power and Generated Energy valued in USD, thus simplifying the calculation.

The new resolution becomes effective on February 1, 2017. The power made available is the excess over the power committed under Resolution No. 220/07.

The remuneration schedule updated under Resolution SE19-E/17 basically consists of the following items:

1. Remuneration per power: this is proportional to the available monthly power at a price in USD/MW-month that varies according to different conditions.

   - MINIMUM price of power per technology and scale.
   - BASE price according to the Offered Guaranteed Power. Valued from February 2017 until October 2017 at 6,000 USD/MW-month and as from November 2017 onwards, at 7,000 USD/MW-month.
   - ADDITIONAL price with maximum in accordance with additional availability Offered and allocated. Valued from February 2017 until October 2017 at 1,000 USD/MW-month and as from November 2017 onwards, at 2,000 USD/MW-month.

2. Remuneration per Energy: It is comprised by:

   2.1 Energy generated: It is the remuneration received for the energy effectively generated, valued according to the type of fuel at 5 USD/MWh for Natural Gas and 8 USD/MWh for Gas Oil or Fuel Oil.
   2.2 Energy operated: The generators received an additional remuneration of 2 USD/Mwh, irrespective of the type of fuel, for the Energy Operated, represented by the integration of hourly powers in the period.
   2.3 Additional remuneration as incentive for efficiency:
   2.3.1 Additional remuneration variable cots efficient thermal power generation: The generating agent may receive an additional remuneration if the fuel consumption objectives are accomplished.
   2.3.2 Additional remuneration for thermal power generators of little use: An additional remuneration is established according to the frequency of starts based on the energy generated.
   2.3.2.1 This price will be valued at 2.6 USD/MWh. It will be multiplied by the energy generated during the pertinent month, by the Use Factor (which is defined as the use factor of the nominal power recorded over the last twelve-month period. It will have a value of 0.5 for thermal units with Use Factor < 30% and 1.0 for those with Use Factor < 15%. For the rest of the cases it will be 0.
   2.3.2.2 This price will be valued at 2.6 USD/MWh. It will be multiplied by the energy generated during the pertinent month, by the Start Factor (which is determined based on the starts recorded over the last twelve-month period. It will have a value of 0 for <= 74, 0.1 between 75 and 149 and 0.2 for more than 150 starts).

NOTE 3: PURPOSE AND BASIS FOR PRESENTATION

The interim condensed combined financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC), issued by the International Accounting Standards Board (IASB) adding information previously included in the interim condensed combined financial statements of ASA and CTR.

a. Combination criteria

The interim condensed combined financial statements have been prepared as the sum of the interim condensed financial statements of ASA and CTR. Balances of transactions between combined companies have been eliminated.

b. List of Companies included in the combined financial statements:

The combined financial statements include the following companies.

Company	Relationship	Country of incorporation	Main business activity	% of interest	
				06.30.17	12.31.16
CTR	-	Argentina	Electric power generation	100.00%	100.00%
ASA	-	Argentina	Investing and financial activities	100.00%	100.00%
GMSA	ASA subsidiary	Argentina	Electric power generation	95.00%	95.00%
GFSA (1)	ASA subsidiary	Argentina	Electric power generation	-	95.00%
GROSA	ASA subsidiary	Argentina	Electric power generation	95.00%	95.00%
GLSA	ASA subsidiary	Argentina	Electric power generation	95.00%	95.00%

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

These interim condensed combined financial statements for the six- and three-month periods ended June 30, 2017 and 2016 were prepared in accordance with IAS 34 "Interim Financial Reporting". These interim condensed combines financial information must be read jointly with the Group's financial information at December 31, 2016.

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

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

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

NOTE 3: PURPOSE AND BASIS FOR PRESENTATION (Cont'd)

The interim condensed combined financial statements for the six- and three-month periods ended June 30, 2017 and 2016 have not been audited. Group's management estimates that they include all adjustments necessary to reasonably present the results for each period.

The results for the six- and three-month periods ended June 30, 2017 and 2016 do not necessarily reflect a proportionate percentage of the Group's results for the full fiscal years.

These interim condensed combined financial statements for the six- and three-month periods ended June 30, 2017 and 2016 were approved for issuance by the Board of Directors of the combined companies on August 28, 2017.

Comparative information

Balances at December 31, 2016 and for the six- and three-month periods ended June 30, 2016 disclosed for comparative purposes in the interim condensed combined financial statements arise from financial statements at that date. Certain reclassifications have been included in the combined financial statement figures presented for comparative purposes to conform them to the current period presentation.

NOTE 4: ACCOUNTING POLICIES

The accounting policies adopted for these interim condensed combined financial statements are consistent with those used in the audited combined financial statements for the last fiscal year, which ended on December 31, 2016, except for the ones mentioned below.

These interim condensed combined financial statements must be read jointly with the audited combined financial statements at December 31, 2016 prepared under IFRS.

No new IFRS or IFRIC applicable as from the current period have a material impact on the interim condensed combined financial statements of the Group.

4.1) New accounting standards, modifications and interpretations issued by the IASB

At the time of issuing their next annual financial statements, the Group will apply the standards which become effective in the year 2017 as indicated in Note 4 to the combined financial statements at December 31, 2016 (IAS 7 "Statement of Cash Flows" and IAS 12 "Income Tax"). The Group estimates that the amendments will not impact on the results of operations or on the financial position of the Group, it will only imply new disclosures.

NOTE 5: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of interim condensed combined financial statements requires Group 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.

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

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

In preparing these interim condensed combined financial statements, the critical judgments delivered by the Management to apply the Group's accounting policies and the sources of information used for the related estimates are the same as those delivered in the combined financial statements for the fiscal year ended December 31, 2016.

NOTE 6: FINANCIAL RISK MANAGEMENT

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

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

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	ORIGINAL VALUES					DEPRECIATION					
Captions	Value at beginning of the period	Increases/ Transfers (1)	Reclassifications and/or deletions	Original value revaluation	Value at end of the period	Accumulated at beginning of period	For the period (2)	Decreases / Transfers	Revaluation Accumulated Depreciation	Accumulated at end of period	Net Book value
Land	192,286,955	1,647,739	-	-	193,934,694	-	-	-	-	-	193,934,694
Real property	128,818,599	-	6,962,156	-	135,780,755	-	1,947,422	-	-	1,947,422	133,833,333
Facilities	300,806,899	263,349	-	-	301,070,248	-	12,192,112	-	-	12,192,112	288,878,136
Machinery and turbines	4,286,560,200	20,571,851	45,358,900	-	4,352,490,951	-	110,486,266	-	-	110,486,266	4,242,004,685
Computer and office equipment	8,438,975	1,082,316	-	-	9,521,291	3,938,545	936,725	-	-	4,875,270	4,646,021
Vehicles	8,327,550	252,281	(69,000)	-	8,510,831	1,922,478	851,018	(60,950)	-	2,712,546	5,798,285
Tools	3,374,669	172,674	-	-	3,547,343	1,185,364	289,552	-	-	1,474,916	2,072,427
Furniture and fixtures	602,262	33,641	-	-	635,903	300,588	44,559	-	-	345,147	290,756
Works in progress	1,554,311,623	3,660,432,446	(52,321,056)	-	5,162,423,013	-	-	-	-	-	5,162,423,013
Civil constructions on third party property	15,086,573	315,669	-	-	15,402,242	8,039,312	894,283	-	-	8,933,595	6,468,647
Facilities on third party property	138,972,270	5,457	-	-	138,977,727	62,089,391	9,530,569	-	-	71,619,960	67,357,767
Machinery and turbines on third party property	63,119,883	-	-	-	63,119,883	25,897,568	4,644,647	-	-	30,542,215	32,577,668
Assets under construction on third party property	52,862,725	17,303,128	-	-	70,165,853	-	-	-	-	-	70,165,853
Inputs and spare parts	45,302,153	14,492,896	-	-	59,795,049	-	-	-	-	-	59,795,049
Total at 06.30.17	**6,798,871,336**	**3,716,573,447**	**(69,000)**	**-**	**10,515,375,783**	**103,373,246**	**141,817,154**	**(60,950)**	**-**	**245,129,450**	**10,270,246,333**
Total at 12.31.16	**3,860,836,592**	**2,110,447,755**	**(4,064,950)**	**831,651,939**	**6,798,871,336**	**70,769,543**	**206,969,647**	**(1,800)**	**(174,364,144)**	**103,373,246**	**6,695,498,090**
Total at 06.30.16	**3,860,836,592**	**660,988,127**	**(1,800)**	**-**	**4,521,822,919**	**70,769,543**	**102,998,655**	**(1,800)**	**-**	**173,766,398**	**4,348,056,521**

(1) Includes the acquisition of assets of the project for the start-up and enlargement of the electricity generation plant.
(2) The depreciation charge for the period 2017 and 2016 were allocated to the cost of sales, including $86,010,396 and $45,860,491 due to a higher value for technical revaluation.

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

NOTE 8: EQUITY INTEREST IN ASSOCIATE

At June 30, 2017 and December 31, 2016, the Group's associate is Solalban Energía S.A.

In 2008, ASA, with a 42% interest, together with Solvay Indupa S.A.I.C. created Solalban Energía S.A. aimed at building a power plant with a generation capacity of 165 MW located in the petrochemical area of the city of Bahia Blanca, Province of Buenos Aires.

Changes in the investments in the Group's associates for the six-month period ended June 30, 2017 and 2016:

	06.30.17	06.30.16
At the beginning of the period	**293,807,569**	**243,127,929**
Allocated dividends	(5,880,000)	-
Income/(loss) from interests in associates	(1,620,569)	5,742,816
Period end	**286,307,000**	**248,870,745**

Below is a breakdown of the investments and the value of interests held by the Group in the associate at June 30, 2017 and December 31, 2016, as well as the Group's share in the income/loss of the associate for the periods ended on June 30, 2017 and 2016:

Name of issuing entity	Main business activity	% share interest		Equity value		Participation of the Company in gains/losses	
		06.30.17	12.31.16	06.30.17	12.31.16	06.30.17	06.30.16
Associates							
Solalban Energía S.A.	Electricity	42%	42%	286,307,000	293,807,569	(1,620,569)	5,742,816
				286,307,000	**293,807,569**	**(1,620,569)**	**5,742,816**

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

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

Summarized statement of financial position:

	06.30.17	12.31.16
Total non-current assets	852,164,080	884,025,285
Total current assets	331,157,134	287,394,801
Total Assets	**1,183,321,214**	**1,171,420,086**
Total equity	**681,683,330**	**699,541,830**
Total non-current liabilities	265,005,358	272,611,435
Total current liabilities	236,632,526	199,266,821
Total Liabilities	**501,637,884**	**471,878,256**
Total Liabilities and Equity	**1,183,321,214**	**1,171,420,086**

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

Summarized statement of income and statement of comprehensive income:

	06.30.17	06.30.16
Sales revenue	508,306,218	415,440,207
Income for the period	(3,858,500)	13,673,369
Other comprehensive income	-	-
Total income/(loss) for the period	**(3,858,500)**	**13,673,369**

