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ALBANESI

Albanesi S.A.

Interim Condensed Consolidated Financial Statements

At March 31, 2017 and for the three-month period
ended March 31, 2017 and 2016 presented in comparative format

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

Albanesi S.A.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF MARCH 31, 2017 AND 2016

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GLOSSARY OF TECHNICAL TERMS

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

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

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Terms	Definitions
GFSA	Generación Frías S.A.
GISA	Generación Independencia S.A.
GLBSA	Generación La Banda S.A.
GMSA	Generación Mediterránea S.A.
Large Users	WEM agents classified according to their consumption unto: GUMAs, GUMEs, GUPAs and GUDIs
GRISA	Generación Riojana S.A.
GROSA	Generación Rosario S.A.
GUDIs	Large Demand from Distributors, with declared or demanded supplies of over 300kW.
GUMAs	Major Large Users
GUMEs	Minor Large Users
GUPAs	Particular Large Users
GW	Gigawatt Unit of power equivalent to 1,000,000,000 watts
GWh	Gigawatt hour Unit of energy equivalent to 1,000,000,000 watts hour
IASB	International Accounting Standards Board
IGJ	Superintendency of Commercial Companies
kV	Kilovolt Unit of electromotive force which is equal to 1,000 volts
kW	Kilowatt Unit of power equivalent to 1,000 watts
kWh	Kilowatt hour Unit of energy equivalent to 1,000 watts hour
The Company/The Group	Albanesi S.A. and its subsidiaries
LGS	General Companies Law
LVFVD	Sales liquidations with maturity date to be defined
MAPRO	Major Scheduled Maintenance
MAT	Futures market
WEM	Wholesale Electric Market
MMm3	Million cubic meters
MVA	Mega-volt ampere, unit of energy equivalent to 1 volt x 1 ampere x 106
MW	Megawatt Unit of power equivalent to 1,000,000 watts
MWh	Megawatt hour Unit of energy equivalent to 1,000,000 watts hour
ARG GAAP	Argentine Generally Accepted Accounting Principles
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
ON	Negotiable obligations
PWPS	Pratt & Whitney Power System Inc
Resolution 220/07	Regulatory framework for the sale of energy to CAMMESA through the "WEM Supply Contract" under Energy Secretariat Resolution No. 220/07
RGA	Rafael G. Albanesi S.A.
RT	Resoluciones técnicas
SADI	Argentine Interconnected System
SE	The Secretariat of Energy
TRASNOA S.A.	An electric power carriage company by means of a trunk line in the Argentine Northwestern region
CGU	Cash-Generating Unit

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Albanesi S.A.

Composition of the Board of Directors and Syndics' Committee
as of March 31, 2017

President
Armando R. Losón

1st. Vice-president
Guillermo G. Brun

2nd. Vice-president
Julián P. Sarti

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

Alternate Directors
Armando Losón (h)
José L. Sarti
Juan G. Daly
María de los Milagros D. Grande
Ricardo M. Lopez
Romina S. Kelleyian

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

Alternate Syndics
Carlos I. Vela
Juan Cruz Nocciolino
Augusto N. Arena

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Albanesi S.A.

Corporate name:	Albanesi S.A.
Legal domicile:	Av. L.N. Alem 855, 14th floor - City of Buenos Aires
Main business activity:	Investing and financial activities
Tax Registration Number:	30-68250412-5

DATES OF REGISTRATION WITH THE PUBLIC REGISTRY OF COMMERCE:

Of by-laws or incorporation agreement:	June 28, 1994
Latest amendment:	March 22, 2016 (registration pending)
Registration number with the Superintendency of Commercial Companies:	6216 of Book 115, Volume A of Corporations
Expiration of By-laws or incorporation agreement:	June 28, 2093

CAPITAL STATUS (Note 10)			
Shares			
Number	Type	Number of votes per share	Subscribed and paid in
			$
62,455,160	Ordinary, registered, non-endorsable shares of $ 1 par value each	1	62,455,160

Albanesi S.A.

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Interim Condensed Consolidated Statement of Financial Position

At March 31, 2017 and December 31, 2016

Stated in pesos

	Note	03.31.17	12.31.16
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	7,292,841,943	5,366,612,435
Investments in associates	8	294,391,772	293,807,569
Investments in other companies	31	129,861	129,861
Deferred tax assets		3,636,327	1,497,552
Other receivables		79,821,634	64,287,587
Trade receivables		69,477,979	130,234,824
Total non-current assets		**7,740,299,516**	**5,856,569,828**
CURRENT ASSETS			
Inventories		30,823,006	31,358,120
Other receivables		1,280,681,473	1,341,638,457
Trade receivables		616,368,007	532,137,414
Other financial assets at fair value through profit and loss		173,737,988	136,206,567
Cash and cash equivalents	9	555,610,863	531,824,982
Total current assets		**2,657,221,337**	**2,573,165,540**
Total Assets		**10,397,520,853**	**8,429,735,368**

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

Albanesi S.A.

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

At March 31, 2017 and December 31, 2016

Stated in pesos

	Note	03.31.17	12.31.16
EQUITY			
Share capital	10	62,455,160	62,455,160
Legal reserve		1,942,908	1,942,908
Technical revaluation reserve		1,737,703,407	1,760,090,123
Other comprehensive income		(3,397,653)	(3,397,653)
Unappropriated retained earnings		219,708,033	103,449,223
Equity attributable to the owners		**2,018,411,855**	**1,924,539,761**
Non-controlling interest		**106,569,740**	**100,881,306**
Total equity		**2,124,981,595**	**2,025,421,067**
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions	13	8,745,029	9,135,552
Deferred tax liabilities		992,988,128	928,044,072
Other liabilities		4,777,401	-
Defined benefit plans		5,967,367	5,173,822
Tax payables		618,421	-
Loans	12	4,726,197,122	4,180,163,453
Trade payables		697,636,265	444,542,066
Total non-current liabilities		**6,436,926,733**	**5,567,058,965**
CURRENT LIABILITIES			
Other liabilities		102,294,520	89,629,740
Social security debts		7,764,756	7,996,685
Defined benefit plan		3,250,194	3,250,194
Loans	12	629,143,539	462,358,204
Derivative financial instruments		-	2,175,000
Current income tax, net		1,572,066	2,649,551
Tax payables		28,512,742	21,366,445
Trade payables		1,063,074,708	247,829,517
Total current liabilities		**1,835,612,525**	**837,255,336**
Total liabilities		**8,272,539,258**	**6,404,314,301**
Total liabilities and equity		**10,397,520,853**	**8,429,735,368**

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

Albanesi S.A.

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Interim Condensed Consolidated Statement of Comprehensive Income

For the three-month periods ended March 31, 2017 and 2016

Stated in pesos

	Note	03.31.17	03.31.16
Sales revenue	14	655,749,596	583,994,794
Cost of sales	15	(483,493,665)	(393,294,502)
Gross income		**172,255,931**	**190,700,292**
Selling expenses	16	18,144,118	(895,693)
Administrative expenses	17	(7,539,945)	(14,709,304)
Income from interests in associates	8	584,203	(2,345,041)
Other operating income	18	359,648	3,426,714
Operating income		**183,803,955**	**176,176,968**
Financial income	19	6,956,296	1,642,719
Financial costs	19	(103,378,252)	(102,689,755)
Other financial results	19	74,983,810	(62,092,642)
Financial results, net		**(21,438,146)**	**(163,139,678)**
Income before tax		**162,365,809**	**13,037,290**
Income tax		(62,805,281)	(9,581,511)
Income for the period		**99,560,528**	**3,455,779**
Other Comprehensive Income			
Items that may be reclassified to profit/loss			
Translation difference		-	(44,465)
Effect of hyperinflation		-	70,777
Income related to defined benefit plans		-	(6,733)
Impact on income tax		-	2,357
Other comprehensive income for the period		-	**21,936**
Comprehensive income for the period		**99,560,528**	**3,477,715**
Income for the period attributable to:			
Owners of the company		93,872,094	2,837,715
Non-controlling interest		5,688,434	618,064
Comprehensive income for the period attributable to:			
Owners of the company		93,872,094	2,859,868
Non-controlling interest		5,688,434	617,847
Earnings per share attributable to the owners of the company			
Basic and diluted earnings per share from continuing operations	20	1.50	0.12

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

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Interim Condensed Consolidated Statement of Changes in Equity

For the three-month periods ended March 31, 2017 and 2016

Stated in pesos

	Attributable to Shareholders									
	Shareholders' contributions	Retained earnings								
	Share Capital (Note 10)	Legal reserve	Technical revaluation reserve	Translation reserve	Other comprehensive income	Unappropiated retained earnings	Sub-total	Non-controlling interest	Total equity
Balances at December 31, 2015	**4,455,160**	**-**	**1,226,610,421**	**(2,857,973)**	**(1,594,964)**	**43,137,735**	**1,269,750,379**	**69,378,408**	**1,339,128,787**
Capital increase as per Minutes of Shareholders' Meeting dated March 22, 2016	58,000,000	-	-	-	-	-	58,000,000	-	58,000,000
Dividends attributable to the non-controlling interest	-	-	-	-	-	-	-	(485,000)	(485,000)
Reversal of technical revaluation reserve	-	-	(12.653,987)	-	-	12,653,987	-	-	-
Other comprehensive income for the period	-	-	-	26,311	(4,158)	-	22,153	(217)	21,936
Comprehensive income for the three-month period	-	-	-	-	-	2,837,715	2,837,715	618,064	3,455,779
Balances at March 31, 2016	**62,455,160**	**-**	**1,213,956,434**	**(2,831,662)**	**(1,599,122)**	**58,629,437**	**1,330,610,247**	**69,511,255**	**1,400,121,502**
As provided by Ordinary Shareholders' Meeting of April 20, 2016:									
-Legal reserve	-	1,942,908	-	-	-	(1,942,908)	-	-	-
-Distribution of dividends	-	-	-	-	-	(41,194,827)	(41,194,827)	-	(41,194,827)
Dividends attributable to the non-controlling interest	-	-	-	-	-	-	-	(600,000)	(600,000)
Contributions of equity by the non-controlling interest	-	-	-	-	-	-	-	25,000	25,000
Reversal of technical revaluation reserve	-	-	(42,024,593)	-	-	42,024,593	-	-	-
Other comprehensive income for the period	-	-	588,158,282	2,831,662	(1,798,531)	-	589,191,413	28,063,374	617,254,787
Comprehensive income for the nine-month period	-	-	-	-	-	45,932,928	45.932.928	3,881,677	49,814,605
Balances at December 31, 2016	**62,455,160**	**1,942,908**	**1,760,090,123**	**-**	**(3,397,653)**	**103,449,223**	**1,924,539,761**	**100,881,306**	**2,025,421,067**
Reversal of technical revaluation reserve	-	-	(22,386,716)	-	-	22,386,716	-	-	-
Comprehensive income for the three-month period						93,872,094	93,872,094	5,688,434	99,560,528
Balances at March 31, 2017	**62,455,160**	**1,942,908**	**1,737,703,407**	**-**	**(3,397,653)**	**219,708,033**	**2,018,411,855**	**106,569,740**	**2,124,981,595**

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

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Interim Condensed Consolidated Statement of Cash Flows

For the three-month periods ended March 31, 2017 and 2016

Stated in pesos

	Notes	03.31.17	03.31.16
Cash flow provided by operating activities:			
Income for the period		99,560,528	3,455,779
Adjustments to arrive at net cash flows provided by operating activities:			
Income tax on continuing operations and discontinued operations		62,805,281	9,581,511
Income from investments in associates	8	(584,203)	2,345,041
Depreciation of property, plant and equipment	15	60,245,976	43,284,824
Fair value adjustments to other receivables and liabilities		(135,436)	-
(Decrease) in provisions	13	(390,523)	(1,471,639)
Bad debt allowance	13	-	-
Net value of property, plant and equipment		-	2,000
Results from changes in the fair value of financial instruments	19	(33,814,411)	(7,960,199)
Interest, exchange differences and other financial results		18,395,958	102,009,300
Benefit plans accrual		151,047	649,444
Changes in operating assets and liabilities:			
(Increase) in trade receivables		(21,438,485)	(196,283,235)
Decrease / (Increase) in other receivables (1)		53,567,500	(229,094,758)
Decrease / (Increase) in inventories		535,114	(3,343,280)
Increase in trade payables		1,068,339,390	78,044,714
Increase / (Decrease) in other liabilities		17,439,181	(15,261,526)
Increase in social security charges and taxes		6,455,304	11,310,047
Cash flow generated by (used in) operating activities		**1,331,132,221**	**(202,731,977)**
Cash flow provided by investment activities			
Payments for the acquisition of property, plant and equipment	7	(1,312,338,115)	(22,015,817)
Subscription of mutual funds		(18,353,003)	(1,227,924)
Loans granted		(5,807,375)	-
Cash flow (used in) investment activities		**(1,336,498,493)**	**(23,243,741)**
Cash flow provided by financing activities:			
Dividends paid to non-controlling interest by the subsidiaries		-	(485,000)
Repayment of loans	12	(680,884,879)	(423,323,895)
Repayment of interest	12	(214,506,121)	(72,136,401)
Loans taken out		906,528,014	734,955,428
Cash flow generated by financing activities		**11,137,014**	**239,010,132**
INCREASE IN CASH AND CASH EQUIVALENTS		**5,770,742**	**13,034,414**
Cash and cash equivalents at the beginning of the period		517,167,118	(38,660,701)
Financial results of cash and cash equivalents		28,626,995	5,235,611
Cash and cash equivalents at the end of the period	9	551,564,855	(20,390,676)
		5,770,742	**13,034,414**

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

(1) Include advances to supplpiers for the purchases of assets

Albanesi S.A.

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Interim Condensed Consolidated Statement of Cash Flows (Cont'd)
For the three-month periods ended March 31, 2017 and 2016
Stated in pesos

	Notes	03.31.17	03.31.16
Material transactions not showing changes in cash			
Acquisition of property, plant and equipment not yet paid	7	(698,889,101)	(7,594,947)
Financial costs capitalized in property, plant and equipment	7	24,751,732	270,247
Other comprehensive income for the period		-	21,936

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

NOTE 1: GENERAL INFORMATION

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

Albanesi Group through ASA and AISA is engaged in the power generation and selling meanwhile through RGA it is engaged in the gas selling and transportation business.

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

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

Companies	Country of incorporation	Main business activity	% participation in decision-making	
			03.31.17	12.31.16
GMSA	Argentina	Generation of electric energy	95.00%	95.00%
GFSA (1)	Argentina	Generation of electric energy	-	95.00%
GROSA	Argentina	Generation of electric energy	95.00%	95.00%
Solalban Energía S.A.	Argentina	Generation of electric energy	42.00%	42.00%
GLSA	Argentina	Generation of electric energy	95.00%	95.00%

(1) Company merged with GMSA within the framework of the merger through absorption process as described in Note 29.b.

The generation segment of Albanesi Group, through ASA and AISA (ASA's subsidiary) has an installed capacity of approximately 942 MW, which accounts for 4% of the installed capacity of Argentina. In addition, considering the different projects underway, Albanesi Group, through ASA, AISA and Albanesi Energia S.A. (ASA's subsidiary) will have an installed capacity of approximately 1,522 MW.

On November 10, 2015, the Final Merger Agreement was signed, which establishes the merger through absorption of GISA, GLBSA and GRISA with GMSA (the continuing company) effective as from January 1, 2016. On March 22, 2016, the CNV through Resolution No. 18,003 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 is pending at the date of issue of these financial statements having registrated on May 18, 2016. (See Note 29.a)

On August 31, 2016, GMSA and GFSA entered into a preliminary merger agreement, whereby GMSA absorbed GFSA as from January 1, 2017. On March 02, 2017, the National Securities Commission through Resolution No. 18537 approved the described merger through absorption within the terms of Section 82 of the General Companies Law No. 19550 and the capital increase with the amendment of the bylaws as decided within the framework of the merger, ordering that the file be sent to the Superintendency of Commercial Companies for its registration, which was performed on March 17, 2017. (See note 29.a).

On December 5, 2015 GFSA was authorized for commercial operation in the WEM. GFSA entered into with CAMMESA a WEM supply agreement for 55.5 MW. Sales under this modality are denominated in dollars and are paid by CAMMESA under a take or pay clause and the generated surplus is sold to the Spot Market, pursuant to regulations in effect in the WEM administered by CAMMESA.

NOTE 1: GENERAL INFORMATION (Cont'd)

In 2015, ASA entered the capital markets. On November 20, 2015, it obtained the authorization to enter the public offering system and create a program of Simple Negotiable Obligations (not convertible into shares) of up to USD 100,000,000 or its equivalent in other currencies, in one or more classes or series. On December 29, 2015 the Company issued Class I NO for $ 70 million. On October 25, 2016 the Company issued Class II NO for $ 220 million.

RGA, in turn, is the leading company engaged in the sale of gas and the provision of energy supply services to industries and thermal power plants.

New projects

GMSA, ASA's subsidiary, announced a plan to increase generation of electricity in its installed plants in different locations in Argentina, which involves works for an investment of approximately USD 360.7 million and would contribute 400 MW (including CTRi) new to the national system.

