



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

**CAPEX S.A.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of January 31, 2016 stated in pesos and presented in comparative format**



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**NOMENCLATURE**

**Currencies**

<u>Terms</u>	<u>Definition</u>
\$	Argentine peso
€	Euro
GBP	Pound sterling
US\$	United States dollar

**Glossary of Terms**

<u>Terms</u>	<u>Definition</u>
Bbl	Barrel
BTU	British thermal unit
CC	Combined cycle
CNV	National Securities Commission
CSJN	Supreme Court of Justice
CT ADC	Agua del Cajón Power Plant
CVP	Variable production cost
FACPC	Argentine Federation of Professional Councils in Economic Sciences
GWh	Gigawatts per hour
IASB	International Accounting Standards Board
Km	Kilometer
km <sup>2</sup>	Square kilometer
KW	Kilowatt
LVFVD	Sales settlement with maturity to be defined
m <sup>3</sup>	Cubic meter
MMBTU	Millions of British thermal unit
MEM	Wholesale Electricity Market
Mm <sup>3</sup>	Thousand cubic meters
MMm <sup>3</sup>	Million cubic meters
MMMm <sup>3</sup>	Billion cubic meters
Mtn	Thousands of tons
MW	Megawatt
NCP ARG	Professional Accounting Standards prevailing prior to IFRS
NIC	International Accounting Standards
NIIF	International Financial Reporting Standards
Nm <sup>3</sup>	Standard cubic meter
OyM	Operation and Maintenance
DEEF	Diadema Eolic Energy Farm
tn	Ton
V/N	Nominal value
WTI	West Texas Intermediate

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**BOARD OF DIRECTORS AND SYNDICS' COMMITTEE**

**President**

Mr. Alejandro Götz

**Vice-president**

Mr. Pablo Alfredo Götz

**Directors**

Mr. Rafael Andrés Götz

Mrs. Lidia Argentina Guinzburg

Mr. René Balestra

**Alternate directors**

Mrs. Marilina Manteiga

Mr. Miguel Fernando Götz

**Statutory Syndics**

Mr. Norberto Luis Feoli

Mr. Edgardo Giudicessi

Mr. Mario Árraga Penido

**Alternate Syndics**

Mrs. Claudia Marina Valongo

Mrs. Andrea Mariana Casas

Mrs. Claudia Angélica Briones

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**CAPEX S.A.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

for the nine-month period ended January 31, 2016 compared with the prior year

Fiscal year No. 28 commenced on May 1, 2015

Company legal domicile: Córdoba Av. 948/950, 5th floor, department C, City of Buenos Aires

Company main activity: Generation of electricity

Registration number with the Superintendency of Commercial Companies: 1,507,527

Date of by-laws: December 26, 1988

Date of the latest registration with the Public Registry of Commerce:

- Latest amendment: September 30, 2005

Duration of Company: December 26, 2087

Name of parent company: Compañías Asociadas Petroleras Sociedad Anónima (C.A.P.S.A.)

Legal domicile: Córdoba Av. 948/950, 5th floor, department C, City of Buenos Aires

Main activity: Explotation of hydrocarbons

Participation of parent company in capital stock and votes: 75.2%

**CAPITAL STOCK**

Type of shares	Subscribed, paid-in and registered with the Public Registry of Commerce
	\$
179,802,282 ordinary, book-entry Class "A" shares of \$ 1 par value and one vote each, authorized to be placed for public offering	179,802,282



**Condensed Interim Consolidated Statement of Financial Position**  
As of January 31, 2016 and April 30, 2015  
Stated in pesos

	<u>Note/ Exhibit</u>	<u>01.31.2016</u>	<u>04.30.2015</u>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9/ A	2,824,900,134	2,646,497,530
Financial investments at amortized cost	13/ D	555,642,784	354,415,925
Spare parts and materials		148,669,809	68,755,769
Other accounts receivable	11	113,594,689	76,087,875
Trade accounts receivable	12	90,189,277	54,988,586
<b>Total Non-Current Assets</b>		<b><u>3,732,996,693</u></b>	<b><u>3,200,745,685</u></b>
<b>CURRENT ASSETS</b>			
Spare parts and materials		44,539,440	20,252,806
Inventories		2,119,259	566,297
Other accounts receivable	11	80,269,769	71,104,895
Trade accounts receivable	12	474,994,258	332,069,658
Cash and cash equivalents	14	358,037,701	392,703,520
<b>Total Current Assets</b>		<b><u>959,960,427</u></b>	<b><u>816,697,176</u></b>
<b>Total Assets</b>		<b><u>4,692,957,120</u></b>	<b><u>4,017,442,861</u></b>

The accompanying Notes 1 to 24 and Exhibit A and D to H form an integral part of these Condensed Interim Consolidated Financial Statements.

  
 Alejandro Götz  
 Chairman



**Condensed Interim Consolidated Statement of Financial Position**  
As of January 31, 2016 and April 30, 2015  
Stated in pesos

	Note / Exhibit	01.31.2016	04.30.2015
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Capital stock		179,802,282	179,802,282
Additional paid-in capital		79,686,176	79,686,176
Legal reserve		23,508,318	-
Free reserve		43,367,267	-
Reserve for assets revaluation	15	652,248,187	671,801,964
Retained earnings		(328,242,247)	66,875,585
<b>Total shareholders' equity attributable to shareholders</b>		<b>650,369,983</b>	<b>998,166,007</b>
Non-controlling interest		8,489,816	9,062,742
<b>Total shareholders' equity</b>		<b>658,859,799</b>	<b>1,007,228,749</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Trade accounts payable	16	30,471,904	20,010,647
Financial liabilities	17	3,103,007,596	1,988,232,816
Deferred income tax	10	271,350,889	460,313,748
Provisions and other charges	18 / E	1,640,959	2,367,385
<b>Total Non-Current Liabilities</b>		<b>3,406,471,348</b>	<b>2,470,924,596</b>
<b>CURRENT LIABILITIES</b>			
Trade accounts payable	16	236,567,810	222,677,877
Financial liabilities	17	296,558,836	230,389,325
Salaries and social security contributions		32,003,596	40,094,493
Taxes		26,035,076	25,926,106
Other liabilities		36,460,655	20,201,715
<b>Total Current Liabilities</b>		<b>627,625,973</b>	<b>539,289,516</b>
<b>Total Liabilities</b>		<b>4,034,097,321</b>	<b>3,010,214,112</b>
<b>Total Shareholders' equity and liabilities</b>		<b>4,692,957,120</b>	<b>4,017,442,861</b>

The accompanying Notes 1 to 24 and Exhibit A and D to H form an integral part of these Condensed Interim Consolidated Financial Statements.

