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

Albanesi S.A.

Condensed Interim Consolidated Financial Statements

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

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

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Contents

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 Group.

Terms	Definitions
/day	Per day
AESA	Albanesi Energía S.A.
AFIP	Federal Administration of Public Revenue
AJSA	Alba Jet S.A.
ASA	Albanesi S.A.
AVRC	Alto Valle Río Colorado S.A.
BADCOR	Adjusted BADLAR rate
BADLAR	Average interest rate paid by financial institutions on time deposits for over one million pesos.
BCRA	Central Bank of Argentina
BDD	Bodega del Desierto S.A.
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A. (Wholesale Electricity Market Management Company)
CC	Combined cycle
IFRIC	International Financial Reporting Interpretations Committee
CNV	National Securities Commission
CTE	Central Térmica Ezeiza located in Ezeiza, Buenos Aires
CTF	Central Térmica Frías (Frías Power Plant) located in Frías, Santiago del Estero
CTI	Central Térmica Independencia (Independencia Thermal Power Plant) located in San Miguel de Tucumán, Tucumán.
CTLB	Central Térmica La Banda (La Banda Thermal Power Plant) located in La Banda, Santiago del Estero
CTMM	Central Térmica Modesto Maranzana (MM Power Plant) located in Río Cuarto, Córdoba
CTR	Central Térmica Roca S.A.
CTRi	Central Térmica Riojana (Riojana Thermal Power Plant) located in La Rioja, La Rioja
CVP	Variable Production Cost
Dam3	Cubic Decameter Volume equivalent to 1,000 (one thousand) cubic meters
DH	Historical Availability
Availability	Percentage of time in which the power plant or machinery, as applicable, is in operation (generating power) or available for power generation, but not called by CAMMESA
DMC	Minimum Availability Committed
DO	Target Availability
DR	Registered Availability
The Group	Albanesi S.A. and its subsidiaries and other related parties
ENARSA	Energía Argentina S.A.
Energía Plus	Plan created under ES Resolution No. 1281/06
ENRE	National Electricity Regulatory Authority
EPEC	Empresa Provincial de Energía de Córdoba
FACPCE	Argentine Federation of Professional Councils in Economic Sciences
FONINVEMEM	Fund for investments required to increase the electric power supply in the WEM
GE	General Electric
GECEN	Generación Centro S.A.

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Terms	Definitions
GLSA	Generación Litoral S.A.
GMSA	Generación Mediterránea S.A.
Large Users	WEM agents classified according to their consumption into: GUMAs, GUMEs, GUPAs and GUDIs
GROSA	Generación Rosario S.A.
GUDIs	Large Demand from Distributors' customers, with declared or demanded power of over 300 kW
GUMAs	Major Large Users
GUMEs	Minor Large Users
GUPAs	Large Users - Individuals
GW	Gigawatt Unit of power equivalent to 1,000,000,000 watts
GWh	Gigawatt-hour Unit of energy equivalent to 1,000,000,000 watts hour
IASB	International Accounting Standards Board
IGJ	Legal Entities Regulator
kV	Kilovolt Unit of electromotive force which is equal to 1,000 (one thousand) volts
kW	Kilowatt Unit of power equivalent to 1,000 watts
kWh	Kilowatt-hour Unit of energy equivalent to 1,000 watts hour
The Company/The Group	Albanesi S.A. and its subsidiaries
LGS	General Companies Law
LVFVD	Sales liquidations with maturity date to be defined
MAPRO	Major Scheduled Maintenance
MAT	Futures market
WEM	Wholesale Electric Market
MMm3	Million cubic meters
MVA	Mega-volt ampere, unit of energy equivalent to 1 volt x 1 ampere x 106
MW	Megawatt Unit of power equivalent to 1,000,000 watts
MWh	Megawatt hour Unit of energy equivalent to 1,000,000 watts hour
ARG GAAP	Argentine Generally Accepted Accounting Principles
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
ON	Negotiable Obligations
PWPS	Pratt & Whitney Power System Inc
RECPAM (Purchasing Power Parity)	Gain/loss on purchasing power parity
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
RG	General Resolution
RGA	Rafael G. Albanesi S.A.
RT	Technical Pronouncements
SADI	Argentine Interconnection System
ES	Energy Secretariat
SEK	Swedish crowns
TRASNOA S.A.	Empresa de Transporte de Energía Eléctrica por Distribución Troncal del Noroeste Argentino S.A.
CGU	Cash Generating Unit
USD	US Dollars

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Albanesi S.A.

Composition of the Board of Directors and Syndics' Committee
At June 30, 2019

Chairman
Armando Losón (Jr.)

1st Vice Chairman
Guillermo G. Brun

2nd Vice Chairman
Julián P. Sarti

Full Directors
Carlos A. Bauzas
Sebastián A. Sánchez Ramos
Oscar C. De Luise

Alternate Directors
José L. Sarti
Juan G. Daly
Ricardo M. Lopez
Romina S. Kelleyian

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

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

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Albanesi S.A.

Condensed Interim Consolidated Financial Statements

Corporate name:	Albanesi S.A.
Legal address:	Av. L.N. Alem 855, 14th floor - City of Buenos Aires
Main business activity:	Investing and financial activities
Tax Registration Number:	30-68250412-5
Dates of registration with the Public Registry of Commerce	
Bylaws or incorporation agreement:	June 28, 1994
Latest amendment:	February 23, 2018
Registration with the Legal Entities Regulator under number:	6,216 of Book 115, Volume A of Corporations
Expiration of bylaws or incorporation agreement:	June 28, 2093

CAPITAL STATUS (see Note 11)			
Shares			
Number	**Type**	**Number of votes per share**	**Subscribed, paid-in and registered**
			$
64,451,745	Ordinary, registered, non-endorsable FV $1	1	64,451,745

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Albanesi S.A.

Condensed Interim Consolidated Statement of Financial Position
At June 30, 2019 and December 31, 2018
Stated in pesos

	Notes	06.30.2019	12.31.2018
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	**7**	36,337,999,091	37,476,535,879
Investments in associates	**8**	228,588,291	308,423,919
Investments in other companies		93,442	158,956
Deferred tax assets		56,200,199	93,442,525
Income tax credit balance		1,528,876	1,871,416
Other receivables		113,939,063	138,305,696
Trade receivables		190,505,100	179,479,817
Total non-current assets		**36,928,854,062**	**38,198,218,208**
CURRENT ASSETS			
Inventories		321,173,471	160,571,273
Income tax credit balance, net		392,572	480,527
Available-for-sale assets	**9**	1,854,448,228	1,893,348,537
Other receivables		848,043,181	1,242,982,194
Trade receivables		2,387,562,996	2,305,296,799
Other financial assets at fair value through profit or loss		-	375,591,436
Cash and cash equivalents	**10**	627,572,855	672,215,041
Total current assets		**6,039,193,303**	**6,650,485,807**
Total Assets		**42,968,047,365**	**44,848,704,015**

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

Albanesi S.A.

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

At June 30, 2019 and December 31, 2018
Stated in pesos

	Notes	06.30.2019	12.31.2018
EQUITY			
Share Capital	**11**	64,451,745	64,451,745
Capital Adjustment		174,298,854	174,298,854
Legal reserve		25,981,118	25,981,118
Optional reserve		479,927,984	867,582,005
Special Reserve GR No. 777/18		3,031,352,174	3,109,471,776
Technical revaluation reserve		2,370,624,654	4,498,316,448
Other comprehensive income		(10,785,380)	(10,785,380)
Unappropriated retained earnings		959,511,204	(696,681,867)
Equity attributable to the owners		**7,095,362,353**	**8,032,634,699**
Non-controlling interest		**708,516,764**	**767,151,652**
Total Equity		**7,803,879,117**	**8,799,786,351**
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions	**14**	1,846,958	5,489,386
Deferred tax liabilities		4,811,611,935	3,148,680,562
Other liabilities		2,076,686	1,420,631
Defined benefit plan		29,792,947	28,551,876
Loans	**13**	18,972,157,536	22,721,739,019
Trade payables		1,415,360,290	1,426,729,857
Total non-current liabilities		**25,232,846,352**	**27,332,611,331**
CURRENT LIABILITIES			
Other liabilities		368,358	38,240,320
Social security debts		55,851,250	81,674,462
Defined benefit plan		6,428,356	7,868,609
Loans	**13**	4,811,596,301	4,901,908,790
Derivative financial instruments		76,375,000	-
Income tax, net		3,832,557	40,759,849
Tax payables		202,570,888	22,207,917
Trade payables		4,774,299,186	3,623,646,386
Total current liabilities		**9,931,321,896**	**8,716,306,333**
Total liabilities		**35,164,168,248**	**36,048,917,664**
Total liabilities and equity		**42,968,047,365**	**44,848,704,015**

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

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Albanesi S.A.

Condensed Interim Consolidated Statement of Comprehensive Income

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

Stated in pesos

	Notes	Six months at		Three months at	
		06.30.2019	06.30.2018	06.30.2019	06.30.2018
Sales revenue	15	5,413,769,448	4,223,403,028	2,700,242,367	2,343,818,153
Cost of sales	16	(2,253,314,630)	(2,015,255,825)	(1,213,603,553)	(1,107,608,428)
Gross profit		**3,160,454,818**	**2,208,147,203**	**1,486,638,814**	**1,236,209,725**
Selling expenses	17	(30,642,834)	(11,150,108)	(18,198,405)	(5,358,392)
Administrative expenses	18	(201,748,950)	(151,024,602)	(109,106,267)	(87,906,897)
Income from interests in associates	8	(79,835,628)	(17,338,893)	(21,498,692)	27,842,859
Other operating income	19	6,491,708	312,777,591	4,524,039	4,927,022
Other operating expenses	20	-	(352,181,372)	-	(352,181,372)
Operating income		**2,854,719,114**	**1,989,229,819**	**1,342,359,489**	**823,532,945**
Financial income	21	93,051,239	29,992,986	67,836,318	14,598,905
Financial expenses	21	(1,295,619,466)	(1,139,843,507)	(715,243,984)	(691,616,253)
Other financial results	21	2,428,635,563	(5,499,363,428)	3,470,624,324	(5,565,638,268)
Financial results, net		**1,226,067,336**	**(6,609,213,949)**	**2,823,216,658**	**(6,242,655,616)**
Income/(loss) before taxes		**4,080,786,450**	**(4,619,984,130)**	**4,165,576,147**	**(5,419,122,671)**
Income tax		(2,451,758,801)	806,424,003	(2,440,719,722)	1,045,400,100
Income /(loss) for the period		**1,629,027,649**	**(3,813,560,127)**	**1,724,856,425**	**(4,373,722,571)**
Other Comprehensive Income					
Revaluation of property, plant and equipment		(2,973,866,592)	4,133,450,162	(2,849,768,587)	4,133,450,162
Revaluation of property, plant and equipment in Associate		-	113,532,274	-	113,532,274
Impact on income tax		743,466,648	(1,033,362,541)	712,442,150	(1,033,362,541)
Other comprehensive income/(loss) for the period		**(2,230,399,944)**	**3,213,619,895**	**(2,137,326,437)**	**3,213,619,895**
Comprehensive income /(loss) for the period		**(601,372,295)**	**(599,940,232)**	**(412,470,012)**	**(1,160,102,676)**

	Note	06.30.2019	06.30.2018	06.30.2019	06.30.2018
Income /(loss) for the period attributable to:					
Owners of the company		1,467,608,205	(3,512,302,285)	1,575,608,394	(4,026,481,239)
Non-controlling interest		161,419,444	(301,257,842)	149,248,031	(347,241,332)
Comprehensive income /(loss) for the period attributable to:					
Owners of the company		(549,618,325)	(514,391,810)	(336,466,546)	(1,028,570,764)
Non-controlling interest		(51,753,970)	(85,548,422)	(76,003,466)	(131,531,912)
Income / (Loss) per share attributable to the owners of the Company					
Basic and diluted earnings (losses) per share	22	22.77	(54.50)		

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

Albanesi S.A.