Statement of cash flows:

	06.30.17	06.30.16
Funds (used in) generated by operating activities	(7,953,889)	10,917,002
Funds used in investment activities	(4,993,926)	(2,955,344)
Funds used in financing activities	(14,000,000)	(8,273,863)
Decrease in cash for the period	**(26,947,815)**	**(312,205)**

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

NOTE 9: CASH AND CASH EQUIVALENTS

	06.30.17	12.31.16
Cash	457,402	439,447
Checks to be deposited	50,320,989	18,600,989
Banks	44,563,370	76,419,749
Mutual funds	349,910,103	852,847,425
Cash and cash equivalents (bank overdrafts excluded)	**445,251,864**	**948,307,610**

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

	06.30.17	06.30.16
Cash and cash equivalents	445,251,864	325,512,806
Bank overdraft (Note 12)	-	(28,798,304)
Cash and cash equivalents (bank overdrafts included)	**445,251,864**	**296,714,502**

NOTE 10: CHANGES IN CAPITAL

Share capital is the sum of the subscribed and paid in capital stock of the combined companies and is as follows:

	06.30.17	12.31.16
Albanesi S.A.	62,455,160	62,455,160
Central Térmica Roca S.A.	73,070,470	73,070,470
	135,525,630	**135,525,630**

NOTE 11: DISTRIBUTION OF PROFITS

In accordance with Argentine laws where the Group operates, 5% of the profits for the year must be allocated to set up legal reserves up to the maximum legal requirement (20% of the share capital). These legal reserves are not available for distribution of dividends and may only be released to absorb losses. Group subsidiaries have not reached the legal requirement of these reserves, under this law. Distribution of dividends of the combined entities is made on the basis of their separate financial statements.

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

Due to the issue of the International Negotiable Obligation, ASA and CTR must comply with ratios on the combined Financial Statements in order to distribute dividends.

NOTE 12: LOANS

Non-Current	06.30.17	12.31.16
CAMMESA	186,047,380	195,731,948
Finance lease debts	20,855,266	19,294,201
Cargill loan	211,849,491	-
BAF loan	-	631,249,936
International Bond	4,034,158,927	3,843,235,131
Negotiable obligations	1,701,959,673	951,145,865
Other bank debts	11,999,066	-
	6,166,869,803	**5,640,657,081**

Current		
Bank overdrafts	-	14,657,864
Finance lease debts	9,538,452	7,606,558
Other bank debts	583,322,701	105,044,425
Cargill loan	53,081,895	-
BAF loan	-	3,840,614
International Bond	139,955,592	133,465,312
Syndicated Loans	247,048,162	-
Negotiable obligations	474,138,085	273,086,360
CAMMESA	8,124,480	6,749,323
	1,515,209,367	**544,450,456**

NOTE 12: LOANS (Cont'd)

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

	06.30.17	12.31.16
Fixed rate		
Less than 1 year	922,307,247	142,973,628
Between 1 and 2 years	16,130,698	-
Between 2 and 3 years	528,271,834	604,897,002
More than 3 years	4,072,789,870	3,869,588,065
	5,539,499,649	**4,617,458,695**
Floating rate		
Less than 1 year	592,902,120	401,476,828
Between 1 and 2 years	969,218,859	750,182,788
Between 2 and 3 years	168,030,576	122,054,505
More than 3 years	412,427,966	293,934,721
	2,142,579,521	**1,567,648,842**
	7,682,079,170	**6,185,107,537**

Group loans are denominated in the following currencies:

	06.30.17	12.31.16
Argentine pesos	1,846,088,691	1,479,535,353
US dollars	5,835,990,479	4,705,572,184
	7,682,079,170	**6,185,107,537**

The evolution of Group's loans during the period was the following:

	06.30.17	06.30.16
Loans at beginning of year	**6,185,107,537**	**2,038,872,570**
Loans received	2,456,645,316	2,106,296,588
Loans paid	(1,202,398,314)	(778,882,511)
Accrued interest	470,570,660	264,449,197
Interest paid	(422,482,399)	(252,046,713)
Exchange difference	252,067,491	75,999,423
Bank overdrafts	(14,657,864)	(44,972,592)
Capitalized financial costs	(42,773,257)	8,513,624
Loans at period end	**7,682,079,170**	**3,418,229,586**

NOTE 12: LOANS (Cont'd)

At June 30, 2017, total financial debt amounts to $ 7,682 million. Our total debt at that date is disclosed in the table below.

	Borrower	Capital	Balances at 06.30.17	Interest rate	Currency	Date of issuance	Maturity date
			(Pesos)	(%)			
Loan agreement							
Cargill	GMSA	USD 16,000,000	264,931,386	LIBOR + 5.5%	USD	06/28/2017	06/28/2020
Syndicated	GMSA	USD 15,000,000	247,048,162	6.50%	USD	06/12/2017	06/05/2018
Subtotal			**511,979,548**				
Debt securities							
International Bond	GMSA/CTR/ GFSA (1)	USD 250,000,000	4,174,114,519	9.625%	USD	07/27/2016	07/27/2023
Class IV NO	GMSA	$7,969,464	8,315,599	BADLAR + 6.5%	ARS	07/17/2015	07/17/2017
Class V NO	GMSA	$135,161,548	132,455,457	BADLAR + 4%	ARS	06/30/2016	06/30/2018
Class VI NO	GMSA	USD 34,696,397	573,129,538	8.00%	USD	02/16/2017	02/16/2020
Class VII NO	GMSA	$553,737,013	567,008,514	BADLAR + 4%	ARS	02/16/2017	02/16/2019
Class II NO (GFSA(1))	GMSA	$78,745,284	77,528,934	BADLAR + 6.5%	ARS	03/08/2016	03/08/2018
Class III NO (GFSA(1))	GMSA	$110,459,507	112,606,386	BADLAR + 5.6%	ARS	07/06/2016	07/06/2018
Class I NO:	ASA	$781,200	757,287	BADLAR + 5.5%	ARS	12/29/2015	12/29/2017
Class II NO:	ASA	$25,820,000	26,266,321	BADLAR + 4%	ARS	10/25/2016	10/25/2018
Class III NO:	ASA	$255,826,342	249,989,467	BADLAR + 4.25%	ARS	06/15/2017	06/15/2021
Class II NO:	CTR	$270,000,000	264,615,040	BADLAR + 2%	ARS	11/17/2015	11/17/2020
Class III NO:	CTR	$170,262,333	163,425,215	BADLAR + 5.76%	ARS	06/10/2016	06/10/2018
Subtotal			**6,350,212,277**				
Other liabilities							
CAMMESA			194,171,860				
Banco Chubut loan		USD 3,042,128	50,114,337	LIBOR + 5%	USD	12/01/2016	12/01/2017
Banco Chubut loan		$23,230,508	23,165,515	17%	ARS	04/08/2017	04/08/2019
Supervielle loan		USD 3,668,441	60,860,375	7%	USD	02/01/2017	08/01/2018
Banco Hipotecario loan		USD 20,000,000	328,254,667	10%	USD	01/11/2017	01/11/2021
Itaú loan		USD 4,375,000	74,163,988	4.25%	USD	01/11/2017	07/11/2017
Santander Río loan		USD 2,362,500	39,181,786	4.75%	USD	03/14/2017	03/14/2018
BST loan		USD 1,000,000	16,507,788	0.065	USD	06/21/2017	06/05/2018
Other bank debts (GFSA)			3,073,311				
Finance lease			30,393,718				
Subtotal			**819,887,345**				
otal financial debt			**7,682,079,170**				

(1) Company absorbed by GMSA as from January 1, 2017 (See Note 28.b)

The main financial debts are described below.

A) INTERNATIONAL BOND ISSUE

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

On April 26, 2017, GMSA and CTR approved an increase of the maximum amount of outstanding Bonds, from USD 250,000,000 (US dollars two hundred and fifty million) to up to USD 350,000,000 (US dollars three hundred and fifty million).

They have been rated as B+ (Fitch ratings)/B3 (Moody's).

NOTE 12: LOANS (Cont'd)

A) INTERNATIONAL BOND ISSUE (Cont'd)

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

International Bond:

Principal: Nominal value: USD 250,000,000; value allocated to CTR USD 70,000,000 and GMSA: USD 180,000,000. (Considering the effect of the merger with GFSA).

Interest: Fixed rate 9.625%

Amortization term and method: Interest on the International Bond shall be paid every six-month period in arrears, on the following dates: January 27 and July 27 of each year, commencing on January 27, 2017 and ending on the due date.

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

The balance of the International Bond at June 30, 2017 amounts to $ 4,174,114,519.

As a result of the issue of International Bonds, GMSA and CTR have undertaken standard commitment for this type of issue, whose specific conditions are detailed in the pertinent public prospect. At the date of these interim condensed combined financial statements, GMSA and CTR are complying with all its commitments undertaken as a result of loan agreements.

With the proceeds from the issue of the International Bond, a prepayment of the following financial loans has been made, with the settlement of the pertinent guarantees:

<u>GMSA</u>

- Banco de la Provincia de Córdoba loans
- Banco Hipotecario loan
- ICBC loan (GISA)
- Nuevo Banco de La Rioja loan
- Banco Ciudad loan
- Banco Chubut loan
- Banco Supervielle loan
- Banco Macro loan
- Syndicated Loan
- Banco de la Provincia de Buenos Aires loan (GFSA)
- Syndicated loan (GFSA)

NOTE 12: LOANS (Cont'd)

A) INTERNATIONAL BOND ISSUE (Cont'd)

CTR

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

As a result of the International Bond Issuance, Fix SCR S.A. has upgraded CTR's rating from BBB- to BBB.

B) LOAN AGREEMENTS – GENERACIÓN MEDITERRÁNEA S.A.

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

On February 11, 2016, GMSA, on its own and as the continuing company of GISA and GRISA as a result of the merger through absorption duly informed on November 10, 2015 entered into a loan agreement with BAF Latam Trade Finance Funds B.V. which granted a credit line for a total amount of USD $ 40,000,000 to be used for (i) financing of the project for the installation of a new turbine of 50 MW in its power plant in La Rioja USD 19,867,305 including the cancellation of the price balance owed to Siemens Industrial Turbomachinery AB for the import of a gas turbine SGT800; (ii) the prepayment of the balance of USD 20,132,695 of the loan agreement entered into on May 4, 2011, between GISA (debtor), UBS Securities LLC (moneylender) and UBS AG Stamford Branch (administrative agent).

The most relevant provisions are the following:

Principal: nominal value: USD 40,000,000

Interest: annual fixed rate 10%.

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

On March 29, 2017, USD 30 million were repaid in advance.

On June 28, 2017 the remaining balance of the loan, USD 10 million, was repaid, and the Company is in the process of releasing the guarantees provided. See note 24.A.2.