  
 Alejandro Götz  
 Chairman



**Condensed Interim Consolidated Statement of Comprehensive Income**  
For the nine and three-month periods ended January 31, 2016 and 2015  
Stated in pesos

	Note / Exhibit	Nine months		Three months	
		01.31.2016	01.31.2015	01.31.2016	01.31.2015
Net sales	19	1,201,722,029	922,416,631	457,653,325	318,613,486
Cost of sales	F	(448,565,922)	(334,553,991)	(170,399,935)	(123,339,475)
<b>Gross income</b>		<b>753,156,107</b>	<b>587,862,640</b>	<b>287,253,390</b>	<b>195,274,011</b>
Exploration expenses	23	-	(23,177,851)	-	(23,177,851)
Selling expenses	H	(171,195,376)	(126,218,567)	(67,660,389)	(41,595,541)
Administrative expenses	H	(95,316,816)	(66,412,136)	(36,823,927)	(24,179,861)
Other operating income / (expenses), net	20	101,956	1,171,417	333,543	(37,587)
<b>Operating income</b>		<b>486,745,871</b>	<b>373,225,503</b>	<b>183,102,617</b>	<b>106,283,171</b>
Financial income	21	358,280,711	81,260,712	261,851,228	33,681,518
Financial costs	21	(1,379,685,234)	(344,869,862)	(1,077,033,119)	(104,815,694)
Other financial results	E	546,692	1,015,762	242,742	318,302
<b>Result before Income Tax</b>		<b>(534,111,960)</b>	<b>110,632,115</b>	<b>(631,836,532)</b>	<b>35,467,297</b>
Income tax		185,743,010	(32,088,193)	220,127,720	(11,636,178)
<b>Net result for the period</b>		<b>(348,368,950)</b>	<b>78,543,922</b>	<b>(411,708,812)</b>	<b>23,831,119</b>
<b>Other comprehensive results</b>					
No future charge to results		-	743,518,138	-	-
<b>Comprehensive result for the period</b>		<b>(348,368,950)</b>	<b>822,062,060</b>	<b>(411,708,812)</b>	<b>23,831,119</b>
<b>Net result for the period attributable to:</b>					
Company shareholders		(347,796,024)	78,311,570	(411,217,545)	23,839,355
Non-controlling interest		(572,926)	232,352	(491,267)	(8,236)
<b>Comprehensive result for the period</b>		<b>(348,368,950)</b>	<b>78,543,922</b>	<b>(411,708,812)</b>	<b>23,831,119</b>
<b>Comprehensive result for the period attributable to:</b>					
Company shareholders		(347,796,024)	817,677,311	(411,217,545)	23,839,355
Non-controlling interest		(572,926)	4,384,749	(491,267)	(8,236)
<b>Comprehensive result for the period</b>		<b>(348,368,950)</b>	<b>822,062,060</b>	<b>(411,708,812)</b>	<b>23,831,119</b>
Basic and diluted net result per share					
- Attributable to Company Shareholders		(1.93432)	0.43554	(2.28705)	0.13259
Basic and diluted comprehensive result per share					
- Attributable to Company Shareholders		(1.93432)	4.54765	(2.28705)	0.13259

The accompanying Notes 1 to 24 and Exhibit A and D to H form an integral part of these Condensed Interim Consolidated Financial Statements.

  
 Alejandro Goiz  
 Chairman





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**Condensed Interim Consolidated Statement of Changes in Shareholders' Equity**  
For the nine-month periods ended January 31, 2016 and 2015  
Stated in pesos

	Attributable to the Company shareholders								Total Shareholders' equity	
	Capital stock	Additional paid-in capital	Legal reserve	Free reserve (1)	Special reserve for implementation of IFRS	Reserve for assets revaluation(2)	Retained earnings	Subtotal		Non-controlling interest
<b>Balance at April 30, 2014</b>	179,802,282	79,686,176	21,225,830	10,164,434	192,356,878	-	(224,966,816)	258,268,784	5,053,918	263,322,702
Ordinary and Extraordinary Shareholders' Meeting of August 5, 2014	-	-	(21,225,830)	(10,164,434)	(192,356,878)	-	223,747,142	-	-	-
Comprehensive result for the nine-month period	-	-	-	-	-	739,365,741	78,311,570	817,677,311	4,384,749	822,062,060
Reversal of reserve for assets revaluation	-	-	-	-	-	(60,821,860)	60,821,860	-	-	-
<b>Balance at January 31, 2015</b>	179,802,282	79,686,176	-	-	-	678,543,881	137,913,756	1,075,946,095	9,438,667	1,085,384,762
Comprehensive result for the three-month period	-	-	-	-	-	-	(77,780,088)	(77,780,088)	(375,925)	(78,156,013)
Reversal of reserve for assets revaluation	-	-	-	-	-	(6,741,917)	6,741,917	-	-	-
<b>Balance at April 30, 2015</b>	179,802,282	79,686,176	-	-	-	671,801,964	66,875,585	998,166,007	9,062,742	1,007,228,749
Ordinary Shareholders' Meeting of August 7, 2015	-	-	23,508,318	43,367,267	-	-	(66,875,585)	-	-	-
Comprehensive result for the nine-month period	-	-	-	-	-	-	(347,796,024)	(347,796,024)	(572,926)	(348,368,950)
Reversal of reserve for assets revaluation	-	-	-	-	-	(19,553,777)	19,553,777	-	-	-
<b>Balances at January 31, 2016</b>	179,802,282	79,686,176	23,508,318	43,367,267	-	652,248,187	(328,242,247)	650,369,983	8,489,816	658,859,799

(1) For investments and/or cancellation of debts and/or absorption of losses.