Condensed Interim Consolidated Statement of Changes in Equity

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

Stated in pesos

	Shareholders' contributions		Retained earnings								
	Share capital (Note 11)	Capital Adjustment	Legal reserve	Optional reserve	Special Reserve GR No. 777/18	Technical revaluation reserve	Other comprehensive income	Unappropriated retained earnings	Total	Non-controlling interest	Total equity
Balances at December 31, 2017	**62,455,160**	**167,615,385**	**9,881,767**	**227,816,483**	**2,528,098,629**	**-**	**(9,902,195)**	**1,953,429,058**	**4,939,394,287**	**258,310,158**	**5,197,704,445**
Addition as a result of merger through absorption as from January 1, 2018.	1,996,585	6,683,469	721,664	17,651,003	581,373,147	-	-	606,004,998	1,214,430,866	449,124,120	1,663,554,986
As provided for by the Ordinary Shareholders' Meeting of April 19, 2018:											
- Legal reserve	-	-	15,377,687	-		-		(15,377,687)	-	-	-
- Optional reserve Dividends attributable to the non-controlling interest	-	-	-	622,114,519		-		(622,114,519)	-	(1,753,414)	(1,753,414)
Other comprehensive income	-	-	-	-		2,997,910,475		-	2,997,910,475	215,709,420	3,213,619,895
Loss for the six-month period	-	-	-	-		-		(3,512,302,285)	(3,512,302,285)	(301,257,842)	(3,813,560,127)
Balances at June 30, 2018	**64,451,745**	**174,298,854**	**25,981,118**	**867,582,005**	**3,109,471,776**	**2,997,910,475**	**(9,902,195)**	**(1,590,360,435)**	**5,639,433,343**	**620,132,442**	**6,259,565,785**
Other comprehensive income	-	-	-	-	-	1,500,405,973	(883,185)	-	1,499,522,788	161,233,663	1,660,756,451
Income for the supplementary six-month period	-	-	-	-	-	-	-	893,678,568	893,678,568	(14,214,453)	879,464,115
Balances at December 31, 2018	**64,451,745**	**174,298,854**	**25,981,118**	**867,582,005**	**3,109,471,776**	**4,498,316,448**	**(10,785,380)**	**(696,681,867)**	**8,032,634,699**	**767,151,652**	**8,799,786,351**
As resolved by the Extraordinary Shareholders' Meeting held on March 7, 2019:											
- Optional reserve	-	-	-	(387,654,021)	-	-	-	387,654,021	-	-	-
-Distribution of dividends	-	-	-	-	-	-	-	(387,654,021)	(387,654,021)	-	(387,654,021)
Dividends attributable to the non-controlling interest Reversal of technical revaluation reserve	-	-	-	-	(78,119,602)	(110,465,264)	-	188,584,866	-	(6,880,918)	(6,880,918)
Other comprehensive income	-	-	-	-	-	(2,017,226,530)	-	-	(2,017,226,530)	(213,173,414)	(2,230,399,944)
Income for the six-month period	-	-	-	-	-	-	-	1,467,608,205	1,467,608,205	161,419,444	1,629,027,649
Balances at June 30, 2019	**64,451,745**	**174,298,854**	**25,981,118**	**479,927,984**	**3,031,352,174**	**2,370,624,654**	**(10,785,380)**	**959,511,204**	**7,095,362,353**	**708,516,764**	**7,803,879,117**

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

Albanesi S.A.

Condensed Interim Consolidated Statement of Cash Flows

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

Stated in pesos

	Notes	06.30.2019	06.30.2018
Cash flow provided by operating activities:			
Income /(loss) for the period		1,629,027,649	(3,813,560,127)
Adjustments to arrive at net cash flows provided by operating activities:			
Income tax		2,451,758,801	(806,424,003)
Income from investments in associates	**8**	79,835,628	17,338,893
Depreciation of property, plant and equipment	**7 and 16**	1,016,324,984	580,662,278
Present value of receivables and debts		22,027,597	32,905,539
Decrease in provisions		-	(3,506,328)
Impairment of assets		423,160,576	-
Income/(loss) from changes in the fair value of financial instruments	**20**	76,676,913	(814,316,698)
Interest and exchange differences and other		3,610,294,429	10,540,073,051
RECPAM		(5,446,116,397)	(3,257,262,283)
Waiver of debt	**19**	-	(306,391,360)
Accrual of benefit plans	**16**	1,979,472	20,104,859
Changes in operating assets and liabilities:			
(Increase) in trade receivables		(302,703,032)	804,732,156
(Increase) in other receivables		(209,614,785)	(34,062,059)
(Increase) in inventories		(189,992,813)	(7,593,754)
Increase/(Decrease) in trade payables		209,191,585	(1,768,555,197)
Increase in Defined benefit plans		4,487,672	458,713
(Decrease) / increase in other liabilities		(36,912,550)	195,311,978
Increase / (Decrease) in social security charges and taxes		89,197,475	(472,507,492)
Payment of income tax		(4,942,893)	(11,136,722)
Cash flows provided by operating activities		**3,423,680,311**	**896,271,444**
Cash flows provided by investment activities:			
Cash added as a result of the merger		-	175,816,580
Collection of dividends		-	43,909,367
Payments for acquisition of property, plant and equipment	**7**	(902,169,456)	(1,933,182,496)
Payments for purchases of assets for sale		(126,694,012)	(1,052,900,775)
Subscription of mutual funds		281,890,581	(219,605,037)
Loans granted		(19,500,918)	(50,063,911)
Cash flows (used in) investment activities		**(766,473,805)**	**(3,036,026,272)**
Cash flows from financing activities:			
Collection of financial instruments		321,605,629	363,563,439
Contributions from non-controlling interest in subsidiaries		-	18,748
Payment of loans	**13**	(2,052,800,111)	(3,386,359,998)
Payment of interest	**13**	(1,382,442,611)	(1,088,993,313)
Borrowings	**13**	463,056,196	7,764,080,592
Cash flows (used in) / provided by financing activities		**(2,650,580,897)**	**3,652,309,468**
INCREASE IN CASH AND CASH EQUIVALENTS		**6,625,609**	**1,512,554,640**
Cash and cash equivalents at the beginning of the period		672,215,041	177,646,427
RECPAM		(123,040,773)	102,081,955
Financial results of cash and cash equivalents		71,772,978	69,195,752
Cash and cash equivalents at the end of the period	**10**	627,572,855	1,861,478,774
		6,625,609	**1,512,554,640**

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

Albanesi S.A.

Condensed Interim Consolidated Statement of Cash Flows (Cont'd)
For the six-month periods ended June 30, 2019 and 2018
Stated in pesos

Material transactions not entailing changes in cash

	Notes	06.30.2019	06.30.2018
Acquisition of property, plant and equipment not yet paid	**7**	(1,247,760,074)	(21,896,583)
Advances to suppliers applied to the acquisition of property, plant and equipment	**7**	-	(45,505,647)
Decrease / (Increase) due to technical revaluation		2,230,399,944	(3,213,619,895)
Financial costs capitalized in property, plant and equipment	**7**	(701,725,258)	(1,432,945,937)
Outstanding dividends		(75,179)	29,843,939
Dividends offset		-	10,192,400
Dividends applied to the non-controlling interest and offset		6,880,918	-
Addition of balances as a result of the merger			
Assets			
Property, plant and equipment		-	3,280,886,190
Deferred tax assets		-	1,424,409
Other receivables		-	345,646,514
Inventories		-	24,876,029
Other financial assets at fair value through profit or loss		-	36,325,892
Income tax credit balance, net		-	1,343,630
Trade receivables		-	391,701,342
Total assets		-	4,082,204,006
Liabilities			
Deferred tax liabilities, net		-	(237,539,472)
Loans		-	(2,883,860,893)
Other liabilities		-	(6,505,285)
Tax payables		-	(8,142,196)
Social security debts		-	(2,389,243)
Trade payables		-	(340,942,228)
Total liabilities		-	(3,479,379,317)
Equity attributable to the owners		-	(521,013,136)
Non-controlling interest		-	(203,684,794)
Cash added as a result of the merger		-	(121,873,241)

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

Stated in pesos

NOTE 1: GENERAL INFORMATION

The Company was established in 1994 as investment and financing company. Through its subsidiaries and related entities, ASA has invested in the energy market, in the power generation and commercialization segment.

Albanesi Group, through ASA and its related company AESA, is engaged in the generation and sale of electricity and has focused on the gas transportation and sale business through RGA.

In recent years, the main strategy of Albanesi Group has been focused on achieving vertical integration, drawing on its vast experience and reputation in the natural gas sale market (obtained through RGA), with the subsequent addition of the electric power generation business. This approach seeks to capitalize the value added from the purchase from large gas producers in all the basins in the country to its transformation and sale as electric power.

Below is a detail of the participation of ASA in each company.

Companies	Country of creation	Main activity	% participation	
			06.30.2019	12.31.2018
CTR	Argentina	Electric power generation	75%	75%
GECEN	Argentina	Electric power generation	95%	95%
GLSA	Argentina	Electric power generation	95%	95%
GMSA	Argentina	Electric power generation	95%	95%
GROSA	Argentina	Electric power generation	95%	95%
Solalban Energía S.A.	Argentina	Electric power generation	42%	42%

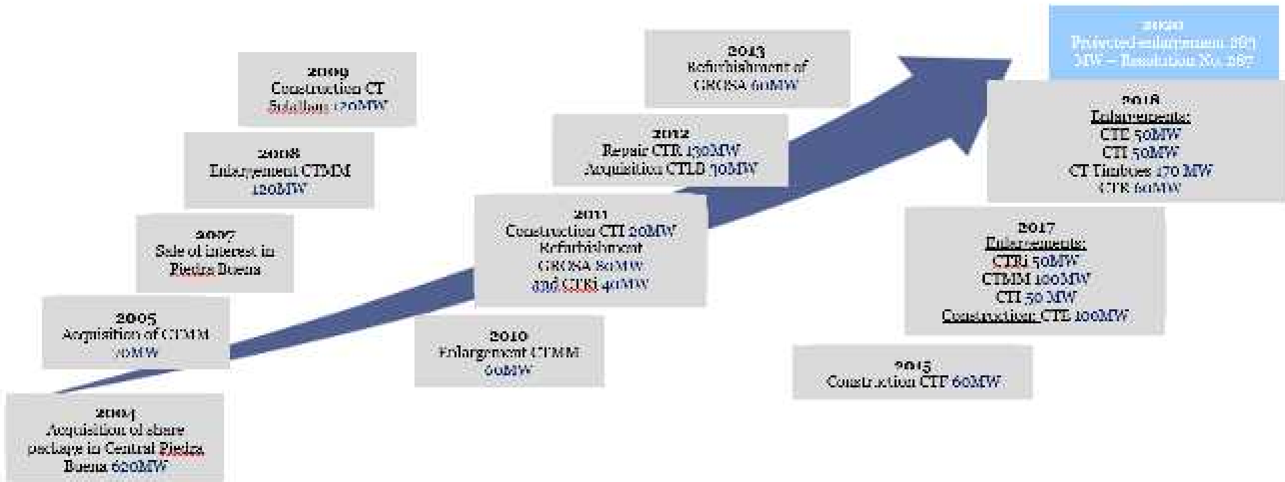
Albanesi Group had at the date these condensed interim consolidated financial statements were signed a total installed capacity of 1,520 MW, representing 6.1% of the total installed thermoelectric capacity in Argentina, it being expanded with additional 283 MW with all the new projects awarded and currently under way.

