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

Interim condensed combined financial statements

At September 30, 2016 and for the nine and three-month period
ended September 30, 2016 presented in comparative format

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

INTERIM CONDENSED COMBINED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2016 AND 2015

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GLOSSARY OF TECHNICAL TERMS

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

Terms	Definitions
/day	Per day
AFIP	Federal Administration of Public Revenue
AFSA	Albanesi Fueguina S.A.
AISA	Albanesi Inversora S.A.
AJSA	Alba Jet S.A.
AR GAAP	Argentine Generally Accepted Accounting Principles
ASA	Albanesi S.A.
AVRC	Alto Valle Río Colorado S.A.
AVSA	Albanesi Venezuela S.A.
BADCOR	Adjusted BADLAR rate
BADLAR	Interest rates paid by financial institutions on their time deposits for over one million pesos.
BCRA	Argentine Central Bank
BDD	Bodega del Desierto S.A.
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A.
CC	Combined cycle
CNV	National Securities Commission
CTR	Central Térmica Roca S.A.
CVP	Variable Production Cost
Dam^3	Cubic decameter Volume equivalent to 1,000 (one thousand) cubic meters.
DH	Historical availability
Availability	Percentage of time in which the power plant or machinery, as applicable, is in operation (generating power) or available for power generation, but not called by CAMMESA
DMC	Minimum Availability Committed
DO	Target availability
DR	Registered availability
ENARSA	Energía Argentina S.A.
Energía Plus	Plan created under SE Resolution 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
GFSA	Generación Frías S.A.
GI	Generación Independencia located in San Miguel de Tucumán, province of Tucumán (merged with GMSA)
GISA	Generación Independencia S.A.

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Terms	Definitions
GLB	La Banda's power plant located in La Banda, province of Santiago del Estero (merged with GMSA)
GLBSA	Generación La Banda S.A.
GLSA	Generación Litoral S.A.
GM	Modesto Maranzana's power plant located in Río IV, province of Córdoba
GMSA	Generación Mediterránea S.A.
GUDIs	Large Demand from Distributors, with declared or demanded supplies of over 300kW.
GUMAs	Major Large Users
GUMEs	Minor Large Users
GUPAs	Particular Large Users
GR	Riojana's power plant located in La Rioja, province of La Rioja (merged with GMSA)
GRISA	Generación Riojana S.A.
GROSA	Generación Rosario S.A.
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
IAS	International Auditing Standards
IASB	International Accounting Standards Board
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
IGJ	Superintendency of Commercial Companies
kV	Kilovolt Unit of electromotive force which is equal to 1,000 volts
kW	Kilowatt Unit of power equivalent to 1,000 watts
kWh	Kilowatt hour Unit of energy equivalent to 1,000 watts hour
Large Users	WEM agents classified according to their consumption unto: GUMAs, GUMEs, GUPAs and GUDIs
LGS	General Companies Law
LVFVD	Sales liquidations with maturity date to be defined
MAT	Futures market
MAPRO	Major Scheduled Maintenance
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
NO	Negotiable obligations
PWPS	Pratt & Whitney Power System Inc
SE Resolution 220/07	Regulatory framework for the sale of energy to CAMMESA through the "WEM Supply Contract" under Energy Secretariat Resolution No. 220/07
The Group	Includes the combined companies: Albanesi S.A. with its subsidiaries and Central Térmica Roca S.A.
WEM	Wholesale Electric Market administered by CAMMESA

Albanesi S.A. and Central Térmica Roca S.A.
Interim Condensed Combined Statement of Financial Position
At September 30, 2016 and December 31, 2015
Expressed in Argentine pesos

	Note	09.30.16	12.31.15
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment, net	7	4,777,481,466	3,790,067,049
Investments in associates	8	242,094,275	243,127,929
Other investments		129,861	129,861
Deferred income tax assets		10,500	-
Other receivables		97,591,033	47,514,108
Trade receivables, net		110,717,460	3,886,527
Total Non-current Assets		**5,228,024,595**	**4,084,725,474**
CURRENT ASSETS			
Inventories		22,894,411	15,897,222
Income tax credit balance, net		5,965,035	2,020,791
Other receivables		1,306,049,250	223,769,581
Trade receivables, net		592,918,168	471,193,393
Other financial assets at fair value through profit and loss		477,644,747	194,997,831
Cash and cash equivalents	9	1,947,570,032	55,974,564
Total Current Assets		**4,353,041,643**	**963,853,382**
Total Assets		**9,581,066,238**	**5,048,578,856**

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

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

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

At September 30, 2016 and December 31, 2015

Expressed in Argentine pesos

	Note	09.30.16	12.31.15
SHAREHOLDERS'EQUITY			
Share Capital	10	135,525,630	77,525,630
Legal reserve		2,005,413	62,505
Voluntary reserve		526,539	526,539
Revaluation reserve		1,443,083,540	1,492,035,429
Translation reserve		(2,891,772)	(2,857,973)
Other comprehensive loss		(1,607,436)	(1,594,964)
Retained earnings and accumulated losses		54,720,548	(29,846,948)
Equity attributable to the owners		**1,631,362,462**	**1,535,850,218**
Non-controlling interest		70,690,418	69,175,833
Total Shareholders' Equity		**1,702,052,880**	**1,605,026,051**
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions	13	9,524,514	9,949,496
Deferred income tax liabilities		714,774,620	650,963,827
Other liabilities		73,823,542	100,000,000
Defined benefit plans		6,787,626	4,819,097
Financial debts	12	6,002,099,430	1,254,250,757
Trade payables		185,812,829	157,068,465
Total Non-current Liabilities		**6,992,822,561**	**2,177,051,642**
CURRENT LIABILITIES			
Other liabilities		201,505,389	126,186,152
Social security debts		8,888,081	9,830,159
Defined benefit plan		857,422	857,422
Financial debts	12	208,402,546	784,621,813
Derivative financial instruments		2,175,000	-
Current income tax, net		474,439	729,121
Tax payables		25,413,372	16,717,980
Trade payables		438,474,548	327,558,516
Total Current Liabilities		**886,190,797**	**1,266,501,163**
Total Liabilities		**7,879,013,358**	**3,443,552,805**
Total Liabilities and Equity		**9,581,066,238**	**5,048,578,856**

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

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

Interim Condensed Combined Statement of Comprehensive Income

For the nine and three-month periods ended September 30, 2016 and 2015

Expressed in Argentine pesos

	Note	Nine-month period at		Three-month period at	
		09.30.16	09.30.15	09.30.16	09.30.15
Sales revenue	14	2,253,662,444	1,361,393,308	647,905,125	391,522,389
Cost of sales	15	(1,589,764,144)	(991,723,708)	(440,014,605)	(274,279,876)
Gross income		**663,898,300**	**369,669,600**	**207,890,520**	**117,242,513**
Selling expenses	16	(21,887,948)	(15,072,721)	(5,530,303)	(4,089,706)
Administrative expenses	17	(38,988,515)	(30,455,983)	(12,269,021)	(7,420,752)
Loss from investment in associates	8	(1,033,654)	(336,051)	(6,776,470)	(1,405,493)
Other operating income		6,879,741	17,431,688	6,879,741	339,043
Other operating expenses		-	(47,475,575)	968,403	(4,341,033)
Operating income		**608,867,924**	**293,760,958**	**191,162,870**	**100,324,572**
Financial income	18	48,236,260	6,304,250	38,487,059	1,793,884
Financial expenses	18	(390,055,373)	(167,334,933)	(152,231,076)	(64,934,760)
Other financial results	18	(112,644,358)	(72,352,756)	(5,357,257)	(25,644,607)
Financial results, net	18	**(454,463,471)**	**(233,383,439)**	**(119,101,274)**	**(88,785,483)**
Profit before income tax		**154,404,453**	**60,377,519**	**72,061,596**	**11,539,089**
Income tax		(73,075,868)	(14,515,357)	(34,635,865)	(4,371,023)
Profit from continuing operations		**81,328,585**	**45,862,162**	**37,425,731**	**7,168,066**
Discontinued operations	23	-	(17,160,598)	-	(3,565,872)
Net profit for the period		**81,328,585**	**28,701,564**	**37,425,731**	**3,602,194**
Other Comprehensive Income					
Items that may be reclassified to profit/loss					
Translation difference		(160,774)	(2,530,791)	(76,442)	(54,751)
Effect of hyperinflation		126,973	99,212	126,973	99,212
Items that will not be reclassified to profit/loss					
(Loss) related to defined benefit plans		(20,196)	(28,749)	(6,733)	(9,583)
Impact on deferred income tax		7,069	10,062	2,356	3,354
Other Comprehensive Income (loss) for the period		**(46,928)**	**(2,450,266)**	**46,154**	**38,232**
Comprehensive income for the period		**81,281,657**	**26,251,298**	**37,471,885**	**3,640,426**
Income (Loss) for the period attributable to:					
Owners Equity		78,753,343	28,663,319	36,053,231	3,229,396
Non-controlling interest		2,575,242	38,245	1,372,500	372,798

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

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

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

For the nine and three-month periods ended September 30, 2016 and 2015

Expressed in Argentine pesos

		Nine-month period at		Three-month period at	
	Note	**09.30.16**	**09.30.15**	**09.30.16**	**09.30.15**
Income (Loss) for the period attributable to the owners of the Group:					
Continuing operations		78,753,343	44,675,302	36,053,231	6,665,840
Discontinued operations		-	(16,011,983)	-	(3,436,444)
		78,753,343	**28,663,319**	**36,053,231**	**3,229,396**
Comprehensive income for the period attributable to:					
Owners Equity		78,707,072	26,214,084	36,099,602	3,267,937
Non-controlling interest		2,574,585	37,214	1,372,283	372,489
Earnings (Loss) per share attributable to the owners of the Group					
Basic and diluted earnings per share from continuing operations	**19**	0.67	0.58		
Basic and diluted (loss) per share from discontinued operations	**19**	-	(0.21)		

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

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

Interim Condensed Combined Statements of Changes in Equity

For the nine-month periods ended September 30, 2016 and 2015

Expressed in Argentine pesos

	Attributable to the owners										
		Income reserves									
	Share Capital	Legal reserve	Voluntary reserve	Total	Revaluation reserve	Translation reserve	Other comprehensive loss	Accumulated deficit	Subtotal	Non-controlling interest	Total Shareholders' equity
Balances at December 31, 2014	77,525,630	62,505	526,539	589,044	809,634,217	(873,907)	(1,660,196)	(70,619,386)	814,595,402	49,976,782	864,572,184
Reversal of technical revaluation reserve	-	-	-	-	(24,935,906)	-	-	24,935,906	-	-	-
Other comprehensive (loss) for the period	-	-	-	-	-	(2,431,482)	(17,753)	-	(2,449,235)	(1,031)	(2,450,266)
Dividends attributable to the non-controlling interest	-	-	-	-	-	-	-	-	-	(2,858,819)	(2,858,819)
Sale of subsidiary	-	-	-	-	-	-	-	-	-	(991,757)	(991,757)
Net income for the nine-month period	-	-	-	-	-	-	-	28,663,319	28,663,319	38,245	28,701,564
Balances at September 30, 2015	77,525,630	62,505	526,539	589,044	784,698,311	(3,305,389)	(1,677,949)	(17,020,161)	840,809,486	46,163,420	886,972,906
Dividends attributable to the non-controlling interest	-	-	-	-	-	-	-	-	-	(449,998)	(449,998)
Reversal of technical revaluation reserve	-	-	-	-	(8,345,815)	-	-	8,345,815	-	-	-
Liquidation of subsidiary	-	-	-	-	-	-	-	-	-	(150)	(150)
Sale of subsidiaries	-	-	-	-	-	-	-	-	-	(1,115,451)	(1,115,451)
Other comprehensive income of the three-month supplementary period	-	-	-	-	715,682,933	447,416	82,985	-	716,213,334	27,017,963	743,231,297
Net (loss) of the three-month supplementary period	-	-	-	-	-	-	-	(21,172,602)	(21,172,602)	(2,439,951)	(23,612,553)
Balances at December 31, 2015	77,525,630	62,505	526,539	589,044	1,492,035,429	(2,857,973)	(1,594,964)	(29,846,948)	1,535,850,218	69,175,833	1,605,026,051
Capital increase as per Minutes of Shareholders' Meeting dated March 22, 2016	58,000,000	-	-	-	-	-	-	-	58,000,000	-	58,000,000
Resolution of Ordinary Shareholders' Meeting held on April 20, 2016:											
- Legal reserve	-	1,942,908	-	1,942,908	-	-	-	(1,942,908)	-	-	-
- Distribution of dividends	-	-	-	-	-	-	-	(41,194,828)	(41,194,828)	-	(41,194,828)
Dividends attributable to the non-controlling interest	-	-	-	-	-	-	-	-	-	(1,085,000)	(1,085,000)
Contributions of equity by the non-controlling interest	-	-	-	-	-	-	-	-	-	25,000	25,000
Reversal of technical revaluation reserve	-	-	-	-	(48,951,889)	-	-	48,951,889	-	-	-
Other comprehensive (loss) for the period	-	-	-	-	-	(33,799)	(12,472)	-	(46,271)	(657)	(46,928)
Net income for the nine-month period	-	-	-	-	-	-	-	78,753,343	78,753,343	2,575,242	81,328,585
Balances at September 30, 2016	135,525,630	2,005,413	526,539	2,531,952	1,443,083,540	(2,891,772)	(1,607,436)	54,720,548	1,631,362,462	70,690,418	1,702,052,880

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

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

Interim Condensed Combined Statement of Cash Flows

For the nine-month periods ended September 30, 2016 and 2015

Expressed in Argentine pesos

	Notes	09.30.16	09.30.15
Cash flow provided by operating activities:			
Net Income for the period		81,328,585	28,701,564
Adjustments to arrive at net cash flows from operating activities:			
Net income tax on continuing operations and discontinued operations		73,075,868	20,300,959
Loss from investments in associates	8	1,033,654	336,051
Depreciation of property, plant and equipment	7	154,785,381	101,076,678
Amortization of Intangible assets		-	2,376
Fair value adjustments to other receivables and other liabilities		(5,449,879)	(1,757,324)
(Decrease)/Increase in provisions	13	(424,982)	564,774
Doubtful debt expenses	13 & 16	3,870,073	-
Disposals of property, plant and equipment		4,063,150	98,722
Benefit plans accrual	15	370,606	275,742
Interest, exchange differences and other financial results		324,562,632	192,790,894
Income for sale of interests in subsidiaries		-	(17,085,139)
Income for sale of spare parts		-	(730,039)
(Income)/Loss from changes in the fair value of financial instruments		(59,576,633)	6,239,044
Changes in operating assets and liabilities:			
(Increase)/Decrease in trade receivables		(229,707,001)	164,523,088
(Increase)/Decrease in other receivables [(1)]		(1,057,405,166)	36,383,304
(Increase) in inventories		(6,997,189)	(5,816,172)
Increase/(Decrease) in trade payables		129,412,559	(299,572,928)
Increase/(Decrease) in other liabilities		100,435,450	(26,491,241)
(Decrease) Increase in social security and taxes liabilities		(5,742,691)	31,807,624
Cash flows (used in) generated from operating activities		**(492,365,583)**	**231,647,977**
Cash flow of investment activities:			
Dividend received		-	5,880,000
Proceeds from sale of investment in subsidiaries		-	108,026
Payments for the acquisition of property, plant and equipment	7	(923,841,225)	(207,323,353)
Collections of financial instruments		19,450,080	-
Acquisition of bill of exchanges		(92,010,175)	-
Subscription / redemption of mutual funds		(232,305,070)	-
Loans granted		(60,000,000)	-
Cash flow (used in) investment activities		**(1,288,706,390)**	**(201,335,327)**
Cash flow of financing activities:			
Dividends paid to non-controlling interest by the subsidiaries		(485,000)	(2,705,661)
Payment of financial instruments		-	(18,532,740)
Contributions of equity by the non-controlling interest		25,000	-
Repayment of financial debt and interest	12	(2,286,186,204)	(471,614,496)
Proceeds from financial debts		5,982,799,758	430,585,785
Cash flow generated from (used in) financing activities		**3,696,153,554**	**(62,267,112)**
INCREASE IN CASH AND CASH EQUIVALENTS		**1,915,081,581**	**(31,954,462)**
Cash and cash equivalents at the beginning of the period		(17,796,332)	13,318,988
Financial results of cash and cash equivalents		43,541,298	15,713,918
Cash, cash equivalents at the end of the period	9	1,940,826,547	(2,921,556)
		1,915,081,581	**(31,954,462)**

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

(1) Include advances to suppliers for the purchases of assets (Note 4.2)

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

Interim Condensed Combined Statement of Cash Flows (Cont'd)

For the nine-month periods ended September 30, 2016 and 2015

Expressed in Argentine pesos

Material transactions not showing changes in cash	**Notes**	**09.30.16**	**09.30.15**
Acquisition of property, plant and equipment financed by suppliers	7	-	(114,439,919)
Acquisition of property, plant and equipment not paid to suppliers	7	(13,161,464)	(56,638,657)
Purchase of components and spare parts not yet paid		-	16,854,134
Financial costs capitalized in property, plant and equipment	7	(209,260,259)	(12,301,008)
Other comprehensive income for the period		(46,928)	2,450,266
Balances offset on the sale of subsidiary		-	28,000,000
Capitalization of other debts		(58,000,000)	-
Withdrawal of property, plant and equipment not yet paid		-	33,297,620
Unpaid dividends		600,000	153,158
Compensation for dividends allocated		41,669,827	-
Disclosure changes		-	34,601,891

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

NOTE 1: GENERAL INFORMATION

The present interim condensed combined financial statements comprises the combination of the consolidated financial statements of Albanesi S.A. and subsidiaries and Central Térmica Roca S.A. (together, the "Group"). The scope of combination is presented in Note 3. This interim condensed combined financial statements are prepared under the responsibility of the Group management in the context of a contemplated debt issuance transaction.