(2) Created by revaluation of assets (see Note 15).

The accompanying Notes 1 to 24 and Exhibit A and D to H form an integral part of these Condensed Interim Consolidated Financial Statements.

Alejandro Götz  
 Chairman



**Condensed Interim Consolidated Statement of Cash Flows**  
For the nine-month periods ended January 31, 2016 and 2015  
Stated in pesos

	Note / Exhibit	01.31.2016	01.31.2015
<b>Net cash flows provided by operating activities:</b>			
Net result for the period		(348,368,950)	78,543,922
Other comprehensive results		-	743,518,138
Comprehensive result for the period		(348,368,950)	822,062,060
<b>Adjustments to arrive at net cash flows provided by operating activities:</b>			
Exchange differences generated by cash and cash equivalents		(1,039,875)	18,949
Income tax		(185,743,010)	32,088,193
Interest accrued on financial liabilities and others		268,712,387	171,787,187
Exchange difference generated by financial liabilities and LIBO rate swap		1,057,097,605	134,840,124
Exchange difference from placements in financial investments at amortized cost not considered as cash or cash equivalents		(198,998,139)	(25,579,922)
Exchange difference generated by assignment of rights		(3,313,940)	(3,064,914)
Interest accrued from accounts receivable and payable	21	864,226	(5,503,629)
LIBO rate swap	21	-	(1,079,814)
Amortization of Property, plant and equipment	9 / A	210,420,162	140,988,016
Write-off of property, plant and equipment	23	-	23,177,851
Other comprehensive results		-	(743,518,138)
Reversal of the provision for property, plant and equipment impairment	9 / A	(546,692)	(1,015,762)
Provision for lawsuit and fines	E	(93,426)	460,182
Recovery of the provision for turnover and obsolescence of spare parts and materials	E	12,297	(299,050)
<b>Changes in net operating assets and liabilities:</b>			
Increase in trade accounts receivable		(176,692,772)	(100,867,013)
Increase in other accounts receivable		(41,027,577)	(15,282,408)
(Increase) / decrease in inventories		(1,552,962)	106,625
Increase in spare parts and materials		(104,212,971)	(20,708,586)
Increase / (decrease) in trade accounts payable		11,989,957	(33,816,552)
Decrease in debts for remunerations and social security charges		(8,090,897)	(5,242,337)
(Decrease) / Increase in taxes		(3,110,879)	7,725,133
Increase in other liabilities		16,258,940	7,055,414
Court judgements paid		(633,000)	-
Tax on assets paid		(2,107,640)	(5,225,789)
<b>Net cash flows provided by operating activities</b>		<b>489,822,844</b>	<b>379,105,820</b>
<b>Net cash flows of investment activities</b>			
Payments made for the purchase of property, plant and equipment	A	(378,434,117)	(184,534,466)
Net disposals of property, plant and equipment		-	141,148,220
Evolution of financial investments at amortized cost not considered as cash or cash equivalents		(2,228,720)	2,408,759
<b>Net cash flows used in investment activities</b>		<b>(380,662,837)</b>	<b>(40,977,487)</b>
<b>Net cash flows of financing activities</b>			
Interest paid and others	17	(145,771,641)	(103,458,430)
Financial liabilities settled	17	(57,657,926)	(52,014,142)
Loans settled with compensations	17	(70,365,638)	(74,004,023)
Financial liabilities obtained – net	17	261,750,000	170,398,012
<b>Net cash flows used in financing activities</b>		<b>(12,045,205)</b>	<b>(59,078,583)</b>
<b>Net increase in cash, cash equivalents and overdrafts</b>			
Exchange differences generated by cash and cash equivalents		1,039,875	(18,949)
Cash, cash equivalents and overdrafts at the beginning of the year		241,480,927	(42,921,631)
<b>Cash, cash equivalents and overdrafts at the end of the period</b>	<b>14</b>	<b>339,635,604</b>	<b>236,109,170</b>

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**Alejandro Götz**  
Chairman



**Condensed Interim Consolidated Statement of Cash Flows**  
For the nine-month periods ended January 31, 2016 and 2015  
Stated in pesos

**Transactions not entailing movements of cash**

<b>Supplementary information</b>	<u>01.31.2016</u>	<u>01.31.2015</u>
Provision for well capping	(9,841,957)	(706,173)

The accompanying Notes 1 to 24 and Exhibit A and D to H form an integral part of these Condensed Interim Consolidated Financial Statements.

  
Alejandro Götz  
Chairman



**Notes to the Condensed Interim Consolidated Financial Statements**  
As of January 31, 2016 and 2015 and April 30, 2015  
Stated in pesos

**NOTE 1 – GENERAL INFORMATION**

Capex S.A. ("the Company") and its subsidiaries Servicios Buproneu S.A. (SEB) and Hychico S.A. (Hychico) (jointly, "the Group") have as main activity the generation of electric power, the production of oil and gas, the provision of services related to the processing and separation of gases and the generation of electric power through the production of hydrogen and oxygen.

The Company was incorporated in 1988 to carry out oil and gas exploration in Argentina and it has subsequently added the electricity generation business.