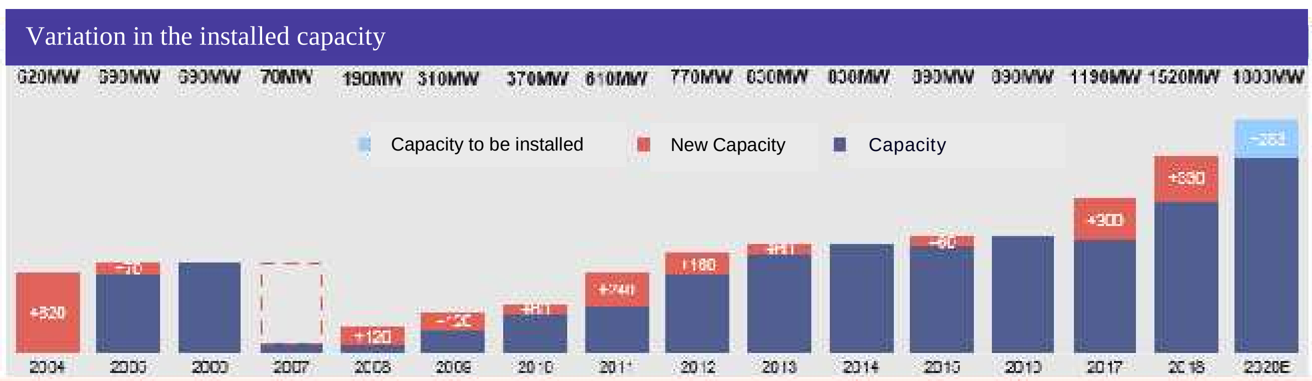
Thermal power	Company	Nominal installed capacity	Resolution	Location
Central Térmica Modesto Maranzana (CTMM)	GMSA	350 MW	E.S. Nos. 220/07, 1281/06 Plus and SRRyME 01/2019	Río Cuarto, Córdoba
Central Térmica Independencia (CTI)	GMSA	220 MW	E.S. Nos. 220/07, 1281/06 Plus, SEE 21/16 and SRRyME 01/2019	San Miguel de Tucumán, Tucumán
Central Térmica Frías (CTF)	GMSA	60 MW	E.S. Nos. 220/07 and SRRyME 01/2019	Frías, Santiago del Estero
Central Térmica Riojana (CTRi)	GMSA	90 MW	E.S. Nos. 220/07 and SRRyME 01/2019	La Rioja, La Rioja
Central Térmica La Banda (CTLB)	GMSA	30 MW	SRRyME Resolution No. 01/2019	La Banda, Santiago del Estero
Central Térmica Ezeiza (CTE)	GMSA	150 MW	EES No. 21/16	Ezeiza, Buenos Aires
Central Térmica Roca (CTR)	CTR	190 MW	E.S. Nos. 220/07 and SRRyME 01/2019	Gral Roca, Río Negro
Central Térmica Sorrento	GROSA	140 MW	SRRyME Resolution No. 01/2019	Rosario, Santa Fé
Solalban Energía S.A.		120 MW	No.1281/06 Plus	Bahía Blanca, Buenos Aires
Total nominal installed capacity (Participation of ASA)		**1,350 MW**		
Central Térmica Cogeneración Timbúes	AESA	170 MW	EES No. 21/16	Timbúes, Santa Fé
Total nominal installed capacity Albanesi Group		**1,520 MW**		

Albanesi S.A.
Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

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

Albanesi Group entered the electricity market in 2004 with the purchase of the power plant Luis Piedra Buena S.A. In this way the development of the electricity market became one of the main purposes of the Group.





Through EES Resolution No. 287/2017 dated May 10, 2017, the Electric Energy Secretariat instructed CAMMESA to call for tenders for new thermal generation of closure of the combined cycle technology and co-generation, with the commitment to be available to meet the demand in WEM. GMSA participated in the invitation and was awarded with two projects for the closure of the combined cycle through EES Resolution No. 926 – E/2017.

One of those projects is the closure of the combined cycle of the TG06 and TG07 units at CTMM, located in Río Cuarto. The project consists in the installation of a new 50 MW Siemens SGT800 gas turbine (with a guaranteed power of 47.5 MW) and the conversion into combined cycle of the three gas turbines (3x1 configuration). For such conversion, a recovery boiler will be installed at the gas turbines exit, which will produce steam in two pressures to feed a SST-600 steam turbine that will deliver a further 65 MW to the network; also, the necessary infrastructure will be installed for its operation and maintenance. The project for the closure of CTMM combined cycle will enable contributing a further 112.5 MW to SADI. The addition of a new gas turbine will cause an additional demand for fuel to the system. The addition of the turbo steam machine will contribute 65 MW, without additional consumption of fuel, with the complete cycle recording a specific consumption of 1590 Kcal/kWh in the closure of the combined cycle.

Albanesi S.A.
Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

NOTE 1: GENERAL INFORMATION (Cont'd)

One of them is the closure of the combined cycle of units TG01, TG02 and TG03 of CTE, located in the province of Buenos Aires. The project consists of: i) the installation of a fourth 50 MW Siemens SGT-800 gas turbine, and ii) the conversion into combined cycle of the four gas turbines. For the conversion into combined cycle, a recovery boiler will be installed at the gas turbines exit, which will produce steam in two pressures to feed two steam turbines (2x1 configuration), each of them delivering 44 MW to the network. The project for the closure of CTE combined cycle will enable contributing a further 138 MW to Argentine Interconnection System (SADI). Although the new gas turbine to be installed will consume additional fuel, the inclusion of two steam turbines will contribute a further 88 MW without additional fuel consumption, and the two full cycles will have a specific consumption of 1,590 Kcal/KWh.

Co-generation Project Arroyo Seco

Under ES Resolution No. 287/2017, the Secretariat of Energy requested bids for the installation of generation projects by means of closing open cycles and cogeneration. Within this framework, GECEN presented a cogeneration project in Arroyo Seco, Province of Santa Fe, for 100 MW power.

The installation of three projects including the project presented by GECEN was awarded through Resolution ES No. 820/2017 by the Energy Secretariat. The selected projects comply with the criteria of installing efficient generation and/or improve the thermal units of the current power generation plants. This means an economic benefit for the electric system in all scenarios.

The project consists in the installation of two SGT800 Siemens gas turbines with a nominal capacity of 50 MW and two recovery steam boilers which will generate steam using exhaust fumes from the turbine. The Company will thus generate (i) electricity that will be sold under a contract signed with CAMMESA within the framework of a public bidding under EES Resolution No. 287/2017 and awarded under EES Resolution No.820/2017 for a term of 15 years, and (ii) steam, to be supplied to LDC Argentina S.A. for its plant in Arroyo Seco, by means of a steam and electric power generation contract, renewable and for a term of 15 years.

On August 9, 2017, a contract was signed with the supplier Siemens for the purchase of the turbines for a total amount of SEK 270,216,600 million. The contract is for the purchase of two gas turbines SGT800 Siemens Industrial Turbomachinery AB, including whatever is necessary for their installation and start-up.

On January 12, 2018, a contract was signed with the supplier Vogt Power International Inc. for the provision of two recovery steam boilers for a total amount of USD 14,548,000.

In turn, on March 26, 2018, a contract was signed with the supplier Siemens Ltda. for the purchase of a steam turbine for a total amount of USD 5,370,500. The contract comprises the purchase of an SST-300 steam turbine, including whatever is necessary for its installation and start-up.

GECEN and CAMMESA signed the Wholesale Demand contract on November 28, 2017.

NOTE 1: GENERAL INFORMATION (Cont'd)

Appointment of GECEN as Non-Restricted Subsidiary

On August 27, 2018, the board of ASA, the controlling company of GECEN, has appointed it as a Non-Restricted Subsidiary under the terms of the Indenture under the International Bond.

It should be mentioned that GECEN is a Non-Restricted Subsidiary of ASA under the terms of the international bond, which means that its creditors cannot be claimed against ASA or its subsidiaries.

Commencement of potential sale process

As a result of the macroeconomic context observed as from May 2018, according to the minutes dated September 28, 2018, the GECEN's Board of Directors has decided to start a sale process for the thermal energy cogeneration project called Arroyo Seco. To that end, the services of a financial advisor have been hired, including assistance in the identification of prospective buyers and the steps to be followed to consummate the sale.

This process seeks to obtain the necessary funds for GECEN to comply with the financial obligations assumed exclusively within the framework of that project.

NOTE 2: REGULATORY ASPECTS RELATED TO ELECTRICITY GENERATION

The regulatory aspects related to electricity generation applied to these interim condensed consolidated financial statements are consistent with those used in the financial information corresponding to the last fiscal year, except for the changes mentioned below:

Sales under SRRyME Resolution No. 1/2019

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

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

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

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

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

Albanesi S.A.
Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

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

Sales under SRRyME Resolution No. 01/2019 (Cont'd)

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

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

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

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

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

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

The resolution was effective from March 1, 2019.

NOTE 3: BASIS FOR PRESENTATION

These condensed interim consolidated financial statements for the six-month periods ended June 30, 2019 and 2018 were prepared in accordance with IAS 34. These condensed interim consolidated financial statements should be read in conjunction with the Company's annual financial statements at December 31, 2018.

NOTE 3: BASIS FOR PRESENTATION (Cont'd)

Presentation in the interim condensed consolidated statement of financial position segregates current and non-current assets and liabilities. Current assets and liabilities are those which are expected to be recovered or settled within the twelve months after the end of the reporting period. In addition, the Company reports on the cash flows from operating activities using the indirect method.

The fiscal year commences on January 1 and ends December 31 of each year.

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

The condensed interim consolidated financial statements for the six-month periods ended June 30, 2019 and 2018 have not been audited. Company Management considers that they include all the necessary adjustments to reasonably present the results for each period. The results for the six-month periods ended June 30, 2019 and 2018 do not necessary reflect the proportion of Company's results for full fiscal years.

