

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

Interim condensed combined financial statements

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

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

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

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GLOSSARY OF TECHNICAL TERMS

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

Terms	Definitions
/day	Per day
AFIP	Federal Administration of Public Revenue
AFSA	Albanesi Fuegoína S.A.
AISA	Albanesi Inversora S.A.
AJSA	Alba Jet S.A.
AR GAAP	Argentine Generally Accepted Accounting Principles
ASA	Albanesi S.A.
AVRC	Alto Valle Río Colorado S.A.
AVSA	Albanesi Venezuela S.A.
BADCOR	Adjusted BADLAR rate
BADLAR	Interest rates paid by financial institutions on their time deposits for over one million pesos.
BCRA	Argentine Central Bank
BDD	Bodega del Desierto S.A.
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A.
CC	Combined cycle
CNV	National Securities Commission
CTR	Central Térmica Roca S.A.
CVP	Variable Production Cost
Dam ³	Cubic decameter Volume equivalent to 1,000 (one thousand) cubic meters.
Availability	Percentage of time in which the power plant or machinery, as applicable, is in operation (generating power) or available for power generation, but not called by CAMMESA
DMC	Minimum Availability Committed
DO	Target availability
DR	Registered availability
ENARSA	Energía Argentina S.A.
Energía Plus	Plan created under SE Resolution 1281/06
ENRE	National Electricity Regulatory Authority
EPEC	Empresa Provincial de Energía de Córdoba
FACPCE	Argentine Federation of Professional Councils in Economic Sciences
FONINVEMEM	Fund for investments required to increase the electric power supply in the WEM
GE	General Electric
GFSA	Generación Frías S.A.
GI	Generación Independencia located in San Miguel de Tucumán, province of Tucumán (merged with GMSA)
GISA	Generación Independencia S.A.

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Terms	Definitions
GLB	Generación La Banda located in La Banda, province of Santiago del Estero (merged with GMSA)
GLBSA	Generación La Banda S.A.
GLSA	Generación Litoral S.A.
GM	Generación Mediterránea located in Río IV, province of Córdoba
GMSA	Generación Mediterránea S.A.
GUDIs	Large Demand from Distributors, with declared or demanded supplies of over 300kW.
GUMAs	Major Large Users
GUMEs	Minor Large Users
GUPAs	Particular Large Users
GR	Generación Riojana located in La Rioja, province of La Rioja (merged with GMSA)
GRISA	Generación Riojana S.A.
GROSA	Generación Rosario S.A.
GW	Gigawatt Unit of power equivalent to 1,000,000,000 watts
GWh	Gigawatt hour Unit of energy equivalent to 1,000,000,000 watts hour
IAS	International Auditing Standards
IASB	International Accounting Standards Board
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
IGJ	Superintendency of Commercial Companies
kV	Kilovolt Unit of electromotive force which is equal to 1,000 volts
kW	Kilowatt Unit of power equivalent to 1,000 watts
kWh	Kilowatt hour Unit of energy equivalent to 1,000 watts hour
Large Users	WEM agents classified according to their consumption into: GUMAs, GUMEs, GUPAs and GUDIs
LGS	General Companies Law
LVFVD	Sales liquidations with maturity date to be defined
MAT	Futures market
MAPRO	Major Scheduled Maintenance
MMm3	Million cubic meters
MVA	Mega-volt ampere, unit of energy equivalent to 1 volt x 1 ampere x 10 ⁶
MW	Megawatt Unit of power equivalent to 1,000,000 watts
MWh	Megawatt hour Unit of energy equivalent to 1,000,000 watts hour
NO	Negotiable obligations
PWPS	Pratt & Whitney Power System Inc
SE Resolution 220/07	Regulatory framework for the sale of energy to CAMMESA through the "WEM Supply Contract" under Energy Secretariat Resolution No. 220/07
The Group	Includes the combined companies: Albanesi S.A. with its subsidiaries and Central Térmica Roca S.A.
WEM	Wholesale Electric Market administered by CAMMESA

Albanesi S.A. and Central Térmica Roca S.A.**Interim Condensed Combined Statement of Financial Position**

At June 30, 2016 and December 31, 2015

Expressed in Argentine pesos

	<u>Note</u>	<u>06.30.16</u>	<u>12.31.15</u>
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment, net	7	4,348,056,521	3,790,067,049
Investments in associates	8	248,870,745	243,127,929
Other investments		129,861	129,861
Deferred income tax assets		198,827	-
Other receivables		28,356,975	47,514,108
Trade receivables, net		118,848,145	3,886,527
Total Non-current Assets		4,744,461,074	4,084,725,474
CURRENT ASSETS			
Inventories		19,159,643	15,897,222
Income tax credit balance, net		5,121,021	2,020,791
Other receivables		720,576,905	223,769,581
Trade receivables, net		722,053,664	471,193,393
Other financial assets at fair value through profit and loss		-	194,997,831
Cash and cash equivalents	9	325,512,806	55,974,564
Total Current Assets		1,792,424,039	963,853,382
Total Assets		6,536,885,113	5,048,578,856

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

Albanesi S.A. and Central Térmica Roca S.A.
Interim Condensed Combined Statement of Financial Position (Cont'd)
At June 30, 2016 and December 31, 2015
Expressed in Argentine pesos

	Note	06.30.16	12.31.15
SHAREHOLDERS' EQUITY			
Share Capital	10	135,525,630	77,525,630
Legal reserve		2,005,413	62,505
Voluntary reserve		526,539	526,539
Revaluation reserve		1,459,402,937	1,492,035,429
Translation reserve		(2,942,300)	(2,857,973)
Other comprehensive loss		(1,603,279)	(1,594,964)
Retained earnings and accumulated losses		2,347,921	(29,846,948)
Equity attributable to the owners		1,595,262,861	1,535,850,218
Non-controlling interest		69,918,135	69,175,833
Total Shareholders' Equity		1,665,180,996	1,605,026,051
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions	13	8,125,610	9,949,496
Deferred income tax liabilities		683,277,445	650,963,827
Other liabilities		100,000,000	100,000,000
Defined benefit plans		6,131,450	4,819,097
Financial debts	12	2,783,531,400	1,254,250,757
Trade payables		182,782,705	157,068,465
Total Non-current Liabilities		3,763,848,610	2,177,051,642
CURRENT LIABILITIES			
Other liabilities		125,244,830	126,186,152
Social security debts		6,906,035	9,830,159
Defined benefit plan		857,422	857,422
Financial debts	12	634,698,186	784,621,813
Current income tax, net		110,902	729,121
Tax payables		26,385,572	16,717,980
Trade payables		313,652,560	327,558,516
Total Current Liabilities		1,107,855,507	1,266,501,163
Total Liabilities		4,871,704,117	3,443,552,805
Total Liabilities and Equity		6,536,885,113	5,048,578,856

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

Albanesi S.A. and Central Térmica Roca S.A.
Interim Condensed Combined Statement of Comprehensive Income
For the six and three-month periods ended June 30, 2016 and 2015
Expressed in Argentine pesos

		Six-month period at		Three-month period at	
	Note	06.30.16	06.30.15	06.30.16	06.30.15
Sales revenue	14	1,605,757,319	969,870,919	886,130,275	557,556,622
Cost of sales	15	(1,149,749,539)	(717,443,832)	(681,106,047)	(429,357,759)
Gross income		456,007,780	252,427,087	205,024,228	128,198,863
Selling expenses	16	(16,357,645)	(10,983,015)	(11,081,680)	(6,182,426)
Administrative expenses	17	(26,719,494)	(23,035,231)	(10,400,437)	(13,840,014)
Gain on investment in associates	8	5,742,816	1,069,442	8,087,857	440,494
Other operating income		-	17,092,645	(2,198,727)	17,092,645
Other operating expenses		(968,403)	(43,134,42)	(968,403)	(43,134,542)
Operating income		417,705,054	193,436,386	188,462,838	82,575,020
Financial income	18	9,749,201	4,510,366	6,976,331	1,630,599
Financial expenses	18	(237,824,297)	(102,400,173)	(111,640,144)	(50,336,821)
Other financial results	18	(107,287,101)	(46,708,149)	(29,255,717)	(14,497,485)
Financial results, net	18	(335,362,197)	(144,597,956)	(133,919,530)	(63,203,707)
Profit before income tax		82,342,857	48,838,430	54,543,308	19,371,313
Income tax		(38,440,003)	(10,144,334)	(23,430,384)	(215,221)
Profit from continuing operations		43,902,854	38,694,096	31,112,924	19,156,092
Discontinued operations	23	-	(13,594,726)	-	(8,541,530)
Net profit for the period		43,902,854	25,099,370	31,112,924	10,614,562
Other Comprehensive Income					
<i>Items that may be reclassified to profit/loss</i>					
Translation difference		(84,332)	(2,476,040)	(110,644)	27,380
<i>Items that will not be reclassified to profit/loss</i>					
(Loss) related to defined benefit plans		(13,463)	(19,166)	(6,730)	(9,583)
Impact on deferred income tax		4,713	6,708	2,356	3,354
Other Comprehensive Income (loss) for the period		(93,082)	(2,488,498)	(115,018)	21,151
Comprehensive income for the period		43,809,772	22,610,872	30,997,906	10,635,713
Income (Loss) for the period attributable to:					
Owners Equity		42,700,112	25,433,923	30,488,336	11,556,117
Non-controlling interest		1,202,742	(334,553)	624,588	(941,555)

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

Albanesi S.A. and Central Térmica Roca S.A.
Interim Condensed Combined Statement of Comprehensive Income (Cont'd)
For the six and three-month periods ended June 30, 2016 and 2015
Expressed in Argentine pesos

		Six-month period at		Three-month period at	
	Note	06.30.16	06.30.15	06.30.16	06.30.15
Income (Loss) for the period attributable to the owners of the Group:					
Continuing operations		42,700,112	38,009,462	30,488,336	19,356,542
Discontinued operations	23	-	(12,575,539)	-	(7,800,425)
		<u>42,700,112</u>	<u>25,433,923</u>	<u>30,488,336</u>	<u>11,556,117</u>
Comprehensive income (loss) for the period attributable to:					
Owners Equity		42,607,470	22,946,147	30,373,541	11,577,579
Non-controlling interest		1,202,302	(335,275)	624,365	(941,866)
Earnings (Loss) per share attributable to the owners of the Group					
Basic and diluted earnings per share from continuing operations	19	0.39	0.49		
Basic and diluted (loss) per share from discontinued operations	19	-	(0.16)		

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

Expressed in Argentine pesos

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

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

Interim Condensed Combined Statement of Cash Flows

For the six-month periods ended June 30, 2016 and 2015

Expressed in Argentine pesos

	Notes	06.30.16	06.30.15
Cash flow provided by operating activities:			
Net Income for the period		43,902,854	25,099,370
Adjustments to arrive at net cash flows from operating activities:			
Net income tax on continuing operations and discontinued operations		38,440,003	15,595,146
(Income) from investments in associates	8	(5,742,816)	(1,069,442)
Depreciation of property, plant and equipment	7	102,998,655	65,898,636
Amortization of Intangible assets		-	2,376
Fair value adjustments to other receivables and other liabilities		(5,695,574)	(1,757,324)
(Decrease) Increase in provisions	13	(1,823,886)	718,037
Doubtful debt expenses	13 & 16	3,870,073	-
Disposals of property, plant and equipment		-	696,979
Benefit plans accrual	15	1,298,888	923,359
Interest, exchange differences and other financial results		235,767,850	136,970,072
Income for sale of interests in subsidiaries		-	(17,085,139)
(Income)/Loss from changes in the fair value of financial instruments	18	(11,087,045)	6,137,443
Changes in operating assets and liabilities:			
(Increase) in trade receivables		(376,977,628)	(25,947,227)
(Increase) Decrease in other receivables ⁽¹⁾		(480,791,161)	54,016,257
(Increase) in inventories		(3,262,421)	(5,935,461)
(Decrease) in trade payables		(5,355,277)	(3,309,640)
Increase (Decrease) in other liabilities		10,061,390	(9,281,342)
(Decrease) Increase in social security and taxes liabilities		(3,318,291)	21,951,351
Cash flows (used in) generated from operating activities		(457,714,386)	263,623,451
Cash flow of investment activities:			
Dividend received		-	2,520,000
Proceeds from sale of investment in subsidiaries		-	108,026
Payments for the acquisition of property, plant and equipment	7	(504,876,574)	(148,318,478)
Subscription / redemption of mutual funds		183,543,719	(18,153,263)
Cash flow (used in) investment activities		(321,332,855)	(163,843,715)
Cash flow of financing activities:			
Dividends paid to non-controlling interest by the subsidiaries		(485,000)	(1,808,817)
Contributions of equity by the non-controlling interest		25,000	-
Repayment of financial debt and interest	12	(1,030,929,224)	(270,753,218)
Proceeds from financial debts		2,100,098,263	183,498,049
Cash flow generated from (used in) financing activities		1,068,709,039	(89,063,986)
INCREASE IN CASH AND CASH EQUIVALENTS		289,661,798	10,715,750
Cash and cash equivalents at the beginning of the period		(17,796,332)	13,318,988
Financial results of cash and cash equivalents		24,849,036	9,666,385
Cash, cash equivalents at the end of the period	9	296,714,502	33,701,123
		289,661,798	10,715,750

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Interim Condensed Combined Statement of Cash Flows (Cont'd)
For the six-month periods ended June 30, 2016 and 2015
Expressed in Argentine pesos

Material transactions not showing changes in cash	Notes	06.30.16	06.30.15
Acquisition of property, plant and equipment financed by financial institutions	7	(6,198,325)	(12,078,020)
Acquisition of property, plant and equipment not paid to suppliers	7	(28,291,953)	(66,348,976)
Purchase of components and spare parts not yet paid		-	(16,854,134)
Financial costs capitalized in property, plant and equipment	7	(121,621,275)	-
Other comprehensive income for the period		(93,082)	2,488,498
Balances offset on the sale of subsidiary		-	28,000,000
Capitalization of other debts		(58,000,000)	-
Withdrawal of property, plant and equipment not yet paid		-	4,593,872
Compensation for dividends allocated		41,194,827	-

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements
For the six-month periods ended June 30, 2016 and 2015
and the year ended December 31, 2015
Expressed in Argentine pesos

NOTE 1: GENERAL INFORMATION

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

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

New projects

The Group, through ASA and AISA, 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 410.5 million and would contribute 460 MW new to the national system, 400 MW in GMSA (ASA's subsidiary) and 60 MW in CTR (AISA's subsidiary).

