



Grupo Albanesi



2Q17 Results Review



August 2017



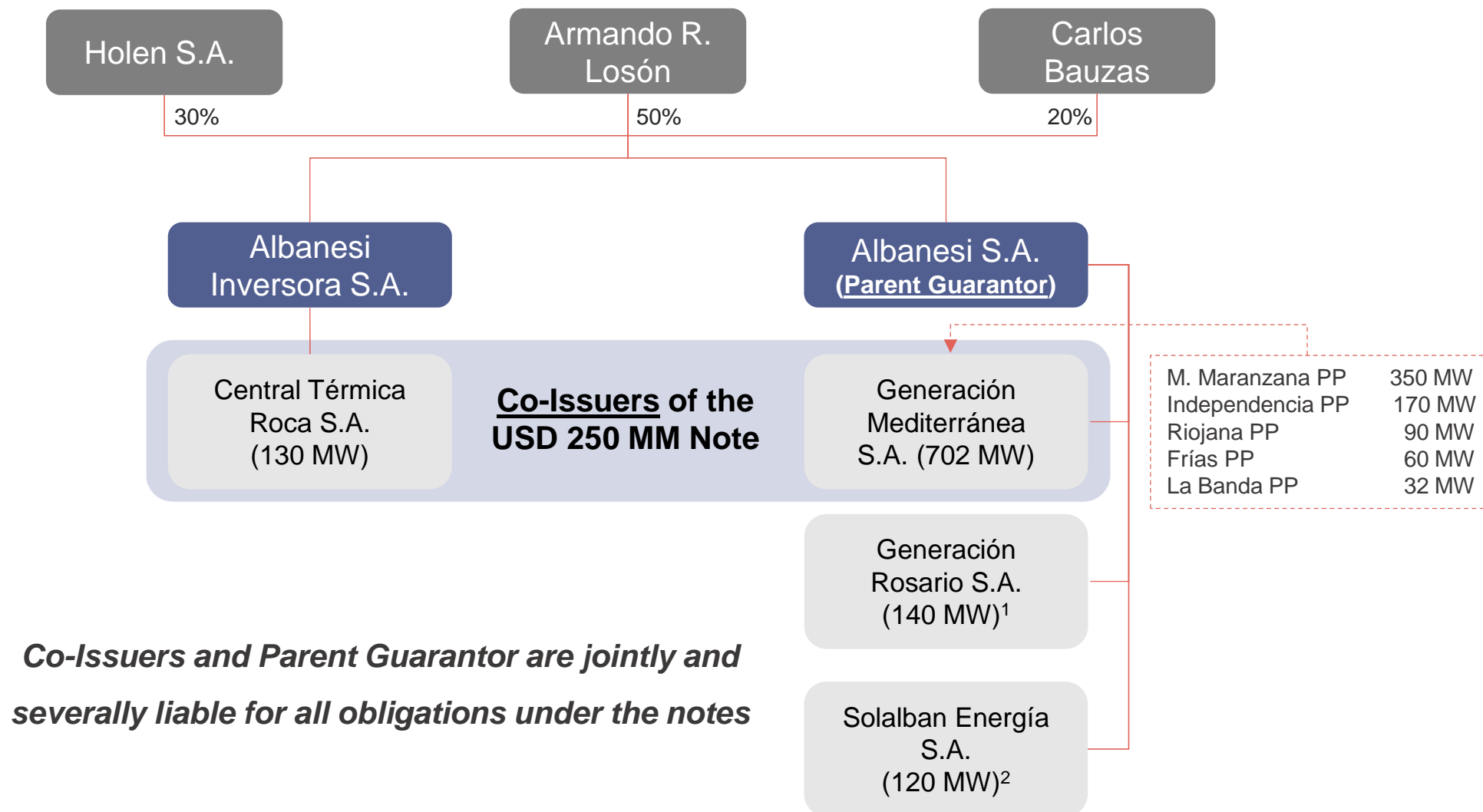
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International Bond Issuer Corporate Structure



¹ Generación Rosario S.A. is a restricted subsidiary.

² Solalban Energía S.A. is not subject to credit analysis as we have a minority stake.