The Group is one of the leading electricity generation group in Argentina, based on MWs of installed. It operates eight thermoelectric power plants located in various provinces of Argentina, seven of which it owns (including the power plant owned by Solalban, in which holds a 42% ownership interest) and one which it operates pursuant to a long-term lease. These power plants have an aggregate installed generation capacity of 892 MW. All of the Group power plants are dual-fuel and can use either natural gas or diesel oil (or in the case of one plant, fuel oil).

New projects

GMSA, a subsidiary of ASA and CTR, is developing a plan to increase generation of electricity at its installed plants in different locations in Argentina, and to build a new power plant in the locality of Ezeiza; the works will require an investment of approximately USD 447 million and will contribute a further 460 MW to the national system.

Enlargement at Riojana's power plant

On September 7, 2015, GRISA executed a contract with Siemens Industrial Turbomachinery AB, whereby it agreed to purchase a turbine Siemens SGT800 of 50 MW, for an amount of USD 19.3 million. The payment of the turbine Siemens SGT800 was completed in February 2016 and it arrived at the plant in June 2016. In addition, the power transformer has been bought, as well as the gas compressor, water treatment plant, chillers and tanks, among other items. Progress is being made as scheduled with civil works and other necessary tasks. The total investment of the project amounts to USD 44.6 million. We estimate the start-up of commercial operations in December 2016.

Enlargement at Modesto Maranzana's power plant

On March 28, 2016, GMSA signed an agreement with Siemens Industrial Turbomachinery AB to carry out the project to enlarge the Power Plant by 100 MW from the existent 250 MW with the installation of two Siemens SGT-800 turbines of 50MW nominal each. This enlargement agreement falls within the scope of ES Resolution 220/07. An investment of USD 88 million is expected for these works. Commercial operation is scheduled to begin in the second quarter of 2017. At the date of these interim condensed financial statements, GMSA has completed payment to Siemens Industrial Turbomachinery AB of USD 21.7 million, representing 50% for the purchase of two turbines, and a deferred payment agreement has been signed for the remaining 50% in 24 installments, the first one of which must be paid in August 2017. The turbines were already received at the plant. Also, in September 2016, negotiations were completed in connection with transformers, civil works for the project, chillers and cooling tower assembly, and other ancillary works.

NOTE 1: GENERAL INFORMATION (Cont'd)

New projects (Cont'd)

Enlargement at Modesto Maranzana's power plant (Cont'd)

Under the framework of Resolution No. 21/16, GMSA presented projects to enlarge the power generation capacity by 250MW, which were awarded through a bidding process. At June 30, 2016, GMSA entered into with CAMMESA agreements under this Resolution for the projects of Ezeiza stage I and II 150 MW and GI stages I and II 100 MW, stated in US dollars, take or pay clause, and effective for 10 years as from the date scheduled or date of commercial authorization, whichever occurs first.

Enlargement at Independencia's power plant

In relation to Resolution No. 21/16 previously described, we will proceed to enlarge by 100 MW the power generation capacity in GI, through the installation of two Siemens SGT-800 turbines of 50 MW each. The estimated investment amounts to USD 82.5 million. The enlargement will be completed in two stages, installing 50MW in each of them. We estimate that the commercial operation of the first stage will start in the third quarter of 2017, and the second stage in the first quarter of 2018.

On April 30, 2016, GMSA signed a contract with Siemens Industrial Turbomachinery AB for the purchase of a SGT-800 turbine of 50 MW. At September 30, 2016, 50% of the first turbine has been paid, and the other 50% will be financed by Siemens in 24 installments. The total value of this turbine amounts to USD 21 million. In addition, the power transformers have been bought.

On August 9, 2016, GMSA signed a contract with Siemens Industrial Turbomachinery AB for the purchase of a second SGT-800 turbine of 50 MW. In that month, a payment for 5% was made; in January 2017 another payment for 5% will be made, and in March 2017, the remaining 40% will be paid. In September, 2016 a deferred payment agreement (DPA) was signed for the deferred payment of the remaining 50%, which will be financed by Siemens. The value of the turbine amounts to USD 20.6 million. In addition, in September 2016, negotiations were completed in connection with two transformers of 75 MVA, the civil works for the project and chiller equipment.

Ezeiza's power plant

Also under Resolution No. 21/16 described above, the construction of a new plant in the province of Buenos Aires started (Ezeiza Power Plant) with 150 MW of power generation capacity, through the installation of three Siemens turbines SGT-800 of 50 MW each. The estimated investment amounts to USD 137.5 million.

The enlargement will be completed in two stages, by installing 100 MW in the first stage and the additional 50 MW in the second stage. We estimate that the commercial operation of the first stage will start in the third quarter of 2017, and the second stage in the first quarter of 2018.

On April 30, 2016, a contract has been signed with Siemens Industrial Turbomachinery AB for the purchase of two SGT-800 turbines of 50 MW each. At September 30, 2016, 50% of the first two turbines has been paid, and the other 50% will be financed by Siemens in 24 installments. The total value of these turbines amounts to USD 21 million each.

On August 9, 2016, a contract was signed with Siemens Industrial Turbomachinery AB for the purchase of a third SGT-800 turbine of 50 MW. In that month, a payment for 5% was made; in January 2017 another payment for 5% will be made, and in March 2017, the remaining 40% will be paid. In September 2016, a deferred payment agreement (DPA) was signed for the deferred payment of the remaining 50%, which will be financed by Siemens. The value of the turbine amounts to USD 20.6 million. In a similar manner, purchase agreements have been signed for three transformers of 75 MVA, Alfa Laval equipment and chillers, and civil works.

NOTE 1: GENERAL INFORMATION (Cont'd)

New projects (Cont'd)

Ezeiza's power plant (Cont'd)

To date, the contract for the first two transformers has been executed, and a plot of land in Ezeiza was purchased for a total amount of USD 4.4 million.

Roca's power plant

As regards CTR, the project for the closure of the Power Plant combined cycle is still under way, which means that a further 60 MW will be added to the current 130-MW turbine now operating with gas and fuel oil. Not only will this work provide extra power but will also be significant in environmental terms as it will not require additional fuel. The works will account for an investment of approximately USD 94 million, USD 18 million of which has already been invested at the date of these interim condensed financial statements. The start-up is expected for the first quarter of 2018. Until that date, 40% of the contract for the steam turbine with General Electric has been paid for a total of USD 3.1 million as well as 25% of the boiler with supplier Daniel Ricca S.A. for a total of USD 5 million. The contracts also cover the control systems, the cooling tower, the water treatment plant with the respective building, and the power transformer, and construction of the base for the steam generator has started.

NOTE 2: REGULATORY FRAMEWORKS APPLICABLE TO ELECTRICITY GENERATION

The regulatory aspects of the electric generation for these interim condensed combined financial statements are consistent with those used in the financial information for the last combined financial statement, which ended December 31, 2015, except for the changes included below.

a) Sales to the Energía Base (SE Resolution 95/13 and amendments thereto)

On March 22, 2013, the Energy Secretariat published SE Resolution 95/13 that aims at adapting the system for the remuneration of the power generation plants not subject to special regimes, such as Energía Plus and WEM Supply Contracts.

ES Resolution 529/14 was published on May 20, 2014, amending and extending application of SE Resolution 95/13. The main change is the increase in the remuneration payable to the generators, implemented through a price increase, as well as the creation of a new item, called Remuneration for Non-recurring Maintenance.

As established by SE Resolution 529/14, commercial management and fuel dispatch will be centralized in the Dispatch Management Agency (CAMMESA) as from February 2014. Costs associated with the operation will no longer be recognized as the contractual relationships between the WEM Agents and their suppliers of fuels and related inputs become extinguished. SE Resolution 1281/06 (Energía Plus) is excluded from these regulations.

ES Resolution 482/15 was published on July 10, 2015, amending and extending application of SE Resolution 529/14. The main change is the increase in the remuneration payable to the generators, implemented through a price increase, as well as the creation of two new items: 2015-2018 Resource for FONINVEMEM investments" and "Incentives for Energy Production and Operating Efficiency".

NOTE 2: REGULATORY FRAMEWORKS APPLICABLE TO ELECTRICITY GENERATION (Cont'd)

a) Sales to the Energía Base (SE Resolution 95/13 and amendments thereto) (Cont'd)

ES Resolution 22/16 was published on March 30, 2016, amending SE Resolution 482/15. The main change is the increase in the remuneration payable to the generators, implemented through a price increase.

The new resolution will allow increasing the operating results of the Group, generating an additional cash flow that will improve its working capital position. This resolution provided for its application retroactively to February 2016. There is a 70% increase in the fixed charge paid for the available power and 40% increase in the variable cost for the power generated.

The remuneration schedule updated under Resolution 22/16 basically consists of the following items:

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

Thermal Power	Classification	Fixed Cost as per Res. 22/16	Fixed Cost as per Res. 482/15
		$/MWhrp	$/MWhrp
GLB/GR	TG Units with Power (P) < 50 MW (small)	152.3	89.60
GROSA	TV Units with Power (P) > 100 MW (large)	129.2	76.00
GM	CC Units with Power (P) < 150 MW (small)	101.20	59.50

This price may be increased by a percentage established by Resolution 22/16 This percentage will be determined on the basis of the monthly availability or the historical availability, according to the time of year and the technology for generation. The Resolution states that this seasonal percentage can reach up to 110% of the fixed cost determined according to the same Resolution.

2) Variable cost: this is paid based on the electricity generated and the fuel used, and the value is the same for the technologies used by the Group. The prices recognized by new SE Resolution No. 22 are 46.30 $/MWh for generation with natural gas (NG), 81.10 $/MWh with gas oil (GO) and fuel oil (FO); while the former resolution recognized 33.10 $ /MWh for generation with natural gas and 57.90 $ /MWh with gas oil.

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

Thermal Power	Classification	Additional Remuneration $/MWh as per Res. 22		Additional Remuneration $/MWh as per Res. 482	
		Direct Generation	Trust Fund	Direct Generation	Trust Fund
GLB/GR	TG Units with Power (P) < 50 MW (small)	13.70	5.90	13.70	5.90
GROSA	TV Units with Power (P) > 100 MW (large)	11.70	7.80	11.70	7.80
GM	CC Units with Power (P) < 150 MW (small)	13.70	5.90	13.70	5.90

NOTE 2: REGULATORY FRAMEWORKS APPLICABLE TO ELECTRICITY GENERATION (Cont'd)

a) Sales to the Energía Base (SE Resolution 95/13 and amendments thereto) (Cont'd)

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

Thermal Power	Classification	Res. 22	Res. 482
		$/MWh	$/MWh
GLB/GRI	TG Units with Power (P) < 50 MW (small)	45.10	28.20
GROSA	TV Units with Power (P) > 100 MW (large)	45.10	28.20
GMSA	CC Units with Power (P) < 150 MW (small)	39.50	24.70

5) "2015-2018 Resource for FONINVEMEM investments" valued at 15.80 $/MWh, and determined monthly, based on generated power. These accumulated funds will be used for new investments in electric power generation. As a WEM agent and as part of that agreement to increase available thermal power generation, this recognition will enable the Group to participate in the new investments that will be made to diversify the electric power generation plants at a national level.

Thermal Power	Classification	Res. 422 $/MWh
GLB/GR	TG Units with Power (P) < 50 MW (small)	15.80
GROSA	TV Units with Power (P) > 100 MW (large)	15.80
GMSA	CC Units with Power (P) < 150 MW (small)	15.80

The balance not recognized for this item amounts to $28,188,937.

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

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

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

NOTE 3: PURPOSE AND BASIS FOR PRESENTATION

The interim condensed combined financial statements have been prepared following International Financial Reporting Standards ("IFRS") and interpretations of the IFRS Interpretations Committee (IFRIC), as adopted by the International Accounting Standard Board (IASB) incorporating financial information previously included in the interim condensed combined financial statements of ASA and CTR.

a. Combination criteria

The interim condensed combined financial statements have been prepared by aggregating the interim condensed combined financial statements of ASA and CTR. Intercompany balances and transactions have been eliminated in preparing the combination.

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

The combined financial statements include the following companies:

Company	Relationship	Country of creation	Main business activity	% of interest	
				09.30.16	12.31.15
CTR	-	Argentina	Generation of electric energy	100.00%	100.00%
ASA	-	Argentina	Investing and financial activities	100.00%	100.00%
GMSA	Subsidiary of ASA	Argentina	Generation of electric energy	95.00%	95.00%
GISA (1)	Subsidiary of ASA	Argentina	Generation of electric energy	-	95.00%
GRISA (1)	Subsidiary of ASA	Argentina	Generation of electric energy	-	95.00%
GLBSA (1)	Subsidiary of ASA	Argentina	Generation of electric energy	-	95.00%
GFSA (2)	Subsidiary of ASA	Argentina	Generation of electric energy	95.00%	95.00%
GROSA	Subsidiary of ASA	Argentina	Generation of electric energy	95.00%	95.00%
GLSA	Subsidiary of ASA	Argentina	Generation of electric energy	95.00%	-
AVSA	Subsidiary of ASA	Venezuela	Oil Company	99.99%	99.99%

(1) Companies merged with GMSA within the framework of the merger through absorption process in accordance with Note 29.a.
(2) Company being merged into GMSA within the framework of the merger through absorption process, as described in Note 29.b.

These interim condensed combined financial statements for the nine and three-month period ended September 30, 2016 and 2015 were prepared in accordance with the provisions of IAS 34 "Interim Financial Reporting". This interim condensed combined financial information must be read jointly with the Group's financial information at December 31, 2015.