In January 1991, the Company acquired 100% of the rights over the Agua del Cajón area located in the Neuquén Basin in the south east of the province of Neuquén, under a 25-year concession with an extension option for 10 years. On April 13, 2009, a Memorandum of Understanding was signed, whereby the province of Neuquén granted the Company an extension to the original term until January 11, 2026.

Consequently, the Company undertook to:

- pay US\$ 17,000,000;
- Conduct an action plan that will include investments and expenses for an aggregate amount of US\$ 144,000,000 until the expiration of the concession extension term;
- Pay an extraordinary 3% production fee;
- Pay an extraordinary charge which entails paying an additional percentage of the extraordinary fee ranging from 1% to 3% depending on the price of crude and natural gas with regard to a scale of reference prices.

The electricity generation business has a total nominal generation capacity of 672 MW (ISO), including an open cycle with a total nominal capacity of 371MW and a combined cycle with supplementary firing with a total nominal capacity of 301 MW.

To connect the power station with the National Interconnected System (SIN), a total of 111km of three high-voltage lines of 132kV were built, with Arroyito and Chocón Oeste being the interconnection points. Due to the operating needs of the combined cycle, an additional high-voltage line of 500 kV was built, the connection point of which is in Chocón Oeste. Thus, delivery is highly reliable and flexible.

The Company processes the gas produced, which is rich in liquefied components, in an LPG plant owned by SEB. Propane, butane and stabilized gasoline are obtained from this process. Propane and butane are sold separately and stabilized gasoline is sold together with crude oil, while the remaining gas is used as fuel to generate electricity. The efficiency levels of this plant are approximately 99.6%.

The Company started through Hychico two projects for the generation of wind power and the production of oxygen and hydrogen by electrolysis. Hydrogen is used as fuel for the generation of electric power, by mixing hydrogen with gas; oxygen is destined for the industrial gases market in the region and the produced wind power is sold in the WEM.

The Company trades its shares in the Buenos Aires Stock Exchange.

**NOTE 2- OIL AND GAS RESERVES (NOT COVERED BY LIMITED REVIEW REPORT OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS)**

Below is the estimate of hydrocarbon reserves in the Agua del Cajón area made by the Company at December 31, 2014, which has been audited by the independent auditor Lic. Hector A. López on March 31, 2015 in compliance with the requirements of ES Resolution 324/06, having as its horizon the expiry of the concession in January 2026 (see Note 1):



**Notes to the Condensed Interim Consolidated Financial Statements**  
As of January 31, 2016 and 2015 and April 30, 2015  
Stated in pesos

**NOTE 2 - OIL AND GAS RESERVES (NOT COVERED BY LIMITED REVIEW REPORT OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS) (CONT'D.)**

Products		Proven			Probable	Possible
		Developed	Non-developed	Total		
Gas	Mm <sup>3</sup> <sup>(1)</sup>	3,626	1,340	4,966	790	586
Oil	Mbbl	1,572	736	2,308	849	868
	Mm <sup>3</sup>	250	117	367	135	138

Proven developed reserves at January 31, 2016, based on the audited reserves at December 31, 2014 and adjusted according to production for the period January 2015 to January 2016, are as follows:

Gas	Mm <sup>3</sup> <sup>(1)</sup>	3,204
Oil	Mbbl	1,372
	Mm <sup>3</sup>	218

<sup>(1)</sup> Determined at 9,300 K/Cal per m<sup>3</sup>

**NOTE 3 - REGULATORY FRAMEWORK OF THE OIL&GAS, ELECTRIC AND LPG SECTORS**

There have been no changes in the regulatory framework of the oil & gas, electric and LPG sectors compared with the information provided in the consolidated financial statements for the year ended April 30, 2015, except for:

**Electric sector**

**a) ES Resolution 482/15**

On July 10, 2015, ES Resolution 482/15 was passed, which established:

- **Adjustment to the remuneration system implemented by ES Resolution No. 95/13 and previously adjusted by ES Resolution No. 529/14**

- **New rate schedule**

It replaced Exhibits I, II, III, IV and V to ES Resolution No. 529/14 (amending ES Resolution No. 95/13) and as from the transactions for February 2015, adjusted retroactively the values of the remuneration considered in such Exhibits, having an impact on the Company of a 25% increase on average.

It added various amendments to the method for calculating the remuneration, for example (i) in the fixed costs, the reference power availability value will be determined based on the typical conditions of temperature in the facility, (ii) in the variable costs, incentives referring to the increase in payments due to the larger number of hours the plant is operative and a more efficient use of fuels (see Incentive to "Production" and "Operating Efficiency"), and (iii) in the remuneration of non-recurrent maintenance, a formula will be applied considering adjustments based on the power Use Factor in the latest year and on a Start-up Factor considering the number of starts based on the dispatch administered by CAMMESA in the latest year, which is computed up to the month prior to that of the transaction.

*M.*



**Notes to the Condensed Interim Consolidated Financial Statements**  
As of January 31, 2016 and 2015 and April 30, 2015  
Stated in pesos

**NOTE 3 - REGULATORY FRAMEWORK OF THE OIL&GAS, ELECTRIC AND LPG SECTORS (CONT'D)**

At January 31, 2016, the effect of the amendments to ES Resolution 482/15 has been recognized for the period February to April 2015 for \$ 18 million.

- Incentive to "Production" and "Operating Efficiency"

It added an additional remuneration based on the volume of electricity produced over the year, varying according to the type of fuel, and rate of compliance with fuel consumption objectives. The incentive for "Production" consists of a 10% increase in the Variable Costs for the electricity produced with natural gas from the week following that in which the machine has acquired an accumulated electricity generation over the calendar year of 50% of its production capacity with the pertinent fuel and for its medium effective power, to the end of that calendar year. The incentive for "Efficiency" consists of a recognition of an additional remuneration equivalent to remuneration of variable costs by the percentage difference between actual consumption and reference consumption fixed for each type of unit and fuel; the comparison will be made on a quarterly basis. In the event of higher consumption, the basic remuneration based on Variable Costs is not modified.