2017 International Bond Issuers Highlights¹



- **2017 Power Plants expansions**
 - **May 2017** - Riojana PP expansion of **50 MW** started commercial operations.
 - **July 2017** - M. Maranzana PP expansion of **100 MW** started commercial operations.
 - **August 2017** - Independencia PP expansion of **50 MW** (1st Stage) started commercial operations.
- **2Q 2017 LTM EBITDA.** USD 71 million. Recent additions in installed capacity will impact in second half of the year.
- **Merger Plan** creating a clean corporate structure: on January 2017 Generación Mediterránea S.A. absorbed Generación Frías S.A.
- **Resolution 287-E/2017**
 - Specifies terms and conditions for the bidding of projects involving closing of cycles and cogeneration power plants. PPAs will have a 15 years term.
 - On August 9, the Ministry of Energy received 40 offers for the installation of 4,597 MW. Albanesi participated with offers for both categories.
 - Next steps → September 22, award. November 22, PPAs execution.

¹ Highlights and financial information includes international bond issuers companies Albanesi S.A. + Central Térmica Roca S.A.



Company Overview

Grupo Albanesi – An Argentinean Business Group



Photo: Generación Frías Power Plant

Albanesi at a Glance

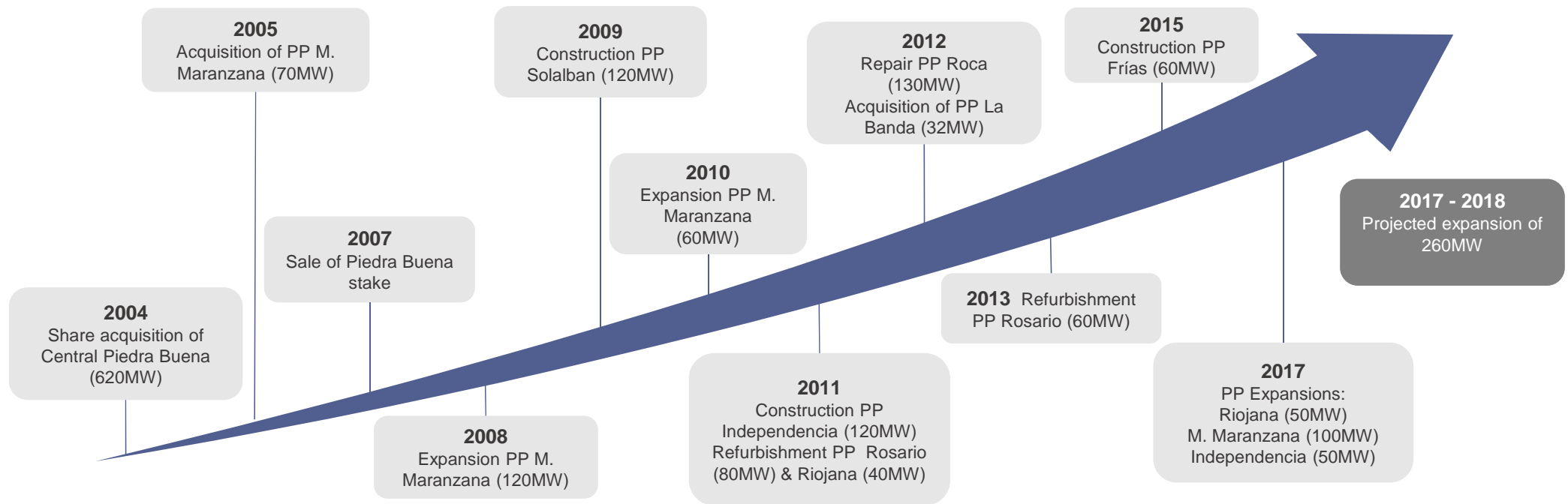


- **Leading Argentine electricity generator** —→ **1,092 MW¹** installed capacity
- **Natural hedge against FX devaluation** —→ **100%** Sales denominated in **USD**
- **Predictable and stable cash flow generation** —→ **Long term PPAs**
- **Diversified and strategic generation platform** —→ **8 operational thermoelectric plants** distributed across the country
- **Proven track record in development & operation** —→ **+USD 700 MM** investments and **810 MW developed and constructed** by the company
- **Highly experienced management team** —→ **+10 years** in the power generation business
- **Attractive growth opportunities** —→ Potential capacity expansion through closure of operative open cycles