Enlargement at Central Térmica Riojana

On September 7, 2015, GRISA executed a contract with Siemens Industrial Turbomachinery AB, whereby it agreed to purchase a turbine Siemens SGT800 of 50 MW, for an amount of USD 19.3 million. The payment of the turbine Siemens SGT800 was completed in February 2016 and it arrived at the plant in June 2016. The remaining equipment, including a power transformer, gas compressor, water plant, chillers and tanks, among others, is currently installed. At the date of these interim condensed consolidated financial statements, the work is completed and administrative procedures have been started for its authorization. In addition, the internal and external work of Natural Gas by ECOGAS has been authorized. The total project investment amounts to approximately USD 43 million; as of March 2017, USD 40 million have been invested. At the date of presentation of these interim condensed financial statements, the works for the CTRi project have a 99% degree of completion.

Enlargement at Central Térmica Modesto Maranzana

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 83,9 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 20 million, representing 50% for the purchase of two turbines, while the remaining 50% will be paid in 24 installments as from August 2017. The turbines, generator, anchor bolts and chimneys are already at the plant.

Furthermore, in September 2016, negotiations were completed in connection with transformers, civil works for the project, chillers assembly, cooling tower and other ancillary works, enlargement of the 132 kv field. In addition, in November 2016, an agreement was signed with Siemens for the maintenance and supply of spare parts for USD 847 thousand payable in two installments of 50% each, with effective date as from the start of operations. In the first quarter of 2017, the mechanical and electric assembly was hired for $ 25 million. As of March 2017, USD 45 million have been invested. At the date of presentation of these interim condensed consolidated financial statements, the works for the CTMM project have a 98% degree of completion.

NOTE 1: GENERAL INFORMATION (Cont'd)

New projects (Cont'd)

Resolution No. 21/16

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 Central Térmica Ezeiza stage I and II 150 MW and CTI 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 Central Térmica Independencia

In relation to Resolution No. 21/16 previously described, an extension began 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 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 the first SGT-800 turbine of 50 MW. At December 31, 2016, 50% of the first turbine has been paid, and the remainder will be paid in 24 installments as from September 2017. The turbine is already at the plant. The total value of this turbine amounts to USD 20.4 million.

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% was made, and in March 2017, the remaining 40% was paid. In September 2016, the Deferred Payment Agreement was executed for the remaining 50% which will be paid in 24 installments as from April 2018. On April 27, 2017, the pieces of the second turbine were shipped, which arrival is expected at the Zarate port on May 22, 2017. The shipping of the chimneys will be made on May 18, 2017, their arrival in Buenos Aires is expected by the end of June 2017. The value of the turbine amounts to USD 19.7 million.

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

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

During January 2017, the engineering and management services of the external natural gas work were hired for an amount of USD 6.2 million, together with the chillers and cooling towers assembly for USD 1.4 million. In March 2017, the mechanic and electric assembly was hired for $ 20 million, reaching an invested total of USD 23 million. At the date of presentation of the interim condensed consolidated financial statements, the progress of work of the CTI project is 96%.

Central Térmica Ezeiza

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 151.8 million.

NOTE 1: GENERAL INFORMATION (Cont'd)

New projects (Cont'd)

Central Térmica Ezeiza (Cont'd)

The work 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. In September 30, 2016, 50% of the first two turbines has been paid, and the other 50% will be paid in 24 installments as form September 2017. Both turbines are already at the plant. The total value of the turbines reaches USD 20.4 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% was made, and in March 2017, the remaining 40% was paid. In September 2016, a deferred payment agreement (DPA) was signed for the remaining 50%, which will be paid in 24 installments as from April 2018. The value of the turbine amounts to USD 19.8 million. On April 27, 2017, the pieces of the third turbine were shipped, which arrival is expected at the Zarate port on May 22, 2017. The shipping of the chimneys will be made on May 18, 2017, their arrival in Buenos Aires is expected by the end of June 2017. In a similar manner, purchase agreements have been signed for three transformers of 75 MVA, Alfa Laval equipment and chillers, the construction of 132kv fields and the purchase of land in Ezeiza and civil works. In October 2016, two water tanks and one gas oil tank were acquired.

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

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

During the first quarter of 2017, engineering and management services of the external natural gas work were hired for an amount of USD 5.2 million. In addition, the installation of the gasoil and compressed air systems and drainages was awarded for USD 2.8 million. Services for the electric and civil works and the communication system were hired. At March 2017, USD 62 million were invested. At the date of presentation of the interim condensed separate financial statements, the progress of work of the CTE project is 92 %.

NOTE 2: REGULATORY FRAMEWORKS APPLICABLE TO ELECTRICITY GENERATION

The Company's revenue from electricity generation activity derives from sales to Large Users on the Forward Market (MAT), basic and surplus demand (ES Resolution 1281/06); from sales to CAMMESA under ES Resolution 220/07; sales under ES Resolution 22/16 and under ES Resolution 19/17. In addition, the excess electricity generated under the modalities of ES Resolutions 1281/06 and 220/07 is sold on the Spot Market, in accordance with the regulations in force in the WEM administered by CAMMESA.

a) Regulations on Energía Plus, Resolution 1281/06.

The Energy Secretariat approved Resolution 1281/2006, which provides that the existing energy sold on the Spot Market will follow these priorities:

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

a) Regulations on Energía Plus, Resolution 1281/06 (Cont'd)

(1) Demand lower than 300 KW.
(2) Demand over 300 KW, with contracts; and
(3) Demand over 300 KW, without contracts.

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

As established by this resolution:

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

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

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

As to the Energía Plus program, at December 31, 2017 almost all the nominal power of 135MW available was under contract. The average term of most of the Energía Plus contracts entered into between the Company and its customers ranges between 1 and 2 years. Sales under this modality are paid by customers directly to the Company.

b) Supply Contract with WEM (Resolution 220/07)

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

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

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

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

b) Supply Contract with WEM (Resolution 220/07) (Cont'd)

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

For CTMM, GMSA entered into a Wholesale Electric Market supply contract for 45 MW, for a term of 10 years counted as from the commercial commissioning. Meanwhile, for CTI, agreed with CAMMESA a WEM supply contract for 100 MW, for a term of 10 years counted as from November 2011. In turn, CTF and CAMMESA entered into a Wholesale Electric Market supply contract for 55.5 MW, for a term of 10 years counted as from December 2015.

This contract sets a remuneration comprised of 5 components:

i) fixed charge for the average monthly availability of contracted power, for a price of:

Power plants	Fixed charge for contracted power USD/MW-mes	Contracted power MW
CTMM	USD 16,133	45
CTI	USD 17,155	100
CTF	USD 19,272	55.5

ii) a fixed charge that recognizes the costs of transportation plus other costs of the generating agents

iii) a variable charge associated with the energy actually provided under the contract, the objective of which is to remunerate operation and maintenance of the power plant

Power plants	Variable charge in USD/MWh	
	Gas	Gasoil
CTMM	USD 7.83	USD 8.32
CTI	USD 7.52	USD 7.97
CTF	USD 10.83	USD 11.63

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

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

For CTRi, GMSA and CAMMESA entered into a Wholesale Electric Market supply contract for 45 MW, for a term of 10 years counted as from the commercial operation expected for the second quarter of 2017. Sales under this modality are denominated in dollars and are paid by CAMMESA under a take or pay clause and the generated surplus is sold to the Spot Market, pursuant to regulations in effect in the WEM administered by CAMMESA.

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

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

c) Sales under ES Resolution 22/16

On March 22, 2013 the Energy Secretariat issued ES Resolution 95/13 that aims at adapting the system for the remuneration of the generation pool without affecting special regimes, such as Energía Plus and WEM Supply Contracts.

ES Resolution 529/14 was published on May 20, 2014, amending and extending application of ES 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".

ES Resolution 529/14 establishes that from February 2014, commercial management and fuel dispatch will be centralized in the Dispatch Management Agency (CAMMESA). Costs related to operation will cease to be recognized as the contractual relationships between WEM agents and their suppliers of fuel and inputs are terminated. ES 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 ES 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, called "Resource for FONINVEMEM investments 2015-2018" and "Incentives for energy production and operational efficiency".

ES Resolution 22/16 was published on March 30, 2016, amending ES Resolution 482/15 already mentioned. 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 Company, generating an additional cash flow that will improve their working capital position. The resolution established its retrospective application as from 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 system, updated by Res. 22/16, basically comprises the following items:

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

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

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

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

d) Sales under ES Resolution 22/16 (Cont'd)

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 all the Group. The prices recognized by new Res. No. 22 are 46.30 $/MWh for generation with natural gas, 81.10 $/MWh with gas oil and fuel oil; 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.

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

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.

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

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

Power Plant	Classification	Res. 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
GM	CC Units with Power (P) < 150 MW (small)	15.80

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

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

d) Sales under ES Resolution 22/16 (Cont'd)

6) New system of "Incentives for energy production and operational efficiency applicable to thermal generation":

- Additional remuneration based on production: an additional remuneration can be received based on the volume of energy produced during the year, according to the type of fuel used. This increase to be applied to variable costs will be of 15% for liquid fuel and 10% for gas/coal, when they reach an accumulated value of 25% and 50% of 92% annual generation, respectively.

- Additional remuneration based on efficiency: an additional remuneration can be received based on the achievement of goals for fuel consumption. On a quarterly basis, actual consumption will be compared with reference consumption for each type of machine and fuel. The difference percentage will be valued at the variable cost of operation and maintenance associated to the pertinent fuel, and recognized as additional remuneration.

e) Sales under ES Resolution 19/17

MinEyM ES Resolution 19-E/17 was published on January 27, 2017, replacing ES Resolution 22/16. This resolution adapts certain remuneration criteria to economic conditions which are reasonable, foreseeable and efficient, through medium-term commitments.

The Generating Agents are excluded from this system in the framework of contracts regulated by Resolution No. 1281/2006, 220/2007, 21/2016 as well as any other type of WEM contract having a differential remuneration established or authorized by WEM competent authority.

Among the main changes, the remuneration will be based on the Available Power and Energy generated, valued in US Dollars, simplifying their calculation.

It will be effective as from February 1, 2017.

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

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

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

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

d) Sales under ES Resolution 19/17 (Cont'd)

2. Remuneration per Energy: It is comprised by:

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

NOTE 3: BASIS FOR PRESENTATION

These interim condensed consolidated financial statements for the nine and three-month periods ended March 31, 2017 and 2016 were prepared in accordance with IAS 34 "Interim Financial Reporting". These interim condensed consolidated financial information must be read jointly with the Company's financial information at December 31, 2016.

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

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

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

NOTE 3: BASIS FOR PRESENTATION (Cont'd)

The interim condensed consolidated financial statements for the three-month period ended March 31, 2017 and 2016 have not been audited. Company's management estimates that they include all adjustments necessary to reasonably present the results for each period.

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

These interim condensed consolidated financial statements for the three-month period ended March 31, 2017 and 2016 were approved for issuance by the Company's Board of Directors on May 12, 2017.

Comparative information

Balances at December 31, 2016 and for the three-month periods ended March 31, 2016 disclosed for comparative purposes arise from 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.

NOTE 4: ACCOUNTING POLICIES

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

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

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

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.

IAS 7 "Statement of cash flows": was amended in January 2016. 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. The application of the amendments will not impact on the results of operations or in the financial position of the Company, it only implies new disclosures.

NOTE 4: ACCOUNTING POLICIES (Cont'd)

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

IAS 12 "Income tax": was amended in January 2016 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. The application of the amendments have no impact on the results of operations or in the financial position of the Company.

NOTE 5: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of interim condensed consolidated financial statements requires Company Management to make estimates and assumptions 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 financial statements were prepared.

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

NOTE 6: FINANCIAL RISK MANAGEMENT

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

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

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

Captions	ORIGINAL VALUE					DEPRECIATION					
	Value at beginning of the period	Increases (1)	Transfers / Deletions	Revaluation Original value	Value at end of the period	Accumulated at beginning of the period	For the period (2) and (3)	Decreases	Revaluation of accumulated depreciation	Accumulated at end of the period	Net value
Land	185,110,355	1,397,739	-	-	186,508,094	-					186,508,094
Real property	108,753,899	-	-	-	108,753,899	-	504,933	-	-	504,933	108,248,966
Facilities	288,226,199	263,349	-	-	288,489,548	-	2,816,892	-	-	2,816,892	285,672,656
Machinery and turbines	3,589,969,300	15,291,107	36,146,483	-	3,641,406,890	-	48,470,853	-	-	48,470,853	3,592,936,037
Computer and office equipment	7,975,978	294,752	-	-	8,270,730	3,864,828	424,454	-	-	4,289,282	3,981,448
Vehicles	6,778,518	-	-	-	6,778,518	1,509,934	337,791	-	-	1,847,725	4,930,793
Tools	3,225,387	219	-	-	3,225,606	1,036,082	142,336	-	-	1,178,418	2,047,188
Furniture and fixtures	507,536	15,078	-	-	522,614	261,569	16,667	-	-	278,236	244,378
Works in progress	987,294,546	1,949,030,152	(36,146,483)	-	2,900,178,215	-	-	-	-	-	2,900,178,215
Civil works on third party property	15,086,573	315,669	-	-	15,402,242	8,039,312	444,511	-	-	8,483,823	6,918,419
Facilities under construction on third party property	138,972,270	-	-	-	138,972,270	62,089,391	4,765,216	-	-	66,854,607	72,117,663
Machinery and turbines under construction on third party property	63,119,883	-	-	-	63,119,883	25,897,568	2,322,323	-	-	28,219,891	34,899,992
Assets under construction on third party property	52,862,725	9,295,369	-	-	62,158,094	-	-	-	-	-	62,158,094
Inputs and spare parts	21,427,950	10,572,050	-	-	32,000,000	-	-	-	-	-	32,000,000
Total at 03.31.17	**5,469,311,119**	**1,986,475,484**	**-**	**-**	**7,455,786,603**	**102,698,684**	**60,245,976**	**-**	**-**	**162,944,660**	**7,292,841,943**
Total al 12.31.16	**3,081,054,514**	**1,668,245,474**	**(4,064,950)**	**724,076,081**	**5,469,311,119**	**70,319,664**	**174,705,961**	**(1,800)**	**(142,325,141)**	**102,698,684**	**5,366,612,435**
Total al 03.31.16	**3,081,054,514**	**29,881,011**	**(3,800)**	**-**	**3,110,931,725**	**70,319,664**	**43,284,824**	**(1,800)**	**-**	**113,602,688**	**2,997,329,037**

(1) Includes acquisition of assets for the project of start-up and extension of electricity generation plant.
(2) Depreciation was allocated to cost of sales.
(3) Depreciation charges for the periods of 2017 and 2016 were allocated to cost of sales, including $ 32,101,045 and $ 17,253,630 for higher value from the technical revaluation.
Information required by Appendix A, in compliance with Section 1, Chapter III, Title IV of the restated text of the CNV.

NOTE 8: EQUITY INTEREST IN ASSOCIATE

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

In the course of 2008, ASA associated with Solvay Indupa S.A.I.C., with an interest percentage of 42%, to establish Solalban Energía S.A., with the purpose of building a thermal power plant with a 165 MW generation capacity, located at the petrochemical complex of Bahía Blanca, province of Buenos Aires (see description of the associate in Note 1 to the consolidated financial statements).

Changes in the investments in the Group's associates for the three-month period ended March 31, 2017 and 2016:

	03.31.17	03.31.16
At the beginning of the period	**293,807,569**	**243,127,929**
Income from investments in associates	584,203	(2,345,041)
Period end	**294,391,772**	**240,782,888**

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

Name of issuing entity	Main business activity	% share interest		Equity value		Company's interest in gains and losses	
		03.31.17	12.31.16	03.31.17	12.31.16	03.31.17	03.31.16
Associates Solalban Energía S.A.	Electricity	42%	42%	294,391,772	293,807,569	584,203	(2,345,041)
				294,391,772	**293,807,569**	**584,203**	**(2,345,041)**

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

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

Summarized statement of financial position:

	03.31.17	12.31.16
Total non-current assets	868,721,801	884,025,285
Total current assets	300,542,565	287,394,801
Total Assets	**1,169,264,366**	**1,171,420,086**
Total Equity	**700,932,789**	**699,541,830**
Total non-current liabilities	269,173,695	272,611,435
Total current liabilities	199,157,882	199,266,821
Total Liabilities	**468,331,577**	**471,878,256**
Total Liabilities and Equity	**1,169,264,366**	**1,171,420,086**

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

Summarized statement of income and statement of comprehensive income:

	03.31.17	03.31.16
Sales revenue	247,618,003	198,042,655
Income for the period	1,390,959	(5,583,431)
Total income for the period	**1,390,959**	**(5,583,431)**

Statement of cash flows:

	03.31.17	03.31.16
Funds generated by operating activities	7,829,449	(13,597,392)
Funds used in investment activities	(2,402,276)	(933,401)
Funds used in financing activities	-	(4;273,863)
Increase / Decrease in cash for the period	**5,427,173**	**(18,804,656)**

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

NOTE 9: CASH AND CASH EQUIVALENTS

	Note	03.31.17	12.31.16
Cash		405,845	403,220
Checks to be deposited		21,854,703	18,600,989
Banks		24,228,270	69,918,627
Mutual funds		509,122,045	442,902,146
Cash and cash equivalents (bank overdrafts excluded)		**555,610,863**	**531,824,982**

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

	Note	03.31.17	03.31.16
Cash and cash equivalents		555,610,863	56,021,602
Bank overdrafts	12	(4,046,008)	(76,412,278)
Cash and cash equivalents (bank overdrafts included)		**551,564,855**	**(20,390,676)**

NOTE 10: CHANGES IN CAPITAL

Share capital at March 31, 2017 is comprised of:

Capital	Amount $	Date	Approved by Body	Date of registration with the Public Registry of Commerce:
Total at 12.31.11	**30,100,000**			
Capitalization of debt	10,000,000	12/31/12	Extraordinary Shareholders' Meeting	09/16/13
Capitalization of debt	20,000,000	12/30/13	Extraordinary Shareholders' Meeting	09/25/14
Capital reduction	(55,644,840)	07/16/14	Ordinary Shareholders' Meeting	09/25/14
Capitalization of debt	58,000,000	03/22/16	Extraordinary Shareholders' Meeting	08/11/16
Total at 03.31.17	**62,455,160**			

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.