B.2) Negotiable obligations

To improve the Company's financial profile, on October 17, 2012 GMSA obtained, under CNV Resolution No. 16942, authorization for: (i) incorporation of GMSA to the public offering system; and (ii) creation of a global program to issue simple (non-convertible) NO for a total nominal value outstanding of up to USD 100,000,000 (one hundred million US dollars) or its equivalent in other currencies, in one or more classes or series.

NOTE 12: LOANS (Cont'd)

B) LOAN AGREEMENTS – GENERACIÓN MEDITERRÁNEA S.A. (Cont'd)

B.2) Negotiable obligations (Cont'd)

At June 30, 2017 there are Class IV, V, VI and VII (GMSA) and Class II and III (GFSA) Negotiable Obligations outstanding, issued by GMSA for the amounts and under the following conditions:

Class IV NO:

Principal: Nominal value: $130,000,000

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

Amortization term and method: interest on Class IV NO will be paid quarterly in arrears, on the following dates: October 15, 2015; January 15, 2016; April 15, 2016; July 15, 2016; October 17, 2016; January 16, 2017; April 17, 2017 and July 17, 2017.

Principal on Class IV NO shall be amortized in 3 quarterly installments, the first two equivalent to 33% of nominal value of the NO and the last installment to 34% of nominal value, payable on January 16, 2017, April 17, 2017 and July 17, 2017, respectively.

The proceeds from the issuance of Class IV NO were allocated to the partial pre-settlement of the principal on Class II NO for an amount of $ 87,824,000. The remaining amount was allocated to investments and working capital. This allowed for improving the financial profile of GMSA.

On June 30, 2016, Class V NO were issued, a portion in cash and the remainder through a voluntary swap of Class IV (GMSA) and Class III (GISA) NO, improving GMSA's indebtedness profile (term and rate). The amount repaid of Class IV NO totaled $ 75,141,860, with an outstanding principal balance of $ 54,858,140.

Subsequently, GMSA repurchased a portion of the issue in the secondary market. The balance due for this Negotiable Obligation at December 31, 2016 amounted to $ 26,178,849.

On February 16, 2017, Class VII NO were issued, a portion in cash and the remainder through a voluntary swap of Class IV and V (GMSA) and Class II and III (GFSA) NO, improving the GMSA's indebtedness profile (term and rate). The amount repaid of Class IV NO totaled $ 1,340,000, with an outstanding principal balance of $ 15,704,532.

The balance of principal corresponding to the Negotiable Obligation at June 30, 2017 amounts to $ 7,969,464.

NOTE 12: LOANS (Cont'd)

B) LOAN AGREEMENTS – GENERACIÓN MEDITERRÁNEA S.A. (Cont'd)

B.2) Negotiable obligations (Cont'd)

Class V NO

Principal: Nominal value: $200,000,000

Interest: BADLAR rate plus a 4% margin.

Amortization term and method: interest on Class V NO will be paid on a quarterly basis, past due, on the following dates: September 30, 2016; December 30, 2016; March 30, 2017; June 30, 2017; September 30, 2017; December 30, 2017; March 30, 2018, and June 30, 2018.

Principal on Class V NO shall be amortized in 3 quarterly installments, the first two equivalent to 30% of nominal value of the NO and the last installment to 40% of nominal value, payable on December 30, 2017, March 30, 2018 and June 30, 2018, respectively.

The proceeds from the issuance of Class V NO were applied to the repurchase of the remaining balance of GISA Class III NO, investments and working capital.

On February 16, 2017, Class VI and VII NO were issued, a portion in cash and the remainder through a voluntary swap of Class IV and V (GMSA) and Class II and III (GFSA) NO, improving the GMSA's indebtedness profile (term and rate). The amount repaid of Class V NO totaled $ 64,838,452, with an outstanding principal balance of $ 135,161,548.

The remaining balance of principal corresponding to the negotiable obligation at June 30, 2017 amounts to $ 135,161,548.

ass VI NO:

Principal: Nominal value: USD 34,696,397

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

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

The amount was paid in in cash and in kind, through the swap of Class V NO for USD 448,262.

The proceeds from the issuance of the Class VI NO were destined to investments in physical assets on the various expansion projects at GMSA and to refinancing liabilities, improving GMSA's financial profile.

The remaining balance of principal corresponding to the negotiable obligation at June 30, 2017 amounts to USD 34,696,397.

NOTE 12: LOANS (Cont'd)

B) LOAN AGREEMENTS – GENERACIÓN MEDITERRÁNEA S.A. (Cont'd)

B.2) Negotiable obligations (Cont'd)

Class VII NO

Principal: Nominal value: $553,737,013

Interest: BADLAR rate plus a 4% margin. 8% annual nominal, paid quarterly as from May 16, 2017 to maturity.

Amortization term and method: in three payments, once 18 (30%), 21 (30%) and 24 (40%) months have elapsed from disbursement of funds.

The amount was paid in in cash and in kind, through the swap of Class II NO (GFSA) for $ 55,876,354, Class III NO (GFSA) for $ 51,955,592, Class IV NO for $ 1,383,920 and Class V NO for $ 60,087,834. The proceeds from the issuance of the Class VII NO were destined to investments in physical assets on the various expansion projects at GMSA and to refinancing liabilities, improving GMSA's financial profile.

The remaining balance of principal corresponding to the NO at June 30, 2017 amounts to $ 553,737,013.

Class II NO (GFSA):

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

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

Amortization term and method: Interest will be paid quarterly in arrears, on the following dates: (i) June 8, 2016; (ii) September 8, 2016; (iii) December 8, 2016; (iv) March 8, 2017; (v) June 8, 2017; (vi) September 8, 2017; (vii) December 8, 2017 and (viii) March 8, 2018; or if that date was not a business day, the date for interest payment to be considered shall be the first immediate following business day.

Principal shall be amortized in 3 (three) quarterly and consecutive installments, the first two equivalent to 30% of nominal value of Class II NO and the remaining equivalent to 40% of nominal value of Class II NO, at the dates in which 18, 21 and 24 months have elapsed counted as from the issue and settlement, (i) September 8, 2017; (ii) December 8, 2017; (iii) March 8, 2018, or if that date was not a business day, on the first following business day.

Maturity date of Class II NO: March 8, 2018.

NOTE 12: LOANS (Cont'd)

B) LOAN AGREEMENTS – GENERACIÓN MEDITERRÁNEA S.A. (Cont'd)

B.2) Negotiable obligations (Cont'd)

On February 16, 2017, Class VI and Class VII NO were issued, a portion in cash and the remainder through a voluntary swap including Class II (GFSA) NO, improving the GMSA working capital and indebtedness profile (term and rate). The amount paid of Class II NO totaled $ 51,254,716.

The remaining balance of principal corresponding to the NO at June 30, 2017 amounts to $ 78,745,284.

Class III NO (GFSA):

Principal: nominal value: $ 160,000,000 (pesos one hundred and sixty million)

Interest: private banks BADLAR rate plus a 5.6 % margin

Amortization term and method: Interest will be paid quarterly in arrears, on the following dates: (i) October 6, 2016; (ii) January 6, 2017; (iii) April 6, 2017; (iv) July 6, 2017; (v) October 6, 2017; (vi) January 6, 2018; (vii) April 6, 2018, and (viii) July 6, 2018; if other than a business day, or if such day does not exist, the interest payment date will be the immediately following business day.

The principal will be repaid in 3 (three) consecutive installments, payable on a quarterly basis, with the first two equivalent to 30% and the third one equivalent to 40% of the nominal value of the Class III NO at the dates in which 18, 21 and 24 months respectively have elapsed, counted as from the date of issuance and settlement, (i) January 6, 2018; (ii) April 6, 2018; (iii) July 6, 2018; if other than a business day, or if such day does not exist, on the first following business day.

Maturity date of Class III NO: July 6, 2018.

The proceeds from the issuance of Class III NO were applied to the repayment of the loan from Puente Hnos S.A., the repurchase of the remaining balance of Class I (GFSA) NO, working capital and investments in fixed assets; with the process to formalize the release of timely granted guarantees having been complied with.

On February 16, 2017, Class VI and Class VII NO were issued, a portion in cash and the remainder through a voluntary swap including Class III (GFSA) NO, improving the GMSA's indebtedness profile (term and rate). The amount paid of Class III NO totaled $ 49,540,493.

The remaining balance of principal corresponding to the NO at June 30, 2017 amounts to $ 110,459,507.

B.3) Cargill loan

On June 28, 2017, GMSA obtained a loan from Cargill Limited for USD 16,000,000 in 36 installments, with a grace period of 12 months. It will be amortized in half-year installments of principal and interest at a LIBOR 360 + 5.5%.

NOTE 12: LOANS (Cont'd)

B) LOAN AGREEMENTS – GENERACIÓN MEDITERRÁNEA S.A. (Cont'd)

B.4) Syndicated loan

On June 13, 2017, GMSA obtained a syndicated loan with Banco de Servicios y Transacciones for USD 15,000,000 in 12 consecutive and monthly installments at a fixed rate of 6.5%.

At the date of these interim condensed combined financial statements, GMSA is complying with the covenants related to financial ratios.

B.5) CAMMESA Loan (GRISA)

At June 30, 2017, GMSA holds financial debts with CAMMESA for $ 15,436,242, guaranteed by the assignment of 100% of the present and future credit rights for the sale of electricity in the Spot market of the WEM, from the implementation of a trust agreement in accordance with Law No. 24441.

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

This loan has a repayment period set in 48 monthly and consecutive installments, to which interest must be added applying the rate equivalent to the average return obtained by the Dispatch Management Agency (CAMMESA) on financial placements in the WEM. At the date of these interim condensed combined financial statements, 24 installments have been paid, totaling $ 13,498,637.

The remaining balance of principal corresponding to that debt at June 30, 2017 amounts to $ 13,498,637.

B.6) CAMMESA Loan (CTMM)

On August 9, 2016, GMSA executed a new mutuum agreement with CAMMESA whereby the financing of the execution of several maintenance works in the MMARCC01 and MMARCC02 units was formalized for an amount of up to USD 6,888,920 plus VAT. The most important tasks to be performed include the Overhaul, the replacement of DB20 Brown Boveri switches, the replacement of the CC system (EX2000 through EX2100e DFE), and the reengineering of the fire protection network.

At June 30, 2017, GMSA made four filings for $ 10,470,144 through a note to CAMMESA for the accumulated amount paid until May 2017 inclusive.

At June 30, 2017, the total disbursement received by CAMMESA amounts to $ 10,451,294 and is included in the caption Current Trade Receivables, net of receivables for Remuneration for Non-Recurring Maintenance.

C) FINANCING FROM CAMMESA – GENERACIÓN ROSARIO S.A.

On March 13, 2012, GMSA executed a new mutuum agreement with CAMMESA, through which they formalized the financing of the second stage of the repair of the Sorrento Power Plant, with the purpose of extending energy generation to 130 MW, for an amount equivalent to $ 190,480,000.

At June 30, 2017, the total balance for that financing amounts to $ 178,135,618, which is disclosed in the caption non-current financial liabilities.