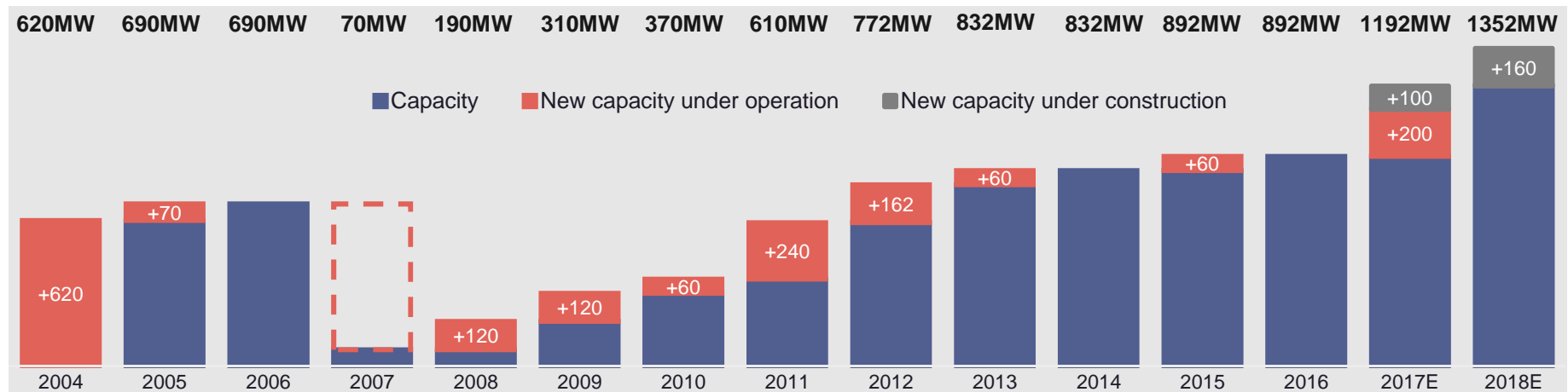
¹ Including Solaban power plant, which Albanesi owns 42%.



Power Generation Capacity Over Time

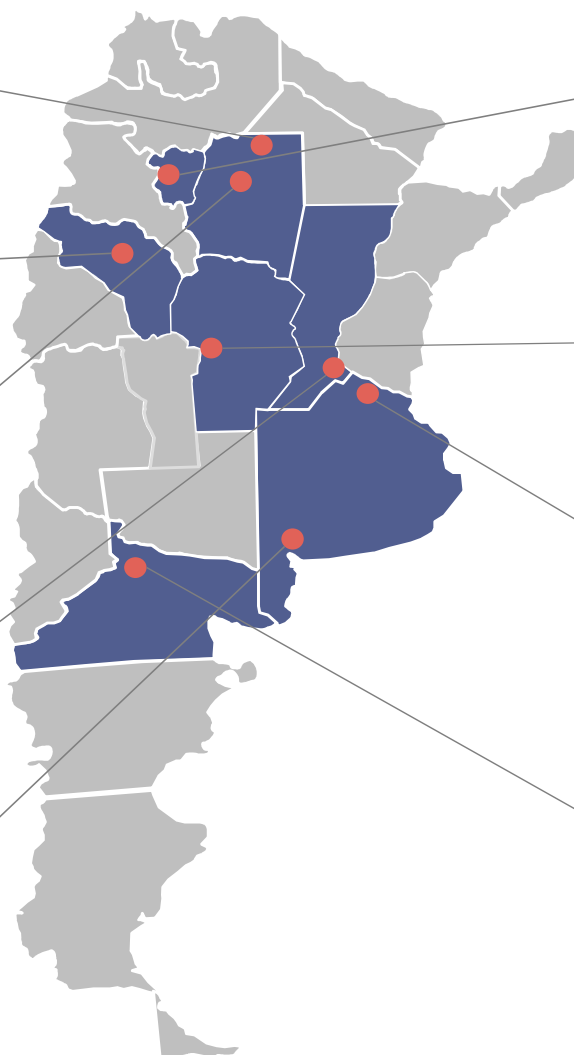


Additions to installed capacity over time



Power Plants: Nominal Capacity & PPAs

**1092 MW Under Operation
260 MW Under Construction**



GENERACIÓN MEDITERRÁNEA S.A.