At January 31, 2016, the Company accrued \$ 1.9 million.

- Resources for 2015-2018 FONINVEMEM investments

Pursuant to the "Agreement for projects management and operation, increase in the power plant generation availability and adjustment to the generation remuneration 2015-2018" dated June 5, 2015 ("2015-2018 Agreement"), ES Resolution No. 482/15 included a specific contribution, the Resources for 2015-2018 FONINVEMEM investments ("2015-2018 FONINVEMEM investments"), for the execution of the works considered under such system. 2015-2018 FONINVEMEM resources will be allocated to those generators involved in the projects approved or to be approved by the ES, they will be monthly determined and calculated based on the total electricity generated. The specific contributions will be automatically allocated by CAMMESA retrospectively, from the transactions for February 2015 to December 2018, in favor of each generating agent, as from the signing of the construction and supply contracts for each project approved by the ES. Pursuant to ES Resolution No. 482/15, the 2015-2018 FONINVEMEM resources to be allocated do not give rise to any vested interest in favor of the generator, and in the event of non-compliance with the commitments undertaken in the construction and supply contracts, the ES may decide to modify the allocation of such contributions with the agent having no right whatsoever to claim any amount or item.

At the date of these financial statements, the Company has adhered to the 2015-2018 Agreement (see point below), stating its intention to participate; with certain specific conditions therein being negotiated. Meanwhile, the Company is analyzing various projects within the framework of such agreement. The Company will recognize income from the 2015-2018 FONINVEMEM resources, where applicable, since February 2015 and as from the approval of the investment projects and the allocation of the specific contributions.

- FONINVEMEM 2015-2018 direct remuneration

ES Resolution 482/15 added a remuneration item, the "FONINVEMEM 2015-2018 direct remuneration" applicable to the units built within the framework of the 2015-2018 Agreement. The new item consists in the recognition of an additional amount equivalent to 50% of the Additional Remuneration as per the portion of electricity to be remunerated under the 2015-2018 Agreement. The term for recognition of such remuneration will start as from the authorization to operate each generation unit and for a term lower than 10 years as from that date.

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**Notes to the Condensed Interim Consolidated Financial Statements**  
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**NOTE 3 - REGULATORY FRAMEWORK OF THE OIL&GAS, ELECTRIC AND LPG SECTORS (CONT'D)**

**Agreement for projects management and operation, Increase in the power plant generation availability and adjustment to the generation remuneration 2015-2018 ("2015-2018 agreement")**

As mentioned before, on July 3, 2015, the Company has adhered to the 2015-2018 Agreement entered into between the Argentine government and the various generation agents. In view of the above, the Company might receive additional resources under ES Resolution 482/15 which would be applied to new generation projects to be developed by the Company or its subsidiaries, once approved by the ES.

The purpose of the Agreement is: i) to allow for the addition of new generation to meet the increasing demand for electricity and power in such market, ii) to determine a mechanism for the application and settlement of the credit balances committed by the Generators for the period between February 2015 and December 2018 inclusive, not previously committed in similar programs (FONINVEMEM 2015-2018 resources), the aim of which will be the financing of new generation projects for those generators adhering to the agreement, and iii) to recognize the Additional resources established by ES Resolution 482/15 (FONINVEMEM 2015-2018 Direct Remuneration).

The 2015-2018 Agreement sets forth the terms to define the work team and the subsequent submission of the projects to be developed.

**b) Program for the maintenance of electricity generating units**

Since the beginning of the program until January 31, 2016, the Company received from CAMMESA disbursements for \$ 243 million. The funds disbursed by CAMMESA within the framework of the electricity generation units maintenance program totaled \$ 134 million, and they are shown under "Financial debts", net of the receivables accrued with CAMMESA in relation to the Non-recurring maintenance remuneration for \$ 46.0 million. The net value, (with the accrued interest) totals a liability of \$ 103.1 million (see Note 17).

The Company requested that the original amount be increased by US\$ 20,000,000 (including VAT) to finance the works with the new scope consisting of:

- 1) Changes in the original maintenance plan, and
- 2) Higher costs than originally estimated.

On November 18, 2015, the increase in the financing amount was approved by the Electric Power Undersecretariat and accepted by CAMMESA by means of an Addendum to the original Agreement, with which the total amount under the Program is US\$ 50,861,000.

After the closing date of the financial statements and until the date of issue thereof, the Company received additional funds from CAMMESA for a total amount of \$ 33.4 million.

**c) Law No. 27191 - Amendments to the system for the promotion of renewable energies (Hychico)**

On September 25, 2015, the National Congress enacted Law No. 27191 which was published in the Official Bulletin on October 21, 2015. The Law introduced amendments to the National Programme for the Promotion of the Use of Renewable Energy Sources created by Law No. 26190. To that end, to reach an 8% renewable energy contribution to the national consumption matrix at December 31, 2017 and 20% at December 31, 2025, the law added the following: (i) it extended the definition of renewable energies; (ii) eliminated the 10-year limitation for the tax benefit system; (iii) set out non-excluding tax incentives such as: early refund of VAT, accelerated amortization of income tax, exclusion from the minimum notional income tax base of assets used in promoted activities, exemption from import duties, offsetting of tax losses against income (from 5 to 10 years), tax exemption for dividend distribution when the beneficiary is an individual (only in the case of reinvestment), and tax certificates for 20% of the value of the national components; (iv) created the Fiduciary Fund for the Development of Renewable Energies that, among other things, will grant loans and guarantees for investment projects, and (v) ordered that all power users will have to contribute by complying with the renewable energy consumption objectives set forth by the law, for which a gradual schedule was established and special obligations for Large Users of over 300kW.