NOTE 12: LOANS (Cont'd)

C) FINANCING FROM CAMMESA – GENERACIÓN ROSARIO S.A. (Cont'd)

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

In the operation period mentioned, a significant decrease in specific consumption was recorded which is translated into a 15% savings of fuel compared with the situation existing at the time GROSA took over Central Térmica Sorrento, as a result of maintenance and improvements made over the last years.

On May 30, 2016, GROSA signed a new mutuum agreement with CAMMESA whereby the financing of the Third Stage for the Repair of the Unit TV13 was formalized for an amount of up to USD 10,406,077 plus VAT. The financing will be repaid by applying the accumulated credit rights, or those to be accrued, for the Remuneration of Non-Recurring Maintenance set forth by Section 2 of ES Resolution No. 529/2014.

Between June 15 and June 2, 2017, GROSA sent thirteen notes to CAMMESA for a total amount of $ 60,346,557 (with taxes), corresponding to the payment of suppliers of materials and services for the period between November 2015 and May 2017. At June 30, 2017, the total amount of disbursements received from CAMMESA is $ 60,435,594.

At June 30, 2017, the balance for this last financing amounts to $ 66,027,897 and is included in the caption Non-Current Trade Receivables, net of receivables for Remuneration for Non-Recurring Maintenance.

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

Subsequently, on July 10, GROSA filed a new note evidencing payments to suppliers of materials and services at June 30, 2017, for $ 3,306,332 (with taxes).

On July 31, 2017, CAMMESA disbursed $3,216,000.

D) PROGRAM FOR THE ISSUE OF NEGOTIABLE OBLIGATIONS OF ALBANESI S.A.

To improve the Company's financial profile, on November 20, 2015, ASA obtained, under CNV Resolution No. 17887 authorization for: (i) incorporation of ASA to the public offering system; and (ii) creation of a global program to issue simple (non-convertible) NO for a total nominal value outstanding of USD 100,000,000 (one hundred million US dollars) or its equivalent in other currencies, in one or more classes or series.

Class I NO

On December 29, 2015, the Company issued Class I NO under the following conditions:

Principal: Nominal value: $70,000,000

Interest: BADLAR rate plus a 5.5% margin.

NOTE 12: LOANS (Cont'd)

D) PROGRAM FOR THE ISSUE OF NEGOTIABLE OBLIGATIONS OF ALBANESI S.A. (Cont'd)

Amortization term and method: interest on Class I NO will be paid quarterly in arrears, on the following dates: March 29, 2016; June 29, 2016; September 29, 2016; December 29, 2016; March 29, 2017; June 29, 2017; September 29, 2017; and December 29, 2017.

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

The proceeds from the issuance of the NO Class I were destined in full to the partial repayment of current liabilities that ASA holds with the related company RGA.

On October 25, 2016, Class II NO were issued, subscribed partly in cash and the remainder through a swap for 28% of the Class I NO. The amount paid was $19,500,000.

On June 15, 2017, Class III NO were issued, with $ 49,384,000 having been subscribed through a swap for Class I NO, and the remainder through a swap for Class II NO.

With these two issuances, the ASA's indebtedness profile (term and rate) and working capital improved.

The remaining balance net of transaction costs pending amortization of that class at June 30, 2017 amounts to $ 757,287.

Class II NO

On October 25, 2016, ASA issued Class II NO under the conditions described below:

Principal: Nominal value: $220,000,000

Interest: BADLAR rate plus a 4% margin.

mortization term and method: interest on Class II NO will be paid quarterly in arrears, on the following dates: January 25, 2017, April 25, 2017, July 25, 2017, October 25, 2017, January 25, 2018, April 25, 2018, July 25, 2018 and October 25, 2018.

The principal on the Class II NO will be repaid in three (3) consecutive installments, on a quarterly basis, the first two equivalent to 30% of the nominal value of the NO and the last one to 40%, on the dates on which 18, 21 and 24 months are completed, counted as from the date of issuance; i.e., on April 25, 2018, July 25, 2018 and October 25, 2018.

The proceeds from the issuance of the Class II NO were destined in full to the partial repayment of current liabilities that ASA holds with the related company RGA.

On June 15, 2017, Class III NO were issued, subscribed through paying in Class I and Class II NO, improving the ASA's indebtedness profile (term and rate) and working capital. The amount paid was $ 194,180,000.

The remaining balance net of transaction costs pending amortization of that class at June 30, 2017 amounts to $26,266,321.

NOTE 12: LOANS (Cont'd)

D) PROGRAM FOR THE ISSUE OF NEGOTIABLE OBLIGATIONS OF ALBANESI S.A. (Cont'd)

Class III NO:

On June 15, 2017 the Company issued Class III NO under the conditions described below:

Principal: Nominal value: $255,826,342

Interest: BADLAR rate plus a 4.25% margin.

Payment term and method: interest on Class III NO will be paid quarterly in arrears, on the following dates: September 15, 2017; December 15, 2017; March 15, 2018; June 15, 2018; September 15, 2018; December 15, 2018; March 15, 2019; June 15, 2019; September 15, 2019; December 15, 2019; March 15, 2020; June 15, 2020; September 15, 2020; December 15, 2020; March 15, 2021, and June 15, 2021; if other than a business day, or if such day does not exist, the interest payment date will be the immediately following business day.

The principal on the Class III NO will be repaid in 3 (three) consecutive installments, payable on a quarterly basis, with the first two equivalent to 30% and the third one equivalent to 40% of the nominal value of the NO at the dates in which 42, 45 and 48 months respectively have elapsed, counted as from the date of issuance, i.e. December 7, 2020, March 15, 2021 and June 15, 2021; if other than a business day, or if such day does not exist, on the first following business day.

The issuance of Class III NO was fully paid up with in-kind contributions as follows: a partial payment of Class I NO for $52,519,884 and of Class II NO for $203,306,458.

The remaining balance net of transaction costs pending amortization of that class at June 30, 2017 amounts to $ 249,989,467.

E) LOAN AGREEMENTS – CENTRAL TÉRMICA ROCA S.A.

E.1) Negotiable obligations

To improve the Company's financial profile, on August 8, 2014 CTR obtained, under Resolution 17413 of the CNV, authorization for: (i) the incorporation of CTR into the public offering system; and (ii) creation of a global program to issue simple (non-convertible) NO for a total nominal value outstanding of USD 50,000,000 (fifty million US dollars) or its equivalent in other currencies, in one or more classes or series.

At June 30, 2017 there are Class II and Class III NO outstanding, issued by CTR for the amounts and under the following conditions:

Class II NO:

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

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

NOTE 12: LOANS (Cont'd)

E) LOAN AGREEMENTS - CENTRAL TÉRMICA ROCA S.A. (Cont'd)

E.1) Negotiable obligations (Cont'd)

Interest: BADLAR rate plus 2%

Interest on Class III NO will be paid quarterly in arrears. The next payment date is August 17, 2017, while the last payment date will be November 17, 2020.

Payment term and method:
Amortization: Principal on NO will be amortized in ten (10) consecutive installments payable on a quarterly basis, equivalent to 10% of the nominal value of the NO, on the following dates: August 17, 2018, November 17, 2018, February 17, 2019, May 17, 2019, August 17, 2019, November 17, 2019, February 17, 2020, May 17, 2020, August 17, 2020 and November 17, 2020. At the date of issue of these interim condensed financial statements, principal amount due under this class was $ 270,000,000.

At June 30, 2017, debt including interest amounted to $264,615,040.

Class III NO:

On June 10, 2016, CTR issued Class III NO in the amount and under the conditions described below:

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

Interest: Private Banks BADLAR rate plus 5.76%. Under the issuance terms, a minimum rate of 36% has been set for the first quarter, and 35% for the second quarter.

Interest on Class III NO will be paid quarterly in arrears, on the following dates: (i) September 10, 2017; (ii) December 10, 2017, (iii) March 10, 2018 and (iv) June 10, 2018.

Payment term and method: Principal on Class III NO will be amortized in three installments, equivalent to 30%, 30% and 40%, respectively, of the nominal value of Class III NO, on the following dates: (i) Sunday, December 10, 2017; (ii) Saturday, March 10, 2018, and; (iii) Sunday, June 10, 2018.

Maturity date of Class III NO: June 10, 2018. The NO were paid up in cash and in kind, in the latter case through a swap of Class I NO for $41,743,233. The proceeds from the issuance of Class III NO were applied to the repurchase of the outstanding balance of Class I NO for $ 11,856,767, to investments and working capital. The swap and subsequent repurchase of Class I NO improved CTR's financial profile.

Class IV NO were issued on July 24, 2017, and were partially paid up in kind through the delivery of Class III NO. The amount paid up of Class III NO was $154 million. See Note 31.d.

At June 30, 2017, the debt in the hands of third parties amounted to $ 163,425,215.

E.2) Banco Chubut loan

On April 7, 2017, CTR obtained a loan from Banco Chubut S.A. for a total of $25,000,000, repayable in 24 consecutive monthly installments, and accruing interest at a 17% rate. At June 30, 2017 the debt amounted to $23,165,515.

NOTE 13: PROVISIONS AND CONTINGENCIES

		For trade receivables	For other receivables	For contingencies
Balances at December 31, 2015		**839,252**	**-**	**9,949,496**
Increases	(1)	1,987,724	1,859,200	-
Decreases		-	-	(813,944)
Balances at December 31, 2016		**2,826,976**	**1,859,200**	**9,135,552**
Increases		-	-	-
Decreases		(76,869)	-	(1,002,004)
Balances as of June 30, 2017		**2,750,107**	**1,859,200**	**8,133,548**

(1) The charge is shown under selling expenses

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

NOTE 14: SALES REVENUE

	06.30.17	06.30.16
Sale of base energy	138,213,132	283,332,149
Sales under Energía Plus	541,371,014	410,025,933
Sale of electricity Res. No. 220	701,203,535	912,399,237
	1,380,787,681	**1,605,757,319**

NOTE 15: COST OF SALES

	06.30.17	06.30.16
Cost of purchase of electric energy	(408,338,921)	(288,032,571)
Cost of gas and gas oil consumption	(159,598,096)	(580,449,154)
Salaries and social security charges	(87,834,760)	(60,528,253)
Defined benefit plan	(302,094)	(1,298,888)
Other employee benefits	(3,090,356)	(2,000,654)
Fees for professional services	(1,630,499)	(2,115,900)
Rental	(1,973,192)	(5,152,689)
Depreciation of property, plant and equipment	(141,817,154)	(102,998,655)
Insurance	(14,575,821)	(13,878,954)
Maintenance	(93,795,814)	(72,786,472)
Electricity, gas, telephone and postage	(3,066,329)	(2,206,856)
Duties and taxes	(11,881,008)	(10,385,979)
Travel and per diem	(2,114,526)	(847,403)
Security guard and cleaning service	(3,155,710)	(2,995,083)
Miscellaneous expenses	(3,227,417)	(4,072,028)
	(936,401,697)	**(1,149,749,539)**