Sgo. Del Estero: PP Frías

60 MW under operation

Res. 220/07

La Rioja: PP Riojana

90 MW under operation

Res. 220/07

Energía Base

Sgo. del Estero: PP La Banda

32 MW under operation

Energía Base



Generación Rosario S.A.

140 MW under operation

Energía Base



Solalban Energía S.A.

120 MW under operation

Energía Plus/Self-Generating



GENERACIÓN MEDITERRÁNEA S.A.

Tucumán: PP Independencia

170 MW under operation

Energía Plus

Res. 220/07

Res. 21/2016

50 MW under construction

Res. 21/2016

Córdoba: PP M. Maranzana

350 MW under operation

Res. 220/07

Energía Base

Energía Plus

Buenos Aires: PP Ezeiza

150 MW under construction

Res. 21/2016



Central Térmica Roca S.A.

130 MW under operation

Res. 220/07

60 MW cycle closure under construction

Res. 220/07

Regulatory Frameworks

Regulatory Framework	Sale Scheme	Currency	Weighted Average Price (USD/MWh)	Cost recognition	Life of contracts
Res 21/2016 (CAMMESA)	PPAs under take-or-pay	USD (Settled in ARS)	Capacity Price: 29.7	O&M Price + Pass-Trough provisions for cost of fuel	10 years since start of commercial operation
Res 220/2007 (CAMMESA)			Capacity Price: 21.5		
Res 1281/2006 Energía Plus (private off-takers)	PPAs	USD (settled in ARS)	Monomic price ¹ : 73.10	N/A	1 or 2 years (renewable)
Res 19/2017 Energía Base (CAMMESA)	Take-or-pay	USD (settled in ARS)	Capacity Price: 9.6	O&M Price + Pass-Trough fuel cost	N/A

*New Energía Base Resolution 19/2017

- Remunerates 24 hours/day if available (before was remunerated 12 hours/day).
 - Previous resolution = 3.8 USD/MWh (24 hours equivalent)
- Three stage increase in capacity price:
 - February 2017 to April 2017 = 5.7 USD/MWh
 - May 2017 to October 2017 = 8.2 USD/MWh
 - November 2017 onwards = 9.6 USD/MWh



Financial and Performance Review

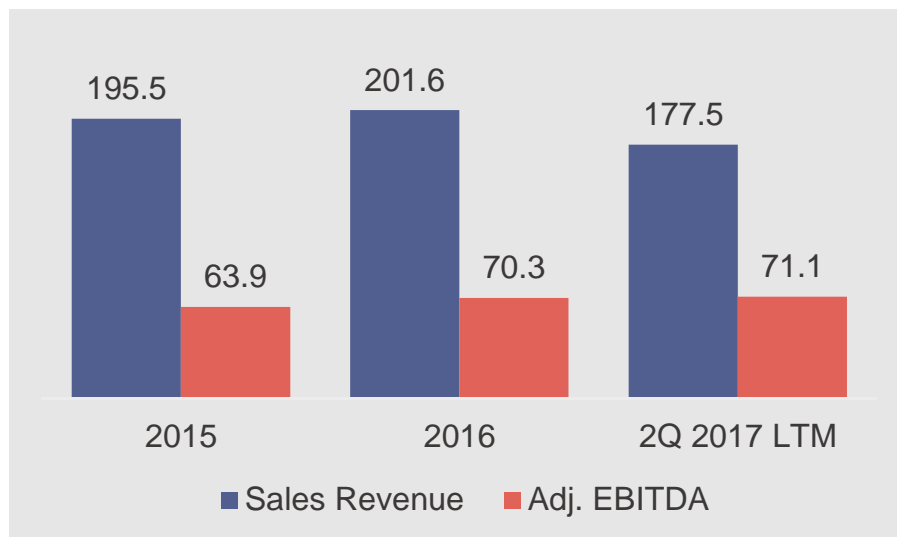
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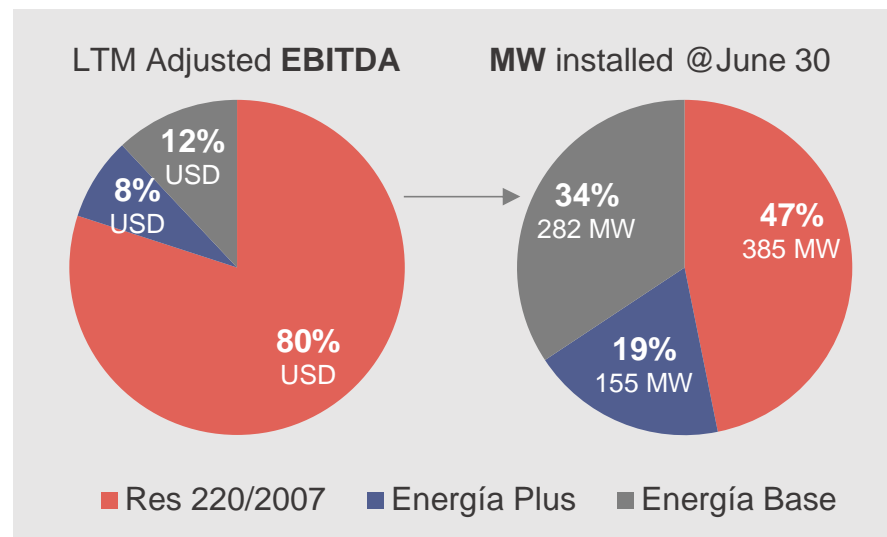
Photo: Solalban Power Plant