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 18.2 million. The payment of the turbine Siemens SGT800 was completed in February 2016 and arrived at the plant in June 2016. The assembly of the turbine and auxiliary equipment has been contracted with Siemens. The power transformer has been bought and progress is being made with civil works as scheduled. Other necessary tasks for the assembly and set-up of the turbine have been also performed. Among the main investments, we can mention the installation of a gas compression plant, a water treatment plant and a gasoil separation plant. In addition, connections to the high-voltage network will be built, the gas distribution system of ECOGAS will be adjusted and a cooling system will be installed for the incoming air of the turbine. The total investment of the project amounts to USD 42.7 million. We estimate the start-up of commercial operations in the fourth quarter of 2016.

Furthermore, 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 80 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 combined financial statements, the Company completed payment to Siemens Industrial Turbomachinery AB of USD 21.7 million for the purchase of one of turbines and a deferred payment contract was signed with the supplier for the purchase of the other turbine. It is estimated that turbines will arrive at the plant in October 2016.

In addition, CTR began the project for the closure of the Power Plant combined cycle, in Rio Negro, and this means that an additional power of 60 MW will be incorporated to the current 130 MW turbine operating with gas and gasoil. Not only will this work provide extra power but will also be significant in environmental terms as it will not require additional fuel. The works will account for an investment of approximately USD 84.9 million. The start-up is expected in the first quarter of 2018.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 1: GENERAL INFORMATION (Cont'd)

New projects (Cont'd)

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

In relation to Resolution No. 21/16 previously described, we will proceed to enlarge by 100 MW the power generation capacity in GI, through the installation of two Siemens SGT-800 turbines of 50 MW each. The estimated investment amounts to USD 76.3 million. The enlargement will be completed in two stages, installing 50MW in each of them. We estimate that the commercial operation of the first stage will start in the third quarter of 2017, and the second stage in the first quarter of 2018.

On April 30, 2016, GMSA signed a contract with Siemens Industrial Turbomachinery AB for the purchase of a SGT-800 turbine of 50 MW. At June 30, 2016, an advance payment of USD 2.2 million has been made.

In relation to Resolution No. 21/16 previously described, we will build a new plant in the Province of Buenos Aires (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 125.2 million.

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

On April 30, 2016, GMSA signed a contract with Siemens Industrial Turbomachinery AB for the purchase of two SGT-800 turbines of 50 MW each.

At June 30, 2016, GMSA has paid a 10% advance to Siemens Industrial Turbomachinery AB under the purchase contract of two SGT-800 turbines, equivalent to USD 4.4 million.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 2: REGULATORY FRAMEWORKS APPLICABLE TO ELECTRICITY GENERATION

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

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

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

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

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

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

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

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

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

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

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

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

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

- 2) **Variable cost:** this is paid based on the electricity generated and the fuel used, and the value is the same for the technologies used by the Group. The prices recognized by new SE Resolution No. 22 are 46.30 \$/MWh for generation with natural gas (NG), 81.10 \$/MWh with gas oil (GO) and fuel oil (FO); while the former resolution recognized 33.10 \$ /MWh for generation with natural gas and 57.90 \$ /MWh with gas oil.
- 3) **Additional remuneration:** this is determined based on total generation and includes two elements: a portion that is collected directly by the generating companies, and another that is allocated to a trust for new investments.

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

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

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

- a) Sales to the Energía Base (SE Resolution 95/13 and amendments theretos) (Cont'd)
- 5) "2015-2018 Resource for FONINVEMEM investments" valued at 15.80 \$/MWh, and determined monthly, based on generated power. These accumulated funds will be used for new investments in electric power generation. As a WEM agent and as part of that agreement to increase available thermal power generation, this recognition will enable the Group to participate in the new investments that will be made to diversify the electric power generation plants at a national level.

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

The balance not recognized for this item amounts to \$23,923,310.

- 6) A new schedule of "Incentives to energy production and operating efficiency applicable to thermal power generation":
- Additional remuneration for production: a remuneration may be received based on the volume of energy produced during the year, varying according to the type of fuel. This increase will be applied to the variable costs at 15% for liquid fuel and 10% for gas/carbon, when it reaches an accumulated value of 25% and 50%, respectively, of the 92% annual generation.
 - Additional remuneration for efficiency: an additional remuneration may be received if the fuel consumption objectives are accomplished. Actual consumption will be compared to reference consumption for each machine and type of fuel on a quarterly basis. The difference percentage will be valued at the variable cost of operation and maintenance associated to the pertinent fuel, and recognized as additional remuneration.

NOTE 3: PURPOSE AND BASIS FOR PRESENTATION

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

a. Combination criteria

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

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

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

The combined financial statements include the following companies:

Company	Relationship	Country of creation	Main business activity	% of interest	
				06.30.16	12.31.15
CTR	-	Argentina	Generation of electric energy	100.00%	100.00%
ASA	-	Argentina	Investing and financial activities	100.00%	100.00%
GMSA	Subsidiary of ASA	Argentina	Generation of electric energy	95.00%	95.00%
GISA ⁽¹⁾	Subsidiary of ASA	Argentina	Generation of electric energy	-	95.00%
GRISA ⁽¹⁾	Subsidiary of ASA	Argentina	Generation of electric energy	-	95.00%
GLB ⁽¹⁾	Subsidiary of ASA	Argentina	Generation of electric energy	-	95.00%
GFSA	Subsidiary of ASA	Argentina	Generation of electric energy	95.00%	95.00%
GROSA	Subsidiary of ASA	Argentina	Generation of electric energy	95.00%	95.00%
GLSA	Subsidiary of ASA	Argentina	Generation of electric energy	95.00%	-
AVSA	Subsidiary of ASA	Venezuela	Oil Company	99.99%	99.99%

(1) Companies merged with GMSA within the framework of the merger through absorption process in accordance with Note 28.

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

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

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

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

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

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

These interim condensed combined financial statements for the six and three-month periods ended June 30, 2016 and 2015 were approved for issuance by the Combined Companies' Board of Directors on August 24, 2016.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 3: BASES OF PRESENTATION (Cont'd)

Comparative information

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

NOTE 4: ACCOUNTING POLICIES

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

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

At June 30, 2016 it is not possible to calculate the cumulative inflation rate over three years ended as of that date based on the official information published by INDEC (National Institute of Statistics and Census) since in October 2015 the Institute discontinued the calculation of the Wholesale Consumer Price Index ("IPIM", for its acronym in Spanish) and resumed calculation in January 2016.

At the end of the reporting period, the Board of Directors considers that the Argentine peso is not a currency of a hyperinflationary economy based on the guidelines set in IAS 29 and the government expectation that inflation levels will fall, and therefore these interim condensed combined financial statements have not been restated in constant currency.

However, over the last years, some macroeconomic variables affecting the Group's business, like salaries and input prices, have changed significantly. This situation must be considered when assessing and interpreting the Group's financial situation and results disclosed in these interim condensed combined financial statements.

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.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 4: ACCOUNTING POLICIES (Cont'd)

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

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

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

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

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

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

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

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

4.2) Advances to suppliers

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

At June 30, 2016, the Group recorded a balance of advance to suppliers of \$ 465,144,346.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 5: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

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

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

NOTE 6: FINANCIAL RISK MANAGEMENT

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

Captions	ORIGINAL VALUE				DEPRECIATION							Net book value	
	Value at beginning of the period	Increases/ Transfers (1)	Reclassification and/or disposals	Decrease due to deconsolidation	Revaluation Original value	Value at end of the period	Accumulated at beginning of period	For the period (2) and (3)	Decreases/ Transfers	Decrease due to deconsolidation	Revaluation Accum. depreciation		Accumulated at end of period
Land	82,936,021	2,477,951	-	-	-	85,413,972	-	-	-	-	-	-	85,413,972
Property Computer and office equipment	78,052,034	458,290	-	-	-	78,510,324	-	1,071,145	-	-	-	1,071,145	77,439,179
Vehicles	5,714,885	1,219,967	-	-	-	6,934,852	2,861,148	560,021	-	-	-	3,421,169	3,513,683
Facilities	2,989,293	1,078,341	-	-	-	4,067,634	1,062,118	318,627	-	-	-	1,380,745	2,686,889
Electrical facilities	212,856,957	139,375	-	-	-	212,996,332	54,239	5,799,073	-	-	-	5,853,312	207,143,020
Tools	27,532,711	-	-	-	-	27,532,711	8,290,707	1,921,774	-	-	-	10,212,481	17,320,230
Tanks	3,782,506	568,420	-	-	-	4,350,926	639,900	304,123	-	-	-	944,023	3,406,903
Pressure regulating station	13,026,620	-	-	-	-	13,026,620	4,231,755	879,567	-	-	-	5,111,322	7,915,298
Boiler	264,888	-	-	-	-	264,888	132,443	13,694	-	-	-	146,137	118,751
Civil works	97,914,915	-	-	-	-	97,914,915	30,318,749	6,706,601	-	-	-	37,025,350	60,889,565
Machinery	15,086,573	-	-	-	-	15,086,573	6,303,358	867,974	-	-	-	7,171,332	7,915,241
Furniture and fixtures	3,122,212,110	8,683,096	-	-	-	3,130,895,206	16,621,917	84,502,264	-	-	-	101,124,181	3,029,771,025
Filtration equipment	629,234	159,572	(1,800)	-	-	787,006	252,575	53,687	(1,800)	-	-	304,462	482,544
Assets under construction	1,691	-	-	-	-	1,691	634	105	-	-	-	739	952
Assets under construction on third party property	146,689,609	628,032,088	-	-	-	774,721,697	-	-	-	-	-	-	774,721,697
Inputs and spare parts	14,001,254	13,789,736	-	-	-	27,790,990	-	-	-	-	-	-	27,790,990
Total at 06.30.16	37,145,291	4,381,291	-	-	-	41,526,582	-	-	-	-	-	-	41,526,582
Total at 12.31.15	3,860,836,592	660,988,127	(1,800)	-	-	4,521,822,919	70,769,543	102,998,655	(1,800)	-	-	173,766,398	4,348,056,521
Total at 06.30.15	2,563,625,703	489,133,491	(5,770,965)	(107,756,915)	921,605,278	3,860,836,592	72,428,922	136,912,263	(512,498)	(20,322,586)	(117,736,558)	70,769,543	3,790,067,049
Total at 06.30.15	2,563,625,703	226,745,474	(5,294,074)	(10,836,744)	750,835,847	3,525,076,206	72,428,922	65,898,636	-	(5,762,790)	-	132,564,768	3,392,511,438

- (1) It includes the acquisition of assets of the project for the start-up and enlargement of the electricity generation plant.
(2) Depreciation was allocated in the cost of sale, selling and administrative expenses except for depreciation for discontinued operations for \$ 2,441,082 for the period 2015.
(3) Depreciation charges for the 2016 and 2015 periods were allocated to cost of sales, including \$ 45,860,491 and \$ 22,170,148 for a higher value from technical evaluation.