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

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

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

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

The interim condensed combined financial statements for the nine-month periods ended September 30, 2016 and 2015 have not been audited. Group's management estimates that they include all adjustments necessary to reasonably present the results for each period.

The results for the nine and three-month periods then ended do not necessarily reflect a proportionate percentage of the Group's results for the full year.

These interim condensed combined financial statements for the nine and three-month periods ended September 30, 2016 and 2015 were approved for issuance by the Combined Companies' Board of Directors on November 23, 2016.

Comparative information

Balances at December 31, 2015 disclosed for comparative purposes arise from combined financial statements at that date. Certain reclassifications have been included in the financial statement figures presented for comparative purposes to conform them to the current period presentation.

Financial reporting in hyperinflationary economies

IAS 29, Financial Reporting in Hyperinflationary Economies, requires that the financial statements of an entity whose functional currency is that of a hyperinflationary economy should be stated in terms of the current measuring unit at the end of reporting period, irrespective of whether they are based on a historical cost or current cost approach. To this end, in general terms, non-monetary items include inflation from the acquisition date of the item or the restatement date, as applicable. To determine whether there is a hyperinflationary economy, the standard provides a series of factors to be taken into account, among others, a cumulative inflation rate over three years that is approaching, or exceeds, 100%.

Company Management has evaluated whether the Argentine peso meets the characteristics to qualify as a currency of a hyperinflationary economy, following the guidelines set by IAS 29. For the evaluation of this quantitative factor, the variations in the domestic wholesale price index (WPI) published by INDEC were considered, as this is the index that better reflects the conditions required by IAS 29.

At the date these condensed interim financial statements were approved, the last WPI published by INDEC corresponds to September 2016, and the cumulative inflation rate for the period of three years ended in that month, measured on the basis of that index and without computing the missing inflation data as a result of the reorganization of that agency, for the months of November and December 2015, is approximately 94%. The expectations in the different government sectors, now without the effects of the public utility rate increases that took place during the first months of 2016, after the freeze imposed over the last few years, and which have been one of the main reasons for the increase in the cumulative inflation rate over three years, follow a downward trend in the level of inflation.

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

Financial reporting in hyperinflationary economies (Cont'd)

Although the objective conditions necessary to qualify the Argentine economy as a hyperinflationary economy for the purposes of the preparation of the financial statements at September 30, 2016 do not exist, certain macroeconomic variables affecting Company business, such as salary costs and prices of supplies, have varied significantly year on year, and this circumstance should be considered in the evaluation and interpretation of the Company's financial position and results disclosed in these interim condensed combined financial statements.

NOTE 4: ACCOUNTING POLICIES

The accounting policies adopted for these interim condensed combined financial statements are consistent with those used in the financial information corresponding to the last combined year, which ended on December 31, 2015.

4.1) New accounting standards, amendments and interpretations

The following standards, modifications and interpretations of standards were published by the IASB and IFRIC. Those standards, modifications and interpretations that could have potential impact on the Group at the time of their application are described below.

4.1.1) New standards, modifications and interpretations effective, but not early adopted by the Group

IFRS 16 "Leases" was issued on January 13, 2016 by the IASB and supersedes the current guidelines of the IAS 17. This standard defines a lease as a contract, or part of a contract, that conveys the right to use an asset (underlying assets) for a period of time in exchange for consideration.

Under this standard, a liability must be recognized for lease arrangements to show future lease payments and a right-of-use asset in almost all cases. This is a significant change as regards IAS 17 in which lessees were required to make a distinction between financial lease (disclosed in the statement of financial position) and operating lease (without impact on the statement of financial position). IFRS 16 contains an optional exception for some short-term leases and for leases of low-value assets,however, this exception can only be applied by lessees. It is effective for fiscal years beginning on or after January 1, 2019.

IAS 7 "Statement of cash flows": In February 2016, IASB published an amendment whereby an entity is required to disclose information for users to understand the changes in liabilities generated by financing activities. This includes the changes in cash flows, such as the uses of funds and loan amortization; and the changes not involving cash outflows, such as acquisitions, sales and unrealized exchange differences. It applies for annual periods beginning on or after January 1, 2017.

IAS 12 "Income tax": In February 2016, IASB published certain amendments to clarify the requirements on recognition of deferred tax assets for unrealized losses. The amendments explain how to recognize deferred tax when an asset is measured at fair value and that fair value is below the tax base of the asset. The amendments also explain other issues related to the recognition of deferred tax assets. The amendments will be effective as from January 1, 2017.

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.1) New accounting standards, amendments and interpretations (Cont'd)

4.1.1) New standards, modifications and interpretations effective, but not early adopted by the Group (Cont'd)

IFRS 2 Share-based payments: In June 2016, an amendment was published which clarifies the measurement basis for cash-settled share-based payments and the accounting for amendments that change a compensation from cash-settled to equity-settled. It sets forth an exception for IFRS 2 as to requiring that the compensation be treated as fully settled with equity instruments when the employer is compelled to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authorities. It is applicable for all annual periods commencing on or after January 1, 2018.

The Group is assessing the impact of these new standards and amendments.

4.2) Advances to suppliers

The Group has adopted as accounting policy to disclose advances to suppliers under other current receivables, until the assets are received. Advances to suppliers made in foreign currency are recorded under the cost model, and are not subject to revaluation or recognition of the effects of the exchange rate.

At September 30, 2016, the Group recorded a balance of advance to suppliers of $ 962,189,644.

NOTE 5: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

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

In preparing these interim condensed combined financial statements, the critical judgments delivered by the Management to apply the Group's accounting policies and the sources of information used for the related estimates are the same as those delivered in the combined financial statements for the year ended December 31, 2015.

NOTE 6: FINANCIAL RISK MANAGEMENT

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

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

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

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

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

Captions	ORIGINAL VALUE						DEPRECIATION						Net book value
	Value at beginning of the period	Increases/ Transfers (1)	Reclassification and/or disposals	Decrease due to deconso-lidation	Revaluation Original value	Value at end of the period	Accumula-ted at beginning of period	For the period (2) and (3)	Decreases/ Transfers	Decrease due to deconsolidation	Revaluation Accum. depreciation	Accumula-ted at end of period	
Land	82,936,021	2,744,951	-	-	-	85,680,972	-	-	-	-	-	-	85,680,972
Property	78,052,034	458,290	-	-	-	78,510,324	-	1,607,864	-	-	-	1,607,864	76,902,460
Computer and office equipment	5,714,885	1,451,783	-	-	-	7,166,668	2,861,148	934,470	-	-	-	3,795,618	3,371,050
Vehicles	2,989,293	3,612,299	-	-	-	6,601,592	1,062,118	552,973	-	-	-	1,615,091	4,986,501
Facilities	212,856,957	315,086	(4,063,150)	-	-	209,108,893	54,239	8,699,432	-	-	-	8,753,671	200,355,222
Electrical facilities	27,532,711	-	-	-	-	27,532,711	8,290,707	2,882,660	-	-	-	11,173,367	16,359,344
Tools	3,782,506	568,420	-	-	-	4,350,926	639,900	464,188	-	-	-	1,104,088	3,246,838
Tanks	13,026,620	-	-	-	-	13,026,620	4,231,755	1,319,351	-	-	-	5,551,106	7,475,514
Pressure regulating station	264,888	-	-	-	-	264,888	132,443	20,541	-	-	-	152,984	111,904
Boiler	97,914,915	-	-	-	-	97,914,915	30,318,749	10,059,902	-	-	-	40,378,651	57,536,264
Civil works	15,086,573	-	-	-	-	15,086,573	6,303,358	1,301,961	-	-	-	7,605,319	7,481,254
Machinery	3,122,212,110	12,510,885	-	-	-	3,134,722,995	16,621,917	126,860,241	-	-	-	143,482,158	2,991,240,837
Furniture and fixtures	629,234	170,542	(1,800)	-	-	797,976	252,575	81,640	(1,800)	-	-	332,415	465,561
Filtration equipment	1,691	-	-	-	-	1,691	634	158	-	-	-	792	899
Assets under construction	146,689,609	1,097,555,307	-	-	-	1,244,244,916	-	-	-	-	-	-	1,244,244,916
Assets under construction on third party property	14,001,254	18,751,294	-	-	-	32,752,548	-	-	-	-	-	-	32,752,548
Inputs and spare parts	37,145,291	8,124,091	-	-	-	45,269,382	-	-	-	-	-	-	45,269,382
Total at 09.30.16	**3,860,836,592**	**1,146,262,948**	**(4,064,950)**	**-**	**-**	**5,003,034,590**	**70,769,543**	**154,785,381**	**(1,800)**	**-**	**-**	**225,553,124**	**4,777,481,466**
Total at 12.31.15	**2,563,625,703**	**489,133,491**	**(5,770,965)**	**(107,756,915)**	**921,605,278**	**3,860,836,592**	**72,428,922**	**136,912,264**	**(512,498)**	**(20,322,587)**	**(117,736,558)**	**70,769,543**	**3,790,067,049**
Total at 09.30.15	**2,563,625,703**	**390,702,937**	**(35,463,824)**	**(10,836,744)**	**-**	**2,908,028,072**	**72,428,922**	**101,076,678**	**(213,023)**	**(5,762,790)**	**-**	**167,529,787**	**2,740,498,285**

(1) It includes the acquisition of assets of the project for the start-up and enlargement of the electricity generation plant.
(2) Depreciation was allocated in the cost of sale, selling and administrative expenses except for depreciation for discontinued operations for $ 3,445,092 for the period 2015.
(3) Depreciation charges for the 2016 and 2015 periods were allocated to cost of sales, including $ 68,795,838 and $ 36,622,303 for a higher value from technical evaluation.

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

NOTE 8: EQUITY INTEREST IN ASSOCIATE

At September 30, 2016 and December 31, 2015, the Group's associate is Solalban Energía S.A.

Changes in the investments in the Group's associates for nine-month periods ended September 30, 2016 and 2015 are as follows:

	09.30.16	09.30.15
At the beginning of the period	243,127,929	183,358,371
Allocated dividends	-	(5,880,000)
Loss from interests in associates	(1,033,654)	(336,051)
At the end of the period	**242,094,275**	**177,142,320**

Below is a breakdown of the investments and the value of interests held by the Group in the associate, at September 30, 2016 and December 31, 2015, as well as the Group's share in the income/loss of the associate for the periods ended on September 30, 2016 and 2015:

Name of issuing entity	Main business activity	% of interest in		Equity value		Participation of the Group in the results Income	
		09.30.16	12.31.15	09.30.16	12.31.15	09.30.16	09.30.15
Associates Solalban Energía S.A.	Electricity	42%	42%	242,094,275	243,127,929	(1,033,654)	(336,051)
				242,094,275	**243,127,929**	**(1,033,654)**	**(336,051)**

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

Summarized statement of financial position:

	09.30.16	12.31.15
Total non-current assets	702,477,198	742,892,951
Total Current Assets	259,892,031	206,801,187
Total Assets	**962,369,229**	**949,694,138**
Total Equity	**576,414,940**	**578,876,022**
Total non-current liabilities	207,197,673	215,318,213
Total current liabilities	178,756,616	155,499,903
Total Liabilities	**385,954,289**	**370,818,116**
Total Liabilities and Shareholders' Equity	**962,369,229**	**949,694,138**

Summarized statement of income and statement of comprehensive income:

	09.30.16	09.30.15
Sales revenue	612,536,283	409,744,230
Loss for the period	(2,461,082)	(795,619)
Other comprehensive income	-	-
Total loss for the period	**(2,461,082)**	**(795,619)**

NOTE 8: INVESTMENT IN ASSOCIATE (Cont'd)

Statement of cash flows:

	09.30.16	09.30.15
Funds generated by operating activities	19,143,433	22,066,361
Funds used in investment activities	(3,931,035)	(2,456,223)
Funds used in financing activities	(10,273,863)	(18,119,728)
Increase in cash and cash equivalents for the period	**4,938,535**	**1,490,410**

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

NOTE 9: CASH AND CASH EQUIVALENTS

	09.30.16	12.31.15
Cash	475,371	317,376
Checks to be deposited	14,426,536	2,675,095
Banks	708,962,621	31,848,107
Mutual funds	1,223,705,504	21,133,986
Cash and cash equivalents (bank overdrafts excluded)	**1,947,570,032**	**55,974,564**

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

	09.30.16	09.30.15
Cash and cash equivalents	1,947,570,032	61,986,728
Bank overdrafts (Note 12)	(6,743,485)	(64,908,284)
Cash and cash equivalents (bank overdrafts included)	**1,940,826,547**	**(2,921,556)**

NOTE 10: CHANGES TO CAPITAL STATUS

Capital stock represents the addition of the subscribed capitals of the combined companies, as follows:

	09.30.16	12.31.15
Albanesi S.A.	62,455,160	4,455,160
Central Térmica Roca S.A.	73,070,470	73,070,470
	135,525,630	**77,525,630**

On July 16, 2014, the Ordinary Meeting of Shareholders resolved to reduce capital in the amount of $ 55,644,840, with the share capital amounting to $ 4,445,160. On March 22, 2016, the Extraordinary Shareholders' Meeting decided to increase the capital in the amount of $ 58,000,000, with the share capital amounting to $ 62,455,160, their registration is pending. At the date of issue of these interim condensed combined financial statements, the Company was notified of the approval by the National Securities Commission of the procedure to increase capital with the amendment of the bylaws as decided by the Shareholders' Meeting of March 22, 2016. However, at that date the Company was not served notice of the registration with the Superintendency of Commercial Companies of that procedure.

NOTE 11: RESTRICTIONS ON PROFITS DISTRIBUTION

In accordance with the laws in force in Argentina, where the Group operates, 5% of the profits for the year is allocated to setting up legal reserves until they reach the legal maximum amounts (20% of the capital). These legal reserves are not available for dividends distribution and may only be released to absorb losses. The Group subsidiaries subject to this law have not reached the legal limits of these reserves. The distribution of dividends from the combined companies is made based on their separate financial statements.

As established by Law No. 25063 enacted in December 1998, dividends that are distributed or that the companies of the Group receives from its subsidiaries, in cash or in kind, in excess of the taxable profits accumulated at the end of the fiscal year immediately preceding the payment or distribution date, shall be subject to a 35% income tax withholding, as a sole and final payment. For the purposes of this tax, accumulated taxable profits are the balances of taxable profits accumulated at December 31, 1997, less the dividends paid plus the taxable profits determined as from January 1, 1998.