Comparative information

Balances at December 31, 2018 and for the six-month period ended June 30, 2018, disclosed for comparative purposes in these Interim Condensed Consolidated Financial Statements, arise from Financial Statements at that date, restated in constant currency at June 30, 2019. Certain reclassifications have been included in the consolidated financial statement figures presented for comparative purposes to conform them to the current period presentation.

Financial reporting in hyperinflationary economies

These condensed interim consolidated financial statements have been disclosed in constant currency as established by IAS 29. See detail of the inflation adjustment procedure in Note 3 to the consolidated financial statements at December 31, 2018.

Tax inflation adjustment

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

The Company has estimated that at December 31, 2019 the IPC variation will exceed the index established in the above paragraph, therefore, to determine the taxable income for the current period, said adjustment was included.

NOTE 4: ACCOUNTING POLICIES

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

NOTE 4: ACCOUNTING POLICIES (Cont'd)

There are no new IFRS or IFRIC applicable as from the current period which have a material impact on the Company's condensed interim consolidated financial statements.

These condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements at December 31, 2018 prepared under IFRS.

On June 30, 2019, the Company revalued the facilities, machinery and buildings for there have been important changes in the fair values of those assets caused by macroeconomic fluctuations.

NOTE 5: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The estimates made and accounting judgments applied are continually evaluated and are based on historical experience and other factors that are believed to be reasonable under the circumstances.

The preparation of the financial statements require that the Group makes estimates and carries out evaluations relating to the future. Actual future results may differ from those estimates and assessments made at the date these consolidated financial statements were prepared.

In preparing these condensed interim consolidated financial statements, the critical judgments delivered by the Management when applying the Group's accounting policies and the sources of information used for the related estimates are the same as those applied in the audited consolidated financial statements for the fiscal year ended December 31, 2018.

Fair value of property, plant and equipment

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

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

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

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

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

The criteria considered in each scenario are the following:

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

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

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

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

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

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

Actual results may differ from estimates, so the projected cash flows may be badly affected if one of the above-mentioned factors change in the near future.

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

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

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

- To increase the fair value of land, buildings, facilities and machinery by $3,116 million, if it were favorable; or
- To reduce the fair value of land, buildings, facilities and machinery by $3,116 million, if it were not favorable.

At March 31, 2019, the fair value of revalued property, plant and equipment amounted to $ 33,672,512,858, thus obtaining a decrease in their value for $ 124,098,005, recording their effect in other comprehensive income.

At June 30, 2019, the Group made a study on the recoverable value of property, plant and equipment, determining that due to the macroeconomic variations between the US dollar exchange rate and the inflation rate a decrease was recorded in assets for $ 2,849,768,587, also recording its effect in other comprehensive income.

NOTE 6: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to sundry financial risks: market risk (including the foreign exchange risk, fair value interest rate risk and price risk), credit risk and liquidity risk.

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

Albanesi S.A.

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

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

Captions	ORIGINAL VALUE							DEPRECIATION						NET VALUE	
	Value at beginning of period/year	Addition as a result of merger	Increases (1)	Decreases / transfers (2)	Revaluation of original values	(Impairment) /Recovery	Value at the end of period/year	Accumulated at beginning of period/year	Addition as a result of merger	For the year/period	Revaluation of accumulated depreciation	(Impairment)/ Recovery	Accumulated at the end of period/year	06.30.2019	12.31.2018
Land	758,946,214	-	4,395,234	-	-	-	763,341,448	-	-	-	-	-	-	763,341,448	758,946,214
Buildings	1,531,138,282	-	12,801,440	(252,573)	(18,255,816)	-	1,525,431,333	9,982,313	-	17,238,805	(18,255,816)	-	8,965,302	1,516,466,031	1,521,155,969
Facilities	3,935,823,260	-	5,645,561	687,022	(476,624,725)	-	3,465,531,118	61,951,274	-	115,624,740	(118,296,942)	-	59,279,072	3,406,252,046	3,873,871,986
Machinery and turbines	29,334,692,418	-	72,627,057	20,084,330	(3,545,372,945)	-	25,882,030,860	570,963,088	-	764,801,627	(929,834,136)	-	405,930,579	25,476,100,281	28,763,729,330
Computer and office equipment	49,773,677	-	1,455,955	137,830	-	-	51,367,462	32,241,108	-	4,327,366	-	-	36,568,474	14,798,988	17,532,569
Vehicles	33,010,590	-	-	-	-	-	33,010,590	16,538,483	-	2,545,291	-	-	19,083,774	13,926,816	16,472,107
Tools	30,933,751	-	1,444,868	1,668,216	-	-	34,046,835	14,872,833	-	3,728,083	-	-	18,600,916	15,445,919	16,060,918
Furniture and fixtures	3,000,193	-	-		-	-	3,000,193	2,334,016	-	148,935	-	-	2,482,951	517,242	666,177
Works in progress	1,883,591,088	-	2,726,582,397	(23,269,321)	-	-	4,586,904,164	-	-	-	-	-	-	4,586,904,164	1,883,591,088
Civil constructions on third party property	118,605,255	-	-	1,988,928	-	-	120,594,183	78,944,668	-	8,726,946	-	-	87,671,614	32,922,569	39,660,587
Installations on third party property	686,240,085	-	811,380	32,229	-	-	687,083,694	482,705,238	-	46,195,560	-	-	528,900,798	158,182,896	203,534,847
Machinery and turbines on third party property	474,274,396	-	7,656,259	592,820	-	-	482,523,475	254,569,617	-	52,987,631	-	-	307,557,248	174,966,227	219,704,779
Leasehold improvements in progress	1,669,481	-	-	(1,669,481)	-	-	-	-	-	-	-	-	-	-	1,669,481
Inputs and spare parts	159,939,827	-	18,234,637	-	-	-	178,174,464	-	-	-	-	-	-	178,174,464	159,939,827
Total at 06.30.2019	**39,001,638,517**	-	**2,851,654,788**	-	**(4,040,253,486)**	-	**37,813,039,819**	**1,525,102,638**	-	**1,016,324,984**	**(1,066,386,894)**	-	**1,475,040,728**	**36,337,999,091**	-
Total at 12.31.2018	**20,822,568,351**	**5,645,473,398**	**5,419,066,782**	**(1,172,132,759)**	**5,094,222,539**	**3,192,440,206**	**39,001,638,517**	**651,331,728**	**3,640,818**	**1,654,123,203**	**(1,406,134,078)**	**622,140,967**	**1,525,102,638**	-	**37,476,535,879**
Total at 06.30.2018	**20,822,568,351**	**5,645,473,398**	**3,388,025,016**	-	**3,659,390,104**	-	**33,515,456,869**	**651,331,728**	**3,640,818**	**580,662,278**	**(474,060,058)**	-	**761,574,766**	-	**32,753,882,103**

(1) Includes the acquisition of assets of the project for the start-up and enlargement of the electricity generation plant.
(2) At December 31, 2018, the assets transferred as available for sale have been included (Note 9).
(3) At June 30, 2019, the recoverability of property, plant and equipment was evaluated, in relation to the changes in future expected cash flows, recording an impairment from revaluation of $ 2,849,768,587.

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

Albanesi S.A.
Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

NOTE 8: EQUITY INTEREST IN ASSOCIATE

At June 30, 2019 and 2018 and December 31, 2018, 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, 2019 and 2018 are as follows:

	06.30.2019	06.30.2018
At the beginning of the period	**308,423,919**	**675,434,635**
Other comprehensive income	-	113,532,274
Allocated dividends	-	(10,594,504)
Income/(loss) from interests in associates	(79,835,628)	(17,338,893)
Period end	**228,588,291**	**761,033,512**

Below is a breakdown of the investments and the value of interests held by the Group in the associate at June 30, 2019 and December 31, 2018, as well as the Group's share in the income/loss of the associate for the six-month periods ended on June 30, 2019 and 2018:

Name of issuing entity	Main business activity	% share interest		Equity value		Company's share of profits	
		06.30.2019	12.31.2018	06.30.2019	12.31.2018	06.30.2019	06.30.2018
Associates: Solalban Energía S.A.	Electricity	42%	42%	228,588,291	308,423,919	(79,835,628)	(17,338,893)
				228,588,291	**308,423,919**	**(79,835,628)**	**(17,338,893)**

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

NOTE 9: AVAILABLE-FOR-SALE ASSETS

	06.30.2019	12.31.2018
Current		
Works in progress	1,791,270,347	1,270,751,702
Advances to suppliers	567,582,196	721,215,778
Impairment	(504,404,315)	(98,618,943)
	1,854,448,228	**1,893,348,537**

Albanesi S.A.

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

NOTE 10: **CASH AND CASH EQUIVALENTS**

	06.30.2019	12.31.2018
Cash	675,456	771,476
Checks to be deposited	31,344,079	-
Banks	293,930,907	221,440,132
Mutual funds	301,622,413	450,003,433
Cash and cash equivalents (bank overdrafts excluded)	**627,572,855**	**672,215,041**

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

	06.30.2019	12.31.2018
Cash and cash equivalents	627,572,855	672,215,041
Cash and cash equivalents (bank overdrafts excluded)	**627,572,855**	**672,215,041**

NOTE 11: **CAPITAL STATUS**

The capital subscribed and paid-in at June 30, 2019 amounts to $ 64,451,745.

NOTE 12: **DISTRIBUTION OF PROFITS**

Dividends

Pursuant to General Companies Law No. 19550, 5% of the profit reported in the statement of comprehensive income for the year, net of prior year adjustments, transfers of other comprehensive income to unappropriated retained earnings and prior year accumulated losses, is to be allocated to the legal reserve, until it reaches 20% of the capital stock.

Due to the issuance of the International Bond, ASA must comply with ratios on a combined basis to be allowed to distribute dividends.

Tax on dividends: A tax is levied on dividends or profits distributed, among others, by Argentine companies or permanent establishments to: individuals, undivided estates or foreign beneficiaries, according to the following rates: (i) dividends deriving from profits generated during fiscal years beginning on or after January 1, 2018 until December 31, 2019 will be subject to tax at a rate of 7%, and; (ii) dividends deriving from profits obtained during fiscal years beginning on or after January 1, 2020 will be subject to tax at a rate of 13%.

Albanesi S.A.
Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

NOTE 12: DISTRIBUTION OF PROFITS (Cont'd)

Dividends on profits obtained until the fiscal year prior to the fiscal year beginning on or after January 1, 2018 will continue to be subject to withholdings, for all beneficiaries, at a rate of 35% of the amount exceeding retained earnings to be distributed free of tax (transition period of equalization tax).

Pursuant to General Companies Law No. 19550, 5% of the profit reported in the statement of comprehensive income for the year, net of prior year adjustments, transfers of other comprehensive income to unappropriated retained earnings and prior year accumulated losses, is to be allocated to the legal reserve, until it reaches 20% of the capital stock.

On March 7, 2019 the Meeting of Shareholders of Albanesi S.A. approved the partial reversal of optional reserve funds and the distribution of cash dividends for $354,000,000 among the shareholders pro rata their shares.