Revenue and EBITDA

Sales revenue and Adjusted EBITDA (USD millions)



2Q 2017 by regulatory framework



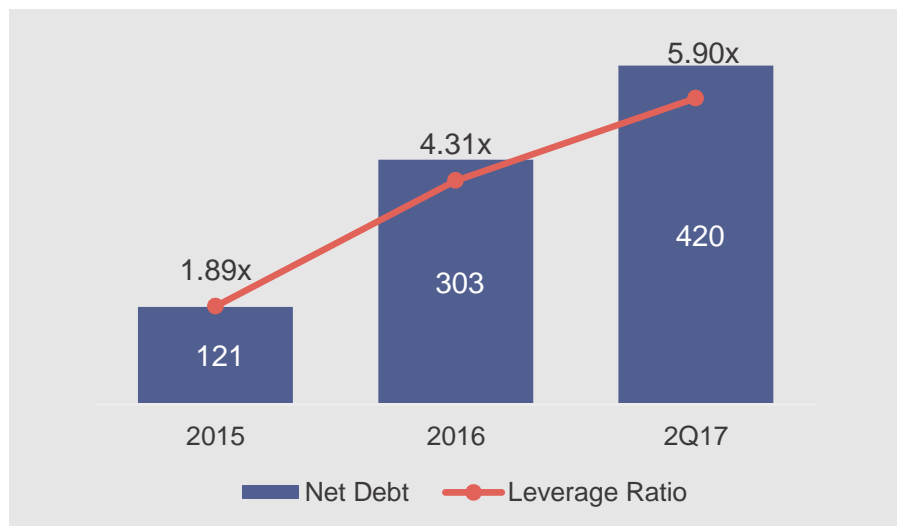
- 2Q 2017 LTM Adj. EBITDA remains stable due the characteristics of our contracts and the high availability of our turbines.
- Adj. EBITDA will increase during second half of 2017 as a result of the projects that have recently started operations.
- 80% Adj. EBITDA comes from long term contracts ensuring cash flow predictability/stability and limiting exposure to adverse short term price fluctuations.
- Since February 2017, fully USD denominated revenue base (Res 19/2017).

¹ EBITDA and installed MW correspond to the 822MW that were installed by June 30, 2017 (excluding Solalban). As of August 2017, there are 972 MW installed (excluding Solalban).