NOTE 11: DISTRIBUTION OF PROFITS

Dividends

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

NOTE 12: LOANS

Non-Current	03.31.17	12.31.16
CAMMESA	192,499,931	195,731,948
Finance lease debts	15,341,972	17,776,508
Negotiable obligations	1,425,157,238	566,610,468
International bond	2,678,734,072	2,768,794,593
Debt under BAF loan	151,997,999	631,249,936
Other bank debts	262,465,910	-
	4,726,197,122	**4,180,163,453**

NOTE 12: LOANS (Cont'd)

Current	03.31.17	12.31.16
Bank overdrafts	4,046,008	14,657,864
Finance lease debts	7,354,016	6,819,519
Other bank debts	301,461,307	105,044,425
Debt under BAF loan	42,164	3,840,614
Negotiable obligations	282,526,627	231,544,561
International bond	26,964,094	93,701,898
CAMMESA	6,749,323	6,749,323
	629,143,539	**462,358,204**

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

	03.31.17	12.31.16
Fixed rate		
Less than 1 year	257,528,646	103,210,214
Between 2 and 3 years	190,893,890	604,897,002
After 3 years	3,323,571,778	2,795,147,527
	3,877,795,784	**3,503,254,743**
Floating rate		
Less than 1 year	371,614,893	359,147,990
Between 1 and 2 years	543,417,092	580,914,777
Between 2 and 3 years	562,468,563	13,455,141
After 3 years	44,329	185,749,006
	1,477,544,877	**1,139,266,914**
	5,355,340,661	**4,642,521,657**

Company loans are denominated in the following currencies:

	03.31.17	12.31.16
Argentine pesos	1,412,372,501	1,051,153,425
US dollars	3,942,968,160	3,591,368,232
	5,355,340,661	**1,364,719,629**

Changes in loans during the period were as follow:

	03.31.17	03.31.16
Loans at beginning of period	**4,642,521,657**	**1,364,719,629**
Loans received	1,605,417,114	742,550,375
Loans paid	(680,884,879)	(423,323,895)
Accrued interest	170,775,325	86,883,823
Interest paid	(214,506,121)	(72,136,401)
Exchange rate difference	(124,353,432)	27,995,125
Bank overdrafts	(10,611,856)	6,185,879
Capitalized expenses/present values	(33,017,147)	(7,363,789)
Loans at year period end	**5,355,340,661**	**1,725,510,746**

NOTE 12: LOANS (Cont'd)

The balance of the loan at March 31, 2017 amounts to $5,355 million. The following table shows the Group's financial debt at that date.

	Borrower	Principal	Balances as of March 31, 2017	Interest rate	Currency	Issuance date	Maturity date
			(Pesos)	(%)			
Loans							
BAF	GMSA	USD 10,000,000	152,040,163	10%	USD	02/11/2016	02/16/2019
Subtotal			**152,040,163**				
Debt securities							
International Bond	GMSA/GFSA	USD 180,000,000	2,705,698,166	9.625%	USD	07/27/2016	07/27/2023
Class IV NO	GMSA	$ 15,704,532	16,468,882	BADLAR + 6.5%	ARS	07/17/2015	07/17/2017
Class V NO	GMSA	$ 135,161,548	132,293,051	BADLAR + 4%	ARS	06/30/2016	06/30/2018
Class VI NO	GMSA	USD 34,696,397	528,522,200	8.000%	USD	02/16/2017	02/16/2020
Class VII NO	GMSA	$553,737,013	561,212,401	BADLAR + 4%	ARS	02/16/2017	02/16/2019
Class II (GFSA[(1)]) NO	GMSA	$ 78,745,284	78,985,230	BADLAR + 6.5%	ARS	03/08/2016	03/08/2018
Class III (GFSA[(1)]) NO	GMSA	$ 110,459,507	115,184,519	BADLAR + 5.6%	ARS	07/06/2016	07/06/2018
Class I NO	ASA	$ 50,500,000	48,105,992	BADLAR + 5.5%	ARS	12/29/2015	12/29/2017
Class II NO	ASA	$ 220,000,000	226,911,590	BADLAR + 4%	ARS	10/25/2016	10/25/2018
Subtotal			**4,413,382,031**				
Other loans							
CAMMESA			199,249,254				
Chubut loan		USD 4,531,109	68,990,205	LIBOR + 5%	USD	12/01/2016	12/01/2017
Supervielle loan		USD 4,475,314	68,695,633	7%	USD	02/01/2017	08/01/2018
Hipotecario loan		USD 20,000,000	303,383,786	10%	USD	01/11/2017	01/11/2021
Itaú loan		USD 4,375,000	67,215,991	4.25%	USD	01/11/2017	07/11/2017
Santander Río loan		USD 3,150,000	48,205,213	4.75%	USD	03/14/2017	03/14/2018
Other financial debts			7,436,389				
Bank overdrafts			4,046,008				
Finance leases			22,695,988				
Subtotal			**789,918,467**				
Total loans			**5,355,340,661**				

(1) Company absorbed by GMSA as of January 1, 2017. (See note 29.b)

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: LOANS (Cont'd)

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

International NO:

Principal: Nominal value: USD 250,000,000; value assigned to GMSA: USD 180,000,000. (Considering merging effect with GFSA USD 7,000,000)

Interest: 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.

The balance for that International Bond at March 31, 2017 amounts to $ 2,705,698,166.

As a result of the international issue of Negotiable Obligations, ASA have undertaken standard commitments for this type of issue, whose specific conditions are detailed in the pertinent public prospectus. At the date of these interim condensed consolidated financial statements, the Company is complying with all the commitments undertaken in its indebtedness.

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

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

GFSA

- Loan from Banco de la Provincia de Buenos Aires
- Syndicated Loan

NOTE 12: LOANS (Cont'd)

B) LOAN AGREEMENT - GENERACION MEDITERRANEA S.A.

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

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

The most relevant provisions are the following:

Principal: nominal value: USD 40,000,000

Interest: annual fixed rate 10%.

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

On March 29, 2017, the Company prepaid US $ 30 million.

The balance of the loan at March 31, 2017 amounts to $ 152,040,163. The remaining loan principal balance at the date of issuance of the interim condensed financial statements is USD 10,000,000.

At the date of these interim condensed consolidated financial statements, GMSA is in compliance with all the covenants related to financial ratios (minimum equity requirements, EBITDA ratio on interest expenses, leverage ratio and capitalization ratio).

B.2) Negotiable obligations

With the purpose of improving the financial profile of the company, on October 17, 2012 GMSA, through CNV Resolution 16942, was granted authorization 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 USD 100,000,000 (one hundred million US dollars) or its equivalent in other currencies, in one or more classes or series.

NOTE 12: LOANS (Cont'd)

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

B.2) Negotiable obligations (Cont'd)

At March 31, 2017 there are outstanding Class IV, V, VI and VII (GMSA) Negotiable Obligations and Class II and III (GFSA) Negotiable Obligations, issued in the amounts and under the conditions described below:

Class IV Negotiable Obligations:

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.

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

On February 16, 2017, Class VII Negotiable Obligations were issued, a portion in cash and the remainder through a voluntary swap for Class IV and V Negotiable Obligations (GMSA) and Class II and III Negotiable Obligations (GFSA), improving the Company's indebtedness profile (term and rate). The amount paid on the Class IV Negotiable Obligation was $ 1,340,000, with a balance of principal of $ 15,704,532, at the date of these interim condensed consolidated financial statements.

NOTE 12: LOANS (Cont'd)

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

B.2) Negotiable obligations (Cont'd)

Class V Negotiable Obligations:

Principal: nominal value: $ 200.000.000

Interest: Private banks BADLAR rate plus a 4% margin.

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 proceeds from the issuance of Class V negotiable obligations were applied to the repurchase of the remaining balance of Class III of GISA negotiable obligations, investments and working capital.

On February 16, 2017, Class VI and VII Negotiable Obligations were issued, a portion in cash and the remainder through a voluntary swap for Class IV and V Negotiable Obligations (GMSA) and Class II and III Negotiable Obligations (GFSA), improving the Company's indebtedness profile (term and rate). The amount paid on the Class V Negotiable Obligation was $64,838,452, with a balance of principal of $ 135,161,548, at the date of these interim condensed consolidated financial statements.

Class VI Negotiable Obligations:

Principal: nominal value: USD 34,696,397

Interest: 8% annual nominal, payable on a quarterly basis from May 16, 2017 to maturity.

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

Payment was made in cash and in kind, in this latter case, through the swap of Class V Negotiable Obligations for USD 448,262.

The proceeds from the issue of Class VI Negotiable Obligations were applied to investments in fixed assets of the different enlargement projects of GMSA and refinancing of liabilities, improving the Company's indebtedness profile.

The remaining balance of principal on that Negotiable Obligation at March 31, 2017 amounts to USD 34,696,397.

NOTE 12: LOANS (Cont'd)

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

B.2) Negotiable obligations (Cont'd)

Class VII Negotiable Obligations:

Principal: Nominal value: $ 553,737,013

Interest: Private Banks BADLAR rate plus 4%. Payable on a quarterly basis from May 16, 2017 to maturity.

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

Payments were made in cash and in kind, in this latter case, through the swap of Class II (GFSA) Negotiable Obligations for $ 55,876,354, Class III (GFSA) Negotiable Obligations for $ 51,955,592, Class IV Negotiable Obligations for $ 1,383,920 and Class V Negotiable Obligations for $ 60,087,834. The proceeds from the issue of Class VII Negotiable Obligations were applied to investments in fixed assets of the different enlargement projects of GMSA and refinancing of liabilities, improving the Company's indebtedness profile.

The remaining balance of principal on that Negotiable Obligation at March 31, 2017 amounts to $553,737,013.

Class II Negotiable Obligations (GFSA):

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

Interest: Private banks BADLAR rate plus a 6.5% margin. The interest rate to be applied in the first 12 months cannot be lower than the minimum rate of 33%.

Term and repayment: Interest will be paid on a quarterly basis, on arrears, on the following dates: (i) June 8, 2016; (ii) September 8, 2016; (iii) December 8, 2016; (iv) March 8, 2017; (v) June 8, 2017; (vi) September 8, 2017; (vii) December 8, 2017, and (viii) March 8, 2018; 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 II Negotiable Obligation 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 II NO at the dates in which 18, 21 and 24 months respectively have elapsed, counted as from the date of issuance and liquidation, (i) September 8, 2017; (ii) December 8, 2017; (iii) March 8, 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.

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

NOTE 12: LOANS (Cont'd)

B) GENERACION MEDITERRANEA S.A. (Cont'd)

B.2) Negotiable Obligations (Cont'd):

Class II Negotiable Obligations (GFSA): (Cont.)

On February 16, 2017, Class VI and VII Negotiable Obligations were issued, a portion in cash and the remainder through a voluntary swap for Class II (GFSA) Negotiable Obligations, improving the Company's indebtedness profile (term and rate). The amount paid on the Class II Negotiable Obligation was $51,254,716, with a balance of principal of $78,745,284, at the date of these interim condensed consolidated financial statements.

Class III Negotiable Obligations (GFSA):

Principal: nominal value: $ 160,000,000

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

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

Maturity date of Class III NO: July 6, 2018

The proceeds from the issuance of Class III 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 (GFSA), working capital and investments in fixed assets., with the process to formalize the release of timely granted guarantees having been complied with.

On February 16, 2017, Class VI and VII Negotiable Obligations were issued, a portion in cash and the remainder through a voluntary swap for Class III (GFSA) Negotiable Obligations, improving the Company's indebtedness profile (term and rate). The amount paid on the Class III Negotiable Obligation was $ 49,540,493, with a balance of principal of $110,459,507, at the date of these interim condensed financial statements.

NOTE 12: LOANS (Cont'd)

B) GENERACION MEDITERRANEA S.A. (Cont'd)

B.3) Loan from CAMMESA (GRISA)

At March 31, 2017 the Company holds financial debts with CAMMESA for $15,185,971, 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.

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

This loan has a repayment period set in 48 monthly and consecutive installments, to which interest must be added applying the rate equivalent to the average return obtained by the Dispatch Management Agency (CAMMESA) on financial placements in the WEM. At the closing date of these interim condensed financial statements, 21 installments, equivalent to $11,811,308, had been paid.

The balance of the loan at March 31, 2017 amounts to $15,185,971.

B.3) Loan from CAMMESA (CTMM)

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

In November 2016, the Company made the first filing for $ 7,355,080 through a note to CAMMESA for the accumulated amount paid until October 2016 inclusive. At January 2, 2017, the total amount of disbursements received from CAMMESA amounts to $7,360,000.

As of March 31, 2017, the balance for the financing amounts to $ 7,360,000 and is included in the caption Current Trade Receivables, net of receivables for Remuneration for Non-Recurring Maintenance.

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

On March 13, 2012, GMSA executed a 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, shown under the caption Financial debts - non-current.

Al 31 de marzo de 2017, el saldo por dicho financiamiento asciende a $184,063,283 y se expone en el rubro deudas financieras no corrientes.

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 GMSA 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.

NOTE 12: LOANS (Cont'd)

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

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 March 8, 2017, GROSA made ten filings, through notes to CAMMESA for $ 56,603,062 (with taxes), of payment to suppliers for materials and services for the period November 2015-February 2017. At March 31, 2017, the total amount of disbursements received from CAMMESA amounts to $ 53,000,000.

As of March 31, 2017, the balance for this last financing amounts to $58,896,732 and is included in the caption Non-Current Trade Receivables, net of receivables for Remuneration for Non-Recurring Maintenance.

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

Subsequently, on April 4, 2017 GROSA GROSA filed several vouchers evidencing payments to suppliers of materials and services for $1,685,004 (with taxes), respectively, at March 31, 2017.

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

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.

Class I Negotiable Obligations

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.

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.

NOTE 12: LOANS (Cont'd)

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

On October 25, 2016, Class II Negotiable Obligations were issued, subscribed partly in cash and the remainder through a swap for 28% of the Class I Negotiable Obligations, improving the Company's indebtedness profile profile (term and rate) and working capital. The amount paid was $ 19,500,000.

The remaining balance net of transaction costs pending amortization of that class at March 31, 2017 amounts to $ 48,105,992.

Class II Negotiable Obligations:

On October 25, 2016, the Company issued Class II Negotiable Obligations under the following conditions:

Principal: Nominal value: $ 220,000,000 (Pesos: two hundred twenty million)

Interest: Private Banks BADLAR rate plus 4%

Repayment term and method: Interest of Class II Negotiable Obligations will be paid on a quarterly basis, in arrears, on the following dates: January 25, 2017; April 25, 2017; July 25, 2017; October 25, 2017; January 25, 2018; April 25, 2018; July 25, 2018, and October 25, 2018.

The principal of the Class II NO will be amortized in three (3) consecutive installments, payable on a quarterly basis, with the first two equivalent to 30% and the third one equivalent to 40% of the nominal value of NO at the dates in which 18, 21 and 24 months respectively have elapsed, counted as from the date of issue, that is April 25, 2018; July 25, 2018 and October 25, 2018.

Funds obtained with the issue of the NO Class II were destined in full to the partial repayment of current liabilities that ASA holds with the related company RGA.

The remaining balance net of transaction costs pending amortization of that class at March 31, 2017 amounts to $ 226,911,590.

NOTE 13: PROVISIONS

		For trade receivables	For other receivables	For contingencies
Balance at December 31, 2015		**839,252**	**-**	**9,949,496**
Increases	(1)	1,987,724	1,859,200	-
Decreases		-	-	(813,944)
Balance at December 31, 2016		**2,826,976**	**1,859,200**	**9,135,552**
Increases				
Decreases		(76,869)	-	(390,523)
Balance at March 31, 2017		**2,750,107**	**1,859,200**	**8,745,029**

(1) The charge is exposed in selling expenses
Information required by Appendix e, in compliance with Section 1, Chapter III, Title IV of the restated text of the CNV.