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 8: EQUITY INTEREST IN ASSOCIATE

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

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

	06.30.16	06.30.15
At the beginning of the period	243,127,929	183,358,371
Allocated dividends	-	(2,520,000)
Income from interests in associates	5,742,816	1,069,442
At the end of the period	248,870,745	181,907,813

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

Name of issuing entity	Main business activity	% of interest in		Equity value		Participation of the Group in the results Income	
		06.30.16	12.31.15	06.30.16	12.31.15	06.30.16	06.30.15
Associates Solalban Energía S.A.	Electricity	42%	42%	248,870,745	243,127,929	5,742,816	1,069,442
				248,870,745	243,127,929	5,742,816	1,069,442

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

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

Summarized statement of financial position:

	06.30.16	12.31.15
Total non-current assets	716,371,064	742,892,951
Total Current Assets	296,344,941	206,801,187
Total Assets	1,012,716,005	949,694,138
 Total Equity	 592,549,391	 578,876,022
 Total non-current liabilities	 209,904,520	 215,318,213
Total current liabilities	210,262,094	155,499,903
Total Liabilities	420,166,614	370,818,116
Total Liabilities and Shareholders' Equity	1,012,716,005	949,694,138

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 8: INVESTMENT IN ASSOCIATE (Cont'd)

Summarized statement of income and statement of comprehensive income:

	06.30.16	06.30.15
Sales revenue	415,440,207	279,321,189
Income for the period	13,673,369	2,546,292
Other comprehensive income	-	-
Total income for the period	<u>13,673,369</u>	<u>2,546,292</u>

Statement of cash flows:

	06.30.16	06.30.15
Funds generated by operating activities	10,917,000	33,411,111
Funds used in investment activities	(2,955,343)	(1,541,740)
Funds used in financing activities	(8,273,863)	(10,119,728)
(Decrease) / Increase in cash and cash equivalents for the period	<u>(312,206)</u>	<u>21,749,643</u>

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

NOTE 9: CASH AND CASH EQUIVALENTS

	06.30.16	12.31.15
Cash	338,154	317,376
Checks to be deposited	9,986,018	2,675,095
Banks	78,270,723	31,848,107
Mutual funds	236,917,911	21,133,986
Cash and cash equivalents (bank overdrafts excluded)	<u>325,512,806</u>	<u>55,974,564</u>

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

	06.30.16	6.30.15
Cash and cash equivalents	325,512,806	69,703,520
Bank overdrafts (Note 12)	(28,798,304)	(36,002,397)
Cash and cash equivalents (bank overdrafts included)	<u>296,714,502</u>	<u>33,701,123</u>

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 10: CHANGES TO CAPITAL STATUS

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

	<u>06.30.16</u>	<u>12.31.15</u>
Albanesi S.A.	62,455,160	4,455,160
Central Térmica Roca S.A.	73,070,470	73,070,470
	<u>135,525,630</u>	<u>77,525,630</u>

On March 22, 2016, the Extraordinary Shareholders' Meeting of ASA decided to increase its capital in the amount of \$ 58,000,000, with the share capital amounting to \$ 62,455,160. Currently, the capital increase is pending approval by the National Securities Commission; once approved, it must be registered.

NOTE 11: RESTRICTIONS ON PROFITS DISTRIBUTION

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

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

NOTE 12: FINANCIAL DEBT

<u>Non-Current</u>	<u>06.30.16</u>	<u>12.31.15</u>
CAMMESA	187,253,495	207,353,297
Finance leases	3,738,956	2,218,344
Syndicated Borrowing	264,269,165	308,373,719
ICBC borrowing	36,985,000	63,495,000
Negotiable obligations	828,377,974	550,703,146
UBS borrowing	-	90,857,513
BAF borrowing debt	595,302,462	-
Credit Suisse borrowing debt	831,947,241	-
Other bank debts	35,657,107	31,249,738
	<u>2,783,531,400</u>	<u>1,254,250,757</u>

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

<u>Current</u>	<u>06.30.16</u>	<u>12.31.15</u>
Bank overdraft	28,798,304	73,770,896
Finance leases	2,092,050	3,255,698
Other borrowings	150,410,489	131,612,014
UBS borrowing	-	170,172,470
BAF borrowing	3,613,287	-
Credit Suisse borrowing	56,616,916	-
Syndicated Borrowing	189,891,140	147,427,110
ICBC borrowing	33,430,444	6,507,192
Negotiable obligations	163,096,234	245,127,113
CAMMESA	6,749,322	6,749,320
	<u>634,698,186</u>	<u>784,621,813</u>

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

	<u>06.30.16</u>	<u>12.31.15</u>
Fixed rate:		
Less than 1 year	24,799,210	251,637,934
Between 1 and 2 years	-	90,857,513
Between 2 and 3 years	595,302,462	-
	<u>620,101,672</u>	<u>342,495,447</u>
Floating rate:		
Less than 1 year	609,898,976	532,983,879
Between 1 and 2 years	1,093,913,158	747,907,590
Between 2 and 3 years	502,081,540	167,232,433
More than 3 years	592,234,240	248,253,221
	<u>2,798,127,914</u>	<u>1,696,377,123</u>
	<u>3,418,229,586</u>	<u>2,038,872,570</u>

Group financial debt are denominated in the following currencies:

	<u>06.30.16</u>	<u>12.31.15</u>
Argentine Pesos	1,657,747,856	1,523,617,360
US dollars	1,760,481,730	515,255,210
	<u>3,418,229,586</u>	<u>2,038,872,570</u>

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

	<u>06.30.16</u>	<u>06.30.15</u>
Financial debts at beginning of year	2,038,872,570	1,287,546,345
Financial debts received	2,106,296,588	195,576,069
Financial debts paid	(778,882,511)	(163,918,748)
Accrued interest	264,449,197	116,347,987
Interest paid	(252,046,713)	(106,834,470)
Exchange difference	75,999,423	28,175,740
Bank overdraft	(44,972,592)	7,256,783
Decrease for sale of investment in subsidiaries	-	(910,109)
Capitalized financial expenses	8,513,624	(6,807,760)
Financial debts at closing	3,418,229,586	1,356,431,837

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

The balance of the financial debt at June 30, 2016 amounts to \$3,418 million. The following table shows the Group's financial debt at that date.

	Borrower	Principal	Balance as of June 30, 2016 (Argentine Pesos)	Interest rate (%)	Currency	Issuance date	Maturity date
Financial debts							
BAF	GMSA	USD 40,000,000	598,915,749	10%	USD	February 11, 2016	February 15, 2017
Credit Suisse	GMSA	USD 60,000,000	888,564,157	Libor + 9.625%	USD	June 01, 2016	June 03, 2021
ICBC	GMSA	\$ 70,000,000	70,415,444	BADCOR + 5.5%	ARS	July 02, 2015	August 08, 2019
Syndicated Borrowing ICBC/ ITAU/ BST/ Chubut/ BNA/ Hipotecario/ Ciudad	GMSA	\$ 90,000,000	40,540,692	BADCOR + 6.25%	ARS	July 28, 2010	May 9, 2017
Syndicated Borrowing ICBC/ BST/ Hipotecario	GFSA	\$ 100,000,000	109,212,347	BADLAR + 6.25%	ARS	March 31, 2015	March 31, 2021
Syndicated Borrowing - International tranche	CTR	USD 30,000,000	272,528,829	Libor + 12%	USD	January 20, 2012	January 20, 2019
Syndicated Borrowing BICE/Hipotecario	CTR	\$ 40,000,000	31,878,437	BADLAR + 6.25%	ARS	September 29, 2015	October 29, 2019
Subtotal			<u>2,012,055,655</u>				
Debt securities							
Class IV NO	GMSA	\$ 54,858,140	56,309,289	BADLAR + 6.5%	ARS	July 17, 2015	July 17, 2017
Class V NO	GMSA	\$ 200,000,000	195,702,443	BADLAR + 4%	ARS	June 30, 2016	June 30, 2018
Class I NO	GFSA	\$120,000,000	95,222,116	BADLAR + 5.4%	ARS	September 29, 2014	September 29, 2017
Class II NO	GFSA	\$ 130,000,000	130,605,314	BADLAR + 6.5%	ARS	March 8, 2016	March 8, 2018
Class I NO	ASA	\$ 70,000,000	68,161,594	BADLAR + 5.5%	ARS	December 29, 2015	December 29, 2017
Class II NO	CTR	\$ 270,000,000	277,799,630	BADLAR + 2%	ARS	November 17, 2015	November 17, 2020
Class III NO	CTR	\$ 170,262,333	167,673,822	BADLAR + 5.76%	ARS	June 10, 2016	June 10, 2018
Subtotal			<u>991,474,208</u>				
Other financial debts							
CAMMESA			194,002,817				
Other financial debts			186,067,596				
Bank overdrafts			28,798,304				
Finance leases			5,831,006				
Subtotal			<u>414,699,723</u>				
Total financial debts			<u><u>3,418,229,586</u></u>				

The main financial debts detailed by company are shown below.

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

A.1) Borrowing from Credit Suisse International

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

A.1) Borrowing from Credit Suisse International (Cont'd)

Interest: Three month LIBOR rate + 9.625%.

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

The balance of the loan at June 30, 2016 amounts to \$888,564,157. The remaining principal balance at the date of presentation of the interim condensed combined financial statements amounted to USD 60,000,000.

In compliance with the provisions of the executed agreement, at the date these interim condensed combined financial statements were signed the amount of USD 60 million had been deposited into a restricted account in favor of Credit Suisse. Upon compliance with the minimum permanence time frames, as required under current regulations, the loan will be fully repaid before maturity. These are the proceeds from the issuance of the International Bond disbursed on July 27, 2016 (See Note 31.a).

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

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

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

The most relevant provisions are the following:

Principal: nominal value: USD 40,000,000

Interest: fixed rate 10% annual.

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

The remaining balance for that borrowing at June 30, 2016 is \$598,915,749. The remaining principal balance at the date of presentation of the interim condensed combined financial statements amounted to USD 40,000,000.

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

A.3) Syndicated borrowing

On July 28, 2010, GMSA took out a Syndicated Loan through a Loan Offer sent to Standard Bank Argentina S.A., Banco Itaú Argentina S.A., Banco de Servicios y Transacciones S.A., Banco del Chubut S.A., Banco de la Nación Argentina S.A., Banco Hipotecario S.A. and Banco de la Ciudad de Buenos Aires S.A. to finance the extension of the plant so as to obtain extra 60 MW by installing a new gas turbine, and to partially pre-settle the debt with Credit Suisse bank.

On September 21, 2011, GMSA executed an amendment to the Loan Offer, including HSBC Bank Argentina S.A. and Banco de la Provincia de Córdoba S.A. as lenders, to pre-settle all of the liabilities existing with Credit Suisse bank at that date.

On March 22, 2013 GMSA executed a second amendment to the Loan Offer to partially prepay the loan by means of a future issuance of Negotiable Obligations, and to define new repayment periods in line with the issuance of the Negotiable Obligations.

On May 21, 2013, GMSA issued Negotiable Obligations and made a pre-settlement of principal in the amount of \$57,318,000 with funds from that issuance.

On May 8, 2014 GMSA made a third amendment to the Loan Offer by virtue of which, on May 9, 2014, a partial pre-settlement of the loan was made for \$ 54,508,500 of principal.

Additionally, new settlement terms were agreed and guarantees provided were released under the loan.

The most relevant provisions are the following:

Principal: The total principal amount due was \$ 90,000,000, after the pre-settlement mentioned above.

Interest: Adjusted BADLAR rate plus a margin of 6.25%.

Repayment: Interest is settled on a quarterly basis from the date the last amendment entered into force (May 9, 2014). Principal will be settled in 11 (eleven) quarterly installments as from November 10, 2014, the last installment becoming due on May 9, 2017.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

A.3) Syndicated borrowing (Cont'd)

Main contractual requirements: The Loan Offer establishes certain guidelines relating to compliance with covenants involving financial ratios (leverage, minimum equity and EBITDA on interest expenses) to be submitted on a quarterly basis.

The amendment also establishes the assignment of collection rights under energy sales contracts and the posting of a bond by ASA and making available the annual financial statements and quarterly reviews.

The balance of the loan at June 30, 2016 amounts to \$ 40,540,692. The remaining balance of the loan principal at the date of issuance of the interim condensed combined financial statements amounts to \$29,700,000.

GMSA obtained from Industrial and Commercial Bank of China (ICBC), as arranger, lender and administrative agent, a waiver of compliance with certain commitments assumed by GMSA. Specifically, it requested a waiver of compliance of the Leverage ratio under clause 8.21 of the loan agreement until June 30, 2016.

At the date of these interim condensed combined financial statements, the debt has been fully repaid with the proceeds from the issuance of the International Bond disbursed on July 27, 2016. With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided thereunder and, at the date of issue of these interim condensed combined financial statements, GMSA is in the process of documenting the necessary formalities for such purpose (See Note 31.a).

A.4) Negotiable obligations

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

At June 30, 2016 there are Class IV and Class V (GMSA) negotiable obligations outstanding, issued by the Company for the amounts and under the following conditions:

Class V Negotiable Obligations:

Principal: Nominal value: \$200,000,000

Interest: Private Banks BADLAR rate plus 4%

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

A.4) Negotiable obligations (Cont'd)

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

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

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

The balance of the loan at June 30, 2016 amounts to \$195,702,443.

Class IV Negotiable Obligations (GMSA):

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

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.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

A.4) Negotiable obligations (Cont'd)

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

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

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

The balance of the loan at June 30, 2016 amounts to \$56,309,289.

On July 25, 2016, outstanding Class IV Negotiable Obligations for \$9,271,200 were repurchased, and Negotiable Obligations for a nominal value of \$54,208,000 remain outstanding, of which Negotiable Obligations for \$44,936,800 are in the possession of holders other than the issuer.