NOTE 13: LOANS

Non-Current	06.30.2019	12.31.2018
Finance lease debts	78,650,962	100,807,092
Negotiable Obligations	2,154,361,432	4,208,481,774
International bond	14,266,642,316	15,503,822,277
Foreign loan debt	2,401,473,808	2,792,841,945
Other bank debts	71,029,018	115,785,931
	18,972,157,536	**22,721,739,019**

Current	06.30.2019	12.31.2018
Finance lease debts	35,286,049	44,426,648
Syndicated Loan	549,108,860	1,200,760,331
Other bank debts	1,180,643,604	1,579,135,004
Foreign loan debt	645,573,870	751,555,433
Negotiable Obligations	1,811,238,246	682,647,807
International bond	586,463,189	635,951,113
CAMMESA	3,282,483	7,432,454
	4,811,596,301	**4,901,908,790**

Albanesi S.A.

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

NOTE 13: LOANS (Cont'd)

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

	06.30.2019	12.31.2018
Fixed rate		
Less than 1 year	3,973,681,000	3,416,620,508
Between 1 and 2 years	1,335,757,266	3,098,249,741
Between 2 and 3 years	6,448,818	7,893,655
More than 3 years	16,247,246,312	15,497,469,519
	21,563,133,396	**22,020,233,423**
Floating rate		
Less than 1 year	837,915,301	1,485,288,282
Between 1 and 2 years	729,595,272	728,087,663
Between 2 and 3 years	633,272,900	1,250,368,608
More than 3 years	19,836,968	2,139,669,833
	2,220,620,441	**5,603,414,386**
	23,783,753,837	**27,623,647,809**

The fair value of the Company's international negotiable obligations at June 30, 2019 and December 31, 2018 is approximately $ 11,948 and $ 11,263 million, respectively. Fair value was calculated based on the estimated market price of the Company's international negotiable obligations at the end of each fiscal year. The applicable fair value hierarchy would be Level 1.

The other loans at floating rates are measured at fair value. Loans at a fixed rate do not differ significantly from their fair value, as they were issued at a near date.

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

Group loans are denominated in the following currencies:

	06.30.2019	12.31.2018
Argentine pesos	1,310,676,395	2,030,088,854
US dollars	22,473,077,442	25,593,558,955
	23,783,753,837	**27,623,647,809**

Albanesi S.A.
Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

NOTE 13: LOANS (Cont'd)

Changes in Group's loans during the period was the following:

	06.30.2019	06.30.2018
Loans at beginning of year	**27,623,647,809**	**18,089,684,222**
Loans received	463,056,196	7,764,080,592
Loans paid	(2,052,800,111)	(3,386,359,998)
Accrued interest	1,413,983,123	1,589,830,408
Interest paid	(1,382,442,611)	(1,088,993,313)
Exchange difference	2,935,297,119	9,021,123,170
Capitalized expenses	3,709,687	(265,209,173)
RECPAM	(5,220,697,375)	(2,791,518,894)
Loans at year end	**23,783,753,837**	**28,932,637,014**

Total financial debt at June 30, 2019 amounts to $ 23,784 million. The following table shows the total debt at that date.

	Borrower	Principal	Balance at 06.30.2019	Interest rate	Currency	Date of Issue	Maturity date
			(Pesos)	(%)			
Loan Agreement							
Cargill	GMSA	USD 20,000,000	909,944,046	LIBOR + 4.25%	USD	2/16/2018	1/29/2021
UBS	GECEN	USD 51,731,896	2,137,103,632	7.75% - 13.09%	USD	4/25/2018	4/25/2024
Subtotal			**3,047,047,678**				
Syndicated loan							
ICBC / Hipotecario / Citibank	GMSA	USD 13,000,000	549,108,860	10.50%	USD	12/27/2018	12/27/2019
			549,108,860				
Debt securities							
International Bond	GMSA/CTR	USD 336,000,000	14,853,105,505	9.625%	USD	7/27/2016	7/27/2023
Class VI Negotiable Obligations	GMSA	USD 34,696,397	1,480,910,376	8.0%	USD	2/16/2017	2/16/2020
Class VIII Negotiable Obligations	GMSA	$ 312,884,660	364,985,008	BADLAR + 5%	ARS	8/28/2017	8/28/2021
Class I Negotiable Obligation co-issuance	GMSA/CTR	USD 30,000,000	1,291,232,401	6.68%	USD	10/11/2017	10/11/2020
Class II Negotiable Obligations:	CTR	$ 162,000,000	169,789,168	BADLAR + 2%	ARS	11/17/2015	11/17/2020
Class IV Negotiable Obligations	CTR	$ 291,119,753	358,951,345	BADLAR + 5%	ARS	7/24/2017	7/24/2021
Class III Negotiable Obligations	ASA	$ 255,826,342	299,731,380	BADLAR + 4.25%	ARS	6/15/2017	6/15/2021
Subtotal			**18,818,705,183**				
Other liabilities							
CAMMESA	GMSA		3,282,483				
Banco Macro loan	GMSA	USD 5,000,000	213,658,690	7.00%	USD	8/30/2018	7/10/2019
Banco Chubut loan	GMSA	USD 595,826	25,488,165	10.50%	USD	12/28/2018	12/28/2019
Banco Chubut loan	GMSA	USD 339,078	14,468,687	10.50%	USD	2/13/2019	8/13/2019
Supervielle Loan	GMSA	USD 505,685	21,495,246	10.50%	USD	3/29/2019	7/26/2019
Banco Chubut loan	GMSA	USD 672,379	28,657,987	10.50%	USD	4/17/2019	10/17/2019
Banco Chubut loan	GMSA	USD 1,000,000	42,743,957	10.50%	USD	6/7/2019	12/7/2019
Banco Ciudad loan	CTR	USD 5,018,182	214,733,371	6.00%	USD	8/4/2017	8/4/2020
BAPRO loan	CTR	USD 10,600,000	455,829,718	4.00%	USD	1/3/2018	6/30/2019
ICBC loan	CTR	USD 2,450,000	107,134,509	10.50%	USD	12/27/2018	7/8/2019
Banco Macro loan	CTR	USD 3,000,000	127,462,292	7.00%	USD	12/28/2018	8/8/2019
Finance lease	GMSA/CTR		113,937,011				
Sub-total			**1,368,892,116**				
Total financial debt			**23,783,753,837**				

NOTE 13: LOANS (Cont'd)

A) LOAN AGREEMENTS - GECEN

In view of the macroeconomic context prevailing since May 2018, on October 16, 2018, GECEN decided, with the consent of creditors, to repay Tranche A of the loan agreement, with the Tranche B effectively disbursed on April 25 for USD 65,000,000 still pending repayment.

On March 7, 2019, a Forbearance agreement was entered into with the creditors of Tranche B in relation to the loan agreement to find alternatives for the repayment of the outstanding amount for USD 52,981,896.

From said agreement, supplementary agreements were signed whereby the outstanding amounts should be paid as follows:

(i) USD 24,383,333 payable in four years, in nine quarterly installments of principal starting as from March 2021, and quarterly payments of interest as from March 20, 2019 at an annual rate of 7.75% . This agreement was executed by GECEN and secured by Albanesi.

(ii) USD 12,800,000 quarterly interest payable as from June 20, 2019, at an annual interest rate of 13.09%, whose repayment of principal was divided into two tranches: (i) USD 5,000,000 payable in four quarterly installments as from June 2019, and (ii) USD 7,800,000 payable in four years, in nine quarterly installments of principal starting as from March 2021. This agreement was executed by GECEN and secured by ASA and GMSA.

The remaining balance of USD 15,798,563 will be repaid with funds from the potential sale of GECEN's assets.

The agreements executed include the release of guarantees provided for the loan signed on April 23, 2018.

Principal balance at the date of presentation of the interim condensed consolidated financial statements was worth USD 51,731,896.

NOTE 14: ALLOWANCES AND PROVISIONS

Provisions cover contingencies arising in the ordinary course of business and other sundry risks that could create obligations for the Company. In estimating the amounts and probabilities of occurrence, the opinion of the Company's legal advisors has been considered. They include the activity of the provision for trade and other receivables disclosed in the pertinent captions.

	For trade receivables	For other receivables	For contingencies
Balances at December 31, 2018	**3,366,260**	**2,275,748**	**5,489,386**
RECPAM	(616,153)	(416,548)	(3,642,428)
Balance at June 30, 2019	**2,750,107**	**1,859,200**	**1,846,958**

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

Albanesi S.A.
Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

NOTE 15: SALES REVENUE

	06.30.2019	06.30.2018
Sale of Electricity Res. No. 95 as amended plus Spot	340,330,505	491,163,812
Energía Plus sales	905,704,144	978,700,511
Sale of electricity Res. No. 220	2,357,542,052	1,868,583,953
Sale of electricity Res. No. 21	1,810,192,747	884,954,752
	5,413,769,448	**4,223,403,028**

NOTE 16: COST OF SALES

	06.30.2019	06.30.2018
Cost of purchase of electric energy	(528,461,579)	(798,630,535)
Cost of gas and diesel consumption at the plant	(27,499,221)	(31,225,011)
Salaries and social security charges	(227,594,633)	(153,044,330)
Defined benefit plan	(1,979,472)	(20,104,859)
Other employee benefits	(9,503,958)	(10,545,124)
Rental	(8,695,559)	(7,389,823)
Fees for professional services	(5,811,589)	(14,969,419)
Depreciation of property, plant and equipment	(1,016,324,984)	(580,662,279)
Insurance	(39,048,904)	(39,135,730)
Maintenance	(334,566,033)	(313,313,357)
Electricity, gas, telephone and postage	(8,597,012)	(6,705,300)
Rates and taxes	(23,355,792)	(19,348,663)
Travel and per diem	(9,747,893)	(4,922,656)
Security guard and cleaning service	(6,317,049)	(7,241,519)
Miscellaneous expenses	(5,810,952)	(8,017,220)
	(2,253,314,630)	**(2,015,255,825)**

NOTE 17: SELLING EXPENSES

	06.30.2019	06.30.2018
Duties and taxes	(30,546,172)	(11,150,108)
Bad debts	(96,662)	-
	(30,642,834)	**(11,150,108)**

Albanesi S.A.