NOTE 16: SELLING EXPENSES

	06.30.17	06.30.16
Salaries and social security charges	-	(417,274)
Duties and taxes	(6,537,514)	(12,003,298)
Advertising	(80,000)	(67,000)
Recovery of Turnover Tax (Note 30)	19,643,732	-
Bad debts	15,459	(3,870,073)
	13,041,677	**(16,357,645)**

NOTE 17: ADMINISTRATIVE EXPENSES

	06.30.17	06.30.16
Salaries and social security charges	-	(5,000,282)
Other employee benefits	(182,039)	(521,043)
Rental	(3,149,000)	(23,000)
Fees for professional services	(22,257,889)	(15,298,174)
Insurance	(122,755)	(187,715)
Electricity, gas, telephone and postage	(1,764,821)	(1,061,393)
Duties and taxes	(517,028)	(1,367,936)
Travel and per diem	(644,079)	(1,120,628)
Miscellaneous expenses	(759,566)	(2,139,323)
	(29,397,177)	**(26,719,494)**

NOTE 18: OTHER OPERATING INCOME AND EXPENSES, NET

Other operating income	06.30.17	06.30.16
Recovery of insurance claim	442,354	-
Sales of property, plant and equipment	148,760	-
Sundry income	11,424	-
Total Other operating income	**602,538**	-

Other operating expenses	06.30.17	06.30.16
Sundry expenses	-	(968,403)
Total Other operating expenses	-	**(968,403)**

NOTE 19: FINANCIAL RESULTS

	06.30.17	06.30.16
Financial income		
Interest on loans granted	8,304,403	-
Commercial interest	11,384,841	9,749,201
Total financial income	**19,689,244**	**9,749,201**
Financial costs		
Loan interest	(211,291,561)	(213,913,783)
Tax interest and others	(7,859,074)	(15,139,798)
Bank expenses and commissions	(3,777,394)	(8,770,716)
Total financial expenses	**(222,928,029)**	**(237,824,297)**
Other financial results		
Exchange differences, net	(61,943,740)	(107,312,576)
Changes in the fair value of financial instruments	61,179,965	24,630,238
Other financial results	(28,681,761)	(24,604,763)
Total other financial results	**(29,445,536)**	**(107,287,101)**
Total financial results, net	**(232,684,321)**	**(335,362,197)**

NOTE 20: EARNINGS PER SHARE

The basic earnings per share are calculated by dividing the income attributable to the holders of the Group's equity instruments by the weighted average number of ordinary shares outstanding during the period. There are no differences between the calculation of the basic earnings per share and the diluted earnings per share.

Continuing operations	06.30.17	06.30.16
Income for the period attributable to the owners:	115,534,286	42,700,112
Weighted average of outstanding ordinary shares	135,525,630	109,393,762
Basic and diluted earnings per share	0.85	0.39

NOTE 21: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) Transactions with related companies and affiliates

		06.30.17	06.30.16
		$	
		Profit / (Loss)	
Purchase of gas			
RGA (1)	Related company	(1,201,742,823)	(426,850,766)
Purchase of electric energy			
Solalban Energía S.A.	Affiliate company	-	(71,252)
Purchase of wines			
BDD	Related company	(182,826)	(22,523)
Purchase of flights			
AJSA	Related company	(14,856,862)	(7,851,401)
Sale of energy			
RGA	Related company	26,144,376	49,332,694
Solalban Energía S.A.	Affiliate company	61,042,811	21,795,938
Financial cost recovery			
RGA	Related company	(4,078,006)	(7,344,468)
Financial interest earned			
AISA	Related company	5,665,689	-
Directors	Related party	2,849,719	-
Leases and services agreements			
RGA	Related company	(19,711,818)	(5,577,376)
Reimbursement of expenses			
AESA	Related company	3,393,805	
RGA	Related company	380,957	88,487
Dividends collected			
Solalban Energía S.A.	Affiliate company	5,880,000	-
Pipeline works			
RGA	Related company	(80,206,785)	-

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

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

b) Remuneration of key managerial staff.

The senior management includes directors (executive and non-executive). Their remunerations at June 30, 2017 and 2016 amounted to $ 9,720,328 and $ 7,350,618, respectively.

	06.30.17	06.30.16
Salaries	9,720,328	7,350,618
	9,720,328	**7,350,618**

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

Captions	Type	06.30.17	12.31.16
		$	
NON-CURRENT ASSETS			
Other receivables			
Shareholders' accounts	Minority shareholder	-	18,750
Directors	Related parties	16,296,069	17,343,215
		16,296,069	**17,361,965**
CURRENT ASSETS			
Trade receivables			
Solalban Energía S.A.	Affiliate company	16,588,866	-
		16,588,866	-
Other receivables			
Shareholders' accounts	Shareholders	147,861,358	147,861,358
Shareholders' accounts	Minority shareholders	18,750	-
AISA	CTR shareholder and related company	78,488,256	72,003,367
AJSA	Related company	2,125,592	-
AESA	Related company	8,123,829	4,036,908
		236,617,785	**223,901,633**
CURRENT LIABILITIES			
Trade payables			
BDD	Related company	75,661	-
Solalban Energía S.A.	Affiliate company	-	541,641
AJSA	Related company	-	21,087,146
RGA	Related company	106,243,417	141,035,348
		106,319,078	**162,664,135**
Other liabilities			
RGA	Related company	87,201,860	89,629,740
BDD	Related company	145,559	-
		87,347,419	**89,629,740**

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

d) Loans granted to related parties

	06.30.17	12.31.16
Loans to Albanesi Inversora S.A.		
Balances at beginning of year	66,798,695	-
Loans granted	-	60,000,000
Accrued interest	5,665,689	6,798,695
Balance at period end	**72,464,384**	**66,798,695**

	06.30.17	12.31.16
Loans to Directors		
Balances at beginning of year	17,343,215	-
Loans granted	16,888,215	17,343,215
Assignment (2)	(20,785,080)	-
Accrued interest	2,849,719	-
Balance at period end	**16,296,069**	**17,343,215**

(2) For the cession of receivables from Directors of GROSA to RGA, dated 06/30/2017.

The loans are governed by the following terms and conditions:

Entity	Amount	Interest rate	Terms and conditions
At 06.30.17			
Directors	13,446,350	BADLAR + 3%	Maturity date: 3 years
Total in pesos	**13,446,350**		

Entity	Amount	Interest rate	Terms and conditions
At 06.30.17			
AISA	60,000,000	BADLAR + 3%	Maturity date: 1 year,
Total in pesos	**60,000,000**		automatically up to 5 years

NOTE 22: WORKING CAPITAL

The group reports at June 30, 2017 a positive working capital of $149,052,603 (calculated as current assets less current liabilities), while at December 31, 2016 the positive working capital amounted to $2,465,570,244.

NOTE 23: SEGMENT REPORTING

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

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 Electricity segment comprises the generation and sale of electricity and the development of energy projects, execution of projects, advisory, service delivery, management and execution of works of any nature.

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 24: RESTRICTED ASSETS AND OTHER COMMITMENTS

A. GMSA

A.1 Other commitments

Certain contractual obligations in connection with the supply of electricity to great customers of the Forward Market at June 30, 2017 and the periods to fulfill those obligations are detailed below. These commitments arise from supply contracts (energy and power) entered into between GMSA and large customers of the Forward Market under the ES regulations according to Resolution No. 1281/06 (Energía Plus). They are contracts denominated in United States dollars, entered into with private customers.

	Total	Up to 1 year	From 1 to 3 years
Sale commitments (1)			
Electric energy and power - Plus	816,185,580	816,185,580	-

(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, 2017, under ES Resolution No.1281/06.

A.2) Loan BAF Latam Trade Finance Funds B.V.

On February 11, 2015, BAF Latam Trade Finance Funds B.V. became a subordinated beneficiary of the guarantee package provided to UBS AG Stamford Branch under the Contract of Assignment of Fiduciary Rights and Trust for Guarantee Purposes originally executed on May 4, 2011 as collateral for due and proper compliance with all of the payment obligations assumed under the UBS AG Loan. After the UBS AG loan was repaid in full in February 2016, BAF Latam Trade Finance Funds B.V. became the only beneficiary as to all the assets and rights assigned as collateral in accordance with that Contract, with Banco de Servicios y Transacciones S.A. acting as trustee and Generación Mediterránea as trustor.

NOTE 24: RESTRICTED ASSETS AND OTHER COMMITMENTS

A.2) Loan BAF Latam Trade Finance Funds B.V. (Cont'd)

The rights assigned under the contract are detailed below:

- All the GMSA rights under the Project Documents.
- All rights of GMSA to collect and receive all payments in cash or in kind, for any item, due to GMSA by the Debtors under present and future electricity sales transactions carried out on the Energía Plus market.
- All rights of GMSA to collect and receive all payments in cash or in kind, for any item, due to GMSA to any Insurance Company, as of this date or in the future.
- Fiduciary ownership of the Real Estate Property existing at this date and any real estate property incorporated thereafter.
- Fiduciary ownership of GMSA assets.
- The right to make any claims and file any actions arising from the breach of the obligation to pay.
- Any collection right resulting from the rights assigned.
- Any and all rights that ASA has or may have with GMSA by reason of any irrevocable capital contribution.
- All the Funds existing in GMSA Account that have been received by GMSA in relation to the assigned rights.

At the date of issue of these interim condensed combined financial statements, and considering that the loan from BAF was repaid on June 28, 2017, GMSA is in the process of releasing the guarantees provided.

B. GROSA

On April 27, 2011 the Ordinary Shareholders' Meeting of Central Térmica Sorrento S.A. unanimously approved a lease contract with GROSA; the purpose of the agreement is to rent both the building and the assets added to the Power Plant, including the generator, equipment and other available fixed assets and spare parts. The contract was effectively valid as from November 15, 2010 (with a 9-month grace period) and has a set term of 10 years, with a renewal option for 7 additional years. The first fee installment was invoiced on August 1, 2011.

On December 23, 2015 the reorganization proceeding of Central Térmica Sorrento S.A. was initiated. This situation does not affect the lease agreement mentioned above or the electric power generation business.

On November 10, 2016, a mediation hearing was closed without reaching an agreement in connection with the eviction of the property under a lease agreement mentioned in the preceding paragraph. GROSA estimates that it is highly unlikely that the eviction will take place as Central Térmica Sorrento S.A. has no right to be granted this order.

NOTE 25: EXECUTION OF CONTRACTS TO PURCHASE MACHINERY

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 prior conditions set forth in the agreement, GMSA obtained commercial financing for 50% of the amount of the contract signed for the CTMM plant extension, equivalent to a SEK 177,000,000 (approximately USD 21 million).

The commercial financing granted will be repaid in 24 equal and consecutive monthly installments of 4.17% of the total amount of each, with the first installment being payable in August 2017. Payments shall be made in SEK (Swedish Crown).