Class III Negotiable Obligations (GISA):

Principal: nominal value: \$ 68.500.000

Interest: Private banks BADLAR rate plus a 6.5% margin.

Repayment: Interest on Class III Negotiable Obligations will be paid on a quarterly basis, in arrears, on the following dates: (i) May 6, 2015; (ii) August 6, 2015; (iii) November 6, 2015; (iv) February 6, 2016; (v) May 6, 2016; (vi) August 6, 2016; (vii) November 6, 2016; and (viii) February 6, 2017.

Principal on Class III Negotiable Obligations will be repaid in three quarterly installments: the first two equivalent to 30% of the nominal value of Class III Negotiable Obligations, and the third installment, to 40% of the nominal value, on the following dates: (i) August 6, 2016; (ii) November 6, 2016; and (iii) February 6, 2017. Maturity date of Class III Negotiable Obligations: February 6, 2017.

The funds were allocated to settle financial debt and to working capital.

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 GMSA's working capital and indebtedness profile (term and rate). The amount repaid of Class III Negotiable Obligations totaled \$55,446,986. The Company repurchased the remaining balance of \$13,053,014, thus fully repaid Class III Negotiable Obligations (GISA).

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

A.5) Borrowing from ICBC (GISA)

On July 2, 2015 a loan agreement was entered into between GISA (the merged company), Industrial and Commercial Bank of China (Argentina) S.A. and RGA, the latter as surety. The purpose of the loan is to apply the funds received to finance working capital. The loan amount was \$ 70,000,000. The principal will be settled in 44 monthly installments, the first one of which must be paid on August 8, 2015; the loan accrues interest at Adjusted BADLAR rate plus a 5.5% annual nominal margin.

Furthermore, the loan agreement sets out certain contractual guidelines regarding compliance with the covenants related to financial indices (minimum equity requirements, EBITDA ratio on interest expenses and debt service coverage ratio) and indebtedness limits and EBITDA levels on a quarterly basis.

The balance of the loan at June 30, 2016 amounts to \$ 70,415,444. The remaining balance of the loan principal at that date is \$ 66,930,000.

On June 30, 2016, the Company obtained a waiver from ICBC, of the commitment taken on under clause 8 (v), regarding compliance with the leverage ratio.

At the date of signing of these interim condensed combined financial statements, the debt was repaid in full with the proceeds from the issuance of the International Bond, disbursed on July 27, 2016. With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided thereunder and, at the date of issue of these interim condensed combined financial statements, GMSA is in the process of documenting the necessary formalities for such purpose (See Note 31.a).

A.6) Borrowing from CAMMESA (GRISA)

At June 30, 2016 GMSA holds financial debts with CAMMESA for \$ 17,796,391, 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 turbine, control system, adapting the natural gas feeding system and other ancillary works.

This loan has a repayment period set in 48 monthly and consecutive installments, to which interest must be added applying the rate equivalent to the average return obtained by the Dispatch Management Agency (CAMMESA) on financial placements in the WEM. At the closing date of these interim condensed combined financial statements, 12 installments, equivalent to \$ 6,749,319, had been paid.

A.7) Borrowing from Banco Hipotecario S.A.

On October 19, 2015, GMSA took out a new loan from Banco Hipotecario S.A. for a total of \$ 8,200,000, to be repaid in 24 monthly installments; the first one was paid on November 16, 2015, accruing interest at BADCOR rate plus a 5.75% annual nominal margin. The remaining balance of principal on the loan at June 30, 2016 amounts to \$4,466,667.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

A.7) Borrowing from Banco Hipotecario S.A. (Cont'd)

At the date of these interim condensed combined financial statements, the debt has been fully repaid with the proceeds from the issuance of the International Bond disbursed on July 27, 2016 (See Note 31.a).

A.8) Borrowing from Banco de la Provincia de Córdoba S.A.

On June 8, 2015, GMSA borrowed \$5,000,000 from Banco de la Provincia de Córdoba S.A. to be amortized in 24 monthly installments. The remaining balance of principal corresponding to the loan at June 30, 2016 amounts to \$ 2,500,040.

On May 10, 2015, GMSA also borrowed \$5,000,000 from Banco de la Provincia de Córdoba S.A. to be amortized in 24 monthly installments. The remaining balance of principal corresponding to the loan at June 30, 2016 amounts to \$ 4,791,670.

At the date of these interim condensed combined financial statements, the debt has been fully repaid with the proceeds from the issuance of the International Bond disbursed on July 27, 2016 (See Note 31.a).

A.9) Borrowing from Banco Chubut

On December 16, 2015 GMSA took out a loan from Banco Chubut S.A., also with the aim of applying the respective funds to finance working capital. The loan amount was \$ 15,000,000. Principal will be amortized in 1 payment, which must be made on May 16, 2016, and the loan accrues interest at a fixed rate of 29.98%. On June 30, 2016 the debt has been fully repaid.

On February 3, 2016, GMSA borrowed \$5,000,000 from Banco Chubut S.A. Principal will be repaid in 4 monthly installments, accruing interest at a fixed rate of 29.98%. On June 30, 2016 the debt has been fully repaid.

On June 28, 2016, GMSA borrowed \$20,000,000 from Banco de Chubut S.A. Principal will be repaid in 10 monthly installments, accruing interest at a fixed rate of 38.45%. The remaining balance of principal on that loan at June 30, 2016 is \$20,000,000.

At the date of these interim condensed combined financial statements, the debt has been fully repaid with the proceeds from the issuance of the International Bond disbursed on July 27, 2016 (See Note 31.a).

A.10) Borrowing from Banco Ciudad

On October 8, 2015, GMSA took out a loan for \$ 20,000,000 from Banco Ciudad. Principal shall be amortized in 31 monthly installments (with a grace period of 5 months) and the first installment shall be paid on April 8, 2016, accruing interest at an annual nominal BADCOR rate, plus a margin of 3%. The purpose of the loan is to allocate the funds received to working capital.

At the date of these interim condensed combined financial statements, the debt has been fully repaid with the proceeds from the issuance of the International Bond disbursed on July 27, 2016 (See Note 31.a).

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

A.11) Borrowing from Banco Macro

GMSA took out a loan from Banco Macro on January 21, 2016. The loan amount was \$ 10,000,000. Principal shall be amortized in 6 monthly installments, accruing interest at an annual nominal BADCOR rate, plus a margin of 2%. The remaining balance of principal corresponding to the loan at June 30, 2016 amounts to \$ 2,500,000.

At the date of these interim condensed combined financial statements, the debt has been fully repaid with the proceeds from the issuance of the International Bond disbursed on July 27, 2016 (See Note 31.a).

A.12) Borrowing from Banco Supervielle

On February 04, 2016, GMSA took out a borrowing from Banco Supervielle. The borrowing amount was \$ 15,000,000. Principal will be repaid in 12 monthly installments, accruing interest at a fixed rate of 35%. The remaining balance of principal on that borrowing at June 30, 2016 is \$ 10,770,063.

At the date of these interim condensed combined financial statements, the debt has been fully repaid with the proceeds from the issuance of the International Bond disbursed on July 27, 2016 (See Note 31.a).

A.13) Borrowing from Nuevo Banco de la Rioja (GRISA)

On August 14, 2013 Nuevo Banco de La Rioja S.A. granted a loan to GRISA (the merged company), within the Credit Line for Productive Investment, BCRA Communication "A" 5380, for \$6,000,000.

This loan has a payment period of 36 monthly and consecutive installments, calculated applying the French system and accruing interest at a fixed rate of 15.25%. The remaining balance of principal corresponding to the loan at June 30, 2016 amounts to \$ 408,276.

On April 11, 2016, GMSA took out a borrowing from Nuevo Banco La Rioja S.A.. The borrowing amount was \$ 10,000,000. Principal will be repaid in 36 monthly installments, accruing interest at an annual BADLAR rate, plus a margin of 6% without exceeding 35%. The balance of the loan at June 30, 2016 amounts to \$ 9,847,799.

At the date of these interim condensed combined financial statements, the debt has been fully repaid with the proceeds from the issuance of the International Bond disbursed on July 27, 2016 (See Note 31.a).

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

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

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

The outstanding balance at June 30, 2016 amounts to \$ 19,135,319, including interest of \$ 429,274, net of transaction costs pending amortization. The objective was to finance the works required for the installation of 60 MW of generation capacity.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

B.2) Negotiable obligations

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

At June 30, 2016 there are Class I and Class II (GFSA) negotiable obligations outstanding, issued by the Company for the amounts and under the following conditions:

Class I Negotiable Obligations:

Principal: nominal value: \$ 120,000,000

Interest: private banks BADLAR rate plus 5.4 %

Repayment: Interest of Class I Negotiable Obligations will be paid on a quarterly basis, in arrears, on the following dates: (i) December 29, 2014; (ii) March 29, 2015; (iii) June 29, 2015; (iv) September 29, 2015; (v) December 29, 2015; (vi) March 29, 2016; (vii) June 29, 2016; (viii) September 29, 2016; (ix) December 29, 2016; (x) March 29, 2017; (xi) June 29, 2017 and (xii) September 29, 2017; or if that date was not a business day, the date for interest payment to be considered shall be the first immediate following business day.

Principal on Class I Negotiable Obligations shall be amortized in 7 quarterly installments, the first two equivalent to 10% of nominal value of Class I negotiable obligations, the following four installments to 15% and the last installment to 20% of their nominal value, payable on: (i) March 29, 2016; (ii) June 29, 2016; (iii) September 29, 2016; (iv) December 29, 2016; (v) March 29, 2017; (vi) June 29, 2017; (vii) September 29, 2017 or if that date was not a business day, on the first following business day.

Maturity date of Class I NO: September 29, 2017

The remaining balance net of transaction costs pending amortization of that Class at June 30, 2016 amounted to \$ 95,222,116 including interest of \$ 206,450.

At the date of signing of these interim condensed combined financial statements, the balance of Class I Negotiable Obligations has been fully paid, through the partial prepayment on July 6, 2016, with the issue of Class III Negotiable Obligations (see Note 31.a) and subsequent repurchase of the remaining balance. With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided thereunder and, at the date of issue of these interim condensed combined financial statements, GFSA is in the process of documenting the necessary formalities for such purpose.

Class II Negotiable Obligations:

Principal: nominal value: \$ 130,000,000

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

B.2) Negotiable obligations (Cont'd)

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

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

Maturity date of Class II NO: March 08, 2018

The net remaining balance of transaction costs pending amortization of that Class at June 30, 2016 amounted to \$ 130,361,990 including interest of \$ 2,611,993.

B.3) Syndicated borrowing

On March 31, 2015, Generación Frías S.A. entered into, jointly with Banco de Inversión y Comercio Exterior S.A. (BICE), Industrial and Commercial Bank of China Argentina S.A. (ICBC) and Banco Hipotecario S.A., a loan agreement for \$ 100 million. The first disbursement of \$ 90 million was made on April 1, 2015 and the second disbursement of \$ 10 million was made on April 21, 2015.

The loan had two tranches: (i) Tranche A for \$ 60 million, repayment term of 48 months and interest equivalent to adjusted BADCOR rate + 625 basic points; (ii) Tranche B for \$ 40 million, repayment term of 72 months and interest equivalent to BADLAR rate + 650 basic points.

Interest will be repaid on a quarterly basis from the first disbursement rate; the first date for payment of interest is July 1, 2015.

Principal will be repaid on a quarterly basis, with a grace period of 15 months as from the date of the first disbursement. For Tranche A, principal will be settled in 12 quarterly installments, the first one due on July 1, 2016 and the last one on April 1, 2019. For Tranche B, principal will be settled in 20 quarterly installments, the first one due on July 1, 2016 and the last one on April 1, 2021.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

B.3) Syndicated borrowing (Cont'd)

Funds obtained from the loan have been allocated to the works for the installation of the new turbine.

The outstanding balance of the loan net of transaction costs pending amortization at June 30, 2016 amounted to \$ 109,212,347 including interest of \$ 10,324,391.

The loan agreement has provisions relating to compliance with the covenants involving financial ratios and limits are set in relation to indebtedness, as well as the granting of guarantees. At June 30, 2016, debt ratios on EBITDA were complied with as well as the interest coverage ratio, agreed upon in the covenants of the loan in effect.

At the date of these interim condensed combined financial statements, the debt has been fully repaid with the proceeds from the issuance of the International Bond disbursed on July 27, 2016 (see Note 31.a). With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided thereunder and, at the date of issue of these interim condensed combined financial statements, GFSA is in the process of documenting the necessary formalities for such purpose.

B.4) Borrowing from Banco Provincia de Buenos Aires

On April 20 a loan agreement was signed with Banco de la Provincia de Buenos Aires S.A. for \$7,000,000. Interest is paid on a monthly basis and principal upon maturity on October 20, 2016.

The outstanding balance at June 30, 2016 amounts to \$7,284,140, including interest of \$284,140, net of transaction costs pending amortization.

At the date of signing of these interim condensed combined financial statements, the debt was repaid in full with the proceeds from the issuance of the International Bond, disbursed on July 27, 2016 (see Note 31.a).

B.5) Borrowing from Puente Hnos. S.A.