NOTE 12: FINANCIAL DEBT

Non-Current	09.30.16	12.31.15
CAMMESA	180,337,264	207,353,297
Finance leases	4,881,782	2,218,344
Syndicated Borrowing	-	308,373,719
ICBC borrowing	-	63,495,000
Negotiable obligations	909,129,444	550,703,146
International bond	3,705,240,208	-
UBS borrowing	-	90,857,513
BAF borrowing debt	607,076,199	-
Credit Suisse borrowing debt	595,434,533	-
Other bank debts	-	31,249,738
	6,002,099,430	**1,254,250,757**

Current	09.30.16	12.31.15
Bank overdraft	6,743,485	73,770,896
Finance leases	2,987,217	3,255,698
Other borrowings	15,897,697	131,612,014
UBS borrowing	-	170,172,470
BAF borrowing	3,646,793	-
Credit Suisse borrowing	5,179,149	-
Syndicated Borrowing	-	147,427,110
ICBC borrowing	-	6,507,192
Negotiable obligations	120,174,624	245,127,113
International bond	47,024,259	-
CAMMESA	6,749,322	6,749,320
	208,402,546	**784,621,813**

NOTE 12: FINANCIAL DEBT (Cont'd)

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

	09.30.16	12.31.15
Fixed rate:		
Less than 1 year	57,414,537	251,637,934
Between 1 and 2 years	-	90,857,513
Between 2 and 3 years	593,750,446	-
More than 3 years	3,718,565,961	-
	4,369,730,944	**342,495,447**

	09.30.16	12.31.15
Floating rate:		
Less than 1 year	150,988,009	532,983,879
Between 1 and 2 years	670,603,915	747,907,590
Between 2 and 3 years	111,745,022	167,232,433
More than 3 years	907,434,086	248,253,221
	1,840,771,032	**1,696,377,123**
	6,210,501,976	**2,038,872,570**

Group financial debt are denominated in the following currencies:

	09.30.16	12.31.15
Argentine Pesos	1,246,502,949	1,523,617,360
US Dollars	4,963,999,027	515,255,210
	6,210,501,976	**2,038,872,570**

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

	09.30.16	09.30.15
Financial debts at beginning of year	**2,038,872,570**	**1,287,546,345**
Financial debts received	5,989,703,815	446,598,724
Financial debts paid	(1,881,991,952)	(304,293,035)
Accrued interest	455,755,642	183,550,035
Interest paid	(404,194,252)	(167,321,461)
Exchange difference	113,967,010	44,281,652
Bank overdraft	(67,027,411)	36,162,683
Decrease for sale of investment in subsidiaries	-	(910,109)
Capitalized financial expenses	(34,583,446)	(9,333,600)
Financial debts at closing	**6,210,501,976**	**1,516,281,234**

NOTE 12: FINANCIAL DEBT (Cont'd)

The balance of the financial debt at September 30, 2016 amounts to $6,211 million. The following table shows the Group's financial debt at that date.

	Borrower	Principal	Balance as of September 30, 2016	Interest rate	Currency	Issuance date	Maturity date
			(Argentine Pesos)	(%)			
Financial debts							
BAF	GMSA	USD 40,000,000	610,722,992	10%	USD	February 11, 2016	February 15, 2019
Credit Suisse	GMSA	USD 40,000,000	600,613,682	Libor + 9.625%	USD	June 01, 2016	June 03, 2021
Subtotal			**1,211,336,674**				
Debt securities							
International NO	GMSA GFSA	USD 250,000,000	3,752,264,467	9.6250%	USD	July 27, 2016	July 27, 2023
Class IV NO	GMSA	$ 25,439,600	24,373,149	BADLAR + 6.5%	ARS	July 17, 2015	July 17, 2017
Class V NO	GMSA	$ 200,000,000	198,924,971	BADLAR + 4%	ARS	June 30, 2016	June 30, 2018
Class II NO	GFSA	$ 130,000,000	130,577,915	BADLAR + 6.5%	ARS	March 8, 2016	March 8, 2018
Class II NO	CTR	$ 270,000,000	270,062,693	BADLAR + 2%	ARS	November 17, 2015	November 17, 2020
Class III NO	GFSA	$ 160,000,000	169,317,248	BADLAR + 5.6%	ARS	July 6, 2016	July 6, 2018
Class III NO	CTR	$ 170,262,333	167,573,649	BADLAR + 5.76%	ARS	June 10, 2016	June 10, 2018
Class I NO	ASA	$ 70,000,000	68,474,443	BADLAR + 5.5%	ARS	December 29, 2015	December 29, 2017
Subtotal			**4,781,568,535**				
Other financial debts							
CAMMESA			187,086,586				
Other financial debts			15,897,697				
Bank overdrafts			6,743,485				
Finance leases			7,868,999				
Subtotal			**217,596,767**				
Total financial debts			**6,210,501,976**				

The main financial debts detailed by company are shown below.

A) INTERNATIONAL ISSUANCE OF NEGOTIABLE OBLIGATIONS

On July 7, 2016, GMSA, GFSA and CTR got authorization from the CNV, under Resolution No. 18110, for the co-issuance in the domestic and international markets of guaranteed and unsubordinated ordinary Negotiable Obligations, not convertible into shares. Negotiable Obligations were issued on July 27, 2016 for USD 250 million, falling due within 7 years. All of the Negotiable Obligations are unconditionally guaranteed by ASA.

The Negotiable Obligations are rated B+ (Fitch ratings) / B3 (Moody's).

This issuance makes it possible to finance investments under the Company's expansion plans, with the award by the Energy Secretariat of Wholesale Demand Contracts under Resolution 115/2016 dated June 14, 2016, and the Group's projects under way to complete works for the installation of a nominal capacity of 460 MW. It will also improve the Group's financial profile, permitting it to repay existing loans before maturity within a financing term commensurate with the projects to be financed, as well as a considerable reduction of financing costs which involves a greater financial efficiency and release of guarantees.

NOTE 12: FINANCIAL DEBT (Cont'd)

A) INTERNATIONAL ISSUANCE OF NEGOTIABLE OBLIGATIONS (Cont'd)

International NO:

Principal: Nominal value: USD 250,000,000; value assigned to GMSA: USD 173,000,000. Value assigned to CTR USD 70,000,000. Value assigned to GFSA USD 7,000,000

Interest: Accrues interest at a fixed rate of 9.625%

Payment term and method: Interest on the International Negotiable Obligation shall be paid semi-annually in arrears, on the following dates: January 27 and July 27 of each year, commencing on January 27, 2017 and ending on the due date.

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

In the period, hedge contracts were executed for the next interest payment in January 2017.

The balance for that International Bond at September 30, 2016 amounts to $ 3,752,264,467.

As a result of the international issue of Negotiable Obligations, GMSA, CTR and GFSA have undertaken standard commitments for this type of issue, whose specific conditions are detailed in the pertinent public prospectus.

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

GMSA

- Borrowing from Banco de la Provincia de Córdoba
- Borrowing from Banco Hipotecario
- Borrowing from ICBC (GISA)
- Borrowing from Nuevo Banco de La Rioja
- Borrowing from Banco Ciudad
- Borrowing from Banco Chubut
- Borrowing from Banco Supervielle
- Borrowing from Banco Macro
- Syndicated borrowing

GFSA

- Borrowing from Banco de la Provincia de Buenos Aires
- Syndicated borrowing

CTR

- Syndicated borrowing - International tranche
- Borrowing from Banco Provincia de Buenos Aires
- Syndicated borrowing from Banco Hipotecario and Banco de Inversión y Comercio Exterior
- Borrowing from Banco Chubut
- Borrowing taken out from Banco Ciudad in 2016

As a result of the Issue of the International Bond, Fix SCR S.A. has increased the rating of CTR from BBB- to BBB.

NOTE 12: FINANCIAL DEBT (Cont'd)

A) INTERNATIONAL ISSUANCE OF NEGOTIABLE OBLIGATIONS (Cont'd)

As CTR obligations have become extinguished, at the end of the period covered by these condensed interim combined financial statements all the necessary instruments had been signed for the release of the guarantees, consisting of the trust agreement for the rights receivable for the sale of energy, Company's own assets, and the escrow account held abroad for USD 1,000,000, as well as the limitation on dividend distributions or payments, that had been provided under the syndicated loan, international tranche, and the suretyships provided by ASA and RGA under the syndicated loan from Banco Hipotecario and Banco de Inversión y Comercio Exterior.

B) FINANCIAL DEBT AGREEMENT - GENERACION MEDITERRANEA S.A.

B.1) Borrowing from Credit Suisse International

On June 1, 2016, GMSA entered into a loan agreement with Credit Suisse International, which disbursed a line of credit for a total amount of USD 60,000,000, divided into two disbursements made on June 2, 2016 and June 23, 2016. The loan will be applied to finance investments for 50 MW and 100 MW enlargements at GR and GM, respectively.

Principal: nominal value: USD 60,000,000.

Interest: Three month LIBOR rate + 9.625%.

Repayment: Interest will be paid quarterly as from the following date: September 02, 2016 Principal will be settled in 17 (seventeen) quarterly installments as from June 2017, the last installment becoming due on June 3, 2021.

On September 30, GMSA has early repaid USD 20 million of this loan. Upon compliance with the minimum period of permanence required by BCRA regulations in force, GMSA made an early repayment of the loan balance, applying the remaining USD 40 million that were deposited in an escrow account in favor of Credit Suisse. At the date of publication of the interim condensed financial statements the debt has been fully settled and the formalities for the pertinent release of the guarantees were documented.

At September 30, 2016 GMSA was complying with covenants.

B.2) Borrowing BAF Latam Trade Finance Funds B.V.

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

NOTE 12: FINANCIAL DEBT (Cont'd)

B) FINANCIAL DEBT AGREEMENT - GENERACION MEDITERRANEA S.A. (Cont'd)

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

The most relevant provisions are the following:

Principal: nominal value: USD 40,000,000

Interest: fixed rate 10% annual.

Repayment: Interest will be paid quarterly as from the following date: May 15, 2016 Capital will be repaid in full at the due date: February 15, 2019

The remaining balance for that borrowing at September 30, 2016 is $ 610,722,992. The remaining principal balance at the date of presentation of the interim condensed combined financial statements amounted to USD 40,000,000.

At the date of these interim condensed combined financial statements, GMSA complies with the covenants.

B.3) Negotiable obligations

With the purpose of improving the financial profile of the company, on October 17, 2012 GMSA, through Resolution 16942, was granted authorization from the CNV for: (i) incorporation of GMSA to the public offering system; and (ii) creation of a global program to issue simple (non-convertible) negotiable obligations for a total nominal value outstanding of up to USD 100,000,000 (one hundred million US dollars) or its equivalent in other currencies, in one or more classes or series.

At September 30, 2016 there are outstanding Class IV and V (GMSA) Negotiable Obligations, issued by GMSA in the amounts and under the conditions described below:

Class IV Negotiable Obligations (GMSA):

Principal: Nominal value: $ 130,000,000

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

Repayment terms and conditions: interest on Class IV Negotiable Obligations will be paid on a quarterly basis, in arrears, on the following dates: October 15, 2015; January 15, 2016; April 15, 2016; July 15, 2016; October 17, 2016; January 16, 2017; April 17, 2017 and July 17, 2017.

Principal on Class IV Negotiable Obligations shall be amortized in 3 quarterly installments, the first two equivalent to 33% of nominal value of the negotiable obligations and the last installment to 34% of nominal value, payable on January 16, 2017, April 17, 2017 and July 17, 2017, respectively.

NOTE 12: FINANCIAL DEBT (Cont'd)

B) FINANCIAL DEBT AGREEMENT - GENERACION MEDITERRANEA S.A. (Cont'd)

B.3) Negotiable obligations (Cont'd)

Class IV Negotiable Obligations (GMSA) (Cont'd):

The funds obtained through the issuance of Class IV Negotiable Obligations were allocated to the partial pre-payment of principal on Class III Negotiable Obligations for an amount of $ 87,824,000. The remaining amount was allocated to investments and working capital. This enabled improving GMSA's financial profile.

On June 30, 2016, Class V Negotiable Obligations were issued, a portion in cash and the remainder through a voluntary swap of Class IV (GMSA) and Class III (GISA) Negotiable Obligations, improving the Company's working capital and indebtedness profile (term and rate). The amount repaid of Class IV Negotiable Obligations totaled $75,141,860, with an outstanding principal balance of $54,858,140.

Subsequently, GMSA repurchased a portion of the issue in the secondary market, there being a balance of $ 25,439,600 held by third parties at the date of these interim condensed financial statements. The balance due for this Negotiable Obligation at September 30, 2016 amounts to $ 24,373,149.

Class V Negotiable Obligations (GMSA):

Principal: Nominal value: $200,000,000

Interest: Private Banks BADLAR rate plus 4%

Term and repayment: interest on Class V Negotiable Obligations will be paid on a quarterly basis, past due, in the following dates: September 30, 2016, December 30, 2016, March 30, 2017, June 30, 2017, September 30, 2017, December 30, 2017, March 30, 2018 and June 30, 2018.

Principal on Class V Negotiable Obligations shall be amortized in 3 quarterly installments, the first two equivalent to 30% of nominal value of the negotiable obligations and the last installment to 40% of nominal value, payable on December 30, 2017, March 30, 2018 and June 30, 2018, respectively.

The amount was paid in in cash and in kind, through the swap of GMSA Class IV Negotiable Obligations of $75,141,860 and GISA Class III Negotiable Obligations for $55,446,986. The proceeds from the issuance of Class V negotiable obligations were applied to the repurchase of the remaining balance of Class III negotiable obligations, investments and working capital. The swaps and subsequent repurchase of GISA Class III Negotiable Obligations improved the Company's financial profile.

The balance of the borrowing at September 30, 2016 amounts to $198,924,971.

B.4) Borrowing from CAMMESA (GRISA)

At September 30, 2016 GMSA holds financial debts with CAMMESA for $ 16,611,340, guaranteed by the assignment of 100% of the present and future credit rights for the sale of energy in the Spot market of the WEM, upon implementation of a trust agreement in accordance with Law No. 24441.

NOTE 12: FINANCIAL DEBT (Cont'd)

B) FINANCIAL DEBT AGREEMENT - GENERACION MEDITERRANEA S.A. (Cont'd)

B.4) Borrowing from CAMMESA (GRISA)

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

This loan has a repayment period set in 48 monthly and consecutive installments, to which interest must be added applying the rate equivalent to the average return obtained by the Dispatch Management Agency (CAMMESA) on financial placements in the WEM. At the closing date of these interim condensed combined financial statements, 15 installments, equivalent to $ 8,436,648, had been paid.

The balance of the borrowing at September 30, 2016 amounts to $18,560,626.

C) FINANCIAL DEBT AGREEMENT – GENERACIÓN FRÍAS S.A.

C.1) Borrowing from Banco de la Ciudad de Buenos Aires

On July 8, 2014, a Loan Offer was signed with Banco de la Ciudad de Buenos Aires S.A. for $ 30,000,000. The amount was disbursed on August 1, 2014. The loan offer provided for a grace period of 12 months and repayment in 25 monthly consecutive installments beginning in August 2015. The loan accrues interest at BADLAR private banks rate + 100 basic points.

The outstanding balance at September 30, 2016 amounts to $ 15,543,122, including interest of $ 324,771, net of transaction costs pending amortization.

The objective was to finance the works required for the installation of 60 MW of generation capacity.

C.2) Negotiable obligations

For the purpose of financing investment projects, on March 10, 2014 Generación Frías S.A. requested the authorization from CNV to enter the public offering system through a program of Negotiable Obligations (not convertible into shares) of up to USD 50,000,000 (US dollars fifty million) or its equivalent in other currencies. This request was approved on July 10, 2014.

At September 30, 2016 there are Class II and Class III negotiable obligations outstanding, issued by GFSA for the amounts and under the following conditions:

Class II Negotiable Obligations:

Principal: nominal value: $ 130,000,000

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

NOTE 12: FINANCIAL DEBT (Cont'd)

C) FINANCIAL DEBT AGREEMENT – GENERACIÓN FRÍAS S.A. (Cont'd)

C.2) Negotiable obligations (Cont'd)

Repayment: Interest of Class II Negotiable Obligations will be paid on a quarterly basis, on arrears, on the following dates: (i) June 08, 2016; (ii) September 08, 2016; (iii) December 08, 2016; (iv) March 08, 2017; (v) June 08, 2017; (vi) September 08, 2017; (vii) December 08, 2017 and (viii) March 08, 2018; or if that date was not a business day, the date for interest payment to be considered shall be the first immediate following business day.

Principal on Class II Negotiable Obligations shall be amortized in 3 (three) quarterly and consecutive installments, the first two equivalent to 30% of nominal value of Class II negotiable obligations and the remaining equivalent to 40% of nominal value of Class II negotiable obligations, at the dates in which 18, 21 and 24 months have elapsed counted as from the issue and settlement, (i) September 8, 2017; (ii) December 8, 2017; (iii) March 8, 2018, or if that date was not a business day, on the first following business day.