NOTE 25: EXECUTION OF CONTRACTS TO PURCHASE MACHINERY (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, GMSA will be granted a commercial financing of 50% of the amount of the agreement signed for the enlargement of CTI and the work at Ezeiza, equivalent to SEK 438,960,000 (approximately USD 50.7 million).

The commercial financing to be granted will be repaid in 24 monthly installments, with the first installment of two agreements being payable in September 2017 and the rest in April 2018. Payments shall be made in SEK (Swedish Crown).

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

Commitments (1)		SEK	**Total**	**2017**	**2018**	**2019**	**2020**
			USD				
Siemens Industrial Turbomachinery AB for the purchase of two turbines Siemens SGT 800	CTMM	177,000,000	**21,042,388**	4,383,831	10,521,194	6,137,363	-
Siemens Industrial Turbomachinery AB for the purchase of three turbines Siemens SGT 800	Ezeiza	263,730,000	**31,353,159**	3,507,065	14,387,733	12,169,515	1,288,846
Siemens Industrial Turbomachinery AB for the purchase of two turbines Siemens SGT 800	CTI	175,230,000	**20,831,964**	1,753,532	9,127,136	8,662,450	1,288,846

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

Pratt & Whitney Power System Inc

GFSA signed an agreement with Pratt & Whitney Power System Inc for the purchase of the FT4000™ SwiftPac® 60 turbine, including whatever is necessary for its installation and start-up. The purchase agreement contemplates financing by PWPS of USD 12 million over a 4-year term, as from the provisional acceptance by GFSA. This amount is disclosed in non-current trade payables for the equivalent to $ 199,560,000 million. This financing will accrue interest at an annual rate of 7.67%, to be calculated on a 30-day month/360-day year basis, capitalized quarterly.

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

	Total	2016	2017	2018	2019	2020	2021	2022	2023
Commitments (1)	USD								
PWPS for the purchase of a turbine FT4000TM SwiftPac®	17,975,401	750,000	750,000	750,000	750,000	3,743,495	3,743,495	3,743,495	3,744,916

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

NOTE 26: LONG-TERM MAINTENANCE CONTRACT – CTMM, CTI, CTF AND CTE POWER PLANTS

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

GMSA signed with Siemens SA and Siemens Industrial Turbomachinery AB a global service and spare part agreement for the CTRi, CTMM, CTI and CTE power plants. 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 efficient performance of the turbines, 24-hour assistance from the engineering department, original spare parts in a timely manner and repairs for planned and unplanned maintenance. In addition, the agreement establishes that Siemens will make available for 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 power sale agreement with CAMMESA under Resolution No. 220/07 (for CTRi and CTMM) and Resolution No. 21/16 (for CTI and CTE) is thus guaranteed.

Compliance with the energy sale agreements is thus guaranteed.

CTR signed a global Long Term Service Agreement for the power plant with the companies GE International INC and GE Energy Parts International, LLC. As set forth in the agreement, GE must provide on-site technical assistance on a permanent basis, a remote monitoring system to follow up on the efficient 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. GE thus guarantees average availability of not less than ninety five percent (95%) to the Power Plant per contractual year. In addition, the Power Plant has its own repair workshop with tools and spare parts in stock to make on-site repairs. Compliance with the power sale agreement with CAMMESA under Resolution 220/07 is thus guaranteed.

NOTE 27: GMSA – PRESENTATION TO CAMMESA

On June 19, 2015 the Company submitted to CAMMESA a request for recognition of the remuneration for maintenance and investments, as set forth by Resolution No. 529/14 for CTMM. Since the effective date of that Resolution, in February 2014 and until June 2015, GMSA has generated a total of 540,614 MWh, equivalent to the amount of $ 14,268,553.

On August 26, 2015, GMSA made a new presentation to CAMMESA updating the amount in the request mentioned in the preceding paragraph under Resolution No. 529/14.

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

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

NOTE 27: GMSA – PRESENTATION TO CAMMESA (Cont'd)

On June 10, 2016 GMSA submitted to CAMMESA a request for recognition of the remuneration for maintenance and investments, as set forth by Resolution No. 529/14 for CTLB and CTRi. Since the effective date of that Resolution, in February 2014 and until April 2016 inclusive, GLB has generated a total of 60,166 MWh, equivalent to the amount of and GR generated a total of 51,564 MWh, equivalent to the amount of $ 3,068,853. Further, a note about non-recurring maintenance was filed with CAMMESA by both CTLB and CTRi, for a total amount of USD 953,000 plus VAT. The technical team from CAMMESA completed the visits to the power plant and issued a report on CTLB and CTRi which is under economic assessment.

On August 9, 2016, GMSA executed a new mutuum agreement with CAMMESA whereby the financing of the execution of several maintenance works in the MMARCC01 and MMARCC02 units was formalized for an amount of up to USD 6,888,920 plus VAT. The most important tasks to be performed include the Overhaul, the replacement of DB20 Brown Boveri switches due to obsolescence, the replacement of the CC excitation system (EX2000 through EX2100e DFE), and the reengineering of the fire protection network.

On December 2, 2016, the new work plan for CTMM was submitted to CAMMESA. The work schedule included in the plan is as follows:

	Total 2015	Total 2016	Total 2017	Total 2018
USD without VAT	311,142 5%	195,007 3%	5,242,017 76%	1,140,754 17%

Between November 2016 and June 2017, GMSA sent five notes to CAMMESA amounting to $ 10,470,144.

At June 30, 2017, the total amount of disbursements received from CAMMESA is $10,451,294. GMSA reports an accumulated balance for Non-Recurring Maintenance of $ 44,103,331 net of payments received.

NOTE 28: MERGER THROUGH ABSORPTION

a) GMSA - GISA - GLBSA - GRISA MERGER THROUGH ABSORPTION

On November 10, 2015, GMSA, GISA, GLBSA and GRISA entered into a final merger agreement (the "Final Merger Agreement"), whereby it was decided to merge the companies GISA, GLBSA and GRISA into GMSA (the "Corporate Reorganization").

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

NOTE 28: MERGER THROUGH ABSORPTION (Cont'd)

a) GMSA - GISA - GLBSA - GRISA MERGER THROUGH ABSORPTION (Cont'd)

As a result of the merger and as approved in the Final Merger Agreement, as from the Effective Date of Merger (January 1, 2016): (a) the equities of all merged companies (GISA, GLBSA and GRISA) were fully transferred to GMSA, thus acquiring the ownership of all rights and obligations of GISA, GLBSA and GRISA, subject to the registration of the final merger agreement in the Public Registry under the Superintendency of Commercial Companies (IGJ); (b) GISA, GLBSA and GRISA were dissolved without liquidation, being absorbed by GMSA; (c) GMSA capital stock increased from $ 76,200,073 to $ 125,654,080, amending the by-laws of the continuing company.

On March 22, 2016, the CNV approved under Resolution No. 18003 the Merger through Absorption under the terms of Section 82 of General Companies Law No. 19550, and was registered with the IGJ on May 18, 2016. In turn, on March 22, 2016, the CNV approved under Resolutions Nos. 18004 and 18006 the early dissolution of GISA and the transfer of the public offering from GISA to GMSA, respectively. The dissolutions without liquidation of GISA, GRISA and GLBSA were registered with the IGJ on May 18, 2016.

b) GMSA–GFSA MERGER THROUGH ABSORPTION

On November 15, 2016, GMSA and GFSA entered into a final merger agreement (the "GMSA-GFSA Final Merger Agreement"), whereby it was decided to merge the company GFSA into GMSA (the "GMSA-GFSA Corporate Reorganization").

The GMSA-GFSA Corporate Reorganization comprises the same objectives and benefits as those already mentioned for the merger described in the paragraph above; as was explained for that case, the above-mentioned benefits will be obtained without incurring tax costs, as the GMSA-GFSA Corporate Reorganization will be tax free under the terms of Section 77 and following provisions of the Income Tax Law No. 26839.

On October 18, 2016, GMSA held an Ordinary and Extraordinary Meeting of Shareholders and GFSA an Extraordinary Meeting of Shareholders, in both cases by virtue of the merger of GFSA into GMSA, at which the shareholders approved the corporate reorganization referred to above, as well as the respective documentation.

In particular, at GFSA Shareholders' Meeting the following was also approved: (i) the early dissolution without liquidation of GFSA as a result of the merger, and its de-registration as a corporation in due course; (ii) the transfer to GMSA so that the latter may assume the obligations arising under the Class II and Class III NO issued by GFSA under the Program for the Issuance of Ordinary NO (Not Convertible into Shares) for an amount of up to USD 50,000,000 (or its equivalent in other currencies), and that GFSA requests from the pertinent agencies the transfer to GMSA of the NO for public offering, listing and trading.

Further, the Shareholders' Meeting of GMSA, within the framework of the merger process, among other issues, approved a capital increase from $ 125,654,080 to $ 138,172,150 by issuing 12,518,070 new ordinary registered non-endorsable shares of GMSA, of $1 par value each and entitled to 1 (one) voting right per share, considering the respective swap ratio, as from the effective merger date (January 1, 2017), delegating to the Board of Directors the power to decide when the new shares will be issued. Furthermore, as a result of that capital increase, it was resolved to approve the amendment to section 5 of the corporate bylaws.

By reason of the merger, and as set forth in the GMSA-GFSA Final Merger Agreement, which was approved by the Extraordinary Shareholders' Meeting of GFSA and the Ordinary and Extraordinary Shareholders' Meeting of GMSA, held on October 18, 2016, as from the Effective Merger Date (January 1, 2017): (a) all of GFSA's assets were transferred to GMSA, thus acquiring the ownership of all rights and obligations of GFSA; (b) GFSA was dissolved without liquidation, therefore it was absorbed by GMSA; (c) GMSA capital stock was increased from $ 125,654,080 to $ 138,172,150, with the consequent amendments to the bylaws of the merging company.

NOTE 28: MERGER THROUGH ABSORPTION (Cont'd)

b) GMSA – GFSA MERGER THROUGH ABSORPTION (Cont'd)

On March 2, 2017, the National Securities Commission through Resolution No. 18537 approved the described merger through absorption within the terms of Section 82 of the General Companies Law No. 19550 and the capital increase with the amendment of the bylaws as decided within the framework of the merger, ordering that the file be sent to the Superintendency of Commercial Companies for its registration, which was performed on March 17, 2017. Also, by Resolution No. 18538 dated March 2, 2017, the CNV approved the dissolution without liquidation of GFSA, which was registered with the IGJ on March 17, 2017. On May 10, 2017, the CNV approved by Resolution No. 18648 the transfer of the public offering from GFSA to GMSA for the issuance of simple NO, not convertible for shares, for a nominal value of up to USD 50,000,000; said public offering had been granted under Resolution No. 17402 whereby Class II and Class III NO were issued. On July 24, 2017, the CNV approved by Resolution No. 18848 the transfer of authorization No. 18110 of the public offering for the co-issuance of NO not convertible for shares for a nominal value of up to USD 250,000,000.