The loan obtained on October 22, 2015 which at the closing of the year 2015 recorded a balance of \$ 53,158,369 was fully repaid with the issue of Class II NO.

On May 20, 2016 a new loan for \$50,000,000 was granted and at June 30, 2016 the balance outstanding amounted to \$49,663,883.

The Company repaid this loan with the proceeds from the issuance of Class III Negotiable Obligations of July 6, 2016.

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

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

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

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

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

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

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

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

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

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

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

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

On March 13, 2012, GROSА executed a new loan agreement with CAMMESA, through which they formalized the financing of the second stage of the repair of the Sorrento Power Plant, with the purpose of extending the capacity for electricity generation to 130 MW, for an amount equivalent to \$ 190,480,000, shown under the caption Financial debts - non-current.

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 GROSА 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.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

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.

The amount of the financing requested through note to CAMMESA for the concept of third stage of the repair of the Unit TV13 is USD 11,749,652 (not including taxes).

On July 20 and August 24, 2015, at the request of CAMMESA, GROSA presented additional information in relation to the request for funds mentioned above, including a schedule of the disbursements and also a detailed description of the works to be performed. For each item (electricity, instruments, tanks, fuel oil, natural gas, river water and demi water system, thermal cycle, boiler, turbine and ancillary equipment), the technical reasons for the relevant investment requested were explained, with a brief description of the proposal for achieving the objective in each case.

On October 21, 2015 the ES partially accepted the request submitted by GROSA, through the Notes mentioned in the above paragraphs, and authorized financing for 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.

On December 18, 2015, GROSA filed a note before CAMMESA accompanying all the supporting documentation of the payments to the suppliers of materials and services corresponding to the works performed until that date, under the concept of third stage of the repair of the Unit TV13. The total amount of the documentation submitted on expenses paid is \$ 16,746,847 (including taxes).

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.

On June 15, 2016, a new note was sent to CAMMESA, substituting that submitted on December 18, 2015, to which all the supporting documentation was attached for the accumulated payments to suppliers of materials and services, corresponding to the works performed until May 2016. It was prepared under the new format requested by CAMMESA and for a total amount of \$ 25,038,168 (with taxes).

On June 30, 2016, CAMMESA made the first partial advance payment for \$ 10,000,000.

On July 15, 2016, a second note was filed with CAMMESA attaching payments to suppliers of materials and services for \$ 4,081,113 (with taxes), at June 30, 2016.

On July 21, 2016, CAMMESA made a second disbursement for \$ 15,000,000, completing the filings of payments made on June 15, 2016.

At June 30, 2016, the total balance for those financings amounts to \$176,206,426, which is disclosed in the caption non-current financial liabilities.

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

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

Class I Negotiable Obligations

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

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

Principal: Nominal value: \$ 70,000,000

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

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

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.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

E) FINANCIAL DEBT AGREEMENT – CENTRAL TERMICA ROCA S.A.

E.1) Syndicated Borrowing - International tranche

CTR sent on January 13, 2012 a loan offer to Credit Suisse A.G. London Branch, as Administrative Agent, in order to obtain the necessary funds for the repair of the turbine and the resumption of the power plant activity, together with the conversion of the plant so that it may operate both on natural gas and gas oil.

On January 20, 2012, Credit Suisse A.G. London Branch accepted the loan offer for an amount of USD 30,000,000 by disbursing USD 25,000,000 to CTR. An additional amount of USD 2,000,000 was disbursed during February and March 2012. The outstanding balance of USD 3,000,000 was disbursed in October 2012. Principal was repaid in 17 quarterly installments from January 20, 2013 until January 20, 2017 and interest would accrue at 3-month Libor rate + 12% margin.

On July 15, 2015, CTR successfully agreed to an amendment to the loan from Credit Suisse AG, London Branch, whereby the maturity dates of the financial tranche under that loan were rescheduled. This involves a considerable improvement of the Company's financial profile, reducing the concentration of debt maturities.

Below is a detail of the repayment schedule in effect, after the agreement to the loan amendment mentioned in the preceding paragraph, compared to the original schedule under the loan agreed on January 20, 2012.

Maturity date	Agreed - amendment 7.15.15	Original schedule
07/20/2015	USD 738,123	USD 2,109,714
10/20/2015	USD 738,123	USD 2,109,714
01/20/2016	USD 738,123	USD 2,109,714
04/20/2016	USD 738,123	USD 2,109,714
07/20/2016	USD 738,123	USD 2,109,714
10/20/2016	USD 1,230,205	USD 3,309,714
01/20/2017	USD 2,870,479	USD 7,000,000
04/20/2017	USD 1,500,000	-
07/20/2017	USD 1,500,000	-
10/20/2017	USD 1,500,000	-
01/20/2018	USD 1,500,000	-
04/20/2018	USD 1,500,000	-
07/20/2018	USD 1,500,000	-
10/20/2018	USD 1,500,000	-
01/20/2019	USD 2,566,985	-
Total	USD 20,858,284	USD 20,858,284

The offer mentioned has contractual provisions relating to compliance with the covenants involving financial ratios (Leverage, EBITDA on interest expenses and Debt service hedging ratio). In addition, limits are set in relation to indebtedness, equity, sale of property and investments.

CTR also has a reserve account with a foreign bank for USD 1,000,000.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

E) FINANCIAL DEBT AGREEMENT – CENTRAL TERMICA ROCA S.A. (Cont'd)

E.1) Syndicated Borrowing - International tranche (Cont'd)

CTR sent to Credit Suisse A.G. London Branch, in its capacity as Administrative Agent, a proposal for suspension until June 30, 2016 of compliance with ratios commitments relating to the leverage and indebtedness ratio. On March 10, 2016, a note from Credit Suisse A.G. London Branch was received giving its consent to the petition for suspension. The purpose of this change was to adjust the covenants of the loan to the new macroeconomic context after the devaluation of the peso in December 2015 and the issuance of class II NO for \$ 270,000,000 (see point 16.6) and the enlargement project that the plant currently has under way.

At June 30, 2016 the debt amounted to \$ 272,528,829, including interest of \$ 7,067,376, net of the transaction costs pending amortization of \$ 3,841,659. However, at the date of signing of these interim condensed combined financial statements, the debt was repaid in full with the proceeds from the issuance of the International Bond, disbursed on July 27, 2016. With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided through a trust agreement on the rights to collect proceeds from the sale of electricity, own assets and the foreign reserve account for USD 1,000,000 as well as the restriction to distribute or pay dividends. At the date of these interim condensed combined financial statements, CTR is formalizing this process. See Note 31.a

E.2) Borrowing from Banco Ciudad de Buenos Aires

On September 17, 2013, CTR borrowed \$ 10,000,000 from Banco Ciudad de Buenos Aires for a term of 36 months under Communication A 5449 of the BCRA.

Principal: \$ 10,000,000.

Interest: Principal accrues interest at a nominal annual rate of 15.25%, payable monthly.

Repayment: Interest will be paid monthly as from the loan agreement execution date. Principal will be repaid in 25 (twenty five) monthly installments as from September 22, 2014, maturing on September 22, 2016.

At June 30, 2016, the debt amounted to \$1,377,788, and at the date of these interim condensed combined financial statements, the principal amount due was \$921,234.

Additionally, on April 28, 2016, CTR borrowed \$15,000,000 from the bank for a term of 36 months.

Principal: \$ 15,000,000.

Interest: private banks BADLAR rates, payable on a monthly basis.

Repayment: Interest will be paid monthly as from the loan agreement execution date. Principal will be repaid in 30 (thirty) monthly installments as from November 28, 2016, maturing on April 28, 2019.

At June 30, 2016, the debt amounted to \$15,028,768, and at the date of these interim condensed combined financial statements, the principal amount due was \$921,234. At the date of signing of these interim condensed combined financial statements, the debt was repaid in full with the proceeds from the issuance of the International Bond, disbursed on July 27, 2016. See Note 31.a

E.3) Borrowing from Banco de Servicios y Transacciones

On August 8, 2014, CTR borrowed \$ 5,000,000 from Banco de Servicios y Transacciones for a term of 12 months.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

E) FINANCIAL DEBT AGREEMENT – CENTRAL TERMICA ROCA S.A. (Cont'd)

E.3) Borrowing from Banco de Servicios y Transacciones (Cont'd)

Principal: \$ 5,000,000.

Interest: Principal accrues interest at a nominal annual rate of 33.05%, payable monthly.

Repayment: Interest will be paid monthly as from the loan agreement execution date. Principal will be repaid in 12 (twelve) monthly installments as from September 8, 2014, maturing on August 8, 2015.

At June 30, 2016, the principal was repaid in full.

On August 12, 2015, CTR borrowed \$ 8,000,000 from Banco de Servicios y Transacciones for a term of 60 days.

Principal: \$ 8,000,000.

Interest: principal accrues interest at an annual rate of 33.50% at November 9, 2015, 36.5% at December 9, 2015 and January 11, 2016, and 41% at February 10, 2016.

Repayment: Interest will be paid monthly as from the loan agreement execution date. Principal will be repaid in 1 (one) instalment, maturing on October 11, 2015.

On October 13, November 9, December 9 and January 11, CTR agreed with the banking institution a change in the original maturity date, which was extended to February 10, 2016.

At June 30, 2016, the principal was repaid in full.

E.4) Borrowing from Banco Provincia de Buenos Aires

On October 20, 2014, CTR borrowed \$ 4,000,000 from Banco de la Provincia de Buenos Aires for a term of 24 months.

Principal: \$ 4,000,000.

Interest: BADLAR rate plus margin of 6% paid on a monthly basis.

Repayment: Interest will be paid monthly as from the loan agreement execution date. Principal will be repaid in 24 (twenty four) monthly installments as from November 20, 2014, maturing on October 20, 2016.

At June 30, 2016, the debt amounted to \$ 671,495, and at the date of these interim condensed combined financial statements, the debt was repaid in full with the proceeds from the issuance of the International Bond, disbursed on July 27, 2016. See Note 31.a

E.5) Borrowing from Banco Industrial

On May 22, 2015, CTR borrowed \$ 2,000,000 from Banco Industrial for a term of 8 months.

Principal: \$ 2,000,000.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

E) FINANCIAL DEBT AGREEMENT – CENTRAL TERMICA ROCA S.A. (Cont'd)

E.5) Borrowing from Banco Industrial (Cont'd)

Interest: BADCOR rate plus margin of 5%

Repayment: Interest will be paid monthly as from the loan agreement execution date. Principal will be repaid in 8 (eight) monthly installments as from June 22, 2015, maturing on January 22, 2016.

At June 30, 2016, the principal and interest was repaid in full.

E.6) Negotiable obligations

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

Class I Negotiable Obligations:

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

Principal: nominal value: \$ 80,000,000 (eighty million pesos)

Interest: BADLAR rate plus 5.5%

Interest of Class I NO will be paid on a quarterly basis, on arrears, on the following dates: (i) February 07, 2015; (ii) May 07, 2015; (iii) August 07, 2015; (iv) November 07, 2015; (v) February 07, 2016; (vi) May 07, 2016; (vii) August 07, 2016, and; (viii) November 07, 2016.

Repayment: The principal of Class I NO will be repaid in three installments, equivalent to 33%, 33% and 34%, respectively, of the nominal value of Class I Negotiable Obligations, on the following dates: (i) May 07, 2016; (ii) August 07, 2016, and; (iii) November 07, 2016.

Maturity date of Class I NO: November 07, 2016

With the issue of Class III Negotiable Obligations on June 10, 2016, \$ 41,743,233 Class I Negotiable Obligations were paid-in in kind. The remaining balance of principal for \$ 11,856,767 was repurchased by CTR, thus, at the date of closing of these interim condensed combined financial statements, I Negotiable Obligations has been fully paid.

Class II Negotiable Obligations:

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

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

Interest: BADLAR rate plus 2%

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

E) FINANCIAL DEBT AGREEMENT – CENTRAL TERMICA ROCA S.A. (Cont'd)

E.6) Negotiable obligations (Cont'd)

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

At June 30, 2016 the total debt for both classes of NO amounted to 277,799,630.

Class III Negotiable Obligations:

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

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

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

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

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

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

At June 30, 2016 the debt amounted to \$ 167,673,822.

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

E.7) Borrowing from Banco Provincia de Buenos Aires II

On August 5, 2015, CTR borrowed \$ 1,300,000 from Banco de la Provincia de Buenos Aires for a term of 12 months.

Principal: \$ 1,300,000.

Interest: BADLAR rate plus 7%

Repayment: Interest will be paid monthly as from the loan agreement execution date. Principal will be repaid in 1 (one) instalment, maturing on July 14, 2016.

At June 30, 2016, the debt amounted to \$1,316,615, and at the date of signing of these interim condensed combined financial statements, the debt was repaid in full with the proceeds from the issuance of the International Bond, disbursed on July 27, 2016. See Note 31.a

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

E) FINANCIAL DEBT AGREEMENT – CENTRAL TERMICA ROCA S.A. (Cont'd)

E.8) Syndicated Borrowing from Banco Hipotecario and Banco de Inversión y Comercio Exterior

On September 29, 2015 CTR took out a syndicated loan with Banco Hipotecario (lead arranger and lender) and Banco de Inversión y Comercio Exterior S.A. (lender) for a total of \$ 40,000,000 and a term of 48 months.