**NOTE 3 - REGULATORY FRAMEWORK OF THE OIL&GAS, ELECTRIC AND LPG SECTORS (CONT'D)**



**Notes to the Condensed Interim Consolidated Financial Statements**  
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**d) Law XVII No. 95 – Tax benefits for renewable energies (Hychico)**

On October 19, 2015, the Head of the Agency for the Promotion of Renewable Energies in the Province of Chubut decided to grant Hychico for its PED, within the framework of Law XVII No. 95, the benefits set forth in Article 7, Section B, Sub-section 3, fully exempting it from payment of turnover tax during the first five (5) years as from the granting date, and with a 50% turnover tax exemption as from the sixth year up to and including the tenth year. Within the framework of that Law, and in accordance with the provisions of Article 8, the "tax stability" benefit was granted in the provincial territory for a term of 15 years, with tax stability being understood as the impossibility of imposing on the activity a heavier tax burden, as a consequence of tax increases.

**NOTE 4 - BASIS FOR PREPARATION AND PRESENTATION**

These Condensed Interim Consolidated Financial Statements have been prepared in accordance with International Accounting Standard No. 34 "Interim Financial Reporting" (IAS34) approved by the IASB.

The National Securities Commission ("CNV"), by means of General Resolutions Nos. 562/09 and 576/10, has established the application of Technical Pronouncements Nos. 26 and 29 issued by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE), adopting International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), for those entities included in the public offering regime of Law No. 17811, due either to their stock or corporate bonds, or having requested listing authorization to be included in this regime.

This condensed interim consolidated financial information must be read jointly with the consolidated financial statements of the Group as of April 30, 2015.

The condensed interim consolidated financial statements corresponding to the nine and three-month periods ended January 31, 2016 and 2015 have not been audited. The Company Management estimates that they include all necessary adjustments to present the results of each period in a reasonable manner. The results of the nine-month periods ended January 31, 2016 and 2015 do not necessarily reflect the proportion of the Group's results during full fiscal years. Figures are stated in Argentine pesos without cents, except otherwise expressly stated.

**Comparative Information**

Balances at April 30, 2015 and for the nine and three-month periods ended on January 31, 2015, which are disclosed for comparative purposes, arise from financial statements at those dates. Certain reclassifications have been included in the financial statement figures presented for comparative purposes to conform them to the current period presentation.

**NOTE 5 - ACCOUNTING STANDARDS**

The accounting policies adopted for these condensed interim consolidated financial statements are consistent with those used in the consolidated financial statements for the year ended on April 30, 2015.

**NOTE 6 - ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of the condensed interim consolidated financial statements at a given date requires that Management makes estimates and evaluations affecting the amount of assets and liabilities recorded and contingent assets and liabilities disclosed at the date of issue of the financial statements, as well as income and expenses recorded during the period.

These estimates and judgements are constantly assessed and are based on past experience and other factors that are reasonable under the existing circumstances. Actual future results may differ from those estimates and assessments made at the date these condensed interim consolidated financial statements were prepared.

In the preparation of these condensed interim consolidated financial statements, critical judgments made by Management when applying the Group accounting policies and the sources of information used for the related estimates are the same as those applied to the consolidated financial statements for the fiscal year ended April 30, 2015.

**NOTE 7 - ADMINISTRATION OF FINANCIAL RISKS**





**Notes to the Condensed Interim Consolidated Financial Statements**  
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The Group's activities expose it to several financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit and liquidity risks.

There were no significant changes in the risk management policies since the last fiscal year.

**NOTE 8 – SEGMENT REPORTING**

The Board has determined operating segment based on the reports it reviews and which are used for strategic decision making.

Segment reporting is presented in a manner consistent with the internal reporting. The Board and senior managers of the Company are responsible for assigning resources and assessing the profitability of operating segments.

Management information used in the decision making is prepared on a monthly basis and is broken down as follows per Company segment:

- 1) oil & gas exploration, production and sale ("Oil and Gas"),
- 2) the generation of electricity ("Electricity ADC"),
- 3) the production and sale of liquefied petroleum gas (LPG),
- 4) generation of eolic electric power ("Energy DEEF"),
- 5) generation of energy with hydrogen ("Energy HYDROGEN), and
- 6) Oxygen production and sale ("Oxygen").

Segment reporting information is disclosed below:



**Notes to the Condensed Interim Consolidated Financial Statements**  
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**NOTE 8 – SEGMENT REPORTING (CONT'D.)**

Nine months at 01.31.2016								
	Oil and gas	ADC Energy	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Deletions	Total
Net sales	514,929,040	599,508,199	60,516,477	23,984,202	2,055,991	728,120	-	1,201,722,029
Sales between segments	289,120,242	-	82,851,268	-	-	-	(371,971,510)	-
Cost of sales	(279,629,459)	(447,629,561)	(81,522,123)	(7,733,633)	(3,033,102)	(989,554)	371,971,510	(448,565,922)
<b>Gross income/ loss</b>	<b>524,419,823</b>	<b>151,878,638</b>	<b>61,845,622</b>	<b>16,250,569</b>	<b>(977,111)</b>	<b>(261,434)</b>	-	<b>753,156,107</b>
Selling expenses	(139,360,832)	(25,440,048)	(5,371,493)	(688,534)	(272,642)	(81,827)	-	(171,195,376)
Administrative expenses	(54,564,763)	(27,554,593)	(10,416,493)	(249,432)	(1,768,682)	(742,853)	-	(95,316,816)
Other operating income / (expenses), net	57,465	66,907	(9,129)	-	(13,287)	-	-	101,956
<b>Operating results</b>	<b>330,551,693</b>	<b>98,950,904</b>	<b>46,048,607</b>	<b>15,332,603</b>	<b>(3,051,722)</b>	<b>(1,086,114)</b>	-	<b>486,745,871</b>
Financial income	286,978,229	13,067,238	38,494,583	2,620,140	12,752,095	4,516,097	(147,671)	358,280,711
Financial costs	-	(1,324,435,004)	(24,135)	(55,080,103)	(216,829)	(76,734)	147,671	(1,379,685,234)
Other financial results	-	-	-	-	331,502	215,190	-	546,692
<b>Result before income tax</b>	<b>617,529,922</b>	<b>(1,212,416,862)</b>	<b>84,518,955</b>	<b>(37,127,360)</b>	<b>9,814,946</b>	<b>3,568,439</b>	-	<b>(534,111,960)</b>
Income Tax	-	-	-	-	-	-	-	185,743,010
<b>Net result for the period</b>								<b>(348,368,950)</b>
Other comprehensive income	-	-	-	-	-	-	-	-
<b>Net comprehensive result for the period</b>								<b>(348,368,950)</b>
<b>Amortization</b>								
Cost of Sales	(139,492,539)	(55,156,095)	(11,038,314)	(2,889,524)	(875,419)	(215,530)	-	(209,667,421)
Administrative expenses	(329,892)	(384,079)	(38,770)	-	-	-	-	(752,741)
<b>Total</b>	<b>(139,822,431)</b>	<b>(55,540,174)</b>	<b>(11,077,084)</b>	<b>(2,889,524)</b>	<b>(875,419)</b>	<b>(215,530)</b>	-	<b>(210,420,162)</b>