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

NOTE 18: ADMINISTRATIVE EXPENSES

	06.30.2019	06.30.2018
Salaries and social security charges	(13,533,136)	(1,752)
Other employee benefits	-	(249,425)
Rental	(4,897,614)	(5,822,805)
Fees for professional services	(175,238,742)	(136,766,039)
Insurance	(9,334)	(37,411)
Directors' fees	-	(644,244)
Electricity, gas, telephone and postage	(1,023,639)	(2,518,192)
Rates and taxes	(5,163,290)	(2,708,635)
Travel and per diem	(23,255)	(1,322,235)
Miscellaneous expenses	(1,859,940)	(953,864)
	(201,748,950)	**(151,024,602)**

NOTE 19: OTHER OPERATING INCOME

	06.30.2019	06.30.2018
Sale of spare parts	4,497,959	-
Sundry income	1,993,749	6,386,231
Waiver of debt	-	306,391,360
Total Other operating income	**6,491,708**	**312,777,591**

NOTE 20: OTHER OPERATING EXPENSES

	06.30.2019	06.30.2018
Penalty imposed by CAMMESA	-	(352,181,372)
Total Other operating expenses	**-**	**(352,181,372)**

Albanesi S.A.
Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

NOTE 21: FINANCIAL RESULTS

Financial income	06.30.2019	06.30.2018
Interest on loans granted	7,610,693	3,294,084
Commercial interest	85,440,546	26,698,902
Total financial income	**93,051,239**	**29,992,986**
Financial expenses		
Interest on loans	(1,245,053,871)	(1,116,530,089)
Commercial and other interest	(45,104,659)	(16,140,081)
Bank expenses and commissions	(5,460,936)	(7,173,337)
Total financial expenses	**(1,295,619,466)**	**(1,139,843,507)**
Other financial results		
Exchange difference, net	(2,413,187,138)	(9,427,155,122)
Changes in the fair value of financial instruments	(76,676,913)	804,055,269
Impairment of assets	(423,160,576)	-
RECPAM	5,446,116,397	3,257,262,283
Other financial results	(104,456,207)	(133,525,858)
Total other financial results	**2,428,635,563**	**(5,499,363,428)**
Total financial results, net	**1,226,067,336**	**(6,609,213,949)**

NOTE 22: EARNINGS (LOSSES) PER SHARE

Basic

The basic earnings per share are calculated by dividing the income attributable to the holders of the Company's equity instruments by the weighted average number of ordinary shares outstanding during the period.

	06.30.2019	06.30.2018
(Loss) income for the period attributable to the owners	1,467,608,205	(3,512,302,285)
Weighted average of outstanding ordinary shares	64,451,745	64,451,745
Basic and diluted earnings (losses) per share	**22.77**	**(54.50)**

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

Albanesi S.A.
Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

NOTE 23: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) Transactions with related parties and associates

		06.30.2019	06.30.2018
		$	
		Income / (Loss)	
Purchase of gas			
RGA (1)	Related company	(1,512,398,807)	(3,169,051,434)
Purchase of energy			
Solalban Energía S.A.	Related company	26,904	(134,979)
Purchase of wines			
BDD	Related company	(106,609)	(774,887)
Purchase of flights			
AJSA	Related company	(34,846,542)	(35,948,560)
Sale of energy			
RGA	Related company	46,813,403	54,982,441
Solalban Energía S.A.	Related company	413,167	9,342,146
Leases and services agreements			
RGA	Related company	(247,244,991)	(226,060,873)
Recovery of expenses			
RGA	Related company	(2,764,977)	(62,997,617)
AESA	Related company	32,607,375	13,674,927
Pipeline works			
RGA	Related company	(964,197)	77,986,369
Work management service			
RGA	Related company	(66,454,053)	-
Interest generated due to loans granted			
Directors	Related parties	7,441,845	3,903,835

(1) For purchases of gas, which are consumed for dispatch by the plant.

Albanesi S.A.

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

NOTE 23: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

a) Transactions with related parties and associates (Cont'd)

		06.30.2019	06.30.2018
		$	
		Income / (Loss)	
Guarantees provided/received			
AJSA	Related company	159,212	244,977
Exchange difference			
RGA	Related company	(1,415,903)	(2,382,470)

b) Remuneration of key managerial staff

The senior management includes directors (executive and non-executive). Their remunerations for the six-month period at June 30, 2019 and 2018 amounted to $ 35,853,726 and $ 31,513,448, respectively.

	06.30.2019	06.30.2018
Salaries	(35,853,726)	(31,513,448)
	(35,853,726)	(31,513,448)

c) Balances at the date of the condensed interim consolidated statements of financial position

Captions	Type	06.30.2019	12.31.2018
NON-CURRENT ASSETS			
Other receivables			
TEFU S.A.	Related company	18,154,808	22,222,336
		18,154,808	**22,222,336**
CURRENT ASSETS			
Solalban Energía S.A.	Related company	463,799	-
		463,799	**-**
Other receivables			
Minority shareholders' accounts	Related parties	-	265,668,941
AESA	Related company	43,632,785	13,486,973
Loans to Directors	Related parties	57,430,306	71,598,807
Advances to directors	Related parties	-	3,962,852
		101,063,091	**354,717,573**
CURRENT LIABILITIES			
Trade payables			
Solalban Energía S.A.	Related company	-	378,764
AJSA	Related company	-	19,579,874
RGA	Related company	1,428,171,139	852,021,276
		1,428,171,139	**871,979,914**
Other liabilities			
BDD	Related company	75,179	1,160,049
Directors' fees	Related parties	-	36,721,406
		75,179	**37,881,455**

NOTE 23: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

d) Loans granted to related parties

Loans to Albanesi Inversora S.A. (1)	**06.30.2019**	**06.30.2018**
Balances at beginning of year	-	146,137,483
Loans added as a result of the merger, and eliminated in the consolidation	-	(146,137,483)
Closing balances	-	-

(1) Company absorbed by ASA as from January 1, 2018 under a merger through absorption.

Loans to Directors	**06.30.2019**	**06.30.2018**
Balances at beginning of year	71,598,808	43,070,642
Loans granted	19,500,918	17,603,488
Loans added as a result of the merger through absorption	-	-
Loans repaid	(29,305,021)	(23,726,773)
Accrued interest	7,441,845	4,619,420
RECPAM	(11,806,244)	(7,519,924)
Closing balances	**57,430,306**	**34,046,853**

The loans are governed by the following terms and conditions:

Entity	**Amount**	**Interest rate**	**Conditions**
At 06.30.2019			
Directors	44,012,035	BADLAR + 3%	Maturity date: 3 years
Total in pesos	44,012,035		

Receivables from related parties arise mainly from transactions of services provided and fall due in the month following the transaction date. No allowances have been recorded for these receivables from related parties in any of the years covered by these condensed interim consolidated financial statements. Trade payables with related parties arise mainly from gas purchase transactions and fall due in the month following the transaction date. Transactions with related parties are conducted in conditions similar to those carried out with independent parties.

NOTE 24: WORKING CAPITAL

The Company reports at June 30, 2019 a deficit of $ 3,892,128,593 in its working capital (calculated as current assets less current liabilities), which means a decrease of $ 1,826,308,067, compared to the working capital at closing of the year ended December 31, 2018 (deficit of $ 2,065,820,526).

It should be noted that EBITDA(*) at June 30, 2019 amounted to $ 3,949 million, in line with projections, which shows compliance with the objectives and efficiency of the transactions carried out by the Group.

(*) Amount not covered by the review report.

Albanesi S.A.

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

NOTE 25: SEGMENT REPORTING

The information on operating segments is presented in accordance with the internal information furnished to the chief operating decision maker (CODM). The Board of Directors of the Company has been identified as the highest authority in decision-making, responsible for allocating resources and assessing the performance of the operating segments.

Management has determined the operating segment based on reports reviewed by the Board of Directors and used for strategic decision making.

The Board of Directors considers the business as a single segment: the electricity segment. It 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 26: OTHER COMMITMENTS

A. GMSA

Certain contractual obligations in connection with the supply of electricity to large customers of the Forward Market at June 30, 2019 and the periods to fulfill those obligations are detailed below. These commitments are originated in supply contracts (energy and power) entered into between GMSA and large users on the Forward Market in accordance with regulations set forth by the Energy Secretariat under 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	1,611,798,206	1,240,854,955	370,943,251

(1) Commitments are denominated in pesos and have been valued considering estimated market prices, based on the particular conditions of each contract. They reflect the valuation of the contracts with private customers in force at June 30, 2019, under ES Resolution No. 1281/06.

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.

Albanesi S.A.

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

NOTE 26: OTHER COMMITMENTS (Cont'd)

B. GROSA (Cont.)

In addition, in the case "Central Térmica Sorrento S.A. c/ Generación Rosario S.A. s/Medidas Precautorias" (Central Térmica Sorrento S.A. v. Generación Rosario S.A. on precautionary measures), an attachment was levied on the funds that CAMMESA should settle with GROSA for $ 13,816,696, plus interest for $ 6,900,000, which was recorded by CAMMESA in the settlement dated December 12, 2017. In reply to this resolution, on April 17, 2018 the attachment decreed against GROSA was replaced with a bond insurance policy. The sums subject to the court-ordered attachment were returned to the Company on June 28, 2018.

Furthermore, payment of monthly rentals through judicial consignment was requested in re. "Generación Rosario S.A. c/ Central Térmica Sorrento s/ Consignación" ("Generación Rosario S.A. v. Central Térmica Sorrento on Consignment").

NOTE 27: EXECUTION OF CONTRACTS TO PURCHASE MACHINERY

BLC Asset Solutions B.V.

On February 21, 2018, GMSA signed an agreement with BLC Asset Solutions B.V. (BLC) for the purchase of equipment to be installed at the electric power generation plants located in Río Cuarto, Province of Córdoba, and in Ezeiza, Province of Buenos Aires, for expansion through cycle closures at the two power plants. The purchase agreement sets forth financing by BLC for USD 61,200,000, according to the irrevocable commitment signed on July 22, 2019.

Through said irrevocable commitment in agreement with GMSA, BLC expresses its will to amend the documents so as to reschedule the payments related to the Contracts for the Purchase of Equipment. Under such commitment, an additional year will be added for the payment of the mentioned equipment, with the expiration date being March 2023, which significantly reduces the payments for 2020.

Siemens Industrial Turbomachinery AB

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

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

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

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

Albanesi S.A.

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

NOTE 27: EXECUTION OF CONTRACTS TO PURCHASE MACHINERY (Cont'd)

Siemens Industrial Turbomachinery AB Cont'd)

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

Commitments (1)		SEK Total financing	**Total**	**2019**	**2020**
			USD		
Siemens Industrial Turbomachinery AB for the purchase of two turbines Siemens SGT 800	CTMM	*177,000,000*	**769,203**	769,203	-
Siemens Industrial Turbomachinery AB for the purchase of three turbines Siemens SGT 800	CTE	*263,730,000*	**16,449,480**	11,379,239	5,070,241
Siemens Industrial Turbomachinery AB for the purchase of two turbines Siemens SGT 800	CTI	*175,230,000*	**11,743,968**	8,124,112	3,619,856

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

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

Pratt & Whitney Power System Inc

Generación Frías S.A. signed an agreement with Pratt & Whitney Power System Inc. for the purchase of the FT4000™ SwiftPac® 60 turbine, including whatever is necessary for its installation and start-up. The purchase agreement sets out 4-year financing for USD 12 million by PWPS, upon provisional acceptance by Generación Frías S.A. This amount is disclosed under current trade payables for the equivalent to $ 509,556,000. Financing will accrue interest at a rate of 7.67% per annum and will be calculated on a monthly basis of 30 days/360 days annual, with interest capitalized on a quarterly basis.