Principal: \$ 40,000,000

Interest: there are two tranches: Tranche A (\$ 20 million from Banco Hipotecario) = BADCOR + 6.25%, and Tranche B (\$ 20 million from Banco de Inversión y Comercio Exterior) = BADLAR + 6.25%

Repayment: Interest will be paid monthly as from the loan agreement execution date. Principal will be repaid in 48 (forty-eight) monthly installments as from October 29, 2015, maturing on October 29, 2019.

At June 30, 2016, the debt amounted to \$ 31,878,437, net of transaction costs pending amortization of \$ 621,563.

CTR obtained from Banco Hipotecario, as lead arranger, lender and administrative agent, and Banco de Inversión y Comercio Exterior S.A. the granting of a waiver of compliance with certain commitments assumed by CTR. Specifically, a waiver was requested of the leverage ratio set in clause 8.19 of the loan agreement and the limitations assumed when incurring the new financial debt that CTR assumed under clause 8.22. CTR received a formal acceptance of the waiver.

At the date of signing of these interim condensed combined financial statements, the debt was repaid in full with the proceeds from the issuance of the International Bond, disbursed on July 27, 2016. With the extinction of the above-mentioned obligations, the conditions are set to release the sureties granted by RGA and ASA. At the date of these interim condensed combined financial statements, CTR is formalizing this process. See Note 31.a

E.9) Borrowing from Banco Chubut

Borrowing from Banco Chubut I:

On October 21, 2015, CTR borrowed \$ 5,000,000 from Banco Chubut for a term of 7 months.

Principal: \$ 5,000,000.

Interest: Principal accrues interest at a nominal annual rate of 31.87%, payable monthly.

Repayment: Interest will be paid monthly as from the loan agreement execution date. Principal will be repaid in 7 (seven) instalments, maturing on May 21, 2016.

At June 30, 2016, the principal and interest was repaid in full.

Borrowing from Banco Chubut II:

On March 09, 2016, CTR borrowed \$ 15,000,000 from Banco Chubut for a term of 2 months.

Principal: \$ 15,000,000.

Interest: Principal accrues interest at a nominal annual rate of 29.98%, payable monthly.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 12: FINANCIAL DEBT (Cont'd)

E) FINANCIAL DEBT AGREEMENT – CENTRAL TERMICA ROCA S.A. (Cont'd)

E.9) Borrowing from Banco Chubut (Cont'd)

Borrowing from Banco Chubut II (Cont'd):

Repayment: Interest will be paid monthly as from the loan agreement execution date. Principal will be repaid in 1 (one) instalment, maturing on May 20, 2016.

At June 30, 2016, the principal and interest was repaid in full.

Borrowing from Banco Chubut III:

On June 21, 2016, CTR borrowed \$15,000,000 from Banco Chubut for a term of 10 months.

Principal: \$15,000,000

Interest: private banks BADLAR rates, payable on a monthly basis.

Repayment: Interest will be paid monthly as from the loan agreement execution date. Principal will be repaid in 10 (ten) installments, maturing on April 21, 2017.

At June 30, 2016, the balance due amounted to \$15,123,638, and at the date of signing of these interim condensed combined financial statements, the debt was repaid in full with the proceeds from the issuance of the International Bond, disbursed on July 27, 2016. See Note 31.a

NOTE 13: ALLOWANCES, PROVISIONS AND CONTINGENCIES

	For trade receivables	For other receivables	For impairment of inventories	For contingencies
Balances as of December 31, 2014	1,058,886	1,133,755	57,466	10,581,411
Increases	-	-	-	718,037
Decreases	-	-	-	(1,349,952)
Deconsolidation due to sale of subsidiary	(219,634)	(1,133,755)	(57,466)	-
Balances as of December 31, 2015	839,252	-	-	9,949,496
Increases	⁽¹⁾ 2,010,873	⁽¹⁾ 1,859,200	-	-
Decreases	-	-	-	(1,823,886)
Balances as of June 30, 2016	2,850,125	1,859,200	-	8,125,610

(1) The expenses are stated as selling expenses.

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 14: SALES REVENUE

	06.30.16	06.30.15
Sale of Energía base	283,332,149	192,044,362
Sale of Energía Plus	410,025,933	254,645,281
Sale of electricity Res. 220	912,399,237	523,181,276
	1,605,757,319	969,870,919

NOTE 15: COST OF SALES

	06.30.16	06.30.15
Cost of purchase of electric energy	(288,032,571)	(175,512,306)
Cost of gas and gas oil consumption	(580,449,154)	(353,134,146)
Salaries and social security charges	(60,528,253)	(40,494,592)
Defined benefit plan	(1,298,888)	(923,359)
Other employee benefits	(2,000,654)	(654,499)
Professional fees	(2,115,900)	(1,192,242)
Leases	(5,152,689)	(51,281)
Depreciation of property, plant and equipment	(102,998,655)	(63,455,070)
Insurance	(13,878,954)	(9,902,923)
Maintenance	(72,786,472)	(57,831,039)
Electricity, gas, telephone and postage	(2,206,856)	(598,240)
Duties and taxes	(10,385,979)	(5,949,482)
Travel and per diem	(847,403)	(2,601,015)
Security guard and cleaning	(2,995,083)	(2,916,663)
Miscellaneous expenses	(4,072,028)	(2,226,975)
	(1,149,749,539)	(717,443,832)

NOTE 16: SELLING EXPENSES

	06.30.16	06.30.15
Salaries and social security charges	(417,274)	(468,378)
Duties and taxes	(12,003,298)	(10,458,073)
Advertising	(67,000)	(56,564)
Doubtful debt expenses	(3,870,073)	-
	(16,357,645)	(10,983,015)

NOTE 17: ADMINISTRATIVE EXPENSES

	06.30.16	06.30.15
Salaries and social security charges	(5,000,282)	(6,775,475)
Other employee benefits	(521,043)	(376,853)
Leases	(23,000)	(59,601)
Professional fees	(15,298,174)	(10,135,822)
Depreciation of property, plant and equipment	-	(2,484)
Insurance	(187,715)	(82,876)
Maintenance	-	(30,668)
Electricity, gas, telephone and postage	(1,061,393)	(282,731)
Duties and taxes	(1,367,936)	(2,099,430)
Travel and per diem	(1,120,628)	(937,901)
Miscellaneous expenses	(2,139,323)	(2,251,390)
	(26,719,494)	(23,035,231)

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 18: FINANCIAL RESULTS

	<u>06.30.16</u>	<u>06.30.15</u>
<u>Financial income</u>		
Commercial interest	9,749,201	4,510,366
Total financial income	<u>9,749,201</u>	<u>4,510,366</u>
<u>Financial expenses</u>		
Financial debt interest	(213,913,783)	(98,640,791)
Tax interest and others	(15,139,798)	(1,156,041)
Bank expenses and commissions	(8,770,716)	(2,603,341)
Total financial expenses	<u>(237,824,297)</u>	<u>(102,400,173)</u>
<u>Other financial results</u>		
Exchange differences, net	(107,312,576)	(18,788,988)
Changes in the fair value of financial instruments	24,630,238	(6,137,443)
Other financial results	(24,604,763)	(21,781,718)
Total other financial results	<u>(107,287,101)</u>	<u>(46,708,149)</u>
Total financial results, net	<u>(335,362,197)</u>	<u>(144,597,956)</u>

NOTE 19: EARNINGS PER SHARE

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

<u>Continuing operations</u>	<u>06.30.16</u>	<u>06.30.15</u>
Income for the period attributable to the owners:	42,700,112	38,009,462
Weighted average of outstanding ordinary shares	109,393,762	77,525,630
Basic and diluted earnings per share	0.39	0.49
<u>Discontinued operations</u>	<u>06.30.16</u>	<u>06.30.15</u>
Loss for the period attributable to the owners:	-	(12,575,539)
Weighted average of outstanding ordinary shares	109,393,762	77,525,630
Basic and diluted loss per share	-	(0.16)

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 20: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) Transactions with related parties and affiliates

		06.30.16	06.30.15
		\$	
		Profit / (Loss)	
Purchase of grapes			
Alto Valle del Río Colorado S.A.	Related company	-	(2,131,034)
Purchase of gas			
RGA ⁽¹⁾	Related company	(426,850,766)	(215,659,899)
Purchase of energy			
Solalban Energía S.A.	Related company	(71,252)	(371,515)
Purchase of wine			
BDD	Related company	(22,523)	-
Purchase of flights			
AJSA	Related company	(7,851,401)	-
Sale of energy			
RGA	Related company	49,332,694	5,824,710
Solalban Energía S.A.	Affiliate company	21,795,938	2,952,271
Sale of investment in subsidiaries			
RGA	Related company	-	28,000,000
Sale of flights (2)			
RGA	Related company	-	1,412,800
Leases and services hired			
RGA	Related company	(5,577,376)	(3,576,553)
Reimbursement of expenses			
RGA	Related company	88,487	(14,131)
Financial cost recovery			
RGA	Related company	(7,344,468)	-
Collection of dividends			
Solalban Energía S.A.	Affiliate company	-	2,520,000

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

⁽²⁾ The transactions with BDD and AJSA are disclosure as discontinued operation

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

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

b) Remuneration of key managerial staff.

The senior management includes directors (executive and non-executive). Their remunerations at June 30, 2016 and 2015 amounted to \$ 7,350,618 and \$ 4,597,748, respectively.

	06.30.16	06.30.15
Salaries and bonus	<u>7,350,618</u>	<u>4,597,748</u>
	<u>7,350,618</u>	<u>4,597,748</u>

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

Captions	Type	06.30.16	12.31.15
NON-CURRENT ASSETS			
Other receivables			
Contributions pending paid-in	Minority interest	18,750	-
RGA	Related company	-	739
		<u>18,750</u>	<u>739</u>
CURRENT ASSETS			
Trade receivables			
Solalban Energía S.A.	Affiliate company	-	18,215
		<u>-</u>	<u>18,215</u>
Other receivables			
Contributions pending paid-in	Minority interest	-	525,000
Shareholders' private accounts	Minority interest	88,945,574	62,142,446
RGA	Related company	270	-
AISA (Note 29)	Related company	4,593,872	4,593,872
		<u>93,539,716</u>	<u>67,261,318</u>
NON-CURRENT LIABILITIES			
Other liabilities			
RGA	Related company	100,000,000	100,000,000
		<u>100,000,000</u>	<u>100,000,000</u>
CURRENT LIABILITIES			
Trade payables			
BDD	Related company	-	10,620
Solalban Energía S.A.	Affiliate company	86,125	215,538
AJSA	Related company	2,440,716	3,628,753
RGA	Related company	27,181,696	109,274,854
		<u>29,708,537</u>	<u>113,129,765</u>
Other liabilities			
RGA	Related company	125,099,830	126,041,152
Shareholders' private accounts	Minority interest	145,000	145,000
		<u>125,244,830</u>	<u>126,186,152</u>

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 21: WORKING CAPITAL

At June 30, 2016 the Group records a positive working capital of \$ 684,568,532 (calculated as current assets less current liabilities), while at December 31, 2015 the deficit in working capital amounted to \$ 302,647,781.

This improvement is mainly due to the following events mentioned below:

1. On February 11, 2016, GMSA received a bullet borrowing from BAF Latam Trade Finance Funds B.V, for an amount of USD 40 million, falling due three years as from the issuance date.
2. On June 1, 2016, GMSA was granted a loan from Credit Suisse International for USD 60 million falling due on June 3, 2021.
3. The start-up of the GFSA electricity generation plant, from which, based on the Group's projections, an annual income is estimated for an amount of USD 10.5 million (EBITDA), which will enable to decrease the deficit in working capital.
4. Obtaining additional cash flows due to the implementation of SE Resolution No. 22/2016, which allows increasing the operating results of certain related companies, thus substantially increasing the working capital position.

Furthermore, an International Bond for USD 250 million was issued on July 27, 2016, with GMSA, GFSA and CTR having co-issued 69%, 3% and 28%, respectively. Principal on the Negotiable Obligations shall be amortized in a lump sum payment at maturity, that is, on July 27, 2023. This represents an improvement in Group's working capital of approximately \$788 million at that date. See Note 31.a

In conclusion, we consider that the measures adopted will contribute to substantially improving liquidity and the indebtedness profile of the Group.