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

NOTE 14: SALES REVENUE

	03.31.17	03.31.16
Sale of electricity Res. 95/529/482/22	35,026,991	56,713,686
Sale of electricity in the spot market	65,685,004	69,802,733
Sale under Energía Plus	233,470,587	219,982,222
Sale of electricity Res. 220	321,567,014	237,496,153
	655,749,596	**583,994,794**

NOTE 15: COST OF SALES

	03.31.17	03.31.16
Cost of purchase of electric energy	(179,673,861)	(114,333,997)
Cost of gas and gas oil consumption at the plant	(151,833,723)	(159,231,231)
Salaries and social security charges	(27,458,687)	(23,901,787)
Defined benefit plan	(151,047)	(649,444)
Other employee benefits	(1,242,248)	(951,627)
Rental	(893,997)	(778,284)
Professional fees	(705,613)	(2,292,230)
Depreciation of property, plant and equipment	(60,245,976)	(43,284,824)
Insurance	(6,268,884)	(5,938,105)
Maintenance	(44,166,096)	(37,093,890)
Electricity, gas, telephone and postage	(1,491,319)	(853,520)
Duties and taxes	(7,646,529)	(1,710,983)
Travel and per diem	(289,799)	(278,982)
Security guard and cleaning service	(371,048)	(614,841)
Miscellaneous expenses	(1,054,838)	(1,380,757)
	(483,493,665)	**(393,294,502)**

NOTE 16: SELLING EXPENSES

	Note	03.31.17	03.31.16
Salaries and social security charges		-	(362,658)
Duties and taxes		(1,499,614)	(533,035)
Tax recovery of gross income	33	19,643,732	-
		18,144,118	**(895,693)**

NOTE 17: ADMINISTRATIVE EXPENSES

	03.31.17	03.31.16
Salaries and social security charges	-	(2,162,739)
Other employee benefits	(158,045)	(475,333)
Rental	(1,154,000)	(6,000)
Professional fees	(3,298,077)	(8,433,311)
Insurance	(374,102)	(79,015)
Electricity, gas, telephone and postage	(937,152)	(2,513)
Duties and taxes	(494,274)	(991,179)
Travel and per diem	(831,438)	(1,366,974)
Miscellaneous expenses	(292,857)	(1,192,240)
	(7,539,945)	**(14,709,304)**

NOTE 18: OTHER OPERATING INCOME AND EXPENSES, NET

Other operating income	03.31.17	03.31.16
Disaster recovery	135,848	-
Miscellaneous income	223,800	3,426,714
Total Other operating income	**359,648**	**3,426,714**

NOTE 19: FINANCIAL RESULTS

	03.31.17	03.31.16
Financial income		
Loan granted interest	2,299,935	-
Commercial interest	4,656,361	1,642,719
Total financial income	**6,956,296**	**1,642,719**
Financial costs		
Loan interest	(97,801,608)	(90,973,813)
Commercial interest and other	(3,728,857)	(7,856,368)
Bank expenses and commissions	(1,847,787)	(3,859,574)
Total financial expenses	**(103,378,252)**	**(102,689,755)**
Other financial results		
Exchange differences, net	59,189,699	(58,084,687)
Changes in the fair value of financial instruments	33,814,411	7,960,199
Loss from currency position, net	-	(70,777)
Other financial results	(18,020,300)	(11,897,377)
Total other financial results	**74,983,810**	**(62,092,642)**
Total financial results, net	**(21,438,146)**	**(163,139,678)**

NOTE 20: EARNINGS PER SHARE

Basic

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

Continuing operations	03.31.17	03.31.16
Income for the period attributable to the owners:	93,872,094	2,837,715
Weighted average of outstanding ordinary shares	62,455,160	22,938,676
Basic and diluted earnings per share	**1.5**	**0.12**

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

NOTE 21: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) Transactions with related companies and affiliates

		03.31.17	03.31.16
		$	
		Profit / (Loss)	
Purchase of gas			
RGA [(1)]	Related company	(396,479,794)	(125,046,626)
Purchase of wines			
BDD	Related company	(34,289)	(2,142)
Purchase of flights			
AJSA	Related company	(3,477,999)	(1,668,900)
Sale of energy			
RGA	Related company	12,440,456	11,245,228
Solalban Energía S.A.	Affiliate company	16,035,564	30,480,433
Sale of components and spare parts			
CTR	Related company	-	1,227,987
Leases and services hired			
RGA	Related company	(2,174,201)	(1,842,269)
Reimbursement of expenses			
CTR	Related company	5,375,247	7,720,288
RGA	Related company	-	(2,633,085)
AESA	Related company	1,601,561	-
Gas pipeline construction			
RGA	Related company	(50,529,396)	-
Interest generated by loans granted			
AISA	Related company	2,299,935	-
Incomes from guarantees granted	Related company	223,800	-
CTR			

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

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

b) Remuneration of key managerial staff

The senior management includes directors (executive and non-executive). Their fees at March 31, 2017 and 2016 amounted to $ 3,034,355 y $ 2,065,415, respectively.

	03.31.17	03.31.16
Salaries	(3,034,355)	2,065,415
	(3,034,355)	**2,065,415**

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

Captions	Type	03.31.17	12.31.16
NON-CURRENT ASSETS			
Other receivables			
Directors	Related company	24,378,594	17,343,215
Minority interest	Minority interest	18,750	18,750
		24,397,344	**17,361,965**
CURRENT ASSETS			
Trade receivables			
CTR	Related company	1,815,000	1,815,000
		1,815,000	**1,815,000**
Other receivables			
Shareholders' private accounts	Minority interest	147,861,358	147,861,358
AJSA- Advance of airline providers	Related company	1,269,120	-
AISA	Related company	69,098,630	66,798,695
AESA	Related company	5,974,797	4,036,908
CTR	Related company	18,705,877	8,434,229
		242,909,782	**227,131,190**
CURRENT LIABILITIES			
Trade payables			
BDD	Related company	5,910	-
Solalban Energía S.A.	Affiliate company	3,919	541,641
AJSA	Related company	-	13,351,020
RGA	Related company	56,857,660	111,135,180
		56,867,489	**125,027,841**
Other liabilities			
RGA	Related company	101,363,740	89,629,740
BDD	Related company	35,580	-
		101,399,320	**89,629,740**

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

d) Loans granted

	03.31.17	12.31.16
Albanesi Inversora S.A.		
Loans at beginning	66,798,695	-
Loans granted	-	60,000,000
Accrued interest	2,299,935	6,798,695
Loans at closing	**69,098,630**	**66,798,695**

	03.31.17	12.31.16
Boards		
Loans at beginning	17,343,215	-
Loans granted	5,807,375	17,343,215
Accrued interest	1,228,004	-
Loans at closing	**24,378,594**	**17,343,215**

The loans are governed by the following terms and conditions:

Entity	Amount	Interest rate	Conditions
At 03.31.2017			
AISA	60,000,000	**Baldar + 3 %**	**Maturity: 1 year, automatically**
Total	**60,000,000**		**Renovable up to 5 years.**

Entity	Amount	Interest rate	Conditions
Al 31.03.17			
Directors	23.150.590	**Badlar + 3%**	**Maturity: 3 years**
Total in pesos	**23.150.590**		

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

NOTE 22: WORKING CAPITAL

The Group reports at March 31, 2017 a surplus in working capital of $ 821,608,812 (calculated as current assets less current liabilities), which means a deletion of $ 914,301,392, compared to the surplus in working capital at the end of the year ended December 31, 2016 ($1,735,910,204 at 12/31/2016).

NOTE 23: SEGMENT REPORTING

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

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

The Board considers the electric power generation and sales business activity as only one segment: The energy segment comprises the generation and sale of electricity and the development of energy projects, execution of projects, advisory, provision of services, construction management and building of any nature.

The information used by the Board of Directors for decision-making is based primarily on operating indicators of the business. Considering that the adjustments between the prior accounting standards and IFRS refer to non-operating items, such information is not substantially affected by the application of the new standards.

NOTE 24: RESTRICTED ASSETS AND OTHER COMMITMENTS

A. GMSA

A.1 Other commitments

Certain contractual obligations in connection with the supply of electricity to great customers of the Forward Market at March 31, 2017 and the periods to fulfill those obligations are detailed below. These commitments arise from supply contracts (energy and power) entered into between GMSA and large customers of the Forward Market under the ES regulations according to Resolution No. 1281/06 (Energía Plus). They are contracts denominated in United States dollars, entered into with private customers.

	Total	Up to 1 year	From 1 to 3 years
Sale commitments[(1)]			
Electric energy and power - Plus	359,962,447	359,962,447	-

(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 March 31, 2017, under ES Resolution 1281/06.

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

On February 11, 2015, BAF Latam Trade Finance Funds B.V. became a subordinated beneficiary of the guarantee package provided to UBS AG Stamford Branch under the Contract of Assignment of Fiduciary Rights and Trust for Guarantee Purposes originally executed on May 4, 2011 as collateral for due and proper compliance with all of the payment obligations assumed under the UBS AG Loan. After 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 25: RESTRICTED ASSETS AND OTHER COMMITMENTS

A.GMSA (Cont'd)

A.2 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. 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.

NOTE 26: EXECUTION OF CONTRACTS TO PURCHASE MACHINERY

Siemens Industrial Turbomachinery AB

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 CTMM, 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	CTMM	177,000,000	**19.784.000**	4.122.000	9.892.000	5.770.000	-
Siemens Industrial Turbomachinery AB for the acquisition of three turbines Siemens SGT 800	Ezeiza	263,730,000	**29.477.000**	3.297.000	13.527.000	11.441.000	1.212.000
Siemens Industrial Turbomachinery AB for the acquisition of two turbines Siemens SGT 800	CTI	175,230,000	**19.586.000**	1.649.000	8.581.000	8.144.000	1.212.000

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

NOTE 26: EXECUTION OF CONTRACTS TO PURCHASE MACHINERY (Cont'd)

Pratt & Whitney Power System Inc

GFSA signed a purchase agreement with PWPS for the purchase of the FT4000™ SwiftPac® 60 turbine, including whatever is necessary for its installation and start-up. 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 $188.978.427 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.

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

	Total	2016	2017	2018	2019	2020	2021	2022	2023
Compromisos (1)	USD								
PWPS por la compra de la turbina 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 denominated in US dollars and considering the time of payment according to the particular conditions of the contract.

NOTE 27: LONG-TERM MAINTENANCE CONTRACT – CENTRALES CTMM, CTI and CTF

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

GMSA signed with Siemens SA and Siemens Industrial Turbomachinery AB a global service and spare part agreement for the power plants CTRi, CTMM, CTI and CTE. As set forth in the agreements, Siemens must provide on-site technical assistance on a permanent basis, a remote monitoring system to follow up on the 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 (for power plants CTRi and CTMM) and Resolution No. 21/16 (for plants CTI and CTE).

Compliance with the energy sale agreements 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 for CTMM. Since the effective date of that Resolution, in February 2014 and until June 2015, GMSA has generated a total of 540,614 MWh, equivalent to the amount of $ 14,268,553.

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

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

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

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 CTLB y CTRi. Since the effective date of that Resolution, in February 2014 and until April 2016 inclusive, CTLB has generated a total of 60,166MWh, equivalent to the amount of $2,935,346 and CTRi generated a total of 51,564MWh, equivalent to the amount of $3,068,853. In addition, a note about non-recurring maintenance was filed with CAMMESA by both CTLB and CTRi, for a total amount of USD 953,000 plus VAT. The technical team from CAMMESA completed the visits to the power plant and issued a report on CTLB and CTRi which is under economic assessment.

On August 9, 2016, 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.

On December 2, 2016, a new works plan for CTMM was filed with CAMMESA. It details the following schedule:

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

Between November 2016 and March 2017, GMSA made two presentations for $8,268,323.

At March 31, 2017, the total amount of disbursements received from CAMMESA amounts to $ 7,360,000. The Company records an accumulated balance for non-recurring maintenance of $ 46,036,643, net of the payments received.

Subsequently, on May 8, 2017, CAMMESA disbursed $ 900,000 on the second presentation.

NOTE 29: MERGER THROUGH ABSORPTION

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

On November 10, 2015, GMSA, GISA, GLBSA and GRISA signed a final merger agreement ("the Final Merger Agreement") based on which the merger through absorption of GISA, GLBSA and GRISA into GMSA (the "Corporate Reorganization").

The Corporate Reorganization allows to enhance and optimize the performance of the economic activities and the operating, administrative and technical structures of the Participating Companies to achieve synergies and operating efficiency through only one operating unit. Considering that the participating companies are electric power generating agents in the WEM and that their main line of business is the generation and sale of electric power, the Merger will be beneficial for the following reasons: a) the type of business activity of the Participating Companies, which enables integration and complementation for greater operating efficiencies; b) a simplification of the participating companies' corporate structure by consolidating the companies' activities in only one entity; c) the synergy of the union of the different Group companies will make the exercise of control, management and administration of the energy business more effective; d) the obtainment of a larger scale, permitting 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.

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

On March 22, 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 November 15, 2016, GMSA and GFSA entered into a final merger agreement (the "GMSA-GFSA Final Merger Agreement") whereby the companies started a process for the merger of GFSA into GMSA (the "GMSA-GFSA Corporate Reorganization").

The GMSA-GFSA Corporate Reorganization comprises the same objectives and benefits as those mentioned for the merger described above and as mentioned in this case, the benefits mentioned will be obtained without involving tax costs, based on the fact that the GMSA-GFSA Corporate Reorganization will be tax free pursuant to Section 77 and subsequent sections of the Law No. 26839 - Income Tax Law.

NOTE 29: MERGER THROUGH ABSORPTION (Cont'd)

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

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.

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

On March 2, 2017, the CNV through Resolution No. 18537 approved the described merger through absorption pursuant to the terms of Section 82 of the General Companies Law No. 19550 as well as the capital increase with the pertinent amendments to by-laws decided under the merger, and ordered that the file be sent to the IGJ for its registration, which was performed on March 17, 2017. Furthermore, through Resolution No. 18358 dated March 2, 2017, the CNV approved the dissolution without liquidation of GFSA which was registered with the IGJ on March 17, 2017. At the date of issue of these interim condensed financial statements, the Company was not notified of the Resolution by the CNV authorizing the transfer of the public offering from GFSA to GMSA.

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: INVESTMENTS IN OTHERS 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.

The Company 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 therespective power plants. The fair value of the unlisted ordinary shares in Termoeléctrica José de San Martín S.A. andTermoeléctrica Manuel Belgrano S.A. has been estimated using a model of discounted cash flows based on dividends at March 31, 2017.

NOTE 32: OPERATIONAL ALL-RISK COVERAGE:

All-risk insurance with business interruption insurance coverage

The Group has taken out all risk insurance for up to 12 months to cover any physical, sudden and accidental loss or damage, including damages to machinery, directly and fully attributable to any cause, with the consequent business interruption. This policy includes coverage of losses generated by business interruption as a result of the accident, both as regards the profit that is no longer obtained and the expenses the Company continues to defray despite its inactivity, such that the insured would be in the same financial situation as if the accident had not occurred.

This insurance covers all physical assets of any type and description, which are not expressly excluded from the text of the policy, belonging to the insured or in his/her care, custody or control, or for which the insured has assumed a responsibility for insuring against any damage, or for which the insured may acquire an insurable interest.

Construction and Installation all-risk insurance

Works for installation or enlargement of the capacity developed by the Company are insured by a Construction and Installation all-risk and assembly insurance, which covers all accidental or unforeseeable damages occurred during the execution of a civil work, including damages caused by acts of God.

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

Once all pieces of equipment are in operation, the new assets will be covered by the All-risk insurance that Albanesi Group has taken out, and which covers all power plants in operation.

NOTE 33: EXEMPTION GRANTED BY THE GENERAL REVENUE BOARD OF TUCUMAN

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

NOTE 34: SUBSEQUENT EVENTS

a) Commercial authorization of CTRi

At the date of these interim condensed financial statements, CTRi obtained the commercial authorization to start operations of the new Siemens SGT 800 turbine of 50 MW.

b) Approval of maximum amount of the International Bond

On April 26, 2017, the Company approved the increase of the maximum amount of the outstanding Negotiable Obligations for USD 250,000,000 (US dollars two hundred and fifty million) for up to USD 350,000,000 (US dollars three hundred and fifty million).

NOTE 35: FINANCIAL STATEMENTS TRASLATION INTO ENGLISH LANGUAGE

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

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

Summary of Activity at March 31, 2017 and 2016

1. Brief comment on the activities carried out by the issuer, including references to relevant events subsequent to the fiscal closing date.

Pursuant to the provisions of General Resolution N° 368/01 and subsequent modifications of the National Securities Commission (CNV), we present below an analysis of the results of the operations of Albanesi S.A.(the Company) and its equity and financial position, which should be read alongside the corresponding interim condensed financial statements.