Future contractual obligations under the contract with PWPS by calendar year are as follows:

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

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

NOTE 28: STORAGE OF DOCUMENTATION

On August 14, 2014, the CNV issued General Resolution No. 629 that introduces amendments to its regulations involving storage and preservation of corporate books, accounting records and business documents. The Group keeps and preserves its corporate books, accounting records and relevant business documents at its principal place of business located at Av. L.N. Alem 855, 14th floor - City of Buenos Aires

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

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

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

NOTE 29: SUBSEQUENT EVENTS

International Bond issuance

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

Class II Negotiable Obligations were co-issued on August 5, 2019 and were fully subscribed in cash.
Principal: total nominal value USD 80 million; amount assigned to GMSA: USD 72 million; amount assigned to CTR: USD 8 million.
Interest: 15% nominal annual rate, payable quarterly as from November 5, 2019 to maturity.
Maturity date: May 5, 2023
Amortization method: ten equal and consecutive payments on a quarterly basis from February 5, 2021 to their maturity.

The proceeds from the issuance of Class II Negotiable Obligations will be mainly applied to the refinancing of liabilities and investment in fixed assets and, to a lesser extent, to the financing of working capital.

Class II Negotiable Obligations will be: (i) guaranteed by Albanesi S.A.; and (ii) secured by pledges on operating turbines, a mortgage on Central Térmica Independencia (Tucumán), a reserve account funded by two periods' interest and the assignment of collection rights over contracts with CAMMESA under ES Resolution 220/07 and ES Resolution No. 21/17.

Banco Macro - GMSA

On July 10, 2019, GMSA obtained from Banco Macro a repayment rescheduling of the 30-day loan for USD 5,000,000, with bullet amortization of principal and interest (maturity date: 8/9/2019) at a fixed rate of 7.25%.

NOTE 29: SUBSEQUENT EVENTS (Cont'd)

Banco Supervielle - GMSA

On August 5, 2019, GMSA obtained a loan from Banco Supervielle for USD 3,000,000 repayable in 180 days, at a fixed rate of 9.90%.

Banco Macro - CTR

On July 10, 2019, CTR obtained from Banco Macro a repayment rescheduling of the 30-day loan for USD 3,000,000, with bullet amortization of principal and interest (maturity date: 8/9/2019) at a fixed rate of 7.25%.

Banco Bapro - CTR

On July 4, 2019, Banco Provincia de Buenos Aires approved through Board Decision No. 740/19 a loan for the term of one year of up to $ 462,160,000 or its equivalent in US Dollars to be allocated to working capital.

NOTE 30: FINANCIAL STATEMENTS TRANSLATION INTO ENGLISH LANGUAGE

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

Summary of activity at June 30, 2019 and 2018

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

In accordance with the provisions of CNV General Resolution No. 368/01 and subsequent amendments, we present below an analysis of the results of operations of the Albanesi S.A. (the Company) and its financial position, which must be read together with the attached interim condensed consolidated financial statements.

Six-month periods ended June 30,

	2019	2018	Var.	Var. %
	GW			
Sales by type of market				
Sale of electricity Resolution No. 95 as amended plus Spot	132	155	(23)	(15%)
Energía Plus sales	285	352	(67)	(19%)
Sale of electricity Resolution No. 220	698	378	320	85%
Sale of electricity Res. No. 21	317	118	199	169%
	1,432	**1,003**	**429**	**43%**

The sales for each market (in million of pesos) are shown below:

Six-month period ended June 30:

	2019	2018	Variation	Variation %
Sales by type of market	(in millions of pesos)			
Sale of electricity Resolution No. 95 as amended plus Spot	340.3	491.2	(150.9)	(31%)
Energía Plus sales	905.7	978.7	(73.0)	(7%)
Sale of electricity Resolution No. 220	2,357.5	1,868.6	488.9	26%
Sale of electricity Res. No. 21	1,810.2	885.0	925.2	105%
Total	**5,413.8**	**4,223.4**	**1,190.4**	**28%**

Summary of activity at June 30, 2019 and 2018

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

	Six-month period ended June 30:			
	2019	2018	Variation	Variation %
Sale of energy	5,413.8	4,223.4	1,190.4	28%
Net sales	**5,413.8**	**4,223.4**	**1,190.4**	**28%**
Cost of purchase of electric energy	(528.5)	(798.6)	270.1	(34%)
Gas and diesel consumption at the plant	(27.5)	(31.2)	3.7	(12%)
Salaries and social security charges	(227.6)	(153.0)	(74.6)	49%
Defined benefit plan	(2.0)	(20.1)	18.1	(90%)
Maintenance services	(334.6)	(313.3)	(21.3)	7%
Depreciation of property, plant and equipment	(1,016.3)	(580.7)	(435.6)	75%
Insurance	(39.0)	(39.1)	0.1	(0%)
Sundry	(77.8)	(79.1)	1.3	(2%)
Cost of sales	**(2,253.3)**	**(2,015.3)**	**(238.0)**	**12%**
Gross income/(loss)	**3,160.5**	**2,208.1**	**952.4**	**43%**
Rates and taxes	(30.5)	(11.2)	(19.3)	172%
Bad debts	(0.1)	-	(0.1)	(100%)
Selling expenses	**(30.6)**	**(11.2)**	**(19.4)**	**173%**
Salaries and social security charges	(13.5)		(13.5)	100%
Fees for professional services	(175.2)	(136.8)	(38.4)	28%
Directors' fees	-	(0.6)	0.6	
Travel and per diem	-	(1.3)	1.3	(100%)
Rates and taxes	(5.2)	(2.7)	(2.5)	93%
Sundry	(7.8)	(9.6)	1.8	(19%)
Administrative expenses	**(201.7)**	**(151.0)**	**(50.7)**	**34%**
Income/(Loss) from interest in associates	(79.8)	(17.3)	(62.5)	361%
Other operating income	6.5	312.8	(306.3)	(98%)
Other operating expenses	-	(352.2)	352.2	(100%)
Operating income	**2,854.7**	**1,989.2**	**865.5**	**44%**
Commercial interest, net	40.3	10.6	29.7	280%
Interest on loans, net	(1,237.4)	(1,113.2)	(124.2)	11%
Bank expenses and commissions	(5.5)	(7.2)	1.7	(24%)
Exchange differences, net	(2,413.2)	(9,427.2)	7,014.0	(74%)
Impairment of assets	(423.2)	-	(423.2)	100%
Gain/loss on purchasing power parity (RECPAM)	5,446.1	3,257.3	2,188.8	67%
Other financial results	(181.1)	670.5	(851.6)	(127%)
Financial results, net	**1,226.1**	**(6,609.2)**	**7,835.3**	**(119%)**
Income/(loss) before taxes	**4,080.8**	**(4,620.0)**	**8,700.8**	**(188%)**
Income tax	(2,451.8)	806.4	(3,258.2)	(404%)
Net profit/(loss) for the period	1,629.00	**(3,813.6)**	**5,442.6**	**(143%)**
Other comprehensive income for the period				
Revaluation of property, plant and equipment in subsidiaries	(2,973.9)	4,133.5	(7,107.4)	(172%)
Revaluation of property, plant and equipment in Associate	-	113.5	(113.5)	(100%)
Impact on income tax	743.5	(1,033.4)	1,776.9	(172%)
Other comprehensive income/(loss) for the period	**(2,230.4)**	**3,213.6**	**(5,444.0)**	**(169%)**
Total comprehensive income/ (loss) for the period	**(601.4)**	**(599.9)**	**(1.5)**	**0%**

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Summary of activity at June 30, 2019 and 2018

Sales:

Net sales for the six-month period ended June 30, 2019 reached $ 5,413.8 million, compared with $ 4,223.4 million for the same period of 2018, showing an increase of $ 1,190.4 million (28%).

In the six-month period ended June 30, 2019, energy sales reached 1,432 GWh, representing a 43% drop compared with the 1,003 GWh for the same period of 2018.

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

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

(ii) $ 2,357.5 million for sales of electricity in the forward market to CAMMESA under the framework of Resolution No. No. 220/07, which represented an increase of 26% from the $ 1,868.6 million for the same period in 2018. This variation is explained by the price increase as a result of the increase in the exchange rate and the increase in the dispatch of energy, due to the fact that the Closed Cycle began operating in CTR as from August 4, 2018.

(iii) $ 340.3 million for sale of electricity under Resolution No. 95 as amended plus Spot, accounting for a 31% decrease with regard to the $ 491.2 million for the same period of 2018, as a result of the application of SRRyME Resolution No. 01/2019 which established new remuneration mechanisms.

(iv) $ 1,810.2 million from sales under Resolution No. 21, up 105% from the $ 885.0 million sold in the same period of 2018. This variation is explained by the greater sale of electricity, in GW.

Cost of sales:

The total cost of sales for the six-month period ended June 30, 2019 reached $ 2,253.3 million, compared with $ 2,015.3 million for the same period of 2018, reflecting an increase of $ 238,0 million or 12%.

Below is a description of the main costs of sales of the Company, in millions of pesos, and their performance during the same period of 2018.

(i) $ 528.5 million for purchase of electricity, representing a decrease of 34% compared to $ 798.6 million recorded in the same period of 2018, as a result of the lower sales of GWh under Energía Plus.

(ii) $ 27.5 million for gas and diesel consumption at the plant, representing a decrease of 12% as against $ 31.2 million for the same period of 2018.

(iii) $ 334.6 million in maintenance services, representing a 7% increase compared with $ 313.3 million in the same period of 2018. This variation owes to the start-up of new turbines.

Summary of activity at June 30, 2019 and 2018

(iv) $ 1,016.3 million for depreciation of property, plant and equipment, up 75% from the $ 580.7 million for the same period of 2018. This variation was mainly due to the higher depreciation value of buildings, installations and machinery as a result of their revaluation at December 31, 2018, and the fact that the Closed Cycle began operating in CTR as from August 4, 2018.

(v) $ 227.6 million in salaries, wages and social security contributions, which represented an increase of 49% over the $ 153.0 million for the same period of 2018. This increase was mainly attributable to higher salaries and new hires.

Gross income/(loss):

The gross profit/(loss) for the six-month period ended June 30, 2019 was a profit of $ 3,160.5 million, compared with a profit of $ 2,208.1 million for the same period of 2018, representing an increase of 43%. This is due to the commercial authorization of the new turbines.

Selling expenses:

Selling expenses for the six-month period ended June 30, 2019 amounted to $ 30.6 million, compared with $ 11.2 million for the same period of 2018, reflecting an increase of $ 19.4 million (or 173%) related to the Closed Cycle beginning to operate in CTR as from August 4, 2018.

Administrative expenses:

The administrative expenses for the six-month period ended 30 June, 2019 amounted to $ 201.7 million, compared with $ 151.0 million for the same period of 2018, reflecting an increase of $ 50.7 million (or 34%).

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

(i) $ 175.2 million in fees and compensation for services, up 28% from the $ 136.8 million in the same period of 2018.

(ii) $ 5.2 million in taxes and rates, accounting for a 93% increase from the $ 2.7 million recorded in the same period of 2018.

Operating income/(loss):

The gross income/(loss) for the six-month period ended June 30, 2019 was a profit of $ 2,854.7 million, compared with a profit of $ 1,989.2 million for the same period of 2018, representing an increase of 44%. The increase was mainly due to the effect of a higher exchange rate on the operating activities of the controlled companies and the start-up of new projects.