NOTE 29: COVERAGE FOR OPERATIONAL ALL RISK:

All-risk insurance policy with coverage for loss of profit

The Group has taken out all-risk insurance coverage for all the risks of loss or physical damage, whether it is accidental or unforeseeable, including machinery failures and loss of benefits as a result, up to 12 months, directly and totally attributable to any cause. The aim of this policy is to cover 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.

This insurance policy covers all physical damage to property of any kind and description, which is not expressly excluded in the policy, owned or under the charge or control of the insured, or those for which the insured has committed to cover for any damage, or those for which the insured can acquire insurable interest.

Contractors' all-risk and assembly insurance

Works for the installation or enlargement of capacity which are being developed by the Group are covered by a construction and assembly all-risk insurance coverage, which 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.

This policy also includes delay in start-up (DSU) insurance, up to 12 months, which provides coverage for the expected commercial profit margin for sales of energy and power, discounting the variable costs during the period of repair or replacement of the damaged equipment.

Once all pieces of equipment are in operation, the new assets will be covered by all-risk insurance to be taken out by Grupo Albanesi for all power plants in operation.

NOTE 30: EXEMPTION GRANTED BY THE GENERAL REVENUE BOARD OF TUCUMÁN

On March 3, 2017, the General Revenue Board of Tucumán resolved to exempt revenue generated by the electricity generation activity from Turnover Tax in that jurisdiction. This exemption is retroactive to the commencement of activities by the Company; therefore, an action has been filed for refund of the amounts of $ 19,643,732 deposited into the provincial tax authorities for this item. In addition, this request exempted from Public Health Tax only the staff assigned to the generation of electricity, and from stamp tax the works and power stations directly affecting performance of GMSA's activity.

NOTE 31: SUBSEQUENT EVENTS

a) Creation of Generación Centro S.A.

Albanesi S.A. with Armando R. Loson, Holen S.A. and Carlos A. Bauzas created Generación Centro S.A. with a capital stock of $ 500,000. Generación Centro S.A. was registered with the IGJ under number 13654, Book 85 of Companies by Shares, on July 12, 2017. Capital was fully issued in ordinary registered non-endorsable shares of $1 par value each, and entitled to 1 (one) vote per share. The corporate purpose of Generación Centro S.A. is to: a) develop energy projects; b) execute projects, conduct, administer and perform works of any nature; and c) make investments and carry out financial transactions of any kind. ASA holds a 95% interest in Generación Centro S.A.

b) Commercial authorization of CTMM

On July 6, 2017, GMSA obtained the authorization to start commercial operation of the two new Siemens SGT 800 turbines of 50 MW each, installed in CTMM.

c) Creation of a program for the co-issuance

On August 8, 2017, through their pertinent Extraordinary Shareholders' Meeting, CTR and GMSA jointly approved the creation of a program for the co-issuance of simple NO not convertible for shares for a total outstanding nominal value of up to USD 100,000,000 (US Dollars hundred million) or its equivalent in other currencies.

d) Issuance of Simple Class IV NO

On April 06, 2017, the Company Board of Directors approved the issuance of Class IV NO under the program for a nominal value of up to $250,000,000 (pesos two hundred and fifty million) or its equivalent in other currencies.

On July 24, 2017, the Company issued Class IV NO for a nominal value of $291,119,753 (pesos two hundred and ninety one million one hundred and nineteen thousand seven hundred and fifty three). The NO were paid up in cash and in kind, in the latter case through a swap of Class III NO for $ 161,119,753.

Term and amortization: Issuance for 48 months; principal amortization in full upon maturity.

Interest: BADLAR rate plus 5%. Under the issuance terms, a minimum rate of 26.25% has been set for the first six-month period.

e) Commercial operation of TG No. 3

On August 10, 2017 and after the relevant tests, the commercial operation of TG No. 3 located in the province of Tucumán by GMSA was allowed (through CAMESSA).

NOTE 32: FINANCIAL STATEMENTS TRANSLATION INTO ENGLISH LENGUAGE

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

Summary of activity as of June 30, 2017 and 2016

Below we present an analysis of the results of combined operations and of the financial position, which must be read jointly with the attached interim condensed combined financial statements.

	Six-month periods ended June 30,			
	2017	**2016**	**Var.**	**Var. %**
	GWh			
Sales by type of market				
Sale of base energy	419.7	730.9	(311.2)	(43%)
Sales under Energía Plus	348.2	388.4	(40.2)	(10%)
Sales to CAMMESA Res. No. 220	434.7	614.6	(179.9)	(29%)
	1,202.5	**1,733.8**	**(531.3)**	**(31%)**

Sales by type of market (in millions of pesos) are included below:

	Six-month periods ended June 30,			
	2017	**2016**	**Var.**	**Var. %**
	(in millions of pesos)			
Sales by type of market				
Sale of base energy	138.2	283.3	(145.1)	(51%)
Sales under Energía Plus	541.4	410.0	131.4	32%
Sales to CAMMESA Res. No. 220	701.2	912.5	(211.3)	(23%)
Total	**1,380.8**	**1,605.8**	**(225.0)**	**(14%)**

Summary of activity as of June 30, 2017 and 2016

Results for the six-month period ended June 30, 2017 and 2016 (in millions of pesos)

	Six-month periods ended June 30,			
	2017	2016	Var.	Var. %
Sale of energy	1,380.8	1,605.8	(225.0)	(14%)
Net sales	**1,380.8**	**1,605.8**	**(225.0)**	**(14%)**
Purchase of electric energy	(408.3)	(288.0)	(120.3)	42%
Gas and gas oil consumption by the plant	(159.6)	(580.4)	420.8	(73%)
Salaries and social security charges	(87.8)	(60.5)	(27.3)	45%
Pension plans	(0.3)	(1.3)	1.0	(77%)
Maintenance services	(93.8)	(72.8)	(21.0)	29%
Depreciation of property, plant and equipment	(141.8)	(103.0)	(38.8)	38%
Insurance	(14.6)	(13.9)	(0.7)	5%
Sundry	(30.2)	(29.8)	(0.4)	1%
Cost of sales	**(936.4)**	**(1,149.7)**	**213.3**	**(19%)**
Gross profit (loss)	**444.4**	**456.1**	**(11.7)**	**(3%)**
Salaries and social security charges	-	(0.4)	0.4	(100%)
Taxes, rates and contributions	(6.5)	(12.0)	5.5	(46%)
Advertising	(0.1)	(0.1)	-	0%
Recovery of Turnover Tax	19.6	-	19.6	100%
Bad debts	-	(3.9)	3.9	(100%)
Selling expenses	**13.0**	**(16.4)**	**29.4**	**(179%)**
Salaries and social security charges	-	(5.0)	5.0	(100%)
Fees and compensation for services	(22.3)	(15.3)	(7.0)	46%
Per diem, travel and entertainment expenses	(0.6)	(1.1)	0.5	(45%)
Duties and taxes	(0.5)	(1.4)	0.9	(64%)
Sundry	(6.0)	(3.9)	(2.1)	54%
Administrative expenses	**(29.4)**	**(26.7)**	**(2.7)**	**10%**
(Loss)/Income from interest in associates	(1.6)	5.7	(7.3)	(128%)
Other operating income	0.6	-	0.6	0%
Other operating expense	-	(1.0)	1.0	(100%)
Operating income	**427.0**	**417.7**	**9.3**	**2%**
Commercial interest	11.4	9.7	0.7	7%
Interest on loans, net	(203.0)	(213.9)	10.6	(5%)
Exchange differences, net	(61.9)	(107.3)	45.4	(42%)
Bank expenses	(3.8)	(8.8)	5.0	(57%)
Sundry	24.6	(15.1)	40.7	(270%)
Financial results, net	**(232.7)**	**(335.4)**	**102.8**	**(31%)**
Income before tax	**194.3**	**82.3**	**112.0**	**136%**
Income tax	(73.2)	(38.4)	(34.8)	91%
Income for the period	**121.1**	**43.9**	**77.2**	**176%**
Other comprehensive income for the period	-	(0.1)	0.1	(100%)
Total comprehensive income for the period	**121.1**	**43.8**	**77.3**	**177%**

Summary of activity as of June 30, 2017 and 2016

Sales:

Net sales for the period ended June 30, 2017 reached $ 1,380.8 million, compared with $ 1,605.8 million for the same period of 2016, showing a decrease of $ 225 million (14%).
In the period ended June 30, 2017, energy sales reached 1,202.5 GWh, representing a 31% drop compared with the 1,733.8 GWh for the same period of 2016.
The main sources of income obtained by the Company and their behavior during the six-month period ended June 30, 2017 are described below comparatively with the same period of the previous year:

$ 541.4 million from sales under Energía Plus, up 32% from the $ 410.0 million for the same period in fiscal year 2016. This variation is attributed to the favorable effect of the rise in the exchange rate.

$ 701.2 million from sales of energy on the forward market to CAMMESA under Resolution No. 220/07, representing a 23% decrease with regard to the $ 912.5 million in the same period of the previous year, due to a drop in the volume of sales.

$ 138.2 million from sales of energy under Resolution No. 95/529/482/22/19 and on the spot market, showing a 51% decrease from the $ 283.3 million for the same period of the previous fiscal year. This variation is mainly explained by a decrease in the sales volume, offset by an increase in the remuneration paid for energy by application of Resolution No. 19.

Cost of Sales:

The total cost of sales for the period ended June 30, 2017 was $ 936.4 million, compared with $ 1,149.7 million for the same period of 2016, representing a decrease of $ 213.3 million (19%).

The main captions under the cost of sales and their behavior during the current year are described below in millions of pesos compared with the same period of 2016:

(i) $ 408.3 million for purchases of electricity, up 42% from the $ 288.0 million for the same period of 2016, due to greater costs needed to supply the Energía Plus forward market.

(ii) $ 159.6 million for gas and gas oil consumption by the plant. This caption was 73% lower compared with the $ 580.4 million for the same period of 2016. This variation was due to a decrease in dispatches by CAMMESA.

(iii) $ 87.8 million in salaries and social security contributions, reflecting a 45% increase compared with the $ 60.5 million for the same period of 2016, which is mainly attributed to wage increases granted and the hiring of new staff

(iv) $ 93.8 million for maintenance services, up 29% from the $ 72.8 million for the same period of 2016. This increase is explained by the rise in the exchange rate, offset by shorter operating hours which cause an impact on the cost of the maintenance contract with PWPS at certain controlled companies. It is worth noting that the cost of this contract is recognized by CAMMESA in the remuneration paid for operating and maintenance costs for sales under the Res. No. 220/07 Contract.

(v) $ 141.8 million for depreciation of property, plant and equipment, reflecting an increase of 38% compared with the $ 103 million for the same period of 2016. This variation stems mainly from the higher depreciation value of property, plant and equipment as a result of their revaluation at December 31, 2016 and the start-up of CTRi.

(vi) $ 14.6 million paid for insurance, up 5% from the $ 13.9 million for the same period of 2016 as a result of the variation in the exchange rate.

Gross Profit:

The gross result for the period ended June 30, 2017 was a profit of $ 444.4 million, compared with a profit of $ 456.1 million for the same period of 2016.