	Three-month period ended March 31,			
	2017	2016	Var.	Var. %
	GWh			
Sales per type of market				
Sale of electricity Res. 95/529/482/22/19 and spot	262.0	479.1	(217.1)	(45%)
Sale of electricity Plus.	128.0	205.0	(77.0)	(38%)
Sales CAMMESA 220	216.0	171.0	45.0	26%
	606.0	**855.1**	**(249.1)**	**(29%)**

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

	Three-month period ended March 31.			
	2017	2016	Var.	Var. %
	(in millions of pesos)			
Sales per type of market				
Sale of electricity Res. 95/529/482/22/19 and spot	100.7	126.5	(25.8)	(20%)
Sale of electricity Plus.	233.5	220.0	13.5	6%
Sales CAMMESA 220	321.5	237.5	84.0	35%
Services provided	-	-	-	-
Total Sales	**655.7**	**584.0**	**71.7**	**12%**

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Summary of Activity at March 31, 2017 and 2016

Results for the three-month period ended March 31, 2017 and 2016 (in millions of pesos)

	2017	2016	Var.	Var. %
Sale of energy	655.7	584.0	71.7	12%
Net sales	**655.7**	**584.0**	**71.7**	12%
Cost of purchase of electric energy	(179.7)	(114.3)	(65.4)	57
Cost of gas and gasoil consumption	(151.8)	(159.2)	7.4	(5%)
Salaries. wages and social sec. Contrib.	(27.5)	(23.9)	(3.6)	15%
Pension Plan	(0.2)	(0.6)	0.4	(67%)
Maintenance services	(44.2)	(37.1)	(7.1)	19%
Depreciation of property. plant and equipment	(60.2)	(43.3)	(16.9)	39%
Insurance	(6.3)	(5.9)	(0.4)	7%
Sundry	(13.6)	(9.0)	(4.6)	51%
Cost of sales	**(483.5)**	**(393.3)**	**(90.2)**	23%
Gross profit	**172.2**	**190.7**	**(18.5)**	(10%)
Salaries. wages and social sec. Contrib.	-	(0.4)	0.4	(100%)
Taxes. rates and contributions	(1.5)	(0.5)	(1.0)	200%
Tax recovery of gross income	19.6	-	19.6	100%
Selling expenses	**18.1**	**(0.9)**	**19.0**	**(2111%)**
Salaries. wages and social sec. Contrib.	-	(2.2)	2.2	(100%)
Service Fees and retributions	(3.3)	(8.4)	5.1	(61%)
Travel & mobility and entertainment expense	(0.8)	(1.4)	0.6	(43%)
Taxes. rates and contributions	(0.5)	(1.0)	0.5	(50%)
Sundry	(2.9)	(1.7)	(1.2)	71%
Administrative expenses	**(7.5)**	**(14.7)**	**7.2**	**(49%)**
Gain/ on investments in related companies	0.6	(2.3)	2.9	(126%)
Other operating income	0.4	3.4	(3.0)	(88%)
Operating income	**183.8**	**176.2**	**7.6**	**4%**
Commercial interest	4.7	1.6	3.1	194%
Loan interest	(97.8)	(91.0)	(6.8)	7%
Exchange difference	59.2	(58.1)	117.3	(202%)
Bank expense	(1.8)	(3.9)	2.1	(54%)
Sundry	14.3	(11.7)	26.0	(222%)
Financial loss	**(21.4)**	**(163.1)**	**141.7**	**(87%)**
Result before tax	**162.4**	**13.1**	**149.3**	**1140%**
Income tax	(62.8)	(9.6)	(53.2)	554%
Result from continuing operations	**99.6**	**3.5**	**96.1**	**2746%**
Other Comprehensive Income	-	0.1	(0.1)	100%
Total Other Comprehensive Income	**99.6**	**3.6**	**96.0**	**2667%**

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Summary of Activity at March 31, 2017 and 2016

Sales:

Net sales for the period ended March 31, 2017 reached $ 655.7 million, compared with $ 584.0 million for the same period of 2016, showing an increase of $ 71.7 million (12%).

In period ended March 31, 2017, energy sales reached 606 GWh, representing a 29% drop compared with the 855.1 GWh for the same period of 2016.

The main sources of income obtained by the Company and their behavior during the three-month period ended March 31, 2017 are described below comparatively with the previous fiscal year:

(i) $ 233.5 million from sales under "Energía Plus", up 6% from the $ 220.0 million for the same period in fiscal year 2016. This variation is attributed to the favorable effect of the rise in the exchange rate.

(ii) $ 321,6 million from sales of energy on the forward market to CAMMESA under the framework of Resolution 220/07, up 35% from the $ 237.5 million for the same period of fiscal year 2016. This variation is explained by an increase in price due to the favorable effect of the rise in the exchange rate and an increase in sales volume.

(iii) $ 100.7 million from sales of energy under Resolution 95/529/482/22/19 and on the spot market, showing a 20% decrease from the $ 126.5 million for the same period of the previous fiscal year. This variation is mainly explained by a drop in the sales volume, offset by an increase in the remuneration paid for energy by enforcement or Resolution 19.

Cost of Sales:

The total cost of sales for the fiscal year ended March 31, 2017 was $ 483.5 million, compared with $ 393.3 million for the same period of 2016, representing an increase of $ 90.2 million (23%).

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

(i) $ 179.7 million for purchases of electricity, up 57% from the $ 114.3 million for the same period of 2016, due to greater costs needed to supply the Energía Plus forward market.

(ii) $ 151.8 million for gas and gasoil consumption by the plant. This caption was 5% lower compared to the $ 159.2 million for the same period in 2016. This variation was due to a decrease in dispatches by CAMMESA.

(iii) $27.5 million in salaries and social security contributions, reflecting a 15% increase compared to the $ 23.9 million for the same period in 2016, which is mainly attributed to wage increases granted and the hiring of new staff.

(iv) $44.2 million for maintenance services, up 19% from the $ 37.1 million for the same period of 2016. This increase is explained by the rise in the exchange rate, offset by shorter operating hours which cause an impact on the cost of the maintenance contract with PWPS at certain controlled companies. It is worth noting that the cost of this contract is recognized by CAMMESA in the remuneration paid for operating and maintenance costs for sales under the Res 220/07 Contract.

Cost of Sales (Contd.)

(v) $60.2 million for depreciation of PP&E, reflecting an increase of 16.9% compared with the $ 43.3 million for the same period of 2016. This variation stems mainly from the higher depreciation value of PP&E as a result of their revaluation at December 31, 2016.

(vi) $6.3 million paid for insurance, up 7% from the $ 5.9 million for the same period of 2016 as a result of the variation in the exchange rate.

Gross Profit:

The gross result for the fiscal year ended March 31, 2017 was a profit of $ 172.2 million, compared with a profit of $ 190.7 million for the same period in 2016.

Selling Expenses:

Selling expenses for the three-month period ended March 31, 2017 were a profit of $ 18.1, compared with a loss $0.9 million for the same period of 2016, representing an increase of $ 19.0 million (2111%). On March 3, 2017, the collection department of the General Tax Collection Agency of the province of Tucuman decided that GISA (Company absorbed by GMSA as from January 1, 2016) is exempt from the Turnover tax payment, rectifying the tax as from the period of December 2011.

Administrative Expenses:

Total administrative expenses for the three-month period ended March 31, 2017 amounted to $ 7.5 million, compared to $ 14.7 million for the same period of 2016, reflecting a drop of $ 7.2 million (49%).

Operating Result:

The operating result for the period ended March 31, 2017 was a profit of $ 183.8 million, reflecting a 4% increase with regard to the profit of $ 176.2 million for the same period of 2016. This increase was mainly attributed to the effect of the rise in the exchange rate on the operating activity of the controlled companies and the high availability maintained by the power plants throughout the period.

Financial results:

The financial result for the period ended March 31, 2017 was a loss of $ 21.4 million, compared with a loss of $ 163.1 million for the same period of 2016, reflecting a decrease of 87%.

The most salient aspects of this variation are described below:

(i) A loss of $ 97.8 million due to financial interest on loans, reflecting an increase of 7% compared to the loss of $ 91.0 million for the same period of 2016.

Summary of Activity at March 31, 2017 and 2016

(ii) A profit of $ 59.2 million due to net exchange differences, reflecting an increase of 202% compared to the loss of $ 58.1 million in the same period of 2016. The decrease is due to a drop in the exchange rate at March 31, 2017, compared to the exchange rate at December 31, 2016.

Result before taxes:

Company reported a profit before tax of $ 162.4 million for the period ended March 31, 2017, which compares with a profit of $ 13.1 million for the same period of 2016.

The result under the income tax was a loss of $ 62.8 million for the period ended March 31, 2017, compared with a loss of $ 9.6 million for the same period of 2016.

Net Result:

The net result for the period ended March 31, 2017 was a profit of $ 99.6 million, compared to a profit of $ 3.6 million for the same period of 2016, reflecting a 2664% increase.

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

	3.31.17	3.31.16	3.31.15
Non-Current Assets	7,740.3	3,274.2	2,276.2
Current Assets	2,657.2	1,177.9	756.0
Total Assets	**10,397.5**	**4,452.1**	**3.032.2**
Equity attributable to the owners	2,018.4	1,330.6	662.5
Equity not attributable to the parent	106.6	69.5	50.5
Total assets	**2,125.0**	**1,400.1**	**713.0**
Non-Current Liabilities	6,436.9	2,123.3	1,091.4
Current Liabilities	1,835.6	928.7	1,227.8
Total Liabilities	**8,272.5**	**3,052.0**	**2,319.2**
Total shareholders´ equity and liabilities	**10,397.5**	**4,452.1**	**3,032.2**

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

	3.31.17	3.31.16	3.31.15
Operating income	183.8	176.2	81.8
Financial results	(21.4)	(163.1)	(54.2)
Operating income	**162.4**	**13.1**	**27.6**
Income tax	(62.8)	(9.6)	(9.2)
Income/loss from continuing operations	**99.6**	**3.5**	**18.4**
Discontinued operations	-	-	(5.2)
Income/loss for the period	**99.6**	**3.5**	**13.2**
Other comprehensive income	-	0.1	(2.5)
Statement of comprehensive income	**99.6**	**3.6**	**10,7**

Summary of Activity at March 31, 2017 and 2016

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

	3.31.17	3.31.16	3.31.15
Funds generated by / (used in) operating activities	1,331.1	(202.7)	61.8
Funds (used in) investment activities	(1,336.5)	(23.2)	(38.6)
Funds generated by/ (used in) financing activities	11.1	239.0	(34.9)
INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	**5.7**	**13.1**	**(11.7)**

5. Ratios presented comparatively with the previous fiscal year:

	3.31.17	3.31.16	3.31.15
Liquidity (1)	1.45	1.27	0.62
Credit standing (2)	0.24	0.44	0.29
Locked-up capital (3)	0.74	0.74	0.75
Indebtedness ratio (4)	5.97	3.03	2.51
Indebtedness ratio (5)	2.28	2.34	2.71

(1) Current assets / Current liabilities
(2) Equity / Total liabilities
(3) Non-current assets / Total Assets
(4) Financial debt excluding CAMMESA / annualized EBITDA
(5) Financial debt / annualized EBITDA

Summary of Activity at March 31, 2017 and 2016

6. Brief comment regarding the Outlook for Fiscal year 2017:

Company outlook for fiscal year 2017

Commercial 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 controlled Companies by Albanesi are undertaking investment projects to increase power generation capacity by 400 MW.

Under contracts pursuant to Energy Secretariat Resolution 220/07, progress is being made in two projects for an additional total power generation capacity of 150 MW, as detailed below.

A Siemens SGT-800 turbine with a 50-MW nominal capacity was installed at CTRi. It is expected to become commercially operative in March 2017, 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 CTMM. It is expected to become commercially operative in the second quarter of 2017, under a contract pursuant to Energy Secretariat Resolution 220/07.

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.

The projects are set within the framework of agreements entered into with CAMMESA under Resolution 21/16 S.E.

Generation capacity will be increased by 100 MW at CTI, 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.

In addition, the construction of a new plant in the province of Buenos Aires started (Ezeiza Thermal Power Plant) 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

During the current fiscal year, the company's objective is to improve the financing structure and ensure progress in the investment works described above, according to the budgeted schedules.

On July 27, 2016, GMSA, CTR and GFSA co-issued an international bond for USD 250 million, falling due within 7 years. The international bond is guaranteed by ASA.

The issuance of the international bond has enabled the Company to repay existing financial debt and finance investment projects faced by the Group for increasing the generable power capacity.

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REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Albanesi S.A. and its subsidiaries (hereinafter, "the Company") which comprise the consolidated statement of financial position at March 31, 2017 and the consolidated statement of comprehensive income for the three-month period ended March 31, 2017, the consolidated statements of changes in equity and of consolidated cash flows for the three-month period then ended, and the selected explanatory notes.

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

Board's responsibility

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

Scope of our review

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

Price Waterhouse & Co. S.R.L. es una firma miembro de la red global de PricewaterhouseCoopers International Limited (PwCIL). Cada una de las firmas es una entidad legal separada que no actúa como mandataria de PwCIL ni de cualquier otra firma miembro de la red.

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Conclusion

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

Report on compliance with regulations in force

In accordance with current regulations, we report that:

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

b) the interim condensed separate financial statements of Albanesi S.A. stem from accounting records kept in all formal respects in conformity with legal regulations;

c) we have read the summary of activity, on which we have no observation to make insofar as concerns matters within our field of competence;

d) as of March 31, 2017, there is no debt accrued in favor of the Argentine Integrated Social Security System;

Autonomous City of Buenos Aires, May 12, 2017

PRICE WATERHOUSE & CO. S.R.L.

Dr. Raúl Leonardo Viglione
(Partner)

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Report of the Syndics' Committee

To the Shareholders of
Albanesi S.A.

1. Pursuant to the provisions of section 294 of the Law 19550 and National Securities Commission regulations, we have reviewed the accompanying interim condensed consolidated financial statements of Albanesi S.A. (hereinafter, "the Company") which comprise the statement of financial position at March 31, 2017, the statement of comprehensive income for the three-month period ended March 31, 2017, the statements of changes in equity and of cash flows for the three-month period then ended, and the selected explanatory notes. The balances and other information corresponding to the fiscal year 2016 are an integral part of the financial statements mentioned above; therefore, they must be considered in connection with these financial statements.

2. The Board of Directors of the Company is responsible for the preparation and presentation of the interim condensed consolidated financial statements in accordance with International Financial Reporting Standards, adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and included by the National Securities Commission (CNV) in its regulations, as approved by the International Accounting Standards Board (IASB), and is therefore responsible for the preparation and presentation of the interim condensed financial statements mentioned in paragraph 1, in accordance with International Accounting Standard 34 "Interim Financial Information" (IAS 34). Our responsibility is to express a conclusion based on the review performed with the scope detailed in paragraph 3.

3. Our review was carried out in accordance with standards applicable to syndics. Those standards require that the procedures established in Technical Pronouncement No. 33 of the Argentina Federation of Professional Councils in Economic Sciences for limited reviews of interim financial statements be performed, and include verifying the consistency of the documents reviewed with the information on corporate decisions disclosed in minutes and the conformity of those decisions to the law and by-laws insofar as concerns formal and documentary aspects. To fulfill our professional duties, we have reviewed the work done by the external auditors, Price Waterhouse & Co. S.R.L., who issued their unqualified review report on the interim condensed consolidated financial statements on May 12, 2017. A review of interim financial information consists of making inquiries of the Company's personnel responsible for preparing the information included in the interim condensed financial statements and performing analytical and other review procedures. This review is substantially less in scope than an audit examination conducted in accordance with international standards on auditing and consequently it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the financial position, the comprehensive income and the cash flows of the Company. We have not assessed the administrative, financing, marketing or operating business criteria as these matters fall within the exclusive competence of the Board of Directors and Shareholders' meeting.

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

5. Based on our review, we are not aware of any significant modification to be introduced to the interim condensed consolidated financial statements mentioned in paragraph 1, for their presentation in accordance with the pertinent regulations of Law No. 19550, the National Securities Commission and standards mentioned in paragraph 2.

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

Autonomous City of Buenos Aires, May 12, 2017

For the Syndics' Committee

Marcelo Pablo Lerner
Full Syndic

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ALBANESI

Albanesi S.A.

Interim condensed separate financial statements

At March 31, 2017 and for the three-month periods
ended March 31, 2017 and 2016,
presented in a comparative format.

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

Albanesi S.A.

INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS
AT MARCH 31, 2017.

CONTENTS

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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 separate financial statements of the Company.