Maturity date of Class II NO: March 08, 2018

The net remaining balance of transaction costs pending amortization of that Class at September 30, 2016 amounted to $ 130,577,915 including interest of $ 2,458,753.

Class III Negotiable Obligations:

Capital: nominal value: $ 160,000,000 (Pesos one hundred and sixty million)

Interest: Private banks BADLAR rate plus a 5.6% margin.

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

The principal of the Class III Negotiable Obligations will be repaid in 3 (three) consecutive installments, payable on a quarterly basis, with the first two equivalent to 30% and the third one equivalent to 40% of the nominal value of the Class III Negotiable Obligations at the dates in which 18, 21 and 24 months respectively have elapsed, counted as from the date of issuance and settlement, (i) January 6, 2018; (ii) April 6, 2018; (iii) July 6, 2018; if other than a business day, or if such day does not exist, on the first following business day.

Maturity date of Class III Negotiable Obligations: July 6, 2018

The amount was paid in in cash and in kind, through the swap of Class I Negotiable Obligations of $79,600,000. The proceeds from the issuance of Class III Negotiable Obligations were applied to the repayment of the loan from Puente Hnos S.A., the repurchase of the remaining balance of Class I Negotiable Obligations, working capital and investments in fixed assets. The swap and subsequent repurchase of Class I Negotiable Obligations improved the Company's financial profile and created the conditions to release the guarantees granted and at the date of issue of these interim condensed combined financial statements, GFSA is formalizing this process.

The remaining balance net of transaction costs pending amortization of that Class at September 30, 2016 amounted to $ 169,317,248 including interest of $ 11,730,354.

NOTE 12: FINANCIAL DEBT (Cont'd)

D) FINANCING BY CAMMESA – GENERACION ROSARIO S.A.

On September 28, 2010, through Note 6157/10 the Energy Secretariat (ES) instructed CAMMESA to summon the Generating Agents of the MEM with turbo-steam heat generation units to propose the works that are essential for increasing the generable power of their units, which must be available before winter 2011.

In November 2010, GROSA formally submitted to CAMMESA its proposal of the works to be performed for increasing the generable power capacity.

Through Note 7375 dated November 6, 2010, the ES informed on the approval of the project and directed CAMMESA to grant the financing required under the lines of Resolution SE 146/02 and Notes 6157/10 and 7375/10.

On February 3, 2011, GROSA entered into a loan agreement with CAMMESA, by means of which this financing was formalized, for an amount equivalent to $ 44,856,418 in accordance with Resolution SE 146/02 and Notes 6157/10 and 7375/10.

The sums received will be repaid in 48 equal consecutive monthly installments, to which interest must be added as results from applying the rate equivalent to the average return obtained by the Dispatch Management Agency (CAMMESA) on financial placements in the Wholesale Electricity Market; the first installment is due in the month immediately following conclusion of the works, estimated for September 2011. The Wholesale Electricity Market will be in charge of paying the installments, as established in Note SE 6157/10 and Note 7375/10, and distribution among the demanding agents will be according to the criteria to be informed by the ES.

On August 12, 2011, the ES approved the request presented by GROSA to modify the original budget for the works in the amount of $ 11,797,019.

The funds obtained from this agreement are applied to funding part of the works and/or maintenance to increase the power available in GROSA's turbo-steam units, and they are disbursed under the advanced payment mode, with partial advances according to the degree of progress of works as per the documents issued by GROSA and subject to CAMMESA's availability of funds as instructed by the ES.

As from the conclusion of the works in each unit, GROSA must guarantee a minimum 80% availability in the unit TV13 for a three-year period.

As a guarantee for the fulfillment of the obligations assumed by GROSA under this contract, that company assigned to CAMMESA 100% of its present and future credit rights, accrued or to be accrued, for its transactions in the Wholesale Electricity Market, up to the amount of the financing.

In August 2011, GROSA concluded the works committed, and from the month of September the units were subject to a minimum availability control as established in the loan agreement entered into with CAMMESA. In the event that GROSA fails to comply with this availability, the agreement foresees a penalty.

As of April 16, 2012, GROSA received a total of $ 56,996,893 from CAMMESA.

From September 2011 through August 2015, the installments corresponding to principal were settled as established in the loan agreement described above, which was fully paid.

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

NOTE 12: FINANCIAL DEBT (Cont'd)

D) FINANCING BY CAMMESA – GENERACION ROSARIO S.A. (Cont'd)

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

It is to note that in the operation period mentioned above there was a significant decrease in specific consumption, which resulted in 15% savings in fuel as compared with the situation at the moment when GROSA took over the Sorrento Power Plant, as a result of the maintenance works and improvements done in the last few years.

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

Between June 15 and September 15, 2016, GROSA made four filings, through notes to CAMMESA for $ 32,222,405 (with taxes), of payment to suppliers for materials and services for the period November 2015-August 2016. At September 30, 2016, the total amount of disbursements received from CAMMESA amounts to $ 30,000,000.

At September 30, 2016, the total balance for the financing amounts to $199,030,237, $ 170,475,246 of which relate to the mutuum executed on March 13, 2012, as disclosed in the caption non-current financial debt, and $ 28,554,991 relate to the mutuum executed on May 30, 2016, net of the Remuneration of non-recurring Maintenance, as disclosed in the caption non-current trade receivables.

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

On October 18, 2016, CAMMESA further disbursed $ 2,000,000.

E) PROGRAM TO ISSUE NEGOTIABLE OBLIGATIONS OF ALBANESI S.A.

Class I Negotiable Obligations:

With the purpose of improving the financial profile of the company, on November 20, 2015 ASA, through CNV Resolution 17,887, was granted authorization for: (i) incorporation of ASA to the public offering system; and (ii) creation of a global program to issue simple (non-convertible) negotiable obligations for a total nominal value outstanding of USD 100,000,000 (one hundred million US dollars) or its equivalent in other currencies, in one or more classes or series.

On December 29, 2015 ASA issued Class I Negotiable Obligations under the conditions described below:

Principal: Nominal value: $ 70,000,000

Interest: Private Banks BADLAR rate plus a 5.5% margin.

Repayment: interest of Class I Negotiable Obligations will be paid on a quarterly basis, on arrears, on the following dates: March 29, 2016; June 29, 2016; September 29, 2016; December 29, 2016; March 29, 2017; June 29, 2017; September 29, 2017; and December 29, 2017.

NOTE 12: FINANCIAL DEBT (Cont'd)

E) PROGRAM TO ISSUE NEGOTIABLE OBLIGATIONS OF ALBANESI S.A. (Cont'd)

Class I Negotiable Obligations (Cont'd):

The principal of the Class I Negotiable Obligations will be repaid in three (3) consecutive installments, on a quarterly basis, the first two ones equivalent to 30% and the third one to 40% of the nominal value of the Negotiable Obligations, on the dates on which 18, 21 and 24 months are completed, respectively, counted as from the date of issuance; i.e., on June 29, 2017, September 29, 2017 and December 29, 2017.

The funds obtained through the issuance of Class I Negotiable Obligations were allocated to the partial settlement of the current liabilities held with the related company RGA.

F) NEGOTIABLE OBLIGATIONS – CENTRAL TERMICA ROCA S.A.

To improve the financial profile of the company, on August 8, 2014 CTR obtained, through Resolution 17413 of the CNV, authorization for: (i) incorporation of CTR to the public offering system; and (ii) creation of a global program to issue simple (non-convertible) negotiable obligations for a total nominal value outstanding of USD 50,000,000 (fifty million US dollars) or its equivalent in other currencies, in one or more classes or series.

At September 30, 2016 there are outstanding Class II and III Negotiable Obligations, issued in the amounts and under the conditions described below:

Class II Negotiable Obligations:

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

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

Interest: BADLAR rate plus 2%

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

At September 30, 2016 the total debt for both classes of NO amounted to 270,062,693.

Class III Negotiable Obligations:

CTR issued Class III Negotiable Obligations in the amount and under the conditions described below:

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

Interest: private banks BADLAR rate plus 5.76%. A minimum rate is fixed for the first quarter of 36% and the second quarter of 35%.

Interest of Class III Negotiable Obligations will be paid on a quarterly basis, on arrears, on the following dates: (i) September 10, 2016; (ii) December 10, 2016; (iii) March 10, 2017; (iv) June 10, 2017; (v) September 10, 2017; (vi) December 10, 2017; (vii) March 10, 2018, and; (viii) June 10, 2018.

NOTE 12: FINANCIAL DEBT (Cont'd)

F) NEGOTIABLE OBLIGATIONS – CENTRAL TERMICA ROCA S.A. (Cont'd)

Class III Negotiable Obligations (Cont'd)

Repayment term and method: The principal of Class III Negotiable Obligations will be repaid in three installments, equivalent to 30%, 30% and 40%, respectively, of the nominal value of Class III Negotiable Obligations, on the following dates: (i) December 10, 2017; (ii) March 10, 2018, and; (iii) June 10, 2018.

Maturity date of Class III Negotiable Obligations: June 10, 2018

At September 30, 2016 the debt amounted to $ 167,673,649.

The amount was paid in in cash and in kind, through the swap of Class I Negotiable Obligations of $41,743,233. The proceeds from the issuance of Class III Negotiable Obligations were applied to the repurchase of the remaining balance of Class I Negotiable Obligations in the amount of $11,856,767, investments and working capital. The swap and subsequent repurchase of Class I Negotiable Obligations improved CTR's financial profile.

NOTE 13: ALLOWANCES, PROVISIONS AND CONTINGENCIES

	For trade receivables	For other receivables	For impairment of inventories	For contingencies
Balances as of December 31, 2014	**1,058,886**	**1,133,755**	**57,466**	**10,581,411**
Increases	-	-	-	718,037
Decreases	-	-	-	(1,349,952)
Deconsolidation due to sale of subsidiary	(219,634)	(1,133,755)	(57,466)	-
Balances as of December 31, 2015	**839,252**	**-**	**-**	**9,949,496**
Increases	(1) 2,010,873	(1) 1,859,200	-	-
Decreases	-	-	-	(424,982)
Balances as of September 30, 2016	**2,850,125**	**1,859,200**	**-**	**9,524,514**

(1) The expenses are stated as selling expenses.

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

NOTE 14: SALES REVENUE

	09.30.16	09.30.15
Sale of Energía base	386,447,544	273,682,557
Sale of Energía Plus	580,236,912	409,666,753
Sale of electricity Res. 220	1,286,977,988	676,058,828
Sale of services	-	1,985,170
	2,253,662,444	**1,361,393,308**

NOTE 15: COST OF SALES

	09.30.16	09.30.15
Cost of purchase of electric energy	(442,114,287)	(264,376,931)
Cost of gas and gas oil consumption	(740,733,760)	(440,421,319)
Salaries and social security charges	(90,434,989)	(65,296,760)
Defined benefit plan	(370,606)	(275,742)
Other employee benefits	(3,289,940)	(975,171)
Professional fees	(5,416,458)	-
Leases	(3,272,070)	(2,178,425)
Depreciation of property, plant and equipment	(154,785,381)	(97,627,410)
Insurance	(21,614,780)	(15,189,394)
Maintenance	(97,704,699)	(78,580,713)
Electricity, gas, telephone and postage	(3,204,402)	(795,657)
Duties and taxes	(15,152,074)	(9,421,855)
Travel and per diem	(1,251,390)	(7,350,140)
Security guard and cleaning	(4,739,369)	(4,502,198)
Miscellaneous expenses	(5,679,939)	(4,731,993)
	(1,589,764,144)	**(991,723,708)**

NOTE 16: SELLING EXPENSES

	09.30.16	09.30.15
Salaries and social security charges	(378,852)	(782,104)
Duties and taxes	(17,572,023)	(14,234,053)
Advertising	(67,000)	(56,564)
Doubtful debt expenses	(3,870,073)	-
	(21,887,948)	**(15,072,721)**

NOTE 17: ADMINISTRATIVE EXPENSES

	09.30.16	09.30.15
Salaries and social security charges	(5,868,010)	(9,810,255)
Other employee benefits	(152,271)	(541,768)
Leases	(32,000)	(95,659)
Professional fees	(24,695,135)	(13,318,029)
Depreciation of property, plant and equipment	-	(4,176)
Insurance	(344,504)	(146,793)
Maintenance	-	(22,447)
Electricity, gas, telephone and postage	(1,683,814)	(406,252)
Duties and taxes	(1,730,201)	(2,711,688)
Travel and per diem	(1,150,737)	(439,650)
Miscellaneous expenses	(3,331,843)	(2,959,266)
	(38,988,515)	**(30,455,983)**

NOTE 18: FINANCIAL RESULTS

	09.30.16	09.30.15
Financial income		
Loan granted interest	2,789,511	-
Commercial interest	45,446,749	6,304,250
Total financial income	**48,236,260**	**6,304,250**
Financial expenses		
Financial debt interest	(354,609,996)	(160,741,238)
Tax interest and others	(21,109,741)	(1,194,030)
Bank expenses and commissions	(14,335,636)	(5,399,665)
Total financial expenses	**(390,055,373)**	**(167,334,933)**
Other financial results		
Exchange differences, net	(146,812,462)	(32,547,549)
Changes in the fair value of financial instruments	88,972,438	(6,368,623)
Loss from currency position, net	(126,973)	(99,069)
Other financial results	(54,677,361)	(33,337,515)
Total other financial results	**(112,644,358)**	**(72,352,756)**
Total financial results, net	**(454,463,471)**	**(233,383,439)**

NOTE 19: EARNINGS PER SHARE

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

Continuing operations	09.30.16	09.30.15
Income for the period attributable to the owners:	78,753,343	44,675,302
Weighted average of outstanding ordinary shares	118,379,645	77,525,630
Basic and diluted earnings per share	**0.67**	**0.58**

Discontinued operations	09.30.16	09.30.15
Loss for the period attributable to the owners:	-	(16,011,983)
Weighted average of outstanding ordinary shares	118,379,645	77,525,630
Basic and diluted loss per share	-	**(0.21)**

NOTE 20: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) Transactions with related parties and affiliates

		09.30.16	09.30.15
		$	
		Profit / (Loss)	
Purchase of grapes			
Alto Valle del Río Colorado S.A.	Related company	-	(2,131,034)
Purchase of gas			
RGA (1)	Related company	(665,316,609)	(269,170,517)
Purchase of energy			
Solalban Energía S.A.	Related company	(126,875)	(579,378)
Purchase of wine			
BDD	Related company	(29,102)	(14,460)
Purchase of flights			
AJSA	Related company	(13,291,251)	-
Sale of energy			
RGA	Related company	33,216,783	11,165,008
Solalban Energía S.A.	Affiliate company	61,116,871	9,332,819
Sale of flights			
RGA (2)	Related company	-	2,900,800
Sale of investment in subsidiaries			
RGA	Related company	-	28,000,000
Financial interest loss			
RGA	Related company	-	(60,220)
Leases and services hired			
RGA	Related company	(24,776,199)	(5,214,266)
Reimbursement of expenses			
RGA	Related company	1,301	(112,778)
BDD	Related company	-	16,745
GMSA	Related company	-	(1,977,937)
Financial cost recovery			
RGA	Related company	(7,344,469)	-
Administrative services			
RGA	Related company	(22,039,677)	-
Collection of dividends			
Solalban Energía S.A.	Affiliate company	-	5,880,000
Interest generated by loans granted			
AISA	Related company	2,789,511	-

(1) Correspond to gas purchases, which are partly assigned to CAMMESA within the framework of the Natural Gas Dispatch Procedure for power generation.
(2) The transactions with BDD and AJSA are disclosure as discontinued operation

NOTE 20: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

b) Remuneration of key managerial staff.