Three months at 01.31.2016								
	Oil and gas	ADC Energy	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Deletions	Total
Net sales	208,451,914	217,451,971	21,581,217	9,225,960	703,119	239,144	-	457,653,325
Sales between segments	101,457,378	-	34,644,630	-	-	-	(136,102,008)	-
Cost of sales	(104,808,820)	(165,458,667)	(32,448,511)	(2,889,476)	(691,982)	(204,487)	136,102,008	(170,399,935)
<b>Gross income</b>	<b>205,100,472</b>	<b>51,993,304</b>	<b>23,777,336</b>	<b>6,336,484</b>	<b>11,137</b>	<b>34,657</b>	-	<b>287,253,390</b>
Selling expenses	(57,310,366)	(7,994,314)	(2,136,741)	(92,881)	(97,679)	(28,408)	-	(67,660,389)
Administrative expenses	(21,126,637)	(10,696,752)	(4,077,561)	(62,803)	(616,043)	(244,031)	-	(36,823,927)
Other operating income / (expenses), net	142,741	173,214	17,592	-	(4)	-	-	333,543
<b>Operating results</b>	<b>126,806,210</b>	<b>33,475,452</b>	<b>17,580,626</b>	<b>6,180,700</b>	<b>(702,589)</b>	<b>(237,782)</b>	-	<b>183,102,617</b>
Financial income	213,472,247	4,273,395	28,664,042	1,485,141	10,360,966	3,651,858	(56,421)	261,851,228
Financial costs	-	(1,033,279,000)	(1,762)	(43,688,543)	(89,475)	(30,760)	56,421	(1,077,033,119)
Other financial results	-	-	-	-	171,012	71,730	-	242,742
<b>Result before income tax</b>	<b>340,278,457</b>	<b>(995,530,153)</b>	<b>46,242,906</b>	<b>(36,022,702)</b>	<b>9,739,914</b>	<b>3,455,046</b>	-	<b>(631,836,532)</b>
Income Tax	-	-	-	-	-	-	-	220,127,720
<b>Net result for the period</b>								<b>(411,708,812)</b>
Other comprehensive income	-	-	-	-	-	-	-	-
<b>Net comprehensive result for the period</b>								<b>(411,708,812)</b>
<b>Amortization</b>								
Cost of Sales	(52,187,805)	(22,913,040)	(3,679,439)	(963,174)	(291,806)	(71,843)	-	(80,107,107)
Administrative expenses	(131,790)	(137,124)	(13,603)	-	-	-	-	(282,517)
<b>Total</b>	<b>(52,319,595)</b>	<b>(23,050,164)</b>	<b>(3,693,042)</b>	<b>(963,174)</b>	<b>(291,806)</b>	<b>(71,843)</b>	-	<b>(80,389,624)</b>



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**NOTE 8 – SEGMENT REPORTING (CONT'D)**

	Nine months at 01.31.2015							Total
	Oil and gas	ADC Energy	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Deletions	
Net sales	326,826,577	494,687,693	77,113,928	21,558,601	1,611,939	617,893	-	922,416,631
Sales between segments	249,396,109	-	71,805,804	-	-	-	(321,201,913)	-
Cost of sales	(197,389,670)	(378,706,155)	(69,631,773)	(5,898,724)	(3,065,202)	(1,064,380)	321,201,913	(334,553,991)
<b>Gross income/ loss</b>	<b>378,833,016</b>	<b>115,981,538</b>	<b>79,287,959</b>	<b>15,659,877</b>	<b>(1,453,263)</b>	<b>(446,487)</b>	-	<b>587,862,640</b>
Exploration expenses	(23,177,851)	-	-	-	-	-	-	(23,177,851)
Selling expenses	(95,370,178)	(23,219,759)	(5,348,557)	(846,428)	(322,456)	(111,189)	-	(126,218,567)
Administrative expenses	(35,512,934)	(19,153,262)	(9,668,799)	(257,214)	(1,274,336)	(545,591)	-	(66,412,136)
Other operating income / (expenses), net	3,048,182	(1,602,662)	(247,794)	-	(26,309)	-	-	1,171,417
<b>Operating results</b>	<b>226,820,235</b>	<b>72,005,855</b>	<b>64,022,809</b>	<b>14,556,235</b>	<b>(3,076,364)</b>	<b>(1,103,267)</b>	-	<b>373,225,503</b>
Financial income	48,843,657	13,373,728	12,377,135	2,047,752	3,338,656	1,279,784	-	81,260,712
Financial costs	-	(329,166,036)	(6,556)	(15,544,343)	(106,017)	(46,910)	-	(344,869,852)
Other financial results	-	-	-	-	800,572	215,190	-	1,015,762
<b>Result before income tax</b>	<b>275,663,892</b>	<b>(243,786,453)</b>	<b>76,393,388</b>	<b>1,059,644</b>	<b>958,847</b>	<b>344,797</b>	-	<b>110,632,115</b>
Income Tax	-	-	-	-	-	-	-	(32,088,193)
<b>Net result for the period</b>								<b>78,543,922</b>
Other comprehensive income <sup>(1)</sup>	-	-	-	-	-	-	-	743,518,138
<b>Net comprehensive result for the period</b>								<b>822,062,060</b>
<b>Amortization</b>								
Cost of Sales	(90,760,734)	(36,874,813)	(7,583,609)	(3,919,199)	(875,761)	(215,190)	-	(140,209,306)
Administrative expenses	(283,213)	(428,674)	(66,823)	-	-	-	-	(778,710)
<b>Total</b>	<b>(91,043,947)</b>	<b>(37,303,487)</b>	<b>(7,630,432)</b>	<b>(3,919,199)</b>	<b>(875,761)</b>	<b>(215,190)</b>	-	<b>(140,988,016)</b>