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

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Terms	Definitions
GLBSA	Generación La Banda S.A.
GLB	La Banda's power plant located in La Banda, province of Santiago del Estero (merged with GMSA)
GMSA	Generación Mediterránea S.A.
Large Users	WEM agents classified according to their consumption unto: GUMAs, GUMEs, GUPAs and GUDIs
GR	General Resolution
GRISA	Generación Riojana S.A.
GROSA	Generación Rosario S.A.
GUDIs	Large Demand from Distributors, with declared or demanded supplies of over 300kW.
GUMAs	Major Large Users
GUMEs	Minor Large Users
GUPAs	Particular Large Users
GW	Gigawatt Unit of power equivalent to 1,000,000,000 watts
GWh	Gigawatt hour Unit of energy equivalent to 1,000,000,000 watts hour
IASB	International Accounting Standards Board
IGJ	Superintendency of Commercial Companies
kV	Kilovolt Unit of electromotive force which is equal to 1,000 volts
kW	Kilowatt Unit of power equivalent to 1,000 watts
kWh	Kilowatt hour Unit of energy equivalent to 1,000 watts hour
The Company/The Group	Albanesi S.A. and its subsidiaries
LGS	General Companies Law
LVFVD	Sales liquidations with maturity date to be defined
MAPRO	Major Scheduled Maintenance
MAT	Futures market
WEM	Wholesale Electric Market
MMm3	Million cubic meters
MVA	Mega-volt ampere, unit of energy equivalent to 1 volt x 1 ampere x 106
MW	Megawatt Unit of power equivalent to 1,000,000 watts
MWh	Megawatt hour Unit of energy equivalent to 1,000,000 watts hour
ARG GAAP	Argentine GAAP
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
ON	Negotiable obligations
PWPS	Pratt & Whitney Power System Inc
Resolution 220/07	Regulatory framework for the sale of energy to CAMMESA through the "WEM Supply Contract" under Energy Secretariat Resolution No. 220/07
RGA	Rafael G. Albanesi S.A.
SADI	Argentine Interconnection System
ES	Energy Secretariat
TRASNOA S.A.	An electric power carriage company by means of a trunk line in the Argentine Northwestern region
CGU	Cash-Generating Unit

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Albanesi S.A.

Composition of the Board of Directors and Syndics' Committee
as of March 31, 2017

President
Armando R. Losón

Vice-president 1°
Guillermo G. Brun

Vice-president 2°
Julián P. Sarti

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

Alternate Directors
Armando Losón (h)
José L. Sarti
Juan G. Daly
María de los Milagros D. Grande
Ricardo M. Lopez
Romina S. Kelleyian

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

Alternate Syndics
Carlos I. Vela
Juan Cruz Nocciolino
Johanna M. Cárdenas

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Albanesi S.A.

Corporate name:	**Albanesi S.A.**
Legal address:	Av. L.N. Alem 855, 14th floor - City of Buenos Aires
Main business activity:	Investing and financial activities
Tax ID:	30-68250412-5

DATES OF REGISTRATION WITH THE PUBLIC REGISTRY:

Of by-laws or incorporation agreement:	June 28, 1994
Last amendment:	November 08, 2016
Registration number with the Superintendency of Commercial Companies:	6216 of Book 115, Volume A of Corporations
Expiration of By-laws or incorporation agreement:	June 28, 2093

CAPITAL STATUS (See Note 13)			
Shares			
Number	**Type**	**Number of votes per share**	**Subscribed, paid-in and registered**
			$
62,455,160	Ordinary, registered, non-endorsable FV $1	1	62,455,160

Albanesi S.A.

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Interim Condensed Separate Statement of Financial Position
At March 31, 2017 and December 31, 2016
Stated in pesos

	Note	03.31.17	12.31.16
ASSETS			
NON-CURRENT ASSETS			
Investments in subsidiaries and associates	6	2,319,216,846	2,210,552,404
Deferred tax assets		3,620,577	1,487,052
Other receivables		3,619,776	2,098,573
Total non-current assets		**2,326,457,199**	**2,214,138,029**
CURRENT ASSETS			
Other receivables		153,506,811	153,351,103
Cash and cash equivalents	7	101,324	151,644
Total current assets		**153,608,135**	**153,502,747**
Total Assets		**2,480,065,334**	**2,367,640,776**
SHAREHOLDERS' EQUITY			
Share Capital	13	62,455,160	62,455,160
Legal reserve		1,942,908	1,942,908
Technical revaluation reserve		1,737,703,407	1,760,090,123
Other comprehensive income		(3,397,653)	(3,397,653)
Unappropriated retained earnings		219,708,033	103,449,223
TOTAL SHAREHOLDERS' EQUITY		**2,018,411,855**	**1,924,539,761**
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans	9	218,266,709	218,266,709
Other liabilities	8	17,407,679	356,250
Total non-current liabilities		**235,674,388**	**218,622,959**
CURRENT LIABILITIES			
Loans	9	56,750,873	56,657,120
Other liabilities	8	150,177,608	149,916,999
Tax payables		2,709,818	1,230,560
Trade payables		16,340,792	16,673,377
Total current liabilities		**225,979,091**	**224,478,056**
Total Liabilities		**461,653,479**	**443,101,015**
Total Liabilities and Shareholders' Equity		**2,480,065,334**	**2,367,640,776**

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

Albanesi S.A.

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Interim Condensed Separate Statement of Comprehensive Income

For the three-month period ended March 31, 2017 and 2016

Stated in pesos

	Note	03.31.17	03.31.16
Gain on investment in subsidiaries and associates	6	108,664,442	9,327,454
Selling expenses	10	(117,229)	-
Administrative expenses	11	(427,237)	(488,054)
Other operative income	15	799,286	-
Operating income		**108,919,262**	**8,839,400**
Financial costs	12	(17,180,242)	(6,172,581)
Other financial results	12	(452)	67,321
Financial results, net		**(17,180,694)**	**(6,105,260)**
Income before tax		**91,738,568**	**2,734,140**
Income tax expense		2,133,526	103,575
Net income for the period		**93,872,094**	**2,837,715**
Other Comprehensive Income			
Items not reclassified into income/loss			
Other comprehensive income on investment in subsidiaries and associates		-	22,153
Other comprehensive income for the period		**-**	**22,153**
Comprehensive income for the period		**93,872,094**	**2,859,868**
Earnings per share			
Basic and diluted earnings per share	14	1.50	0.12

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

Albanesi S.A.

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Interim Condensed Separate Statement of Changes in Equity

For the three-month period ended March 31, 2017 and 2016

Stated in pesos

	Attributable to Shareholders						
	Shareholders' contributions	**Retained earnings/accumulated losses**					
	Share Capital (Note 13)	**Legal reserve**	**Technical revaluation reserve**	**Currency translation reserve**	**Other comprehensive income**	**Unappropriated retained earnings**	**Total**
Balances at December 31, 2015	**4,455,160**	**-**	**1,226,610,421**	**(2,857,973)**	**(1,594,964)**	**43,137,735**	**1,269,750,379**
Capital increase as per Minutes of Shareholders' Meeting dated March 22, 2016	58,000,000	-	-	-	-	-	58,000,000
Reversal of technical revaluation reserve	-	-	(12,653,987)	-	-	12,653,987	-
Other comprehensive income for the period	-	-	-	26,311	(4,158)	-	22,153
Comprehensive income for the three-month period	-	-	-	-	-	2,837,715	2,837,715
Balances at March 31, 2016	**62,455,160**	**-**	**1,213,956,434**	**(2,831,662)**	**(1,599,122)**	**58,629,437**	**1,330,610,247**
As provided by Ordinary Shareholders' Meeting of April 20, 2016:							
- Legal reserve	-	1,942,908	-	-	-	(1,942,908)	-
- Distribution of dividends	-	-	-	-	-	(41,194,827)	(41,194,827)
Reversal of technical revaluation reserve	-	-	(42,024,593)	-	-	42,024,593	-
Other comprehensive income for the period	-	-	588,158,282	2,831,662	(1,798,531)	-	589,191,413
Comprehensive income for the nine-month period	-	-	-	-	-	45,932,928	45,932,928
Balances at December 31, 2016	**62,455,160**	**1,942,908**	**1,760,090,123**	**-**	**(3,397,653)**	**103,449,223**	**1,924,539,761**
Reversal of technical revaluation reserve	-	-	(22,386,716)	-	-	22,386,716	-
Comprehensive income for the three-month period	-	-	-	-	-	93,872,094	93,872,094
Balances at March 31, 2017	**62,455,160**	**1,942,908**	**1,737,703,407**	**-**	**(3,397,653)**	**219,708,033**	**2,018,411,855**

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

Albanesi S.A.

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Interim Condensed Separate Statement of Cash Flows
For the three-month period ended March 31, 2017 and 2016
Stated in pesos

	Notes	03.31.17	03.31.16
Cash flow provided by operating activities:			
Income for the period		93,872,094	2,837,715
Adjustments to arrive at net cash flows provided by operating activities:			
Income tax expense		(2,133,526)	(103,575)
Interest, exchange differences and other financial results		17,181,427	6,112,556
Gain/Loss on investment in subsidiaries and associates	6	(108,664,442)	(9,327,454)
Changes in operating assets and liabilities:			
(Increase) / Decrease in other receivables		(1,676,911)	37,523,203
(Decrease) / Increase in trade payables		(332,585)	147,686
Increase in tax payables		1,262,378	158,811
Increase in other liabilities		20,248,571	-
Net cash flow provided by operating activities		**19,757,006**	**37,348,942**
Cash flow of investment activities:			
Decrease in other receivables with related parties		(3,670,533)	(3,863,149)
Net cash flow (used in) investment activities		**(3,670,533)**	**(3,863,149)**
Cash flow of financing activities:			
Payment of interest	9	(16,870,060)	(5,745,545)
Increase / (Decrease) net in other liabilities with related parties		734,000	(27,810,084)
Cash flows (used in) financing activities		**(16,136,060)**	**(33,555,629)**
(DECREASE) IN CASH AND CASH EQUIVALENTS		**(49,587)**	**(69,836)**
Cash and cash equivalents at the beginning of the period		151,644	163,233
Exchange rate difference of cash and cash equivalents		733	7,296
Cash, cash equivalents at the end of the period	7	101,324	86,101
		(49,587)	**(69,836)**

Interim Condensed Separate Statement of Cash Flows (Cont´d)
For the three-month period ended March 31, 2017 and 2016
Stated in pesos

Significant transactions not entailing funds:

	03.31.17	03.31.16
Compensation for dividends allocated	-	(9,215,000)
Capitalization of other debts	-	(58,000,000)
Other comprehensive income on investment in subsidiaries and associates	-	22,153

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

NOTE 1: GENERAL INFORMATION

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

Albanesi Group through ASA and AISA is engaged in the power generation and selling meanwhile through RGA it is engaged in the gas selling and transportation business.

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

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

Companies	Country of creation	Main business activity	% of interest	
			03.31.17	12.31.16
GMSA	Argentina	Generation of electric energy	95.00%	95.00%
GFSA(1)	Argentina	Generation of electric energy	-	95.00%
GROSA	Argentina	Generation of electric energy	95.00%	95.00%
Solalban Energía S.A.	Argentina	Generation of electric energy	42.00%	42.00%
GLSA	Argentina	Generation of electric energy	95.00%	95.00%

(1) Company merged with GMSA within the framework of the merger through absorption process as described in Note 19.2.

The generation segment of Albanesi Group, through ASA and AISA (ASA's subsidiary), has an installed capacity of approximately 942 MW, which accounts for 4% of the installed capacity of Argentina. Furthermore, considering the different projects underway, Albanesi Group, through ASA, AISA and Albanesi Energía S.A. (ASA's subsidiary), will have an installed capacity of approximately 1,522 MW.

On November 10, 2015, the Final Merger Agreement was signed, which establishes the merger through absorption of GISA, GLBSA and GRISA with GMSA (the continuing company) effective as from January 1, 2016. On March 22, 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 is pending at the date of issue of these financial statements, having registrated on May 18, 2016. (See Note 19.1).

On August 31, 2016, GMSA and GFSA entered into a preliminary merger agreement, whereby GMSA absorbed GFSA as from January 1, 2017. On March 02, 2017, the National Securities Commission through Resolution No. 18537 approved the described merger through absorption within the terms of Section 82 of the General Companies Law No. 19550 and the capital increase with the amendment of the bylaws as decided within the framework of the merger, ordering that the file be sent to the Superintendency of Commercial Companies for its registration, which was performed on March 17, 2017. (See note 19.2).

On December 5, 2015 GFSA was authorized for commercial operation in the WEM. GFSA entered into with CAMMESA a WEM supply agreement for 55.5 MW. Sales under this modality are denominated in dollars and are paid by CAMMESA under a take or pay clause and the generated surplus is sold to the Spot Market, pursuant to regulations in effect in the WEM administered by CAMMESA.

NOTE 1: GENERAL INFORMATION (Cont'd)

In 2015, ASA entered the capital markets. On November 20, 2015, it obtained the authorization to enter the public offering system and create a program of Negotiable Obligations (not convertible into shares) of up to USD 100,000,000 or its equivalent in other currencies, in one or more classes or series. On December 29, the Company issued Class I Negotiable Obligations for $ 70 million. On October 25, 2016 the Company issued Class II NO for $ 220 million.

In turn, RGA is a leading company engaged in the sale of gas and the provision of energy supply services to industries and thermal power plants.

New projects

GMSA, ASA's subsidiary, announced a plan to increase generation of electricity in its installed plants in different locations in Argentina, which involves works for an investment of approximately USD 360.7 million and would contribute 400 MW (including CTRi) new to the national system.

Enlargement at Central Térmica Riojana

On September 7, 2015, GRISA executed a contract with Siemens Industrial Turbomachinery AB, whereby it agreed to purchase a turbine Siemens SGT800 of 50 MW, for an amount of USD 19.3 million. The payment of the turbine Siemens SGT800 was completed in February 2016 and it arrived at the plant in June 2016. The remaining equipment, including a power transformer, gas compressor, water plant, chillers and tanks, among others, is currently installed. At the date of these interim condensed financial statements, the work is completed and administrative procedures have been started for its authorization. In addition, the internal and external work of Natural Gas by ECOGAS has been authorized. The total project investment amounts to approximately USD 43 million; as of March 2017, USD 40 million have been invested. At the date of presentation of these interim condensed financial statements, the works for the CTRi project have a 99% degree of completion.

Enlargement at Central Térmica Modesto Maranzana

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 83,9 million is expected for these works. Commercial operation is expected to begin in the second quarter of 2017. At the date of these interim condensed separate financial statements, GMSA has completed the payment to Siemens Industrial Turbomachinery AB for USD 20 million that accounts for 50% of the purchase of two turbines, while the remaining will be paid in 24 installments as from August 2017. The turbines, generator, anchor bolts and chimneys are already at the plant.

Furthermore, in September 2016, negotiations were completed in connection with transformers, civil works for the project, chillers assembly, cooling tower and other ancillary works, enlargement of the 132 kv field. In addition, in November 2016, an agreement was signed with Siemens for the maintenance and supply of spare parts for USD 847 thousand payable in two installments of 50% each, with effective date as from the start of operations. In the first quarter of 2017, the mechanical and electric assembly was hired for $ 25 million. As of March 2017, USD 45 million have been invested. At the date of presentation of these interim condensed financial statements, the works for the CTMM project have a 98% degree of completion.

NOTE 1: GENERAL INFORMATION (Cont'd)

New projects (Cont'd)

Resolution No. 21/16

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 Central Térmica Ezeiza stage I and II 150 MW and CTI 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 Central Térmica Independencia

In relation to Resolution No. 21/16 previously described, an extension began by 100 MW the power generation capacity in CTI, through the installation of two Siemens SGT-800 turbines of 50 MW each. The estimated investment amounts to USD 82 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, a contract was signed with Siemens Industrial Turbomachinery AB for the purchase of the first 50 MW SGT-800 turbine. A payment was made on December 31, 2016 of 50% of the turbine, and the remainder will be paid in 24 installments as from September 2017. The turbine is already at the plant. The total value of this turbine amounts to USD 20.4 million.

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% was made, and in March 2017, the remaining 40% was paid. In September 2016, the Deferred Payment Agreement was executed for the remaining 50% which will be paid in 24 installments as from April 2018. On April 27, 2017, the pieces of the second turbine were shipped, which arrival is expected at the Zarate port on May 22, 2017. The shipping of the chimneys will be made on May 18, 2017, their arrival in Buenos Aires is expected by the end of June 2017. The value of the turbine amounts to USD 19.7 million.

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

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

During January 2017, the engineering and management services of the external natural gas work were hired for an amount of USD 6.2 million, together with the chillers and cooling towers assembly for USD 1.4 million. In March 2017, the mechanic and electric assembly was hired for $ 20 million, reaching an invested total of USD 23 million. At the date of presentation of the interim condensed separate financial statements, the progress of work of the CTI project is 96%.

Central Térmica Ezeiza

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 151.8 million.

NOTE 1: GENERAL INFORMATION (Cont'd)

New projects (Cont'd)

Central Térmica Ezeiza (Cont'd)

The work 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. In September 2016, a payment was made for 50% of the value of the first two turbines, and the remaining 50% will be paid in 24 installments as from September 2017. Both turbines are already at the plant. The total value of the turbines reaches USD 20.4 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% was made, and in March 2017, the remaining 40% will be paid. In September 2016, a deferred payment agreement (DPA) was signed for the remaining 50%, which will be paid in 24 installments as from April 2018. The value of the turbine amounts to USD 19.8 million. On April 27, 2017, the pieces of the third turbine were shipped, which arrival is expected at the Zarate port on May 22, 2017. The shipping of the chimneys will be made on May 18, 2017, their arrival in Buenos Aires is expected by the end of June 2017. In a similar manner, purchase agreements have been signed for three transformers of 75 MVA, Alfa Laval equipment and chillers, the construction of 132kv fields and the purchase of land in Ezeiza and civil works. In October 2016, two water tanks and one gas oil tank were acquired.