NOTE 22: SEGMENT REPORTING

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

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

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 22: SEGMENT REPORTING (Cont'd)

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

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

Information on combined income/loss for the six-month period ended June 30, 2016:

	Electricity	Wines	Air transport services	Eliminations	06.30.16
Sales revenue	1,605,757,319	-	-	-	1,605,757,319
Cost of sales	(1,149,749,539)	-	-	-	(1,149,749,539)
Gross income	456,007,780	-	-	-	456,007,780
Selling expenses	(16,357,645)	-	-	-	(16,357,645)
Administrative expenses	(26,719,494)	-	-	-	(26,719,494)
Loss from interests in associates	5,742,816	-	-	-	5,742,816
Other operating expenses	(968,403)	-	-	-	(968,403)
Operating income	417,705,054	-	-	-	417,705,054
Financial results	(335,362,197)	-	-	-	(335,362,197)
Income before tax	82,342,857	-	-	-	82,342,857
Income tax	(38,440,003)	-	-	-	(38,440,003)
Net income for the period	43,902,854	-	-	-	43,902,854

Combined information on financial position at June 30, 2016

Assets	6,536,885,113	-	-	-	6,536,885,113
Liabilities	4,871,704,117	-	-	-	4,871,704,117
Investments in associates	248,870,745	-	-	-	248,870,745
Additions and transfers of property, plant and equipment	660,988,127	-	-	-	660,988,127
Depreciation of property, plant and equipment	102,998,655	-	-	-	102,998,655

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 22: SEGMENT REPORTING (Cont'd)

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

Information on consolidated income/loss for the six-month period ended June 30, 2015:

	Electricity	Wines	Air transport services	Eliminations	06.30.15
Sales revenue	970,986,785	-	-	(1,115,866)	969,870,919
Cost of sales	(718,559,698)	-	-	1,115,866	(717,443,832)
Gross income	252,427,087	-	-	-	252,427,087
Selling expenses	(10,983,015)	-	-	-	(10,983,015)
Administrative expenses	(23,035,231)	-	-	-	(23,035,231)
Income from interests in associates	1,069,442	-	-	-	1,069,442
Other operating income	17,092,645	-	-	-	17,092,645
Other operating expenses	(43,134,542)	-	-	-	(43,134,542)
Operating income	193,436,386	-	-	-	193,436,386
Financial results	(144,597,956)	-	-	-	(144,597,956)
Income before tax	48,838,430	-	-	-	48,838,430
Income tax	(10,144,34)	-	-	-	(10,144,34)
Total of continuing operations	38,694,096	-	-	-	38,694,096
Discontinued operations (Note 23)	-	(6,789,029)	(6,805,697)	-	(13,594,726)
Total income/(loss) for the period	38,694,096	(6,789,029)	(6,805,697)	-	25,099,370

Combined information on financial position at December 31, 2015

Assets	5,048,578,856	-	-	-	5,048,578,856
Liabilities	3,443,552,805	-	-	-	3,443,552,805
Investments in associates	243,127,929	-	-	-	243,127,929
Additions and transfers of property, plant and equipment	487,876,131	1,098,761	158,599	-	489,133,491
Depreciation of property, plant and equipment	133,467,171	459,494	2,985,598	-	136,912,263

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 23: DISCONTINUED OPERATIONS

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

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

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

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

SALE OF SHARES IN ALBA JET S.A.

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

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

	<u>06.30.16</u>	<u>06.30.15</u>
Sales revenue	-	11,254,336
Cost of sales	-	(12,071,073)
Gross income	<u>-</u>	<u>(816,737)</u>
 Selling expenses	 -	 (2,835,218)
Administrative expenses	-	(1,295,245)
Other operating income and expenses	-	83,359
Operating income	<u>-</u>	<u>(4,863,841)</u>
 Financial results, net	 <u>-</u>	 <u>(3,280,073)</u>
(Loss) before tax	<u>-</u>	<u>(8,143,914)</u>
Income tax	-	(5,450,812)
(Loss) from discontinued operations	<u>-</u>	<u>(13,594,726)</u>

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

Statement of cash flows:

	<u>06.30.16</u>	<u>06.30.15</u>
Funds (used in) operating activities	-	(1,950,065)
Funds (used in) investment activities	-	(1,098,762)
Funds generated by financing activities	-	2,713,885
(Decrease) in cash for the period	<u>-</u>	<u>(334,942)</u>

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 24: RESTRICTED ASSETS AND OTHER COMMITMENTS

A. GMSA

A.1 Syndicated borrowing

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

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

The remaining balance of principal on the syndicated borrowing at June 30, 2016 is \$29.7 million. With the issuance of the international bond (see Note 31.a), however, the bond was repaid, therefore, the conditions have been met for the release of the guarantees provided. In this respect, GMSA is carrying out formalities to release the bond posted by ASA as suretyship and the contracts that had been assigned as collateral, as detailed below: Cerámica Lourdes, Acindar Industria Argentina de Areco S.A., SAF Argentina S.A., Danone Argentina S.A., Troy Resources Argentina LTD, Owen Illinois Argentina S.A., Casino de Rosario S.A., Buquebus (San Vicente Plant), Geminelli S.A., Noble Argentina S.A. and Oppfilm S.A.

A.2 Other commitments

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

	Total	Up to 1 year	From 1 to 3 years
<i>Sale Commitments ⁽¹⁾</i>			
Electric energy and power - Plus	835,757,208	782,431,900	53,325,308

(1) Commitments are denominated in pesos and have been valued considering estimated market prices, based on the particular conditions of each contract. They reflect the valuation of the contracts with private customers in force at June 30, 2016, under SE Resolution 1281/06.

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

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

A. GMSA (Cont'd)

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

The rights assigned under the contract are detailed below:

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

B. GFSA

B.1 Other commitments - Contract with PWPS

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

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

B. GFSA (Cont'd)

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

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

In addition, the purchase agreement provides for financing for a term of 4 years for USD 12 million by PWPS as from the preliminary acceptance by GFSA. This amount is disclosed in non-current trade payables for the equivalent to \$ 180,480,000. 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, which at the date of signing of these interim condensed combined financial statements amounts \$ 2.3 million.

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

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

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

C. GROSA

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

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

D. CTR

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

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

D. CTR (Cont'd)

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

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

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

	<u>06.30.16</u>	<u>12.31.15</u>
Assets held in trust		
Property, plant and equipment	968,335,106	785,565,264
Total	<u>968,335,106</u>	<u>785,565,264</u>

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

At the date of these interim condensed combined financial statements, the debt has been fully repaid with the proceeds from the issuance of the International Bond disbursed on July 27, 2016. With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided thereunder and, at the date of issue of these interim condensed combined financial statements, CTR is in the process of documenting the necessary formalities for such purpose (See Note 31.a).

NOTE 25: INVESTMENTS IN COMPANIES

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 26: EXECUTION OF CONTRACTS TO PURCHASE MACHINERY

GMSA signed a contract with Siemens Industrial Turbomachinery AB on March 28, 2016 for the purchase of two Siemens SGT 800 turbines to increase the generation capacity at the Modesto Maranzana Thermal Power Plant situated in Río Cuarto, province of Córdoba.

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

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

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

	Total	2017	2018	2019
<i>Commitments ⁽¹⁾</i>	USD			
Siemens Industrial Turbomachinery AB for the acquisition of two turbines Siemens SGT 800	21,689,920	4,518,733	10,844,960	6,326,227

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

On April 30, 2016, GMSA signed a contract with Siemens Industrial Turbomachinery AB for the purchase of a SGT-800 turbine of 50 MW. At June 30, 2016, an advance payment of USD 2.2 million has been made.

Furthermore, on April 30, 2016, GMSA signed a contract with Siemens Industrial Turbomachinery AB for the purchase of two SGT-800 turbines of 50 MW each. At June 30, 2016, a 10% advance has been paid to Siemens Industrial Turbomachinery AB under the purchase contract of two SGT-800 turbines, equivalent to USD 4.4 million.

NOTE 27: PRESENTATION TO CAMMESA

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

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

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 27: PRESENTATION TO CAMMESA (Cont'd)

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

GMSA reports an accumulated balance for non-recurring maintenance of \$32,139,038 at June 30, 2016.

On August 9, 2016, GMSA signed 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.

NOTE 28: MERGER THROUGH ABSORPTION

On August 31, 2015, GMSA entered into a preliminary merger agreement (the "Preliminary Merger Agreement") whereby it started the merger through absorption process with the related companies GISA, GLB 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.

As a result of the merger and as approved in the Merger Agreement and Final Merger Agreement, as from the Effective Date of Merger: (a) the equities of all merged companies (Generación Independencia S.A., Generación La Banda S.A., and Generación Riojana S.A.) were fully transferred to GMSA, thus acquiring the ownership of all rights and obligations of GISA, GLB and GRISA, subject to the registration of the final merger agreement in the Public Registry under the Superintendency of Commercial Companies (IGJ); (b) GISA, GLB and GRISA were dissolved without liquidation, they being absorbed by GMSA; (c) GMSA capital stock was taken from \$76,200,073 to \$125,654,080.

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 registration purposes; the merger was registered on May 18, 2016 under number 8171, volume 79 of the Book of Companies by Shares.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 29: ASSIGNMENT OF IMPORT DUTIES

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

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

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

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

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

NOTE 30: PENALTY IMPOSED BY CAMMESA

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

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

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

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

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 31: SUBSEQUENT EVENTS

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.

International Negotiable Obligation:

Principal: Nominal value: USD 250,000,000

Interest: Accrues interest at a fixed rate of 9.625%

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

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

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

Prepayments of debt and release of guarantees

With the proceeds from the issuance of the International Bond described above, the following financial loans were repaid in advance:

GMSA

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

At the date of these interim condensed combined financial statements, the syndicated loan has been fully repaid with the proceeds from the issuance of the International Bond disbursed on July 27, 2016. With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided thereunder and, at the date of issue of these interim condensed combined financial statements, GMSA is in the process of documenting the necessary formalities for such purpose.

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 31: SUBSEQUENT EVENTS (Cont'd)

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

GFSA

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

With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided thereunder and, at the date of issue of these interim condensed combined financial statements, GFSA is in the process of documenting the necessary formalities for such purpose.

CTR

- Syndicated borrowing – International Tranche
- Borrowing from Banco de la Provincia de Buenos Aires
- Syndicated borrowing from Banco Hipotecario and Banco de Inversión y Comercio Exterior
- Borrowing from Banco Chubut
- Borrowing from Banco Ciudad celebrated in 2016

With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided through a trust agreement on the rights to collect proceeds from the sale of electricity, own assets and the foreign reserve account for USD 1,000,000 as well as the restriction to distribute or pay dividends, arising from the syndicated borrowing – international tranche, as well as the sureties granted by RGA and ASA related to the syndicated borrowing from Banco Hipotecario and Banco de Inversión y Comercio Exterior. At the date of issue of these interim condensed separate financial statements, CTR is in the process of documenting the necessary formalities for such purpose.

b) CLASS III NEGOTIABLE OBLIGATIONS (GFSA)

On July 6, 2016 GFSA issued Class III Negotiable Obligations for \$160 million.

Interest: private banks BADLAR rate plus 5.6 %

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

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

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

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

Albanesi S.A. and Central Térmica Roca S.A.
Notes to the Interim Condensed Combined Financial Statements (Cont'd)

NOTE 31: SUBSEQUENT EVENTS (Cont'd)

c) REPURCHASE OF CLASS IV NEGOTIABLE OBLIGATIONS

On July 25, 2016, outstanding Class IV Negotiable Obligations for \$28,768,400 were repurchased by GMSA, and Negotiable Obligations for a nominal value of \$54,208,000 remain outstanding, of which Negotiable Obligations for \$25,439,600 are in the possession of holders other than the issuer.

Summary of Activity at June 30, 2016 and 2015

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

Six-month period ended June 30,

	2016	2015	Var.	Var. %
GWh				
Sales per type of market				
Sale of electricity Res. 95/529/482 and spot	835.9	880.6	(44.7)	(5%)
Sale of electricity Plus	388.4	409.0	(20.6)	(5%)
Sales CAMMESA 220	509.6	632.6	(123.0)	(19%)
	1,733.8	1,922.2	(188.4)	(10%)

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

Six-month period ended June 30,

	2016	2015	Var.	Var. %
(in millions of Pesos)				
Sales per type of market				
Sale of electricity Res. 95/529/482 and spot	283.4	192.0	91.4	48%
Sale of electricity Plus	410.0	254.6	155.4	61%
Sales CAMMESA 220	912.4	523.3	389.1	74%
Total	1,605.8	969.9	635.9	66%

Summary of Activity at June 30, 2016 and 2015

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

	Six-month period ended June 30,			
	2016	2015	Var.	Var. %
Sale of energy	1,605.8	969.9	635.9	66%
Net sales	1,605.8	969.9	635.9	66%
Cost of purchase of electric energy	(288.0)	(175.5)	(112.5)	64%
Cost of gas and gasoil consumption	(580.4)	(353.1)	(227.3)	64%
Salaries, wages and social security contribution	(60.5)	(40.5)	(20.0)	49%
Pension Plan	(1.3)	(0.9)	(0.4)	44%
Maintenance services	(72.8)	(57.8)	(15.0)	26%
Depreciation of property, plant and equipment	(103.0)	(63.5)	(39.5)	62%
Insurance	(13.9)	(9.9)	(4.0)	40%
Sundry	(29.8)	(16.2)	(13.6)	84%
Cost of sales	(1,149.7)	(717.4)	(432.3)	60%
Gross income	456.1	252.5	203.6	81%
Salaries, wages and social security contribution	(0.4)	(0.5)	0.1	(20%)
Taxes, rates and contributions	(12.1)	(10.5)	(1.6)	15%
Bad debt expenses	(3.9)	-	(3.9)	(100%)
Selling expenses	(16.4)	(11.0)	(5.4)	49%
Salaries, wages and social sec. Contrib.	(5.0)	(6.8)	1.8	(26%)
Fees and compensation for services	(15.3)	(10.1)	(5.2)	51%
Per diem, travel and entertainment expenses	(1.1)	(0.9)	(0.2)	22%
Taxes, rates and contributions	(1.4)	(2.1)	0.7	(33%)
Sundry	(3.9)	(3.1)	(0.8)	26%
Administrative expenses	(26.7)	(23.0)	(3.7)	16%
Gain on investments in related companies	5.7	1.1	4.6	418%
Other operating income	-	17.1	(17.1)	(100%)
Other operating expenses	(1.0)	(43.3)	42.3	(98%)
Operating income	417.7	193.4	224.3	116%
Commercial interest	9.7	4.5	5.2	116%
Borrowing interest, net	(213.9)	(98.6)	(115.3)	117%
Exchange difference, net	(107.3)	(18.8)	(88.5)	471%
Bank expenses and commissions	(8.8)	(2.6)	(6.2)	238%
Other financial results	(15.1)	(29.1)	14.0	(48%)
Total financial results, net	(335.4)	(144.6)	(190.8)	132%
Income before tax	82.3	48.8	33.5	69%
Income tax	(38.4)	(10.1)	(28.3)	280%
Income from continuing operations	43.9	38.7	5.2	13%
Discontinued operations	-	(13.6)	13.6	(100%)
Net income for the period	43.9	25.1	18.8	75%

Summary of Activity at June 30, 2016 and 2015

Sales:

Net sales for the period ended June 30, 2016 reached \$ 1,605.8 million, compared with \$ 969.9 million for the same period of 2015, representing an increase of \$ 635.9 million (or 66%).