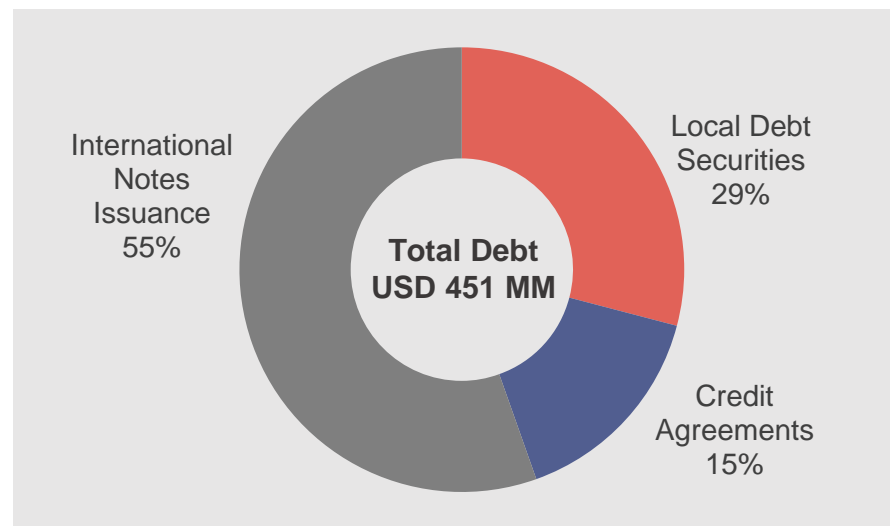


Debt Structure – as of 30th June 2017

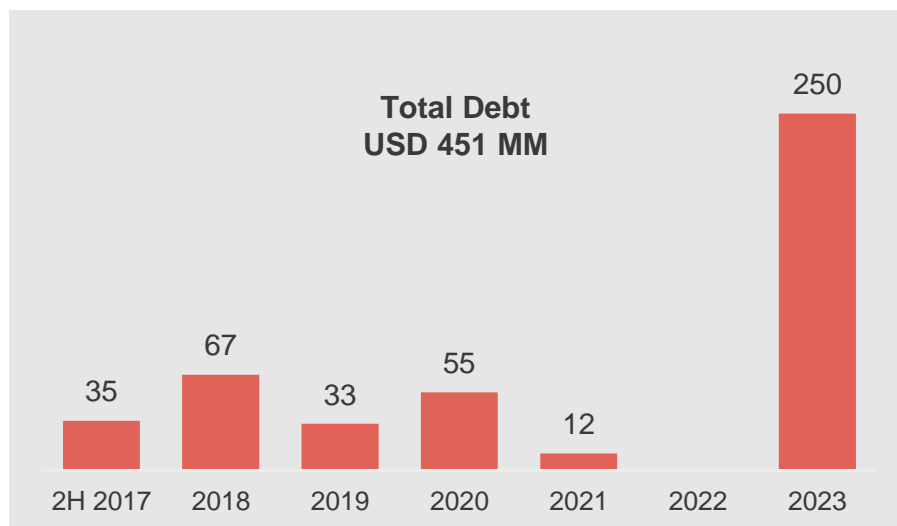
Net Debt & Net Leverage Ratio (USD million)¹



Debt Breakdown by Type



Debt Amortizations by Year (USD million)



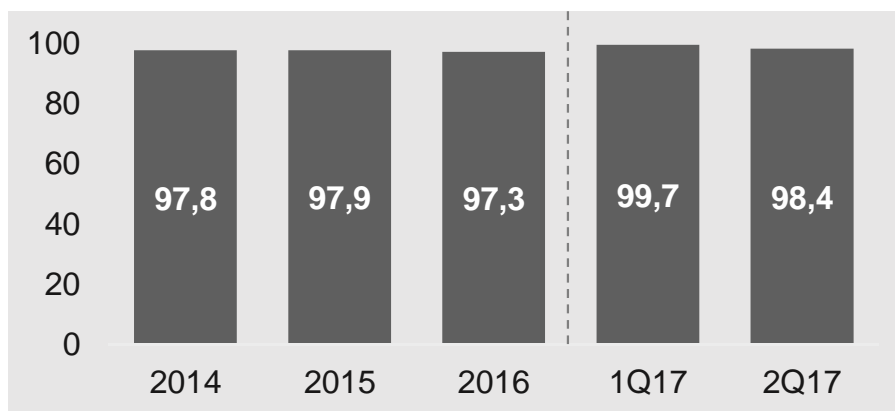
- 78% of debt is nominated in USD, matching our revenues currency.
- Debt increase during 1H17 as CAPEX needs for 2017 are funded.
- Start of operations of projects will lead to a significant deleveraging during 2018.
- Average life of debt ~4,3yrs, suiting to the construction and operational schedule of the projects.

¹ Net debt = Debt – (cash and cash equivalents + other financial assets at fair value through profit).