Selling Expenses:

Selling expenses for the six-month period ended June 30, 2017 were a profit of $ 13 million, compared with a loss of $ 16.4 million for the same period of 2016, representing an increase of $ 29.4 million (179%), owing to the fact that on March 3, 2017, the collection department of the General Revenue Board of the province of Tucumán decided that GISA (company absorbed by GMSA as from January 1, 2016) is exempt from the Turnover tax payment, amending the tax as from the period of December 2011. See Note 30 to the interim condensed combined financial statements at June 30, 2017.

Administrative Expenses:

Total administrative expenses for the six-month period ended June 30, 2017 amounted to $ 29.4 million, compared with $ 26.7 million for the same period of 2016.

Operating Result:

The operating result for the period ended June 30, 2017 was a profit of $ 427 million, reflecting a 2% increase with regard to the profit of $ 417.7 million for the same period of 2016. This increase was mainly attributed to the effect of the rise in the exchange rate on the operating activity of the controlled companies, the start-up of CTRi and the high availability maintained by the power plants throughout the period.

Financial results:

The financial result for the period ended June 30, 2017 was a loss of $ 232.6 million, compared with a loss of $ 335.4 million for the same period of 2016, reflecting a decrease of 31%.

The most salient aspects of this variation are described below:

(i) A loss of $ 202.9 million due to financial interest on loans, reflecting a decrease of 5% compared with the loss of $ 213.9 million for the same period of 2016.

(ii) A loss of $ 61.9 million due to net exchange differences, reflecting a decrease of 42% compared with the loss of $ 107.3 million in the same period of the previous year.

Summary of activity as of June 30, 2017 and 2016

Result before taxes:

The Company reported a profit before tax of $ 194.3 million for the period ended June 30, 2017, which represents a 136% increase compared with a profit of $ 82.3 million for the same period of 2016.

The result under the income tax was a loss of $ 73.2 million for the period ended June 30, 2017, compared with a loss of $ 38.4 million for 2016.

Net Result:

The net result for the fiscal year ended June 30, 2017 was a profit of $ 121.1 million, compared with a profit of $ 43.9 million for the same period of 2016, reflecting a 176% increase.

Adjusted EBITDA

	Six-month periods ended June 30,				Twelve-month periods ended December 31,			
	2017	2016	Var.	Var. %	2017	2016	Var.	Var. %
	(in thousands of pesos)				(in thousands of pesos)			
Operating income	427,012	417,705	9,307	2%	838,616	706,261	132,355	19%
Depreciation and amortization	141,817	102,999	38,818	38%	245,788	172,674	73,114	42%
Non-recurring loss	-	-	-	-	-	(61,131)	61,131	(100%)
Income/(Loss) from interest in associates	1,621	(5,743)	7,364	(128%)	9,839	(3,199)	13,038	(408%)
Dividends received	5,880	-	5,880	100%	5,880	3,360	2,520	75%
Adjusted EBITDA in thousands of pesos	**576,330**	**514,961**	**61,369**	**12%**	**1,100,123**	**817,965**	**282,158**	**34%**
Adjusted EBITDA in thousands of US dollars [(1)]	**36,679**	**35,832**	**847**	**2%**	**71,114**	**66,975**	**4,139**	**6%**

Adjusted EBITDA for the six-month period ended June 30, 2017 increased $ 60.4 million (12%) from $ 576.3 million in the six-month period ended June 30, 2017 to $ 515.9 million recorded in the same period of 2016. This increase was mainly due to; i) The impact of the devaluation of the Argentine peso relative to the US dollar since December 2015 on our operating result, ii) The start-up of the Generación Frías power plant in December 2015, and iii) In the framework of the base energy, the increases in remunerations resulting from the retroactive application since February 2016 of Resolution SE 22/16, which amended and extended Resolution SE 482 and the simplification of the calculation of remunerations and its valuation in US dollars since February 2017 established by Resolution SE 19/17, which replaced Resolution SE 22/16 above-mentioned, which allowed to increase the operating results of the company.

[1] The amounts stated in US dollars were translated from Pesos into US dollars, as follows: (a) the amount in Pesos for each quarter of the twelve-month period was translated into US dollars based on the quarterly average of the daily offer exchange rate for electronic transfers (foreign currency) published by Banco de la Nación Argentina for the relevant quarter, and (b) the amounts in US dollars for each of the four quarters in the twelve-month period were added up, which gave the amount in US dollars for the year as a result.

Summary of activity as of June 30, 2017 and 2016

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

	06.30.17	12.31.16
Non-Current Assets	10,721.7	7,206.7
Current Assets	2,979.5	3,573.5
Total Assets	**13,701.2**	**10,780.2**
Equity attributable to the owners	2,466.7	2,351.2
Equity of non-controlling interest	106.2	100.6
Total equity	**2,572.9**	**2,451.8**
Non-Current Liabilities	8,297.9	7,220.5
Current Liabilities	2,830.4	1,108.0
Total Liabilities	**11,128.3**	**8,328.5**
Total Equity and Liabilities	**13,701.2**	**10,780.3**

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

	06.30.17	06.30.16
Ordinary operating income	427.0	417.7
Financial results	(232.7)	(335.4)
Ordinary net income	**194.3**	**82.3**
Income tax	(73.2)	(38.4)
Income for the period	**121.1**	**43.9**
Other comprehensive loss	-	(0.1)
Total comprehensive income	**121.1**	**43.8**

Summary of activity as of June 30, 2017 and 2016

4. Breakdown of cash flows presented comparatively with the previous period:
(in millions of pesos)

	06.30.17	06.30.16
Funds generated by (used in) operating activities	(1) 548.9	(457.7)
Funds (used in) investment activities	(1,893.6)	(321.3)
Funds generated by financing activities	831.8	1,068.7
(Decrease) / Increase in cash and cash equivalents	**(512.9)**	**289.7**

(1) Includes advanced payments to suppliers for the purchase of assets.

5. Ratios compared with the previous period:

	06.30.17	12.31.16
Liquidity (1)	1.05	3.23
Solvency (2)	0.22	0.28
Tied-up capital (3)	0.78	0.67
Indebtedness (4)	6.34	2.69
Accrued and capitalized interest coverage ratio (5)	1.25	1.66

(1) Current assets / Current liabilities

(2) Equity / Total liabilities

(3) Non-current assets / Total assets

(4) Financial debt excluding CAMMESA in US dollars / Annualized adjusted EBITDA in US dollars

(5) Annualized adjusted EBITDA in US dollars / Annualized accrued and capitalized financial interest in US dollars

6. Brief comments on prospects for 2017

Commercial and operational sector

We expect the various power generation units to continue operating under normal conditions according to the dispatch defined by CAMMESA. The main objective is to maintain a high level of availability of the Power Plants, which ensures profitability for the Company. For this purpose, a thorough preventive maintenance plan is carried out of the generation units to ensure the high availability of the Power Plants's turbo generators.

In compliance with contracts under ES Resolution No. 220/07, progress is being made with two projects for a total additional generating capacity of 150 MW, as mentioned below.

A turbine Siemens SGT-800 was installed at CTRi, with 50 MW of nominal generation capacity. On May 20, 2017 CAMMESA authorized its commercial operation.

In addition, two turbine Siemens SGT-800 were installed at CTMM, with 50 MW of nominal generation capacity. On July 6, 2017 CAMMESA authorized the commercial operation under a contract ES Resolution No. 220/07.

Under Resolution No. 21/16, the Group presented projects for expanding the generating capacity by 250 MW, which were awarded following a public call for tenders.

The projects are set within the framework of agreements entered into with CAMMESA under ES Resolution No. 21/16.

We will proceed to enlarge by 100 MW the capacity in CTI, through the installation of two Siemens SGT-800 turbines of 50 MW each. The first stage (50MW) is estimated to come into commercial operation in the third quarter of 2017, and the second stage in the first quarter of 2018 (50MW).

In addition, the construction of a new plant commenced in the Province of Buenos Aires (Central Térmica Ezeiza) with a generating capacity of 150 MW, with the installation of three 50 MW-each Siemens SGT-800 turbines. The first stage (100MW) is estimated to come into commercial operation in the third quarter of 2017, and the second stage in the first quarter of 2018 (50MW).

CTR continues with the works for the closure of the Power Plant combined cycle, which means that the current capacity will be extended by 60 MW by installing a new 60-MW steam turbine and a boiler, in addition to other equipment. Not only will this work increase power but will also be significant in environmental terms, as the extra power to be generated will not require additional fuel.

<u>Financial position</u>

In the current period, the Group has the objective of improving the financing structure and ensuring the progress of investment works according to the schedules agreed upon.

On July 27, 2016, GMSA, CTR and GFSA co-issued an international bond for USD 250 million, maturing in 7 years. The international bond is guaranteed by ASA. From the total amount issued, USD 173 million were allocated to GMSA and USD 7 million to GFSA; the funds were destined to the prepayment of financial debts and financing of investment projects.

The issuance of an international bond allowed for the prepayment of financial debts as well as allocation of funds to investment projects related to the enlargement of the power generation capacity that the Group promotes.

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REPORT ON REVIEW OF INTERIM CONDENSED COMBINED FINANCIAL STATEMENT

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

To the Shareholders, President and Directors of
Central Térmica Roca S.A.
Legal Adress: Av. Leandro N. Alem 855 14th floor
Autonomous City of Buenos Aires
Tax Code No. 33-71194489-9

Introduction

We have reviewed the accompanying Interim condensed combined financial statements of Albanesi S.A and Central Térmica Roca S.A. (together, the "Group") (comprised by the companies described in Note 3), which consist of the interim condensed combined statement of financial position as of June 30, 2017, and the related Interim Condensed Combined Statement of Comprehensive Income for the six and three-month period ended June 30, 2017, Interim Condensed Combined of Changes in Equity and Cash Flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes.

The balances and other information corresponding to the fiscal year 2016 and its interim periods are an integral part of the audited combined financial statements mentioned above; therefore, they must be considered in connection with these financial statements.

Board's responsibility

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

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Scope of Review

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

Conclusion

On the basis of our review, nothing has come to our attention that causes us to believe that the interim condensed combined 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.

Other matters

As mentioned in Note 1, given the specific purpose of the interim condensed combined financial statements, this independent auditors' report is issued for the exclusive use of the Group for presentation to the National Securities Commission and should not be used for any other purpose.

Report on compliance with regulations in force

In accordance with current regulations, we report, in connection with Albanesi S.A. and Central Térmica Roca S.A., that:

a) at June 30, 2017, there was no debt accrued by Albanesi S.A. in favor of the Argentine Integrated Social Security System;

b) at June 30, 2017 the debt accrued by Central Térmica Roca S.A. in favor of the Argentine Integrated Social Security System according to the Company's accounting records amounted to $ 745,861, none of which was claimable at that date;

Autonomous City of Buenos Aires, August 28, 2017

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

Dr. Raúl Leonardo Viglione