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

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

During the first quarter of 2017, engineering and management services of the external natural gas work were hired for an amount of USD 5.2 million. In addition, the installation of the gasoil and compressed air systems and drainages was awarded for USD 2.8 million. Services for the electric and civil works and the communication system were hired. At March 2017, USD 62 million were invested. At the date of presentation of the interim condensed separate financial statements, the progress of work of the CTE project is 92 %.

NOTE 2: BASIS FOR PRESENTATION

These interim condensed separate financial statements were prepared in accordance with IFRS issued by the IASB.

La presente información financiera condensada intermedia debe ser leída conjuntamente con los estados financieros de la sociedad al 31 de diciembre de 2016.

These interim condensed separate financial statements of the Company for the three-month period ended March 31, 2017 were prepared in accordance with IAS 34 "Interim Financial Reporting".

NOTE 2: BASIS FOR PRESENTATION (Cont'd)

The presentation in the interim condensed statement of financial position segregates current and non-current assets and liabilities. Current assets and liabilities are those which are expected to be recovered or settled within the twelve months after the end of the reporting period. In addition, the Company reports on the cash 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, provided to the elapsed period.

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

The preparation of these financial statements in accordance with IFRS requires making estimates and assessments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of issue of these financial statements, as well as the income and expenses recorded in the fiscal year.

The interim condensed separate financial statements for the three-month period ended March 31, 2017 and 2016 have not been audited. Company's management estimates that they include all adjustments necessary to reasonably present the results for each period.

The results for the three-month periods ended March 31, 2017 and 2016 do not necessarily reflect a proportionate percentage of the Company's results for the full year.

These interim condensed separate financial statements for the three-month periods ended March 31, 2017 and 2016 were approved for issuance by the Company's Board of Directors on May 12, 2017.

Comparative information

Balances at December 31, 2016 and for the nine and three-month periods ended March 31, 2016 disclosed for comparative purposes arise from 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.

NOTE 3: ACCOUNTING POLICIES

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

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

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

NOTE 4: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

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

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

NOTE 5: FINANCIAL RISK MANAGEMENT

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

These interim condensed separate financial statements do not include the information required for the annual separate financial statements regarding risk management. They must be read jointly with the financial statements corresponding to the fiscal year ended December 31, 2016. No significant changes have been made to risk management policies since the annual closing.

NOTE 6: INFORMATION ON SUBSIDIARIES AND ASSOCIATES

The Company carries its businesses through various subsidiaries and associates.

Below, the development of investments in subsidiaries and associates is disclosed for the three-month period ended March 31, 2017 and 2016:

	03.31.17	03.31.16
At the beginning of the period	**2,210,552,404**	**1,561,566,568**
Dividends	-	(9,215,000)
Other comprehensive income	-	22,153
Gain on investment in subsidiaries and associates	108,664,442	9,327,454
At the end of the period	**2,319,216,846**	**1,561,701,175**

NOTE 6: INFORMATION ON SUBSIDIARIES AND ASSOCIATES (Cont'd)

Below is a detail of investments and values of interest held by the Company in subsidiaries and associates for the three-month period ended March 31, 2017 and for the year ended December 31, 2016, as well as participation of the Company in the results of these companies at March 31, 2017 and 2016.

Name of the entity	Registered office of the entity	Main Activity	Ordinary Shares 1 vote	Value of the Group interest on net equity		Participation of the Group in the results		% of interest in		Latest financial statement [1]		
				03.31.17	12.31.16	03.31.17	03.31.16	03.31.17	12.31.16	Share Capital (face value)	Result for the year	Shareholders' Equity
Subsidiaries												
GMSA	Argentina	Electricity	131,263,543	1,994,238,951	1,681,616,610	111,941,229	31,303,063	95%	95%	108,664,442	108,664,442	108,664,442
GFSA[2]	Argentina	Electricity	-	-	200,681,112	-	(21,092,107)	-	95%	-	-	-
GROSA	Argentina	Electricity	16,473,625	30,138,910	33,990,638	(3,851,728)	1,532,313	95%	95%	17,340,658	(4,054,451)	31,725,160
GLSA	Argentina	Electricity	475,000	447,213	456,475	(9,262)	-	95%	95%	500,000	(9,750)	470,750
AVSA[3]	Venezuela	Oil Company	-	-	-	-	(70,774)	99.99%	99.99%	-	-	-
Associates												
Solalban Energía S.A.	Argentina	Electricity	73,184,160	294,391,772	293,807,569	584,203	(2,345,041)	42%	42%	174,248,000	1,390,959	700,932,789
				2,319,216,846	2,210,552,404	108,664,442	9,327,454					

(1) Information of the financial statements at March 31, 2017 converted to IFRS.

(2) Companies merged with GMSA within the framework of the merger through absorption process as described in Note 19.2

(3) Company liquidated at November 24, 2016

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

NOTE 7: CASH AND CASH EQUIVALENTS

	Note	03.31.17	12.31.16
Banks in local currency		96,547	128,121
Banks in foreign currency	20	4,777	23,523
Cash and cash equivalents (bank overdrafts excluded)		**101,324**	**151,644**

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

	03.31.17	03.31.16
Cash and cash equivalents	101,324	86,101
Bank overdrafts	-	-
Cash and cash equivalents (bank overdrafts excluded)	**101,324**	**86,101**

NOTE 8: OTHER LIABILITIES

	Note	03.31.17	12.31.16
Non-Current			
Other income to accrue		17,051,429	-
Related parties	15	356,250	356,250
		17,407,679	**356,250**
Current			
Other income to accrue		3,197,142	-
Related parties	15	146,980,466	149,916,999
		150,177,608	**149,916,999**

NOTE 9: LOANS

	03.31.17	12.31.16
Non-Current		
Negotiable obligations	218,266,709	218,266,709
	218,266,709	**218,266,709**
Current		
Negotiable obligations	56,750,873	56,657,120
	56,750,873	**56,657,120**

At March 31, 2017, total debt is $ 275 million. The following table shows our total debt at that date.

	Borrower	Principal	Balance as of March 31, 2017	Interest rate	Currency	Issues Date	Maturity date
			(Pesos)	(%)			
Debt securities							
Class I NO	ASA	$50,000,000	48,105,992	BADLAR + 5.5%	ARS	December 29, 2015	December 29, 2017
Class II NO	ASA	$ 220,000,000	226,911,590	BADLAR + 4%	ARS	October 25, 2016	October 25, 2018
Total financial debt			**275,017,582**				

NOTE 9: LOANS (Cont'd)

With the purpose of improving the financial profile of the company, on November 20, 2015 ASA, through Resolution 17,887, was granted authorization from the CNV 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 up to USD 100,000,000 (one hundred million US dollars) or its equivalent in other currencies, in one or more classes or series.

Class I Negotiable Obligations:

On December 29, 2015, the Company issued Class I Negotiable Obligations under the following conditions:

Principal: Nominal value: $ 70,000,000

Interest: Private Banks BADLAR rate plus 5.5%

Term and repayment: interest on Class I NO will be paid on a quarterly basis, past due, in the following dates: March 29, 2016; June 29, 2016; September 29, 2016; December 29, 2016; March 29, 2017; June 29, 2017; September 29, 2017, and December 29, 2017.

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

Funds obtained with the issue of the NO Class I were destined in full to the partial repayment of current liabilities that ASA holds with the related company RGA.

On October 25, 2016, Class II Negotiable Obligations were issued, subscribed partly in cash and the remainder through a swap for 28% of the Class I Negotiable Obligations, improving the Company's indebtedness profile profile (term and rate) and working capital. The amount paid was $ 19,500,000.

The remaining balance net of transaction costs pending amortization of that class at March 31, 2017 amounts to $ 48,105,992.

Class II Negotiable Obligations:

On October 25, 2016, the Company issued Class II Negotiable Obligations under the following conditions:

Principal: Nominal value: $ 220,000,000 (Pesos: two hundred twenty million)

Interest: Private Banks BADLAR rate plus 4%

Repayment term and method: Interest of Class II Negotiable Obligations will be paid on a quarterly basis, in arrears, on the following dates: January 25, 2017; April 25, 2017; July 25, 2017; October 25, 2017; January 25, 2018; April 25, 2018; July 25, 2018, and October 25, 2018.

The principal of the Class II NO will be amortized in three (3) consecutive installments, payable on a quarterly basis, with the first two equivalent to 30% and the third one equivalent to 40% of the nominal value of NO at the dates in which 18, 21 and 24 months respectively have elapsed, counted as from the date of issue, that is April 25, 2018; July 25, 2018 and October 25, 2018.

NOTE 9: LOANS (Cont'd)

Class II Negotiable Obligations (Cont'd)

Funds obtained with the issue of the NO Class II were destined in full to the partial repayment of current liabilities that ASA holds with the related company RGA.

The remaining balance net of transaction costs pending amortization of that class at March 31, 2017 amounts to $ 226,911,590.

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

	03.31.17	12.31.16
Floating rate		
Less than 1 year	56,750,873	56,657,120
Between 1 and 2 years	218,266,709	218,266,709
	275,017,582	**274,923,829**
	275,017,582	**274,923,829**

Company loans are denominated in the following currencies:

	03.31.17	12.31.16
Argentine Pesos	275,017,582	274,923,829
	275,017,582	**274,923,829**

Changes in Company loans during the fiscal year were as follows:

	03.31.17	03.31.16
Loans at beginning of year	274,923,829	67,578,627
Accrued interest	16,963,813	6,087,971
Interest paid	(16,870,060)	(5,745,545)
Loans at year end	**275,017,582**	**67,921,053**

NOTE 10: SELLING EXPENSES

	03.31.17	03.31.16
Taxes and rates	(117,229)	-
	(117,229)	-

NOTE 11: ADMINISTRATIVE EXPENSES

	03.31.17	03.31.16
Fees	(416,217)	(480,845)
Sundry	(11,020)	(7,209)
	(427,237)	**(488,054)**

NOTE 12: FINANCIAL RESULTS

	03.31.17	03.31.16
Financial costs		
Loan interest	(16,963,813)	(6,087,971)
Tax interest and others	-	(484)
Bank expenses and commissions	(216,429)	(84,126)
Total financial expenses	**(17,180,242)**	**(6,172,581)**
Other financial results		
Exchange rate differences, net	(452)	67,321
Total other financial results	**(452)**	**67,321**
Total financial results, net	**(17,180,694)**	**(6,105,260)**

NOTE 13: CAPITAL STATUS

Capital Status at March 31, 2017 is as follows:

Share Capital	Amount $	Date	Approved by Body	Date of registration with the Public Registry
Total as of December 31, 2011	**30,100,000**			
Capitalization of debt	10,000,000	12/31/2012	Extraordinary Shareholders' Meeting	09/16/2013
Capitalization of debt	20,000,000	12/30/2013	Extraordinary Shareholders' Meeting	09/25/2014
Capital reduction	(55,644,840)	07/16/2014	Ordinary Shareholders' Meeting	09/25/2014
Capitalization of debt	58,000,000	03/22/2016	Extraordinary Shareholders' Meeting	11/08/2016
Total as of March 31, 2017	**62,455,160**			

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; therefore, the share capital amounted to $ 62,455,160.

NOTE 14: EARNINGS PER SHARE

Basic

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

	03.31.17	03.31.16
Income for the period attributable to the owners:	93,872,094	2,837,715
Weighted average of outstanding ordinary shares	62,455,160	22,938,676
Basic and diluted earnings per share	**1.50**	**0.12**

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

NOTE 15: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) Operations for the period

	Relationship nature	03.31.17	03.31.16
		Gain / (Loss)	
Dividends earned			
GMSA	Subsidiary	-	9,215,000
		-	**9,215,000**
Incomes from guarantees granted			
CTR	Other related parties	223,800	-
GMSA	Subsidiary	575,486	-
		799,286	**-**

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

	Relationship nature	03.31.17	12.31.16
Other receivables			
Current			
Shareholders' accounts	Other related parties	147,861,358	147,861,358
CTR	Other related parties	4,140,728	373,000
GFSA[1]	Subsidiaries	-	37,300
		152,002,086	**148,271,658**
Trade payables			
Current			
RGA	Other related parties	16,245,830	16,245,830
		16,245,830	**16,245,830**
Other liabilities			
Non-current			
GLSA – Share capital not yet paid in	Subsidiaries	356,250	356,250
		356,250	**356,250**
Current			
GMSA	Subsidiaries	56,491,726	60,162,259
RGA	Other related parties	90,363,740	89,629,740
GLSA	Subsidiaries	125,000	125,000
		146,980,466	**149,916,999**

(1) Company absorbed by GMSA as from January 1, 2017.

NOTE 16: GUARANTEES GRANTED FOR FINANCIAL OPERATIONS WITH SUBSIDIARIES AND RELATED PARTIES

Below is a detail of guarantees granted by ASA for financial transactions of subsidiaries and related parties:

In favor of	Type of guarantee	Entity	Asset/destination	From	Until	Amount secured	Balances at March 31, 2017
GMSA-GFSA(2)-CTR	Guarantor(1)	Internacional Bond	Project financing	07/27/2016	07/27/2023	USD 250,000,000	USD 250,000,000
AJSA	Surety bond	SFG Equipment Leasing Corporation	Leasing aircraft Jet Lear 45XR	11/14/2008	01/21/2019	USD 7,330,000	USD 1,868,665
GMSA	Surety bond	BAF	Project financing	02/11/2016	02/15/2019	USD 40,000,000	USD 40,000,000
GMSA	Aval	Negotiable obligations	Class IV	07/15/2015	07/15/2017	$ 15,704,532	$ 15,704,532
GMSA	Guarantor	Siemens Industrial Turbomachinery AB	Acquisition of two turbines Siemens SGT 800 for GM	06/14/2016	07/14/2019	SEK 177,000,000	SEK 177,000,000
GMSA	Guarantor	Siemens Industrial Turbomachinery AB	Acquisition of three turbines Siemens SGT 800 for EZE	09/13/2016	03/13/2020	SEK 263,730,000	SEK 263,730,000
GMSA	Guarantor	Siemens Industrial Turbomachinery AB	Acquisition of two turbines Siemens SGT 800 for GI	09/13/2016	03/13/2020	SEK 175,230,000	SEK 175,230,000
GFSA(2)	Aval	Negotiable obligations	Class II	03/08/2016	03/08/2018	$ 130,000,000	$ 78,745,284
GFSA(2)	Guarantor	Banco de la Ciudad de Buenos Aires S.A.	Investment	07/08/2014	08/01/2017	$ 30,000,000	$ 7,309,031
GFSA	Guarantor	PW Power Systems, Inc.	Turbine financing	03/30/2016	Completion of contract	USD 12,000,000	USD 12,000,000
BDD	Surety bond	Banco Comafi S.A.	Leasing of bin and belt	02/01/2012	06/01/2017	EUR 39,007	EUR 3,436
GMSA	Surety bond	CAMMESA	Repair of machinery	12/31/2012	05/30/2019	$ 26,997,275	$ 15,185,967

(1) The Guarantee granted by ASA to the Co-Issuers of the International Bond GMSA, GFSA and CTR was approved by the Board of Directors on June 6, 2016 and the fees agreed upon as consideration for the services and responsibilities assumed are $ 22,380,000. These are allocated proportionally at the time of each disbursement of the International Bond

(2) Company absorbed by GMSA as from January 1, 2017 (See note 19.2)

NOTE 17: WORKING CAPITAL

At March 31, 2017, the deficit in working capital (understood as current assets minus current liabilities) amounted to $ 72,370,956.

With the aim of reducing the current deficit in working capital, ASA and its shareholders expect to execute the following action plan to continue paying the debt held by the Company with RGA, according to the following detail:

i) $79 million approximately corresponding to dividends expected to be received from subsidiaries and associates for the year 2016.

NOTE 18: BALANCE OF DEBT WITH RAFAEL G. ALBANESI S.A.

At March 31, 2017, the balance of trade payables and other liabilities with RGA amounted to $ 106,609,570.

To continue reducing the debt with the related party RGA, the Board of Directors and shareholders expect to execute the action plan detailed in Note 17 with the aim of partially settling it.

NOTE 19: MERGER

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

On November 10, 2015, GMSA, GISA, GLBSA and GRISA entered into a final merger agreement (the "Final Merger Agreement") whereby it started the merger through absorption process of GMSA with 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.

NOTE 19: MERGER (Cont'd)

1) GMSA – GISA – GLBSA – GRISA MERGER THROUGH ABSORPTION (Cont'd)

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 (GISA, GLBSA and GRISA) were fully transferred to GMSA, thus acquiring the ownership of all rights and obligations of GISA, GLBSA and GRISA, subject to the registration of the final merger agreement in the Public Registry under the Superintendency of Commercial Companies (IGJ); (b) GISA, GLBSA and GRISA were dissolved without liquidation, being absorbed by GMSA; (c) GMSA capital stock increased from $ 76,200,073 to $ 125,654,080, with the by-laws of the continuing company being amended.

On March 22, 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, which was submitted to the IGJ for its registration on May 18, 2016. Furthermore, on March 22, 2016, the CNV through Resolutions No. 18004 and 18006 approved the early dissolution of GISA and the transfer of the negotiable obligations for public offering from GISA to GMSA. The dissolutions without liquidation of GISA, GRISA and GLBSA were registered with the IGJ on May 18, 2016

2) GMSA – GFSA MERGER THROUGH ABSORPTION

On November 15, 2016, GMSA and GFSA entered into a final merger agreement (the "Final Merger Agreement GMSA - GFSA"), whereby it started the merger through absorption process of GMSA with the company GFSA (the "Corporate Reorganization GMSA - GFSA").