Summary of activity at June 30, 2019 and 2018

In addition, Other operating income for the six-month period ended June 30, 2019 includes net profit for the repayment of financing by CAMMESA to GROSA corresponding to the second stage of repair of the TV13 unit. Other operating expenses includes a loss corresponding to a penalty from CAMMESA for the delay in start-up.

<u>Financial results:</u>

Financial results for the six-month period ended June 30, 2019 were a profit of $ 1,226.1 million, compared with a loss of $ 6,609.2 million for the same period of 2018, which accounted for an increase of $ 7,835.3 million.

The most noticeable aspects of the variation are:

(i) $ 1,237.4 million loss corresponding to financial interest, up 11% from the $ 1,113.2 million loss in the same period of 2018 as a result of an increase in the financial debt generated by investment projects.

(ii) $ 5,446.1 million gain on PPP (RECPAM) as a result of the application of adjustment for inflation, representing an increase of $ 2,188.8 million compared with $ 3,257.3 million gain for the same period of 2018, consequence of greater devaluation in 2019 compared with the same period of 2018.

(iii) $ 2,413.2 million loss due to net exchange differences, reflecting a decrease of $ 7,014.0 million compared with the $ 9,427.2 million loss for the same period of the previous year, as a result of lesser devaluation in 2019 compared with the same period of 2018.

<u>Income/(loss) before taxes:</u>

The Company reported income before tax for $ 4,080.8 million for the six-month period ended 30 June, 2019, as against $ 4,620.0 million loss for the same period of the previous year, which accounts for an increase of $ 8,700.8 million.

The income tax charge was a $ 2,451.8 million loss for the six-month period ended June 30, 2019, representing a loss of $ 3,258.2 million as compared with the 806.4 million income for the same period of the prior year.

<u>Net income/loss:</u>

The net income/(loss) for the six-month period ended 30 June, 2019 was a profit of $ 1,629.0 million, compared with the loss of $ 3,813.6 million reported for the same period of 2018, accounting for a $ 5,442.6 million increase.

Summary of activity at June 30, 2019 and 2018

Adjusted EBITDA

	Six-month period ended June 30: 2019
Adjusted EBITDA in millions of pesos [1] [2]	**3,948.5**
Adjusted EBITDA in millions of US dollars [1] [2]	**95.2**

	Six-month period ended June 30: 2019
Adjusted EBITDA in millions of pesos [1] [2]	**7,313.5**
Adjusted EBITDA in millions of US dollars [1] [2]	**192.0**

(1) Amounts not covered in the Review Report.
(2) These amounts do not include the Group share in the income/loss of GECEN, which was excluded from the calculation as explained in item 7.

EBIDTA calculation does not consider the loss for the penalty from CAMMESA, since it is exceptional and unique and does not apply to the Company’s main business activity.

Summary of activity at June 30, 2019 and 2018

2. Comparative Balance Sheet figures:
(in millions of pesos)

	06.30.2019	06.30.2018
Non-current assets	36,928.9	38,198.2
Current assets	6,039.2	6,650.5
Total assets	**42,968.0**	**44,848.7**
Equity attributable to the owners	7,095.4	8,032.6
Equity of non-controlling interest	708.5	767.2
Total equity	**7,803.9**	**8,799.8**
Non-current liabilities	25,232.8	27,332.6
Current liabilities	9,931.3	8,716.3
Total liabilities	**35,164.2**	**36,048.9**
Total equity and liabilities	**42,968.0**	**44,848.7**

3. Comparative income statement figures:
(in millions of pesos)

	06.30.2019	06.30.2018
Ordinary operating profit/(loss)	2,854.7	1,989.2
Financial result	1,226.1	(6,609.2)
Ordinary net income/(loss)	**4,080.8**	**(4,620.0)**
Income tax	(2,451.8)	806.4
Income from continuing operations	**1,629.0**	**(3,813.6)**
Income/(loss) for the period	**1,629.0**	**(3,813.6)**
Other comprehensive income	(2,230.4)	3,213.6
Total comprehensive income	**(601.4)**	**(599.9)**

4. Comparative cash flow figures:
(in millions of pesos)

	06.30.2019	06.30.2018
Cash flows provided by operating activities	3,423.7	896.3
Cash flows (used in) investment activities	(766.5)	(3,036.0)
Cash flows (used in) / provided by financing activities	(2,650.6)	3,652.3
Increase in cash and cash equivalents	**6.6**	**1,512.6**

Summary of activity at June 30, 2019 and 2018

5. Ratios, comparative with the same period of prior years:

	06.30.2019	06.30.2018
Liquidity (1)	0.61	0.95
Solvency (2)	0.20	0.15
Tied-up capital (3)	0.86	0.79

(1) Current assets / Current liabilities
(2) Equity / Total Liabilities
(3) Non-Current assets/ Total assets

(*) Amounts not covered in the Review Report.

6. Brief comment on the 2019 outlook

Company Outlook for Fiscal Year 2019

Commercial and operating sector

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

Financial situation

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

Summary of activity at June 30, 2019 and 2018

7. Additional Information (*)

For the purpose of providing information in the context of the transaction of the international Negotiable Obligation issue, a summarized statement of financial position and income statement deconsolidating the subsidiary Generación Centro SA, known as Non-restricted Subsidiary, as per Minutes of the Board of Directors meeting dated August 27, 2018, which means its creditors have no recourse against ASA or any of its subsidiaries.

Statement of Financial Position (in millions of pesos)	**Consolidated Albanesi S.A.**	**Deletion GECEN**	**Deletion balances of related parties and equity value**	**Total**
Assets				
Non-current Assets	36,929	(41)	526	37,413
Current assets	6,039	(1,982)	-	4,057
Total Assets	**42,968**	**(2,024)**	**526**	**41,470**
Equity				
Owners of the parent	7,095	830	(830)	7,095
Non-controlling interest	709	-	41	750
Total Equity	**7,804**	**830**	**(788)**	**7,845**
Liabilities				
Non-current Liabilities	25,233	(2,504)	526	23,255
Current liabilities	9,931	(349)	788	10,370
Total liabilities	**35,164**	**(2,853)**	**1,314**	**33,625**
Total liabilities and equity	**42,968**	**(2,024)**	**526**	**41,470**

Statement of Income (in millions of Pesos)	**Consolidated Albanesi S.A.**	**Deletion GECEN**	**Deletion equity value**	**Total**
Sales revenue	5,414	-	-	5,414
Cost of sales	(2253)	-	-	(2253)
Gross income/(loss)	**3,160**	**-**	**-**	**3,160**
Selling expenses	(31)	-	-	(31)
Administrative expenses	(202)	-	-	(201)
Income from interests in associates	(80)	-	(153)	(233)
Other operating income	6	(3)	-	4
Operating income	**2,855**	**(2)**	**(153)**	**2,699**
Financial results, net	**1,226**	**164**	**-**	**1,390**
Income/(loss) before taxes	**4,081**	**162**	**(153)**	**4,089**
Income tax	(2,452)	-	-	(2,452)
Income for the period	**1,629**	**162**	**(153)**	**1,637**
(Loss) / Income for the period attributable to:				
Owners of the company	1,468	153	(153)	1,468
Non-controlling interest	161	8	-	169
	1,629	**162**	**(153)**	**1,637**

(*) Information not covered in the Review Report.

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REVIEW REPORT ON THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders, President and Directors of
Albanesi S.A.
Legal address: Leandro N. Alem 855 - 14th Floor
City of Buenos Aires
Tax Registration Number: 30-68250412-5

Introduction

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

The balances and other information corresponding to the fiscal year 2018 and to its interim periods are an integral part of the financial statements mentioned above; therefore, they must be considered in connection with these financial statements.

Board's responsibility

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

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Scope of our review

Our review was limited to the application of the procedures established under International Standards on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, adopted as a review standard in Argentina by Technical Pronouncement No. 33 of the FACPCE and approved by the International Auditing and Assurance Standards Board (IAASB). A review of interim financial information consists of inquiries of Company staff responsible for preparing the information included in the condensed interim consolidated financial statements and of analytical and other review procedures. This review is substantially less in scope than an audit examination conducted in accordance with international standards on auditing and consequently it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated financial position, the consolidated comprehensive income and consolidated cash flows of the Company.

Conclusion

On the basis of our review, nothing has come to our attention that makes us think that the condensed interim consolidated financial statements mentioned in the first paragraph of this report have not been prepared, in all material respects, in accordance with International Accounting Standard 34.

Report on compliance with current regulations

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

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

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

c) we have read the summary of activity on which, as regards those matters that are within our field of competence, we have no observations to make;

d) at June 30, 2019, there is no debt accrued in favor of the Argentine Integrated Social Security System.

City of Buenos Aires, August 9, 2019

PRICE WATERHOUSE & CO. S.R.L.

(Partner)
Raúl Leonardo Viglione

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Report of the Syndics' Committee

To the Shareholders of
Albanesi S.A.

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

2. The Board of Directors of the Company is responsible for the preparation and presentation of the financial statements in accordance with International Financial Reporting Standards, adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and included by the National Securities Commission (CNV) in its regulations, as approved by the International Accounting Standards Board (IASB), and is therefore responsible for the preparation and presentation of the condensed interim consolidated financial statements mentioned in the first paragraph, in accordance with International Accounting Standard 34 Interim Financial Information (IAS 34). Our responsibility is to express an opinion based on the review that we have performed with the scope detailed in paragraph 3.

3. Our review was carried out in accordance with standards applicable to syndics. Those standards require the application of the procedures established by Technical Pronouncement No. 33 of the Argentine Federation of Professional Councils in Economic Sciences for limited reviews of interim financial statements, and include verifying the consistency of the documents reviewed with the information on corporate decisions, as disclosed in minutes and the conformity of those decisions to the law and by-laws insofar as concerns formal and documentary aspects. To fulfill our professional duties, we have reviewed the work done by the external auditors, Price Waterhouse & Co. S.R.L., who issued their unqualified opinion on the condensed interim consolidated financial statements on the same date of this report. A review of interim financial information consists of inquiries of Company staff responsible for preparing the information included in the condensed interim consolidated financial statements and of analytical and other review procedures. This review is substantially less in scope than an audit examination conducted in accordance with international standards on auditing and consequently it does not enable us to

obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the financial position, the comprehensive income, or the cash flows of the Company. We have not assessed the administrative, financing, marketing and operating business criteria as these matters fall within the exclusive competence of the Board of Directors and Shareholders' meeting.

4. As stated in Note 3, the interim condensed consolidated financial statements mentioned in paragraph 1. have been prepared in accordance with International Accounting Standard 34.

5. Based on our review, we are not aware of any significant changes that should be made to the interim condensed consolidated financial statements mentioned in paragraph 1. for their presentation in accordance with the relevant provisions of Law No. 19550, the rules of the National Securities Commission and the standards mentioned in paragraph 2.

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

City of Buenos Aires, August 9, 2019

For the Syndics' Committee
Marcelo P. Lerner
Full Syndic