The senior management includes directors (excutive and non-executive). Their remunerations at September 30, 2016 and 2015 amounted to $ 15,083,218 and $ 8,548,120, respectively.

	09.30.16	09.30.15
Salaries and bonus	15,083,218	8,548,120
	15,083,218	**8,548,120**

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

Captions	Type	09.30.16	12.31.15
NON-CURRENT ASSETS			
Other receivables			
Shareholders' private accounts	Minority interest	55,113,792	-
RGA	Related company	-	739
		55,113,792	**739**
CURRENT ASSETS			
Trade receivables			
Solalban Energía S.A.	Affiliate company	146,166	18,215
AESA	Affiliate company	53,650	-
		199,816	**18,215**
Other receivables			
Contributions pending paid-in	Minority interest	-	525,000
Shareholders' private accounts	Minority interest	80,171,057	62,142,446
RGA	Related company	262	-
AISA	Related company	67,383,383	4,593,872
		147,554,702	**67,261,318**
NON-CURRENT LIABILITIES			
Other liabilities			
RGA	Related company	73,823,542	100,000,000
		73,823,542	**100,000,000**
CURRENT LIABILITIES			
Trade payables			
BDD	Related company	-	10,620
Solalban Energía S.A.	Affiliate company	-	215,538
AJSA	Related company	235,144	3,628,753
RGA	Related company	94,648,521	109,274,854
		94,883,665	**113,129,765**
Other liabilities			
RGA	Related company	200,760,389	126,041,152
Shareholders' private accounts	Minority interest	745,000	145,000
		201,505,389	**126,186,152**

NOTE 21: WORKING CAPITAL

At September 30, 2016 the Group records a positive working capital of $ 3,466,850,846 (calculated as current assets less current liabilities), while at December 31, 2015 the deficit in working capital amounted to $ 302,647,781.

EBITDA at September 30, 2016 amounted to $764 millons, as expected; this shows the accomplishment of the objectives and efficiency of the operations conducted by the Company.

NOTE 22: 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 Group 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 Group performs activities in business segments, mainly organized based on the line of products:

During 2015, ASA sold to RGA its equity interests in BDD and AJSA, companies engaged in the wine and air transport segments. In this way, ASA is focused on its main business, the electric power generation and sale.

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.

Below is an analysis of the Group's lines of business for the period ended September 30, 2016:

Information on combined income/loss for period ended September 30, 2016:

	Electricity	Wines	Air transport services	Eliminations	**09.30.16**
Sales revenue	2,253,662,444	-	-	-	2,253,662,444
Cost of sales	(1,589,764,144)	-	-	-	(1,589,764,144)
Gross income	**663,898,300**	-	-	-	**663,898,300**
Selling expenses	(21,887,948)	-	-	-	(21,887,948)
Administrative expenses	(38,988,515)	-	-	-	(38,988,515)
Loss from interests in associates	(1,033,654)	-	-	-	(1,033,654)
Other operating expenses	6,879,741	-	-	-	6,879,741
Operating income	**608,867,924**	-	-	-	**608,867,924**
Financial results	(454,463,471)	-	-	-	(454,463,471)
Income before tax	**154,404,453**	-	-	-	**154,404,453**
Income tax	(73,075,868)	-	-	-	(73,075,868)
Net income for the period	**81,328,585**	-	-	-	**81,328,585**

NOTE 22: SEGMENT REPORTING (Cont'd)

Combined information on financial position at September 30, 2016

	Electricity	Wines	Air transport services	Eliminations	**09.30.16**
Assets	9,581,066,238	-	-	-	9,581,066,238
Liabilities	7,879,013,358	-	-	-	7,879,013,358
Investments in associates	242,094,275	-	-	-	242,094,275
Additions and transfers of property, plant and equipment	1,146,262,948	-	-	-	1,146,262,948
Depreciation of property, plant and equipment	154,785,381	-	-	-	154,785,381

Below is an analysis of the Group's lines of business for the period ended September 30, 2015:

Information on combined income/loss for the period ended September 30, 2015:

	Electricity	Wines	Air transport services	Eliminations	**09.30.15**
Sales revenue	1,362,509,174	-	-	(1,115,866)	1,361,393,308
Cost of sales	(992,839,574)	-	-	1,115,866	(991,723,708)
Gross income	**369,669,600**	-	-	-	**369,669,600**
Selling expenses	(15,072,721)	-	-	-	(15,072,721)
Administrative expenses	(31,471,183)	-	-	1,015,200	(30,455,983)
Income from interests in associates	(336,051)	-	-	-	(336,051)
Other operating income and expenses	(30,043,887)	-	-	-	(30,043,887)
Operating income	**292,745,758**	-	-	**1,015,200**	**293,760,958**
Financial results	(233,383,439)	-	-	-	(233,383,439)
Income before tax	**59,362,319**	-	-	**1,015,200**	**60,377,519**
Income tax	(14,515,357)	-	-	-	(14,515,357)
Total of continuing operations	**44,846,962**	-	-	**1,015,200**	**45,862,162**
Discontinued operations (Note 23)	-	(6,787,065)	(9,358,333)	(1,015,200)	(17,160,598)
Total income/(loss) for the period	**44,846,962**	**(6,787,065)**	**(9,358,333)**	-	**28,701,564**

Combined information on financial position at December 31, 2015

Assets	5,048,578,856	-	-	-	5,048,578,856
Liabilities	3,443,552,805	-	-	-	3,443,552,805
Investments in associates	243,127,929	-	-	-	243,127,929
Additions and transfers of property, plant and equipment	487,876,131	1,098,761	158,599	-	489,133,491
Depreciation of property, plant and equipment	133,467,172	459,494	2,985,598	-	136,912,264

NOTE 23: DISCONTINUED OPERATIONS

In the course of 2015, ASA sold its interests in BDD and AJSA to RGA. At September 30, 2015, these segments were not discontinued operations nor were they classified as held for sale; accordingly, the statement of comprehensive income in comparative format was modified, so as to disclose discontinued operations separate from continuing operations. The management sold these segments as a result of the strategic decision to focus mainly on the generation and selling of electricity.

PURCHASE - SALE OF SHARES IN BODEGA DEL DESIERTO S.A.

On June 29, 2015, RGA accepted the offer for the sale of shares made by ASA on June 26, 2015. Through this offer, ASA sold to RGA for $ 28,000,000, 29,205,494 shares in BDD of face value $ 1 each and entitled to one vote per share, accounting for 90% of the share capital of Bodega del Desierto S.A. The proceeds from the sale amount to $ 17,085,140.

On June 30, 2015, RGA setlled the debt for the purchase of 90% of the share capital in BDD from ASA.

SALE OF SHARES IN ALBA JET S.A.

On October 27, 2015, RGA accepted the offer for the sale of shares made by ASA on October 26, 2015. Through this offer, ASA sold to RGA for $ 80,750,000 (pesos eighty million seven hundred and fifty thousand) 42,610,681 shares in Alba Jet S.A. of face value $ 1 each and entitled to one vote per share, accounting for 95% of the share capital of Alba Jet S.A. The proceeds from the sale amount to $ 59,556,530.

The table below summarized the statement of comprehensive income of BDD and AJSA reflected under discontinued operations:

	09.30.16	09.30.15
Sales revenue	-	14,867,282
Cost of sales	-	(16,933,733)
Gross income	-	**(2,066,451)**
Selling expenses	-	(2,835,218)
Administrative expenses	-	(1,570,217)
Other operating income and expenses	-	94,019
Operating income	-	**(6,377,867)**
Financial results, net	-	**(4,997,129)**
(Loss) before tax	-	**(11,374,996)**
Income tax	-	(5,785,602)
(Loss) from discontinued operations	-	**(17,160,598)**

Below is the summarized statement of cash flows of discontinued operations:

Statement of cash flows:

	09.30.16	09.30.15
Funds (used in) operating activities	-	(2,247,163)
Funds (used in) investment activities	-	(1,257,361)
Funds generated by financing activities	-	3,210,702
(Decrease) in cash for the period	-	**(293,822)**

NOTE 24: RESTRICTED ASSETS AND OTHER COMMITMENTS

A. GMSA

A.1 Syndicated borrowing

To secure due and timely compliance with all of the payment obligations assumed and/or to be assumed by GMSA under the Syndicated Borrowing, ASA posted a suretyship on the GMSA's obligations thereunder and an assignment in guarantee was agreed in favor of the administrative agent under the syndicated borrowing, of the rights to collect sums of money under certain Energia Plus sale transactions (conducted or to be conducted); 21 contracts of the GMSA were pledged as collateral for that assignment of rights.

At the date of these interim condensed combined financial statements, the Power Plant released the contracts assigned as collateral, corresponding to Vidriería Argentina S.A., Pilkington S.A., Arcor SAIC, Vicentin S.A., Holcim S.A., Chevron S.R.L., Axion Energy S.A., Coca Cola Femsa de Buenos Aires S.A. (City of Buenos Aires Plant), Coca Cola Femsa de Buenos Aires S.A. (Planta Monte Grande) and Rayen Cura SAIC.

With the issuance of the bond the syndicated loan was repaid and, as a result, the surety granted by ASA and the contracts assigned in guarantee were released, namely: Cerámica Lourdes, Acindar Industria Argentina de Areco S.A., SAF Argentina S.A., Danone Argentina S.A., Troy Resources Argentina LTD, Owen Illinois Argentina S.A., Casino de Rosario S.A., Buquebus (Planta San Vicente), Geminelli S.A., Noble Argentina S.A. y Oppfilm S.A..

A.2 Other commitments

Certain contractual obligations in connection with electricity supply to large users on the Forward Market at September 30, 2016 and the periods to fulfill those obligations are detailed below. These commitments are originated in supply contracts (energy and power) entered into between the Company and large users on the Forward Market in accordance with regulations set forth by the Energy Secretariat under Resolution 1281/06 (Energía Plus). They are contracts denominated in United States dollars, entered with private customers.

	Total	Up to 1 year	From 1 to 3 years
Sale Commitments (1)			
Electric energy and power - Plus	615,298,882	508,141,480	107,157,402

(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 September 30, 2016, under SE Resolution 1281/06.

A.3 Borrowing from BAF Latam Trade Finance Funds B.V.

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

NOTE 24: RESTRICTED ASSETS AND OTHER COMMITMENTS (Cont'd)

A. GMSA (Cont'd)

A.3 Borrowing from BAF Latam Trade Finance Funds B.V. (Cont'd)

The rights assigned under the contract are detailed below:

- All GMSA rights under the project documents.
- All GMSA rights pertaining to the Company to collect and receive all payments in cash or in kind, for any item, due to GMSA by the debtors under present and future Electricity Sales Transactions carried out on the Energía Plus market.
- All GMSA rights to collect and receive all payments in cash or in kind, for any item, due by GMSA to any insurance company, at this date or at a future date.
- Fiduciary ownership of the Real Estate Property existing at this date and any real estate property incorporated thereafter.
- Fiduciary ownership of GMSA assets.
- The right to make any claims and file any actions arising from the breach of the obligation to pay.
- Any collection right related to the rights assigned in these paragraphs.
- Each and every right available and/or that may become available to ASA in relation to GMSA arising from an irrevocable capital contribution.
- All the funds existing in the GMSA's account that have been received by GMSA in relation to the assigned rights.

B. GFSA

B.1 Other commitments - Contract with PWPS

On April 4, 2014, GFSA signed an agreement with PWPS for the purchase of the FT4000™ SwiftPac® 60 turbine, including whatever is necessary for its installation and start-up. The unit is composed of two gas turbines which transmit their mechanical power to only one generator of 60 MW. The functioning of this machine consists in transforming the chemical energy of the fuel (either liquid or gas, injected into the combustion chambers) into mechanical energy; this is transmitted to the generator, which in turn performs a conversion into electricity.

The purchase agreement of the Turbine amounts to USD 26.87 million. At the date of issue of these interim condensed combined financial statements, all advances agreed upon with the supplier have been paid for USD 14.87 million which are disclosed within property, plant and equipment as turbine.

In addition, the purchase agreement provides for financing for a term of 4 years for USD 12 million by PWPS as from the preliminary acceptance by GFSA. This amount is disclosed in non-current trade payables for the equivalent to $ 183,720,000 million. Financing will accrue annual interest at a rate of 7.67% and will be calculated on a monthly basis of 30 days/360 days annual, with interest capitalized on a quarterly basis, that the date of these interim condensed financial statements amounted to $ 2,092,829 and those accrued payable disclosed under current trade payables total $ 956,875

NOTE 24: RESTRICTED ASSETS AND OTHER COMMITMENTS (Cont'd)

B. GFSA (Cont'd)

B.1 Other commitments - Contract with PWPS (Cont'd)

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

	Total	2016	2017	2018	2019	2020	2021	2022	2023
Commitments [(1)]	USD								
PWPS for the purchase of the turbine FT4000™ SwiftPac®	17,975,401	750,000	750,000	750,000	750,000	3,743,495	3,743,495	3,743,495	3,744,916

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

C. 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 was closed without agreement for the eviction of the property under a lease agreement mentioned in the preceding paragraph. GROSA estimates that it is highly improbable that the eviction will take place as Central Térmica Sorrento S.A. is not entitled to be granted this order.

D. CTR

As provided for in the Syndicated Borrowing – international tranche, on January 13, 2012 a trust agreement was entered into between CTR, AISA, Tefu S.A., Credit Suisse A.G. London Branch and Banco de Servicios y Transacciones S.A., and the latter bank was designated as Trustee.

Under the trust agreement, CTR assigned the ownership rights over its assets and the assets that will be added to the power plant in the future. The parties leave evidence that the assigned assets exclusively and specifically include all the assets that in view of their nature qualify as property, plant and equipment. Additionally, the ownership rights over the real property and all its appurtenances at the contract date have been assigned, including those that will be replaced or added to the real property in the future.

NOTE 24: RESTRICTED ASSETS AND OTHER COMMITMENTS (Cont'd)

D. CTR (Cont'd)

Further, to secure compliance with all of the obligations assumed under the borrwing agreements, CTR has assigned to the Trustee, and to the benefit of the Creditors-Beneficiaries, all the rights to collect and receive the sums of money or payments in kind for any guarantee, indemnification, insurance, lien, bond insurance, suretyship, repair fund, security interest or any fine, interest, compensation, or right to collect for the sale of energy.

The purpose of the trust agreement is to secure proper compliance with the obligations, it being understood as such the obligations assumed by CTR with the Creditors-Beneficiaries under the borrowing agreements, the Trustee under the trust agreement, the sureties under the suretyships released in favor of CTR and with AISA and Tefu S.A. under the Share Pledge Offer.

The credits and assets held in trust at September 30, 2016 and December 31, 2015 are the following:

	09.30.16	12.31.15
Assets held in trust		
Property, plant and equipment	1,066,385,507	785,565,264
Total	**1,066,385,507**	**785,565,264**

If CTR does not comply with its obligations, the trustee will retain in the collateral accounts the amount equivalent to the amounts necessary to pay the beneficiaries, on the following payment date, the principal installment and/or compensatory interest under the contract entered into.

At the date of these interim condensed financial statements, the debt with Credit Suisse A.G. London Banch was repaid in full with the proceeds from the issuance of the International Bond, disbursed on July 27, 2016. With the extinction of the above-mentioned obligations, the agreement for the termination of the aforementioned trust was already signed and settled in liquidation at the date of issuance of these condensed interim financial statements.

NOTE 25: INVESTMENTS IN COMPANIES

To increase the thermal power generation capacity, the Argentine Government created in 2004 the FONINVEMEM, a fund administered by CAMMESA to make investments in thermal power generation. To finance the FONINVEMEM, the Energy Secretariat invited all WEM agents that held LVFVD due by the WEM, to express their decision to invest (or not) in the FONINVEMEM 65% of their receivables generated between January 2004 and December 2006.