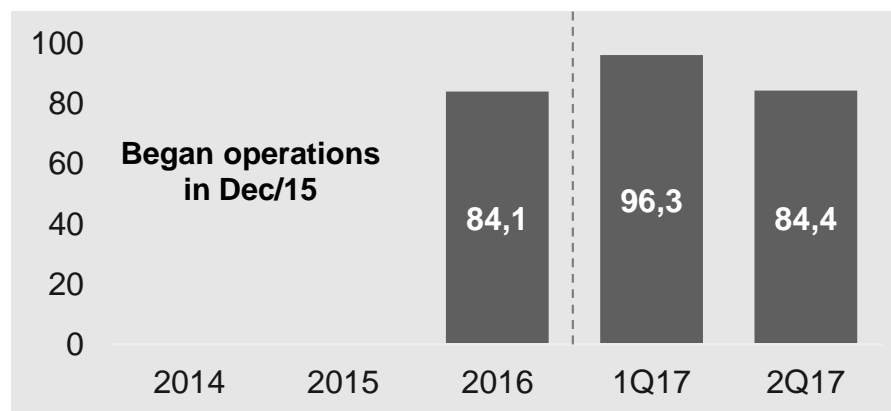
Main Turbines Availability¹

Main Power Plants have a LT Service Agreements with turbine suppliers enabling high and stable availability, which is reflected in our EBITDA

M. Maranzana - Availability Factor

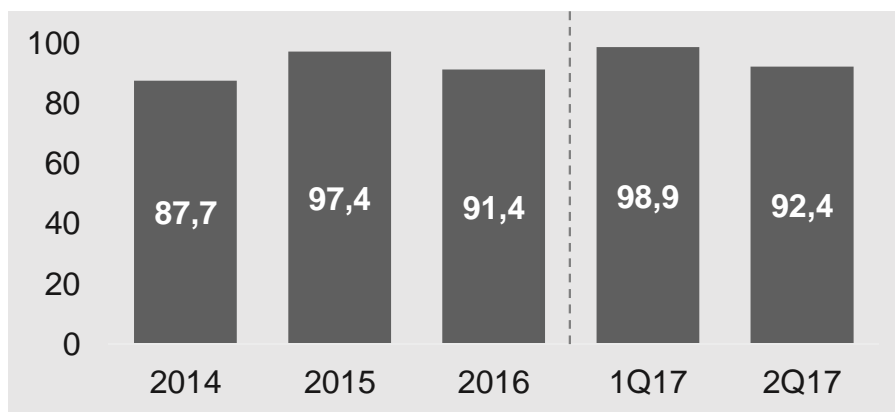


Frías - Availability Factor

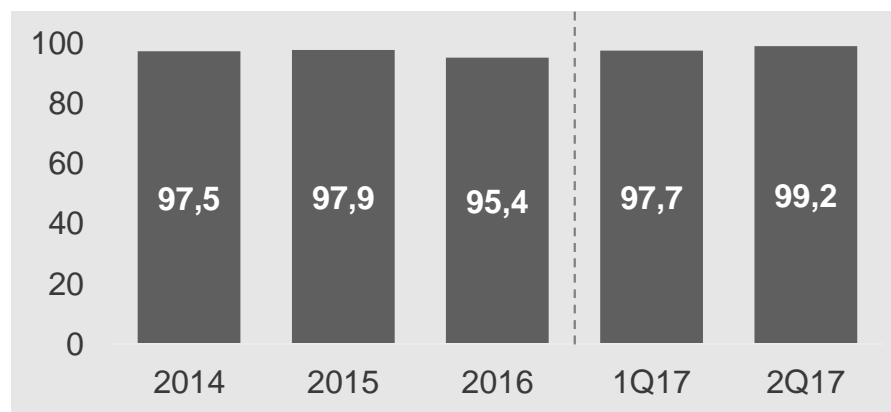


2Q 2017: stoppage, partially considered as MAPRO, to replace parts of the equipment to avoid potential failure in the GG. Compensation by turbine supplier (PWPS).

Roca - Availability Factor



Independencia - Availability Factor



2014: Lower availability than average due to a maintenance stoppage.

2016: Installation of AGP. 2Q2017: Programmed maintenance.

¹ Technical availability, considering hours of unavailability due to Programmed Maintenance Works (MAPROs). MAPROs reduce availability and so collections from CAMMESA, but don't cause penalties.