During the first six months of 2016, energy sales reached 1,733.8 MWh, having decreased 10% from the 1,922.2 MWh sold for the same period of 2015.

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

- (i) \$ 410.0 million from sales under “Energía plus”, a 61% increase from \$ 254.6 million for the same period of 2015. This variation is attributed to the effect on prices of the higher exchange rate.
- (ii) \$ 912.4 million from sales of electricity on the spot market to CAMMESA within the framework of Resolution 220/07, representing a 74% increase from the \$ 523.3 million for the same period of 2015. This variation is explained by the start-up of GFSA and a higher exchange rate. The rise was offset by a decrease of the sales volume.
- (iii) \$ 283.4 million from sales of electricity under Resolution 95/529/482/22 and on the spot market, showing a 48% increase from the sales of \$ 192.0 million for the same period of 2015. This variation is explained by an increase in the price paid for electricity by enforcement of Res.22/16, offset by a decrease of the sales volume.

Cost of sales

Cost of sales for the six-month period ended June 30, 2016 reached \$ 1,149.7 million, compared with \$ 717.4 million for the same period of 2015, representing an increase of \$ 432.3 million (or 60%).

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

- (i) \$ 288.0 million for purchases of electricity, which increased 64% compared with \$ 175.5 million for the same period of 2015, as a result of higher costs required to supply “Energía Plus” spot market due to the variation in the exchange rate.
- (ii) \$ 580.4 million incurred in purchases of gas and gasoil consumed by the plant, reflecting an increase of 64% from the \$ 353.1 million for the same period of 2015. This variation is due to the price of gas explained by the increase in the exchange rate.
- (iii) \$ 60.5 million in salaries and social security contributions, reflecting a 49% increase from \$ 40.5 million for the same period of 2015, which is mainly attributed to wage increases granted and increase of staff hired.

Summary of Activity at June 30, 2016 and 2015

- (iv) \$ 72.8 million in maintenance services, reflecting a 26% increase from \$ 57.8 million for the same period of 2015. This increase is explained by the rise in the exchange rate offset by fewer operating hours, which have an impact on the cost of the maintenance contract with PWPS for certain subsidiaries. . It is worth noting that the cost of this contract is recognized by CAMMESA in the remuneration paid for operating and maintenance costs for sales according to Contract under Res. 220/07.
- (v) A charge of \$ 103.0 for depreciation of PP&E, up 62% from the \$ 63.5 million for the same period of 2015. This variation is mainly due to the higher depreciation value of PP&E as a result of their revaluation at December 31, 2015 and to the start-up of GFSA power plant.
- (vi) \$ 13.9 million paid for insurance, up 40% from the \$ 9.9 million for the same period of 2015 as a result of the variation in the exchange rate.

Gross income

The gross result for the period ended June 30, 2016 was a profit of \$ 456.1 million, compared with a profit of \$ 252.2 million for the same period of 2015, showing an 81% increase. This increase is mainly attributed to the effect of the exchange rate increase on the operating activity of the subsidiaries, the high availability at the power plants throughout the year, and the start-up of GFSA. Additionally, fees were increased due to the enforcement of Res. SE 22, which modified and expanded Resolution SE 482. This resolution allowed for increasing the operating results of the Company, generating an additional cash flow that improved its working capital position.

Selling expenses:

Selling expenses for the six-month period ended June 30, 2016 amounted to \$ 16.4 million, up 49% from the same period of 2015.

Administrative expenses

Total administrative expenses for the six-month period ended June 30, 2016 reached \$ 26.7 million, compared with \$ 23.0 million for the same period of 2015, representing an increase of \$ 3.7 million (or 16%).

- (i) 15.3 million in Fees and compensation for services, which grew 51%, from \$ 10.1 million for the same period of 2015. This variation stems from an increase in tariffs for existing services and new services being engaged.

Other income and expenses

Other operating income for the period ended June 30, 2016 amounted to \$ 17.1 million, due to the sale of Albanesi S.A.'s shares in Bodega del Desierto S.A. for \$ 17.1 million in 2015, which were not considered core assets for the business.

Other operating expenses for the period ended June 30, 2016 amounted to \$ \$1.0 million, which accounted for a 100% decrease compared with the \$ 43.3 million for the same period of 2015. The decrease corresponds to the termination of the contract for the purchase of a turbine with General Electric in 2015.

Summary of Activity at June 30, 2016 and 2015

Operating income

The operating result for the period ended June 30, 2016 was a profit of \$ 417.7 million, compared with a profit of \$ 193.4 for the same period of 2015, representing an increase of 116%. This increase is mainly attributed to the effect of the increase of the exchange rate on the operating activity of the combined companies, the high availability at the power plants throughout the year and the start-up of GFSA power plant. Additionally, fees were increased due to the enforcement of Res. SE 22, which modified and expanded Resolution SE 482. This resolution allowed for increasing the operating results of the Company, generating an additional cash flow that improved its working capital position.

Financial results:

The financial result for the six-month period ended June 30, 2016 was a loss of \$ 335.4 million, compared with a loss of \$ 114.6 million for the same period of 2015, showing an 132% increase.

The most salient aspects of this variation are described below:

- (i) A loss of \$ 213.9 million due to interest paid on loans, up 117% from the loss of \$ 98.6 million for the same period of 2015 as a result of (i) an increase in the floating interest rates on the debt in pesos, (ii) start-up of GFSA power plant, and (iii) the effects of the increase in the exchange rate on the accrual of interest on loans in foreign currency.
- (ii) A loss of \$ 107.3 million as a result of the net exchange difference, this caption was 471% higher than the prior year loss of \$ 18.8 million. The increase is due to a higher exposure in foreign currency for the financing of new projects and a higher increase of the average exchange rate for the period.

Income/Loss before tax

The Company reported a profit before tax of \$ 82.3 million for the period ended June 30, 2016, which compares with a profit of \$ 48.8 million for the same period of 2015.

The after-tax result was a loss of \$ 38.4 million for the period ended June 30, 2016, which compares with a loss of \$ 10.1 million for the same period of 2015.

Net income/loss from continuing operations:

The net result from continuing operations for the period ended June 30, 2016 was a gain of \$ 43.9 million, compared with the loss of \$10.1 million for the same period of 2015.

Net income/loss from discontinued operations:

The results from discontinued operations correspond to the sale of the interest held by BDD in the wine business, and the sale of the share in the air transport business held by AJSA. ASA sold its 90% and 95% interest to RGA on June 29 and October 27, 2015, respectively. The net result from discontinued operations for the period ended June 30, 2015, was a loss of \$ 13.6 million.

Summary of Activity at June 30, 2016 and 2015

Net income:

The net result for the period ended June 30, 2016, was a gain of \$43.9 million, compared with \$ 25.1 million for the same period of 2015, reflecting an increase of 75%.

Adjusted EBITDA

	Six-month period ended June 30,				Twelve-month period ended June 30,			
	2016	2015	Var.	Var %	2016	2015	Var.	Var %
	(In thousands of Pesos)				(In thousands of Pesos)			
Operating income	417,705	193,436	224,269	116%	706,261	387,409	318,852	82%
Depreciation and amortization	102,999	63,458	39,541	62%	172,674	129,580	43,094	33%
Non-recurring income/(loss)	-	30,916	(30,916)	(100%)	(61,131)	30,916	(92,047)	(298%)
Income/(Loss) from interests in associates	(5,743)	(1,069)	(4,674)	437%	(3,199)	(3,944)	745	(19%)
Dividends earned	-	2,520	(2,520)	(100%)	3,360	7,978	(4,618)	(58%)
Adjusted EBITDA in thousands of pesos	514,961	289,261	225,700	78%	817,965	551,939	266,026	48%
Adjusted EBITDA in thousands of US dollars ⁽¹⁾	35,832	32,779	3,053	9%	66,974	64,045	2,929	5%

The adjusted EBITDA for the six-month period ended June 30, 2016 increased by \$ 225.7 million, or 78%, from \$ 289.3 million for the six-month period ended June 30, 2015 to the \$ 514.9 million recorded for the same period of 2016. This increase was mainly due to the impact of the devaluation of the Argentine peso relative to the US dollar since December 2015 on our operating result, the start-up of the Generación Frías power plant in December 2015, and, in relation to base energy, an increase in the remunerations as a result of the enforcement of Res. SE 22, which modified and expanded Resolution SE 482, allowing for an increase of the operating result of the Company.

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

Summary of Activity at June 30, 2016 and 2015

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

	06.30.16	12.31.15
Non-Current Assets	4,744.5	4,084.7
Current Assets	1,792.4	963.9
Total Assets	6,536.9	5,048.6
Equity attributable to the owners	1,595.3	1,535.9
Non-controlling interest	69.9	69.2
Total Equity	1,665.2	1,605.0
Non-Current Liabilities	3,763.8	2,177.1
Current Liabilities	1,107.9	1,266.5
Total Liabilities	4,871.7	3,443.6
Total equity and liabilities	6,536.9	5,048.6

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

	06.30.16	06.30.15
Operating income	417.7	193.4
Financial results	(335.4)	(144.5)
Operating income, net	82.3	48.9
Income tax	(38.4)	(10.1)
Income from continuing operations	43.9	38.8
Discontinued operations	-	(13.7)
Income for the period	43.9	25.1
Other comprehensive income	(0.1)	(2.5)
Statement of comprehensive income	43.8	22.6

Summary of Activity at June 30, 2016 and 2015

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

	06.30.16	06.30.15
Funds (used in)/ provided by operating activities	(457.7)	263.6
Funds (used in) investment activities	(321.3)	(163.8)
Funds provided by/ (used in) financing activities	1,068.7	(89.1)
INCREASE IN CASH AND CASH EQUIVALENTS	289.7	10.7

5. Ratios presented comparatively with the previous period:

	06.30.16	12.31.15
Liquidity (1)	1.62	0.76
Creditworthiness (2)	0.33	0.45
Locked-up capital (3)	0.73	0.81
Indebtedness ratio (4)	3.23	2.19
Interest coverage ratio (5)	1.66	1.88

(1) Current assets / Current liabilities

(2) Equity / Total liabilities

(3) Non-current assets / Total Assets

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

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

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

Company outlook for fiscal year 2016

Business and operating sector

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

The combined Companies are undertaking investment projects to increase power generation capacity by 400 MW.

Summary of Activity at June 30, 2016 and 2015

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

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

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

In addition, CTR began the project for the closure of the Power Plant combined cycle, in Rio Negro, and this means that an additional power of 60 MW will be incorporated to the current 130 MW turbine operating with gas and gasoil. Not only will this work provide extra power but will also be significant in environmental terms as it will not require additional fuel. The works will account for an investment of approximately USD 86.3 million. The start-up is expected in the first quarter of 2018.

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

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

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

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

Financial Position

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

Summary of Activity at June 30, 2016 and 2015

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.



REPORT ON REVIEW OF INTERIM CONDENSED COMBINED FINANCIAL STATEMENT

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

Introduction

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

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Price Waterhouse & Co. S.R.L., Bouchard 557, piso 8°, C1106ABG - Ciudad de Buenos Aires
T: +(54.11) 4850.0000, F: +(54.11) 4850.1800, www.pwc.com/ar



Conclusion

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

PRICE WATERHOUSE & CO. S.R.L.

By _____ (Partner)
Dr. Raúl Leonardo Viglione

Autonomous City of Buenos Aires, Argentina
August 24, 2016