GMSA holds an equity interest of 0.0282% equivalent to 141 shares in Termoeléctrica José de San Martín S.A. and Termoeléctrica Manuel Belgrano S.A., which engage in equipment purchases, construction, operation and maintenance of the respective power plants. The fair value of the unlisted ordinary shares in Termoeléctrica José de San Martín S.A. and Termoeléctrica Manuel Belgrano S.A. has been estimated using a model of discounted cash flows based on dividends at September 30, 2016.

NOTE 26: EXECUTION OF CONTRACTS TO PURCHASE MACHINERY

On June 14, 2016 a Deferred Payment Agreement was signed with Siemens Industrial Turbomachinery AB whereby, after compliance with the conditions precedent set forth in the agreement, the Company will be granted a commercial loan to finance 50% of the contract amount, equivalent to SEK 177,000,000 (approximately USD 21.6 million).

The commercial loan to be granted shall be repaid in 24 equal and consecutive monthly installments of 4.17% of each installment total amount, with the first one falling due in August 2017. Payments shall be made in SEK (Swedish crowns).

On September 13, 2016, four Deferred Payment Agreements have been executed with Siemens Industrial Turbomachinery AB for the turbines to be installed in Ezeiza and GI whereby, once fulfilled the conditions fixed in the agreements, GMSA will be granted a commercial financing of 50% of the amount of the agreement signed for the enlargement of GI and the work in Ezeiza, equivalent to SEK 438,960,000 (approximately USD 52 million).

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

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

Commitments (1)		SEK	Total	2017	2018	2019	2020
			USD				
Siemens Industrial Turbomachinery AB for the acquisition of two turbines Siemens SGT 800	GM	177,000,000	**21,689,920**	4.518,733	10,844,960	6,326,227	-
Siemens Industrial Turbomachinery AB for the acquisition of three turbines Siemens SGT 800	Ezeiza	263,730,000	**21,000,000**	3,500,000	10,500,000	7,000,000	-
			10,290,000	-	3,858,750	5,145,000	1,286,250
Siemens Industrial Turbomachinery AB for the acquisition of two turbines Siemens SGT 800	GI	175,230,000	**10,500,000**	1,750,000	5,250,000	3,500,000	-
			10,290,000	-	3,858,750	5,145,000	1,286,250

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

NOTE 27: LONG-TERM MAINTENANCE CONTRACT – GM, GI, GFSA AND CTR POWER PLANTS

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

NOTE 27: LONG-TERM MAINTENANCE CONTRACT – GM, GI, GFSA AND CTR POWER PLANTS (Cont'd)

GMSA signed with Siemens SA and Siemens Industrial Turbomachinery AB a global service and spare parts agreement for the GR power plant. As set forth in the agreements, Siemens must provide on-site technical assistance on a permanent basis, a remote monitoring system to follow up on the efficient performance of the turbines, 24 hour assistance from the engineering department, original spare parts in a timely manner and repairs for planned and corrective maintenance. In addition, the agreement establishes that Siemens will make available for GMSA replacement equipment (engine gas generator) if necessary. Siemens thus guarantees availability of not less than ninety six percent (96%) on average to the Power Plant for each period of biannual measurement. In addition, the Power Plant has its own repair shop with tools and spare parts in stock to make on-site repairs. Compliance with the power sale agreement with CAMMESA under Resolution 220/07 is thus guaranteed.

CTR, GE International INC and GE Energy Parts International, LLC, entered into a global service agreement (Long Term Service Agreement), for the power plant. As set forth in the agreement, GE must provide on-site technical assistance on a permanent basis, a remote monitoring system to follow up on the operation of the turbines, 24-hour assistance from the engineering department, original spare parts in a timely manner and repairs for planned and corrective maintenance. GE thus guarantees availability of not less than ninety five percent (95%) to the Power Plant per contractual year. Also, the Power Plant has its own repair shop with tools and stocks of spare parts to perform on-site repairs. Compliance with the power sale agreement with CAMMESA under Resolution 220/07 is thus guaranteed.

Compliance with the power sale agreement is thus guaranteed.

NOTE 28: GMSA - PRESENTATION TO CAMMESA

On June 19, 2015, GMSA submitted to CAMMESA a request for recognition of the remuneration for maintenance and investments, as set forth by Resolution 529/14. Since the effective date of that Resolution, in February 2014 and until September 2015, GMSA has generated a total of 540,614MWh, equivalent to the amount of $14,268,553.

On August 26, 2015, GMSA made a new presentation to CAMMESA updating the amount in the request mentioned in the preceding paragraph under Resolution 529/14.

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

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

On June 10, 2016 the GMSA submitted to CAMMESA a request for recognition of the remuneration for maintenance and investments, as set forth by Resolution 529/14 of GR and GLB. Since the effective date of that Resolution, in February 2014 and until April 2016 inclusive, GLB has generated a total of 60,166MWh, equivalent to the amount of $2,935,346 and GR generated a total of 51,564MWh, equivalent to the amount of $3,068,853.

GMSA reports an accumulated balance for non-recurring maintenance of $37,316,847 at September 30, 2016.

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

NOTE 28: GMSA - PRESENTATION TO CAMMESA (Cont'd)

On June 10, 2016, a note about non-recurring maintenance was filed with CAMMESA by both GLB and GR, for a total amount of USD 953,000 plus VAT. The technical team from CAMMESA completed the visits to the power plant and issued a report on GLB and GR which is under economic assessment.

NOTE 29: MERGER THROUGH ABSORPTION

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

On August 31, 2015, GMSA entered into a merger agreement (the "Merger Agreement") whereby it started the merger through absorption process of the companies GISA, GLBSA and GRISA (the "corporate reorganization").

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

Furthermore, the above-mentioned benefits will be obtained without incurring tax costs, as the Corporate Reorganization will be tax free under the terms of Section 77 and following provisions of the Income Tax Law No. 26839.

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

On March 18, 2016, the CNV through Resolution No. 18003 approved the described merger through absorption within the terms of Section 82 of the General Companies Law No. 19550 and ordered that the file be sent to the IGJ for its registration, which was performed on May 18, 2016.

b) GMSA – GFSA MERGER THROUGH ABSORPTION

On August 31, 2016, GMSA entered into a preliminary merger agreement (the "GMSA-GFSA Preliminary Merger Agreement") whereby it started a process for the merger through absorption of GFSA (the "GMSA-GFSA Corporate Reorganization").

NOTE 29: MERGER THROUGH ABSORPTION (Cont'd)

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

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

As a result of the merger and as approved in the GMSA-GFSA Preliminary Merger Agreement, as from the effective date of merger (January 1, 2017): (a) all of GFSA's equity will be transferred to GMSA, thus acquiring the ownership of all rights and obligations of GFSA, subject to the registration of the final merger agreement with the Public Registry under the Superintendency of Commercial Companies (IGJ); (b) GFSA will be dissolved without liquidation, therefore being absorbed by GMSA; (c) GMSA capital stock will be increased from $ 125,654,080 to $ 138,172,150, with the consequent amendments to the bylaws of the continuing company.

NOTE 30: 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. To this end, it is informed that the Company stores its work papers and information at its principal place of business, located at Av. L.N. Alem 855, 14th floor - City of Buenos Aires.

NOTE 31: ASSIGNMENT OF IMPORT DUTIES

On January 23, 2012, CTR requested that the Undersecretariat for Coordination and Management Control, under the authority of the Ministry of Federal Planning, Public Investment and Services, exempt it from payment of the import duties, statistical charge and destination verification rate for the import from GE of the compressor and turbine rotor and the nozzles used in the completion of the project for the repair and commissioning of the power plant.

For these items, CTR paid to the Customs Service the amount of $ 4,593,872, equivalent to USD 1,035,837, at the exchange rate in effect at the moment of the registration of the goods with the Argentine Customs (April and May 2012).

On January 16, 2015, CTR was notified of Resolution No. 1718 dated December 30, 2014, adopted by the Ministry of Federal Planning, Public Investment and Services, which sustained the request for this benefit.

On July 24, 2015 a petition for refund was filed seeking the reimbursement of the amounts timely paid.

On October 28, 2015 CTR's Board approved the assignment of import duties for $ 4,593,872 in favor of AISA.

NOTE 32: PENALTY IMPOSED BY CAMMESA

In January 2014, CTR received a penalty from CAMMESA (Compañía Administradora del Mercado Mayorista Eléctrico S.A.) for approximately $ 10 million, for not having available power, under the commitment assumed by the Company.

On February 27, 2014, CTR submitted to CAMMESA a note making reference to the application of penalties as stipulated in the Offer for the Commitment to Power Availability and Supply in the WEM, pursuant to Energy Secretariat Resolution 220/2007, as a result of the malfunction on January 13, 2014 of a transformer in one of the phases of the ROCATG1 machine generation system.

CTR has requested a forgiveness of those penalties, inasmuch as the incident that caused the malfunction was clearly due to a totally unexpected act of God (Section 514 of the Civil Code), the effects of which could not be avoided in spite of the efforts made to solve it.

The general norm (Section 513 of the Civil Code) is applicable in these circumstances, which releases from liability for noncompliance with obligations, when such noncompliance is caused by an act of God or force majeure event, the malfunction of the transformer in this case.

In relation to the presentation made by CTR, CAMMESA sent on May 26, 2014 to the Undersecretariat of Energy a note requesting that the service outage associated with the event described above be considered as a force majeure event or an act of God, so as not to impose the penalties stipulated in the respective Offer for the Commitment to Power Availability and Supply in the WEM, accepted by Energy Secretariat Note No. 316/2012.

The legal counsels for CTR have reported that there are sufficient legal arguments to consider that the request for a forgiveness of the penalties filed by the Company to CAMMESA will be sustained. At the date of issue of these interim condensed combined financial statements, CTR has not set up any provisions for this item.

NOTE 33: SUBSEQUENT EVENTS

a) GMSA – GFSA merger through absorption

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

At GFSA Meeting of Shareholders the following was also approved: (i) The early dissolution without liquidation of GFSA as a result of the merger, and its deregistration as a corporation in due course; (ii) the transfer to GMSA so that the latter may assume the obligations arising under the Class II and Class III Negotiable Obligations issued by GFSA under the Program for the Issuance of Ordinary Negotiable Obligations (Not Convertible into Shares) for an amount of up to USD 50,000,000 (or its equivalent in other currencies), and that GFSA requests from the pertinent agencies the transfer to GMSA of the negotiable obligations for public offering, listing and trading.

At the Meeting held by GMSA the following was also approved: (i) within the framework of the merger process, a GMSA capital increase from $ 125,654,080 to $ 138,172,150 by issuing 12,518,070 new ordinary registered non-endorsable shares of GMSA, of $1 par value each and entitled to 1 (one) voting right per share, considering the respective swap ratio, as from the effective merger date (January 1, 2017), delegating to the Board of Directors the power to decide when the new shares will be issued. Furthermore, as a result of that capital increase, it was resolved to approve the amendment to section 5 of corporate bylaws; (ii) the appointment of Messrs. Juan Carlos Collin and Jorge Hilario Schneider as regular Board members, in addition to the current members of that body.

The publications for 3 (three) days, in compliance with Section 83 of the General Companies Law were completed on October 21, 2016, and the period for opposition of creditors commenced.

<u>NOTE 33</u>: SUBSEQUENT EVENTS (Cont'd)

a) GMSA – GFSA merger through absorption (Cont'd)

As the term for opposing claims had expired and no notice of opposition had been received from creditors, the Final Merger Agreement was signed on November 15, 2016.

b) GMSA - Settlement of the Credit Suisse borrowing

On October 21, 2016, GMSA settled the second tranche of the loan with Credit Suisse for an amount of USD 40 million, upon compliance with the minimum period of permanence, as required by BCRA regulations in force. The documents corresponding to the release of guarantees were signed on October 28, 2016.

c) GFSA - Capital paid-in

By Board Meeting Minutes dated October 7, 2016, a payment for $ 10,290,000 that had remained outstanding was made, therefore the corporate capital has been fully paid up.

d) Issue of ASA Class II Negotiable Obligations

On October 25, 2016, ASA issued Class II NO for the amount of $ 220 million. The repayment will be made after 24 months with amortizations being paid at the 18th, 21th and 24th months, the rate to be accrued is BADLAR + 4%. The issue was partially subscribed in kind with Class I NO issued in December 2016. Liquid funds obtained have been fully used to repay the debt existing with RGA.

The A-rating obtained for this issue was granted by Fix Rating Argentina.

Summary of Activity at September 30, 2016 and 2015

Below is shown an analysis of the results of the combined operations and its equity and financial position, which must be read jointly with the corresponding interim condensed combined financial statements.

	Nine-month period ended September 30,			
	2016	**2015**	**Var.**	**Var. %**
	GWh			
Sales per type of market				
Sales CAMMESA 220	595.8	705.2	(109.4)	(16%)
Sale of electricity Plus	546.0	615.2	(69.2)	(11%)
Sale of electricity Res. 95/529/482 and spot	968.3	1,188.1	(219.8)	(19%)
	2,110.1	**2,508.5**	**(398.4)**	**(16%)**

The sales to each market are presented below (in millions of Pesos):

	Nine-month period ended September 30,			
	2016	**2015**	**Var.**	**Var. %**
	(in millions of Pesos)			
Sales per type of market				
Sales CAMMESA 220	1,287.1	676.0	611.1	90%
Sale of electricity Plus	580.2	409.7	170.5	42%
Sale of electricity Res. 95/529/482 and spot	386.4	273.7	112.7	41%
	-	2.0	(2.0)	(100%)
Total	**2,253.7**	**1,361.4**	**892.3**	**66%**

Summary of Activity at September 30, 2016 and 2015

Results for the nine-month period ended September 30, 2016 and 2015 (in millions of Pesos)

	Nine-month period ended September 30,			
	2016	**2015**	**Var.**	**Var. %**
Sale of energy	2,253.7	1,359.4	894.3	66%
Sale of services	-	2.0	(2.0)	(100%)
Net sales	**2,253.7**	**1,361.4**	**892.3**	**66%**
Cost of purchase of electric energy	(442.1)	(264.4)	(177.7)	67%
Cost of gas and gasoil consumption	(740.7)	(440.4)	(300.3)	68%
Salaries, wages and social security contribution	(90.4)	(65.3)	(25.1)	38%
Pension Plan	(0.4)	(0.3)	(0.1)	33%
Maintenance services	(97.7)	(78.6)	(19.1)	24%
Depreciation of property, plant and equipment	(154.8)	(97.6)	(57.2)	59%
Insurance	(21.6)	(15.2)	(6.4)	42%
Sundry	(42.1)	(29.9)	(12.2)	41%
Cost of sales	**(1,589.8)**	**(991.7)**	**(598.1)**	**60%**
Gross income	**663.9**	**369.7**	**294.2**	**80%**
Salaries, wages and social security contribution	(0.4)	(0.8)	0.4	(50%)
Taxes, rates and contributions	(17.6)	(14.3)	(3.3)	23%
Bad debt expenses	(3.9)	-	(3.9)	(100%)
Selling expenses	**(21.9)**	**(15.1)**	**(6.8)**	**45%**
Salaries, wages and social sec. Contrib.	(5.9)	(9.8)	3.9	(40%)
Fees and compensation for services	(24.7)	(13.3)	(11.4)	86%
Per diem, travel and entertainment expenses	(1.2)	(0.4)	(0.8)	200%
Taxes, rates and contributions	(1.7)	(2.7)	1.0	(37%)
Sundry	(5.5)	(4.3)	(1.2)	28%
Administrative expenses	**(39.0)**	**(30.5)**	**(8.5)**	**28%**
Gain on investments in related companies	(1.0)	(0.3)	(0.7)	233%
Other operating income	6.9	17.4	(10.5)	(60%)
Other operating expenses	-	(47.5)	47.5	(100%)
Operating income	**608.9**	**293.7**	**315.2**	**107%**
Commercial interest	45.4	6.3	39.1	621%
Borrowing interest, net	(354.6)	(160.7)	(193.9)	121%
Exchange difference, net	(146.8)	(32.5)	(114.3)	352%
Bank expenses and commissions	(14.3)	(5.4)	(8.9)	165%
Other financial results	15.8	(41.1)	56.9	(138%)
Total financial results, net	**(454.5)**	**(233.4)**	**(221.1)**	**95%**
Income before tax	**154.4**	**60.3**	**94.1**	**156%**
Income tax	(73.1)	(14.5)	(58.6)	404%
Income from continuing operations	**81.3**	**45.8**	**35.5**	**78%**
Discontinued operations	-	(17.2)	17.2	(100%)
Net income for the period	**81.3**	**28.6**	**52.7**	**184%**

Summary of Activity at September 30, 2016 and 2015

Sales:

Net sales for the period ended September 30, 2016 reached $ 2,253.7 million, compared with $ 1,361.4, million for the same period of 2015, representing an increase of $ 892.3 million (or 66%).