The GMSA-GFSA Corporate Reorganization comprises the same objectives and benefits as those mentioned for the merger described above and as mentioned in this case, the benefits mentioned will be obtained without involving tax costs, based on the fact that the GMSA-GFSA Corporate Reorganization will be tax free pursuant to Section 77 and subsequent sections of the Law No. 26839 - Income Tax Law.

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

In particular, at GFSA Shareholders' Meeting the following was also approved: (i) the early dissolution without liquidation of GFSA as a result of the merger, and its de-registration as a corporation in due course; (ii) the transfer to GMSA so that the latter may assume the obligations arising under the Class II and Class III 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.
Further, the Shareholders' Meeting of GMSA, within the framework of the merger process, among other issues, approved a capital increase from $ 125,654,080 to $ 138,172,150 by issuing 12,518,070 new ordinary registered non-endorsable shares of GMSA, of $1 par value each and entitled to 1 (one) voting right per share, considering the respective swap ratio, as from the effective merger date (January 1, 2017), delegating to the Board of Directors the power to decide when the new shares will be issued. Furthermore, as a result of that capital increase, it was resolved to approve the amendment to section 5 of the corporate bylaws.

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

NOTE 19: MERGER (Cont'd)

2) GMSA – GFSA MERGER THROUGH ABSORPTION

On March 2, 2017, the CNV through Resolution No. 18537 approved the described merger through absorption pursuant to the terms of Section 82 of the General Companies Law No. 19550 as well as the capital increase with the pertinent amendments to by-laws decided under the merger, and ordered that the file be sent to the IGJ for its registration, which was performed on March 17, 2017. Furthermore, through Resolution No. 18358 dated March 2, 2017, the CNV approved the dissolution without liquidation of GFSA, which was registered, with the IGJ on March 17, 2017. At the date of issue of these interim condensed financial statements, the Company was not notified of the Resolution by the CNV authorizing the transfer of the public offering from GFSA to GMSA.

NOTE 20: FOREIGN CURRENCY ASSETS AND LIABILITIES

Breakdown of balances in foreign currency of monetary assets and liabilities is as follows:

	03.31.17				12.31.16
	$				
Captions	**Class**	**Amount**	**Exchange rate at closing (1)**	**Amount recorded in pesos**	**Amount recorded in pesos**
ASSETS					
Current Assets					
Banks	USD	312	15.29	4,777	23,523
Total Current Assets				**4,777**	**23,523**
Total Assets				**4,777**	**23,523**

(1) Prevailing exchange rate at closing

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

NOTE 21: CLASSIFICATION OF RECEIVABLES AND DEBTS BY DUE DATES AND INTEREST ACCRUAL

The breakdown of the receivables and debts at March 31, 2017, according to collection or payment term and restatement clauses is detailed in the table below:

	Other Receivables	**Debts Trade payables**	**Income tax**	**Debts Taxes payable**	**Other liabilities**	**Loans**
			$			
To be due						
First quarter	4,148,682	-	94,962	2,709,818	799,286	8,085,337
Second quarter	383,100	-	-	-	799,286	14,538,512
Third quarter	147,861,358	-	-	-	799,286	14,538,512
Fourth quarter	1,113,671	-	-	-	799,286	19,588,512
More than one year	3,619,776	3,620,577	-	-	17,407,679	218,266,709
Subtotal	157,126,587	3,620,577	94,962	2,709,818	20,604,821	275,017,582
Past due	-	-	-	-	-	-
Without stated term	-	-	16,245,830	-	146,980,466	-
Total	**157,126,587**	**3,620,577**	**16,340,792**	**2,709,818**	**167,585,287**	**275,017,582**
Non-interest bearing	157,126,587	3,620,577	16,340,792	2,709,818	167,585,287	-
At fixed rate	-	-	-	-	-	-
At floating rate	-	-	-	-	-	275,017,582
Total at 03.31.2017	**157,126,587**	**3,620,577**	**16,340,792**	**2,709,818**	**167,585,287**	**275,017,582**

NOTE 22: SUBSEQUENT EVENTS

a) Shareholders' Meeting

The Ordinary Shareholders' Meeting held on April 18, 2017, approved, among other issues, the allocation of $2,438,532 to the Legal Reserve and of $101,010,691 to the Optional Reserve.

b) Approval of Class III Simple Negotiable Obligations Prospectus

On May 5, 2017, the Company's Board of Directors approved the prospectus and the pricing supplement with regard to the class III simple NO (not convertible into shares) for a total nominal value of up to $350,000,000.

NOTE 23: FINANCIAL STATEMENTS TRASLATION INTO ENGLISH LANGUAGE

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

ADDITIONAL INFORMATION REQUIRED BY SECTION 12, CHAPTER III, TITLE IV, OF THE NATIONAL SECURITIES COMMISSION REGULATIONS, FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2017

General matters referred to the activity of Albanesi S.A. (the Company)

1. Significant and specific legal regimes implying contingent decline or renewal of benefits comprised in these legal provisions.

   There are none.

2. Significant changes in the company activities or similar circumstances that took place during the fiscal years corresponding to the financial statements, that affect their comparability with those presented in previous years, or that could affect comparability with those to be presented in future years.

   There are none.

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

   See Note 21 to the interim condensed separate financial statements at March 31, 2017.

4. Breakdown of receivables and liabilities according to the financial impact of maintaining the balances.

   See Note 21 to the interim condensed separate financial statements at March 31, 2017.

5. General Companies Law.
   Percentage of participation in intercompany:

   See Note 6 to the interim condensed financial statements at March 31, 2017.

   Accounts payable and receivable with intercompany.

   See Note 17 to the interim condensed financial statements at March 31, 2017.

6. Trade receivables or loans against directors, syndics, members of the surveillance committee or their relatives in the second degree inclusive.

   See Note 17 to the interim condensed financial statements at March 31, 2017.

7. Frequency and scope of the physical inventory of materials and spare parts.

   The Company has no physical inventory of materials and spare parts.

Current values

8. Source of the data used in calculating the current values for the valuation of inventories, property, plant and equipment, and other significant assets.

   Not applicable.

Property, plant and equipment

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

   There are none.

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

    There are none.

Equity interest in other companies

11. Interests in other companies in excess of what is authorized by Sect. 31 of Law No. 19550.

    See Note 6 to the interim condensed financial statements at March 31, 2017.

Recoverable values

12. Criteria followed to determine significant recoverable values of the items Property, plant and equipment and Material and spare parts, applied as the limit to their accounting valuation.

    There are none.

Insurance

13. Insured items:

    Below is a detail of insured amounts by Albanesi S.A. and its subsidiaries

Kind os risk	**Insured amount 03-2017**	**Insured amount 12-2016**
Operational all risks – Material damage	USD 383,200,000	USD 383,200,000
Operational all risks – Loss of profit	USD 77,073,928	USD 68,073,928
Construction all risk – Plant enlargement- Material damage	USD 285,706,443	USD 285,706,443
Construction all risk – Plant enlargement– Alop	USD 99,746,356	USD 99,746,356
RC - Siemens STG-800	USD 5,000,000	USD 5,000,000
Civil Liability (primary)	USD 6,000,000	USD 6,000,000
Civil Liability (in excess)	USD 9,000,000	USD 9,000,000
Civil Liability of Directors and Executives (D&O)	USD 15,000,000	USD 15,000,000
Transportation turbines project	USD 103,890,000	USD 103,890,000
Automobile	$ 1,849,000	$ 1,849,000
Personal accidents	$ 750,000	$ 750,000
Personal accidents	USD 500,000	USD 500,000
Transport insurance, Argentine and international market	USD 10,000,000	USD 10,000,000
Director's bond	$ 1,450,000	$ 1,850,000
Customs bond	$ 1,285,961,802	$ 1,009,906,781
Bond business habilitation projects	$ 486,832,500	$ 499,810,500
Guarantee Project deals bond	$ 13,021,315	$ 14,017,389
Environmental bond	$ 5,237,473	$ 5,237,473
Technical equipment insurance	USD 121,820	USD 129,280
Life insurance – mandatory life insurance	$ 41,480	$ 33,330
Life – group life insurance (LCT)	Disability: 1 salary per year Death: 1/2 salary per year	Disability: 1 salary per year Death: 1/2 salary per year
Life – Additional group life insurance	24 salaries	24 salaries

Insurance is bought at market values, which widely cover accounting values.

Operational all risk:

The all-risk insurance covers for all the risks of loss or physical damage caused to property owned by or under the charge of the insured while situated in the place(s) described in the policy, provided that such damage occurs accidentally, suddenly or unexpectedly, and makes it necessary to repair and/or replace such property as a direct consequence of any of the risks covered by the policy. This policy includes coverage of loss of profits, with the aim of covering the losses caused by the interruption of the activities as a result of the accident, both as regards the profit that is no longer obtained and the expenses the Company continues to bear despite its inactivity, such that the insured may be in the same financial situation as if the accident had not occurred.

Construction all risk and Alop:

Construction all risk covers all damages that either accidentally or unexpectedly occur in the civil works during its execution, including those caused by natural phenomena, except exclusions.

As for the coverage for the delay in the start-up (Alop) the expected margin of the business for the sale of energy an power is insured, discounting variable costs during the period of repair or replacement of the event occurred.

Civil liability:

These policies cover underlying civil liability of the insured, as a result of injuries and/or death of third parties and/or damages to property of third parties, caused and /or derived from the development of the insured activity and product liability, subject to the terms, conditions, limitations and exclusions contained in the policy.

They are structured as follows:
An individual policy for each of the Group companies was taken out, with a compensation limit of USD 1,000,000 - per event and two reinstatements during the effective term of the policy.

In addition, an insurance policy common to all companies has been taken out with a compensation limit of USD 9,000,000- per event and during the effective term of the policy in excess of USD 1,000,000 - (individual policies), with two reinstatements exclusively for operations liability and without reinstatement for product liability.

Civil liability of Directors and Executives (D&O)

This policy covers all actions or decision making of directors and/or executives as such, outside the professional service or company where they work; for example, dismissal of employees, hirings, financial decisions, advertising and marketing, merger or acquisitions, shareholders' statements, accounting records, which may be performed with negligence or fault, error or imprudence and cause an economic damage to an employee, shareholder or third party.It does not cover malicious intent.

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

It covers the personal equity of the present, past or future directors and/or executives, and to the company for capital market issues.

Transport insurance:

The Company has an insurance policy that covers transportation of all generators of Albanesi Group under the modality of sworn statement to be presented monthly in arrears. It covers losses or damages of goods of the insured as a result of its mobilization during transportation, which may be international, national or urban, either by land, air or sea.

Mandatory life insurance:

Mandatory life insurance is a coverage that the employer has mandatorily to take out on behalf of its employees. It covers the risk of death of worker on an employment relationship, for any cause, without limitations of any kind, 24 hours a day, in or outside the country.
The insured amount is $ 33,330, as established by the National Insurance Superintendency.

Life insurance (LCT, employment contract Law):

This insurance covers underlying obligations from the Employment Contract Law, in case the company has to pay compensation in case of a total and permanent disability or death of the employee, whichever the case.

Group Life insurance:

The Company has taken out a group life insurance policy, on behalf of all Group employees. It grants compensation in case of death, double severance pay in case of accidental death, partial losses due to accident, advances for terminal diseases, organ transplant and birth of child after death.

Automobile insurance:

This insurance covers the damage to own vehicles as well as extra-contractual civil liability of the owner, user or driver of the automobile involved in an accident where third parties are injured or die.

Customs Guarantees:

- Temporary imports: this guarantee avoids the payment of pertinent duties for the entry of goods into the country, provided that they are exported in a term determined, at which time the guarantee is released.

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

Directors' bond:

It is the guarantee required by the General Companies Law (Law 19550, section 256, paragraph 2) from directors of corporations and members of the administrative bodies of other companies (LLC, joint stock company). This guarantee covers the Company in case of non-compliance with obligations by Directors or Managing partners while performing their duties.

Environmental bond:

The environmental bond for damage with group incidence covers the environmental bond established by the General Law on Environment 25675, section 22 in agreement with the provisions of enforcement authorities.

Financial bond:

It guarantees that the money received by the customer on account of advance, will be applied to the effective compliance with the contract agreed upon .

Positive and negative contingencies

14. Elements considered to calculate provisions whose balances, considered individually or in the aggregate, exceed 2% of the equity.

    There are no changes as to the information timely provided.

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

    There are none.

Irrevocable contributions on account of the future subscription of shares

16. Status of the procedure for its capitalization.

    There are none.

17. Unpaid cumulative dividends on preferred shares.

    There are none.

18. Conditions, circumstances or terms for the cease of restrictions on the distribution of unappropriated earnings.

    There are none.

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

REVIEW REPORT ON THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS

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

Introduction

We have reviewed the accompanying interim condensed separate financial statements of Albanesi S.A. which comprise the separate statement of financial position at March 31, 2017, the separate statement of comprehensive income for the three-month period ended March 31, 2017, the separate statements of changes in equity and of cash flows for the three-month period then ended, and the selected explanatory notes.

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

Board's responsibility

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

Scope of our review

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

Price Waterhouse & Co. S.R.L. es una firma miembro de la red global de PricewaterhouseCoopers International Limited (PwCIL). Cada una de las firmas es una entidad legal separada que no actúa como mandataria de PwCIL ni de cualquier otra firma miembro de la red.

Conclusion

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

Report on compliance with regulations in force

In accordance with current regulations, we report that:

a) the interim condensed separate financial statements of the Company are transcribed into the "Inventory and Balance Sheet" book and as regards those matters that are within our competence, they comply with the provisions of the General Companies Law and pertinent resolutions of the National Securities Commission;

b) the interim condensed separate financial statements of the Company stem from accounting records kept in all formal respects in conformity with legal regulations;

c) we have read the additional information to the notes to the interim condensed separate financial statements required by Section 12, Chapter III, Title IV, of the National Securities Commission regulations, on which we have no observation to make insofar as concerns matters within our field of competence;

d) as of March 31, 2017, there is no debt accrued in favor of the Argentine Integrated Social Security System;

Autonomous City of Buenos Aires, May 12, 2017

PRICE WATERHOUSE & CO. S.R.L.

Dr. Raúl Leonardo Viglione
(Partner)

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

Report of the Syndics' Committee

To the Shareholders of
Albanesi S.A.

1. Pursuant to the provisions of section 294 of the Law 19550 and National Securities Commission regulations, we have reviewed the accompanying interim condensed separate financial statements of Albanesi S.A. (hereinafter, "the Company") which comprise the statement of financial position at March 31, 2017, the statement of comprehensive income for the three-month period ended March 31, 2017, the statements of changes in equity and of cash flows for the three-month period then ended, and the selected explanatory notes. The balances and other information corresponding to the fiscal year 2016 are an integral part of the financial statements mentioned above; therefore, they must be considered in connection with these financial statements.

2. The Board of Directors of the Company is responsible for the preparation and presentation of the financial statements in accordance with International Financial Reporting Standards, adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and included by the National Securities Commission (CNV) in its regulations, as approved by the International Accounting Standards Board (IASB), and is therefore responsible for the preparation and presentation of the interim condensed separated financial statements mentioned in paragraph 1, in accordance with International Accounting Standard 34 "Interim Financial Information" (IAS 34). Our responsibility is to express a conclusion based on the review performed with the scope detailed in paragraph 3.

3. Our review was carried out in accordance with standards applicable to syndics. Those standards require that the procedures established in Technical Pronouncement No. 33 of the Argentina Federation of Professional Councils in Economic Sciences for limited reviews of interim financial statements be performed, and include verifying the consistency of the documents reviewed with the information on corporate decisions disclosed in minutes and the conformity of those decisions to the law and by-laws insofar as concerns formal and documentary aspects. To fulfill our professional duties, we have reviewed the work done by the external auditors, Price Waterhouse & Co. S.R.L., who issued their unqualified review report on the interim condensed separate financial statements on May 12, 2017. A review of interim financial information consists of making inquiries of the Company's personnel responsible for preparing the information included in the interim condensed separate financial statements and performing analytical and other review procedures. This review is substantially less in scope than an audit examination conducted in accordance with international standards on auditing and consequently it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the financial position, the comprehensive income and the cash flows of the Company. We have not assessed the administrative, financing, marketing or operating business criteria as these matters fall within the exclusive competence of the Board of Directors and Shareholders' meeting.

4. As indicated in Note 2, the interim condensed separate financial statements mentioned in paragraph 1 have been prepared in accordance with International Accounting Standard 34.

5. Based on our review, we are not aware of any significant modification to be introduced to the interim condensed separate financial statements mentioned in paragraph 1, for their presentation in accordance with the pertinent regulations of Law No. 19550, the National Securities Commission and standards mentioned in paragraph 2.

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

Autonomous City of Buenos Aires, May 12, 2017

For the Syndics' Committee

Marcelo Pablo Lerner
Full Syndic