Expansion Portfolio

Grupo Albanesi – An Argentinean Business Group

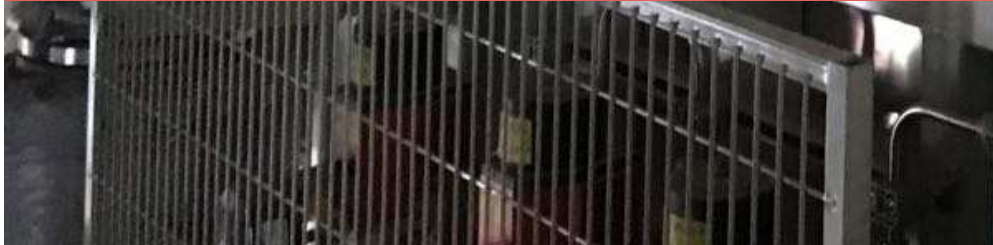


Photo: SIEMENS SGT – 800 Turbine at Riojana PP

4 New Turbines Under Operation – 200 MW in total



4 turbines started operations:

- August 2017 – a 50 MW turbine in Independencia PP, Tucumán province.
- July 2017 – 2 turbines of 50 MW each in M. Maranzana PP, Córdoba Province.
- May 2017 – a 50 MW turbine in Riojana PP, La Rioja province.

Expansion Portfolio

Project	New Capacity	Type of Project	Expected start of operations	Status
Res. 220/2007				
PP Riojana	50 MW	Open Cycle (Brownfield)	Started operations May 2017	
PP M. Maranzana	100 MW	Open Cycle (Brownfield)	Started operations July 2017	
CT Roca S.A.	60 MW	Combined Cycle (Brownfield)	1H18	Under Construction
210 MW				
Res. 21/2016				
PP Ezeiza (phase #1)	100 MW	Open Cycle (Greenfield)	2H17	Under Construction
PP Ezeiza (phase #2)	50 MW		1H18	
PP Independencia (phase #1)	50 MW	Open Cycle (Brownfield)	Started operations August 2017	
PP Independencia (phase #2)	50 MW		1H18	Under Construction
250 MW				





Expansion Projects – Strengths

- **Vast experience in project execution** → **810 MW** constructed by Grupo Albanesi
- **Multiple medium scale projects with similar technical characteristics** → Reduces reliance on one unique project and facilitates construction management
- **Geographical and temporal diversification of projects** → Projects in three different locations with commercial operation dates spaced in time
- **Local contractors for civil and electrical works** → Suppliers near to the project location with experience working on Grupo Albanesi's projects
- **Globally renowned technology providers** → Contracts for the equipment provision, construction supervision and turbines assembly
- **Construction and assembly insurance** → Covers losses during construction until project execution and also loss of profit from issues during construction

Ezeiza PP – SIEMENS SGT-800

- **Expected start of operations Stg#1:** 3Q17 (100 MW)
- **Expected start of operations Stg#2:** 1H18 (50 MW)
- **Scope of work:** 150 MW expansion
- **Stg#1:** Turbines already assembled. Tests are being carried out to become operative soon.
- **Stg#2:** Turbine is already at the site. Assembly progressing as scheduled.



09/16/2016 – Aerial view prior to construction



07/26/17 – Turbines installed



07/26/17 – Aerial view

Roca PP – General Electric Triveni

- **Expected start of operations:** 1H18
- **Scope of work:** Combined Cycle Conversion, 60 MW of additional capacity.
- Turbines arrived at site. Steam turbine foundations are completed.
- HRSG assembly tasks and construction progressing as scheduled.
- Bases for transformers and boiler are completed.



Power Plant aerial view – Before expansion



08/05/17 - Assembly of boiler decks



08/05/17 - HRSG (Boiler) Construction at Ricca's (supplier) site

Independencia PP – SIEMENS SGT800



- **Stg#1:** started operations in August (50 MW)
- **Expected start of operations Stg#2:** 1H18 (50 MW)
- **Scope of work:** 100 MW expansion
- **Stg#2:** Turbine already arrived at the site.
- The turbine base construction for stg#2 progresses according to schedule.



Power Plant aerial view – Before expansion



07/24/17 – Turbine Installed – Running Tests



07/24/17 – Finalization of Electrical Works

Company Representatives

Milagros Grande



- Financial Structuring Manager
- +10 years of experience in the industry
- Holds an economics degree from Universidad de Buenos Aires and a postgraduate study from Universidad de San Andrés.
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Thank you!

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