During the first nine-months of 2016, energy sales reached 2,110.0 GWh, having decreased 16% from the 2,508.5 GWh sold for the same period of 2015.

The main sources of income of the Company and their behavior during the nine-month period ended September 30, 2016, compared with the same period in the previous year, are described below:

(i) $ 1,287.1 million from sales of electricity on the spot market to CAMMESA within the framework of Resolution 220/07, representing a 90% increase from the $ 676.0 million for the same period of 2015. This variation is explained by the start-up of GFSA and a higher exchange rate. The rise was offset by a decrease of the sales volume.

(ii) $ 580.2 million from sales under "Energía plus", a 42% increase from $ 409.7 million for the same period of 2015. This variation is attributed to the effect on prices of the higher exchange rate.

(iii) $ 386.4 million from sales of electricity under Resolution 95/529/482/22 and on the spot market, showing a 41% increase from the sales of $ 273.7 million for the same period of 2015. This variation is explained by an increase in the price paid for electricity by enforcement of Res.22/16, offset by a decrease of the sales volume.

Cost of sales

Cost of sales for the six-month period ended September 30, 2016 reached $ 1,589.8 million, compared with $991.7 million for the same period of 2015, representing an increase of $ 598.1 million (or 60%).

The main costs of sales of the Company in millions of Pesos and their behavior during this period, compared with the same period of the previous year, are described below:

(i) $ 442.1 million for purchases of electricity, which increased 67% compared with $ 264.4 million for the same period of 2015, as a result of higher costs required to supply "Energía Plus" spot market due to the variation in the exchange rate.

(ii) $ 740.7 million incurred in purchases of gas and gasoil consumed by the plant, reflecting an increase of 68% from the $ 440.4 million for the same period of 2015. This variation is due to the price of gas explained by the increase in the exchange rate.

(iii) $ 90.4 million in salaries and social security contributions, reflecting a 38% increase from $ 65.3 million for the same period of 2015, which is mainly attributed to wage increases granted and increase of staff hired.

(iv) $ 97.7 million in maintenance services, reflecting a 24% increase from $ 78.6 million for the same period of 2015. This increase is explained by the rise in the exchange rate offset by fewer operating hours, which have an impact on the cost of the maintenance contract with PWPS for certain subsidiaries. It is worth noting that the cost of this contract is recognized by CAMMESA in the remuneration paid for operating and maintenance costs for sales according to Contract under Res. 220/07.

(v) A charge of $ 154.8 for depreciation of PP&E, up 59% from the $ 97.6 million for the same period of 2015. This variation is mainly due to the higher depreciation value of PP&E as a result of their revaluation at December 31, 2015 and to the start-up of GFSA power plant.

(vi) $ 21.6 million paid for insurance, up 42% from the $ 15.2 million for the same period of 2015 as a result of the variation in the exchange rate.

Gross income

The gross result for the period ended September 30, 2016 was a profit of $ 663.9 million, compared with a profit of $ 369.7 million for the same period of 2015, showing an 80% increase. This increase is mainly attributed to the effect of the exchange rate increase on the operating activity of the subsidiaries, the high availability at the power plants throughout the year, and the start-up of GFSA. Additionally, fees were increased due to the enforcement of Res. SE 22, which modified and expanded Resolution SE 482. This resolution allowed for increasing the operating results of the Company, generating an additional cash flow that improved its working capital position.

Selling expenses:

Selling expenses for the nine-month period ended September 30, 2016 amounted to $ 21.9 million, up 45% from the same period of 2015.

Administrative expenses

Total administrative expenses for the nine-month period ended September 30, 2016 reached $ 39.0 million, compared with $ 30.5 million for the same period of 2015, representing an increase of $ 8.5 million (or 28%).

(i) 24.7 million in Fees and compensation for services, which grew 86%, from $ 13.3 million for the same period of 2015. This variation stems from an increase in tariffs for existing services and new services being engaged.

Other income and expenses

Other operating income for the period ended September 30, 2016 reached $ 6.9 million, representing an decrease of 60% compared with $ 17.4 million for the same period of 2015, due to the sale of Albanesi S.A.'s shares in Bodega del Desierto S.A. for $ 17.1 million in 2015, which were not considered core assets for the business.

Summary of Activity at September 30, 2016 and 2015

Other operating expenses for the period ended September 30, 2016 amounted to $ $47.5 million, corresponds to the termination of the contract for the purchase of a turbine with General Electric in 2015.

Operating income

The operating result for the period ended September 30, 2016 was a profit of $ 608.9 million, compared with a profit of $ 293.7 for the same period of 2015, representing an increase of 107%. This increase is mainly attributed to the effect of the increase of the exchange rate on the operating activity of the combined companies, the high availability at the power plants throughout the year and the start-up of GFSA power plant. Additionally, fees were increased due to the enforcement of Res. SE 22, which modified and expanded Resolution SE 482. This resolution allowed for increasing the operating results of the Company, generating an additional cash flow that improved its working capital position.

Financial results:

The financial result for the nine-month period ended September 30, 2016 was a loss of $ 454.5 million, compared with a loss of $ 233.4 million for the same period of 2015, showing an 95% increase.

The most salient aspects of this variation are described below:

(i) A loss of $ 354.6 million due to interest paid on loans, up 121% from the loss of $ 160.7 million for the same period of 2015 as a result of (i) an increase in the floating interest rates on the debt in pesos, (ii) start-up of GFSA power plant, and (iii) the effects of the increase in the exchange rate on the accrual of interest on loans in foreign currency.

(ii) A loss of $ 146.8 million as a result of the net exchange difference, this caption was 352% higher than the prior year loss of $ 32.5 million. The increase is due to a higher exposure in foreign currency for the financing of new projects and a higher increase of the average exchange rate for the period.

Income/Loss before tax

The Company reported a profit before tax of $ 154.4 million for the period ended September 30, 2016, which compares with a profit of $ 60.3 million for the same period of 2015.

The after-tax result was a loss of $ 73.1 million for the period ended September 30, 2016, which compares with a loss of $ 14.5 million for the same period of 2015.

Net income/loss from continuing operations:

The net result from continuing operations for the period ended September 30, 2016 was a gain of $ 81.3 million, compared with the loss of $45.8 million for the same period of 2015.

Summary of Activity at September 30, 2016 and 2015

Net income/loss from discontinued operations:

The results from discontinued operations correspond to the sale of the interest held by BDD in the wine business, and the sale of the share in the air transport business held by AJSA. ASA sold its 90% and 95% interest to RGA on September 29 and October 27, 2015, respectively. The net result from discontinued operations for the period ended September 30, 2015, was a loss of $ 17.2 million.

Net income:

The net result for the period ended September 30, 2016, was a gain of $81.3 million, compared with $ 28.6 million for the same period of 2015, reflecting an increase of 184%.

Adjusted EBITDA

	Nine-month period ended September 30,				Twelve-month period ended September 30,			
	2016	2015	Var.	Var %	2016	2015	Var.	Var %
	(In thousands of Pesos)				(In thousands of Pesos)			
Operating income	608,868	293,761	315,107	107%	797,099	399,109	397,990	100%
Depreciation and amortization	154,785	97,632	57,153	59%	190,286	132,393	57,893	44%
Non-recurring income/(loss)	-	30,292	(30,292)	(100%)	(60,506)	30,292	(90,798)	(300%)
Income/(Loss) from interests in associates	1,034	336	698	208%	2,172	(995)	3,167	(318%)
Dividends earned	-	5,880	(5,880)	(100%)	-	11,338	(11,338)	(100%)
Adjusted EBITDA in thousands of pesos	**764,687**	**427,901**	**336,786**	**79%**	**929,051**	**572,137**	**356,914**	**62%**
Adjusted EBITDA in thousands of US dollars [1]	**52,535**	**47,765**	**4,770**	**10%**	**68,693**	**64,932**	**3,761**	**6%**

The adjusted EBITDA for the nine-month period ended September 30, 2016 increased by $ 336.9 million, or 79%, from $ 427.9 million for the nine-month period ended September 30, 2015 to the $ 764.7 million recorded for the same period of 2016. This increase was mainly due to the impact of the devaluation of the Argentine peso relative to the US dollar since December 2015 on our operating result, the start-up of the Generación Frías power plant in December 2015, and, in relation to base energy, an increase in the remunerations as a result of the enforcement of Res. SE 22, which modified and expanded Resolution SE 482, allowing for an increase of the operating result of the Company.

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

Summary of Activity at September 30, 2016 and 2015

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

	09.30.16	12.31.15
Non-Current Assets	5,228.0	4,084.7
Current Assets	4,353.1	963.9
Total Assets	**9,581.1**	**5,048.6**
Equity attributable to the owners	1,631.4	1,535.9
Non-controlling interest	70.7	69.2
Total Equity	**1,702.1**	**1,605.0**
Non-Current Liabilities	6,992.8	2,177.1
Current Liabilities	886.2	1,266.5
Total Liabilities	**7,879.0**	**3,443.6**
Total equity and liabilities	**9,581.1**	**5,048.6**

3. Structure of Company's results, presented comparatively with the previous period:
(in millions of pesos)

	09.30.16	09.30.15
Operating income	608.9	293.8
Financial results	(454.5)	(233.4)
Operating income, net	**154.4**	**60.4**
Income tax	(73.1)	(14.5)
Income from continuing operations	**81.3**	**45.9**
Discontinued operations	-	(17.2)
Income for the period	**81.3**	**28.7**
Other comprehensive income	-	(2.4)
Statement of comprehensive income	**81.3**	**26.3**

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

	09.30.16	09.30.15
Funds (used in)/ provided by operating activities	[(1)] (492.4)	231.6
Funds (used in) investment activities	(1,288.7)	(201.3)
Funds provided by/ (used in) financing activities	3,696.2	(62.3)
INCREASE IN CASH AND CASH EQUIVALENTS	**1,915.1**	**(32.0)**

(1) Includes early payments to suppliers for the purchase of goods for $ 909,957,665

5. Ratios presented comparatively with the previous period:

	09.30.16	12.31.15
Liquidity (1)	4.91	0.76
Creditworthiness (2)	0.21	0.45
Locked-up capital (3)	0.55	0.81
Indebtedness ratio (4)	5.24	2.19
Interest coverage ratio (5)	1.41	1.88

(1) Current assets / Current liabilities
(2) Equity / Total liabilities
(3) Non-current assets / Total Assets
(4) Financial debt excluding CAMMESA in US dollars/ annualized adjusted EBITDA in US dollars
(5) Annualized EBITDA in US dollars/ Annualized financial interest accrued and capitalized in US dollars

6. Brief remarks on the Outlook for Fiscal year 2016:

Company outlook for fiscal year 2016

Business and operating sector

The Company expects that the various generating units will continue to operate normally in line with dispatches defined by CAMMESA. The primary objective is to keep a high level available at the Power Plants to maintain Company's profitability. To that end, an exhaustive preventative maintenance plan is being carried out for the generating units, to ensure high availability of the Power Plants' turbine generators.

The combined Companies are undertaking investment projects to increase power generation capacity by 460 MW.

Summary of Activity at September 30, 2016 and 2015

Under contracts pursuant to Energy Secretariat Resolution 220/07, progress is being made in three projects for an additional total power generation capacity of 210 MW, as detailed below:

A Siemens SGT-800 turbine with a 50-MW nominal capacity will be installed at GR. It is expected to become commercially operative in the fourth quarter of 2016, under a contract pursuant to Energy Secretariat Resolution 220/07.

Furthermore, the installation of two Siemens SGT-800 turbines with a nominal capacity of 50 MW is expected at GMSA. It is expected to become commercially operative in the second quarter of 2017, under a contract pursuant to Energy Secretariat Resolution 220/07.

In addition, CTR began the project for the closure of the Power Plant combined cycle, in Rio Negro, and this means that an additional power of 60 MW will be incorporated to the current 130 MW turbine operating with gas and gasoil. Not only will this work provide extra power but will also be significant in environmental terms as it will not require additional fuel. The works will account for an investment of approximately USD 94 million. The start-up is expected in the first quarter of 2018.

Under the framework of Resolution No. 21/16, the Company presented projects to enlarge the power generation capacity by 250MW, which were awarded through a bidding process.

The projects fall within the framework of contracts with CAMMESA under the above-mentioned ES Resolution 21/16.

Generation capacity will be increased by 100 MW at GI, with the installation of two Siemens SGT-800 turbines of 50 MW each. The first stage (50 MW) is expected to become commercially operative during the third quarter of 2017, and the second stage (50 MW), in the first quarter of 2018.

A new plant (Ezeiza Thermal Power Plant) will be built in the Province of Buenos Aires with a generation capacity of 150 MW, by installing three 50-MW Siemens SGT-800 turbines. The first stage (100MW) is expected to become commercially operative during the third quarter of 2017, and the second stage (50 MW), in the first quarter of 2018.

Financial Position

The combined companies' objective in the current year is to improve the financing structure and ensure progress in the investment works described above, according to the budgeted schedules.

On July 27, 2016 for USD 250 million, falling due within 7 years. All of the Negotiable Obligations are unconditionally guaranteed by ASA.

The international due allowed the financing of existing finances, the release guarantees and the improvement of the profile of the financial debt of the funds to the projects of investment and extension of the capacity of generation of energy that is in the Group.

REPORT ON REVIEW OF INTERIM CONDENSED COMBINED FINANCIAL STATEMENT

To the Shareholders, President and Directors of
Albanesi S.A and Central Térmica Roca S.A.
Legal address: Leandro N. Alem 855, 14th floor
City of Buenos Aires

Introduction

We have reviewed the accompanying Interim condensed combined financial statements of Albanesi S.A and Central Térmica Roca S.A. (together, the "Group") (comprised by the companies described in Note 3), which consist of the interim condensed combined statement of financial position as of September 30, 2016, and the related Interim Condensed Combined Statement of Comprehensive Income for the nine and three-month period ended September 30, 2016, Interim Condensed Combined of Changes in Equity and Cash Flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this Interim condensed combined financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Our responsibility is to express a conclusion on this Interim Condensed Combined Financial Statement based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently 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.

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim combined financial statements does not present fairly, in all material respects, the interim combined statement of financial position as of September 30, 2016, and of its interim condensed combined financial performance for the nine and three-month period ended September 30, 2016 and its interim condensed combined cash flows for the nine-month period ended September 30, 2016 in accordance with International Financial Reporting Standards.

PRICE WATERHOUSE & CO. S.R.L.

By (Partner)

Dr. Raúl Leonardo Viglione

Autonomous City of Buenos Aires, Argentina
November 23, 2016