	Three months at 01.31.2015							Total
	Oil and gas	ADC Energy	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Deletions	
Net sales	105,425,920	180,004,810	25,012,264	7,508,065	483,604	178,623	-	318,613,466
Sales between segments	83,726,303	-	26,890,315	-	-	-	(110,616,618)	-
Cost of sales	(70,037,013)	(134,901,938)	(25,361,733)	(2,287,510)	(1,021,557)	(346,342)	110,616,618	(123,339,475)
<b>Gross income/ loss</b>	<b>119,115,210</b>	<b>45,102,872</b>	<b>26,540,846</b>	<b>5,220,555</b>	<b>(537,753)</b>	<b>(167,719)</b>	-	<b>195,274,011</b>
Exploration expenses	(23,177,851)	-	-	-	-	-	-	(23,177,851)
Selling expenses	(31,569,896)	(7,628,566)	(2,003,313)	(301,897)	(70,102)	(21,767)	-	(41,595,541)
Administrative expenses	(12,812,591)	(6,986,092)	(3,639,355)	(63,263)	(476,415)	(202,145)	-	(24,179,861)
Other operating income / (expenses), net	43,181	(36,260)	(17,369)	-	(27,139)	-	-	(37,587)
<b>Operating results</b>	<b>51,598,053</b>	<b>30,451,954</b>	<b>20,880,809</b>	<b>4,855,395</b>	<b>(1,111,409)</b>	<b>(391,631)</b>	-	<b>106,283,171</b>
Financial income	19,053,426	8,058,989	4,918,005	534,482	818,230	298,386	-	33,681,518
Financial costs	-	(100,953,099)	3,804	(3,872,203)	7,153	(1,349)	-	(104,815,694)
Other financial results	-	-	-	-	246,571	71,731	-	318,302
<b>Result before income tax</b>	<b>70,651,479</b>	<b>(62,442,156)</b>	<b>25,802,618</b>	<b>1,517,674</b>	<b>(39,455)</b>	<b>(22,863)</b>	-	<b>35,467,297</b>
Income Tax	-	-	-	-	-	-	-	(11,636,178)
<b>Net result for the period</b>								<b>23,831,119</b>
Other comprehensive income <sup>(1)</sup>	-	-	-	-	-	-	-	-
<b>Net comprehensive result for the period</b>								<b>23,831,119</b>
<b>Amortization</b>								
Cost of Sales	(32,053,584)	(17,829,308)	(3,042,779)	(1,437,815)	(291,921)	(71,733)	-	(54,727,140)
Administrative expenses	(75,027)	(132,774)	(17,830)	-	-	-	-	(225,631)
<b>Total</b>	<b>(32,128,611)</b>	<b>(17,962,082)</b>	<b>(3,060,609)</b>	<b>(1,437,815)</b>	<b>(291,921)</b>	<b>(71,733)</b>	-	<b>(54,952,771)</b>

<sup>(1)</sup> No future charge to results

The Company did not make sales to customers abroad at January 31, 2015 and only hold assets that are financial instruments abroad.

At January 31, 2016, the Company made LPG sales to customers abroad.



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**NOTE 9 - PROPERTY, PLANT AND EQUIPMENT**

	01.31.2016	01.31.2015
Residual value at beginning of year	2,646,497,530	1,670,638,617
Additions	388,276,074	185,240,639
Recovery of provisions	546,692	1,015,762
Revaluation, net of amortization	-	1,143,874,405
Disposal, net of amortization	-	(164,326,071)
Amortization	(210,420,162)	(140,988,016)
Residual value at the end of period	2,824,900,134	2,695,455,336

From the amortization charge for the nine-month periods ended January 31, 2016 and 2015, \$ 209,667,421 and \$ 140,209,306, respectively, were allocated to Cost of sales and \$ 752,741 and \$ 778,710, respectively, to Administration Expenses.

Below is the revaluation by group of assets:

	Net book value at cost value at 04.30.2015	Additions/ Retirements for the period – Net	Amortization for the period at cost value	Residual value at cost value
CT ADC	366,183,809	78,812,688	(31,999,379)	412,997,118
Building and land in Neuquén	33,885,812	-	(155,333)	33,730,479
LPG Plant	65,746,719	-	(3,780,312)	61,966,407
DEEF	62,360,363	511,296	(2,889,524)	59,982,135
Remaining assets	1,078,845,659	309,498,782	(141,167,477)	1,247,176,964
Total	1,607,022,362	388,822,766	(179,992,025)	1,815,853,103

	Revaluation at 04.30.2015	Amortization of the period – Revaluation	Residual value of revaluation	Net book value at 01.31.2016
CT ADC	891,621,155	(23,156,716)	868,464,439	1,281,461,557
Building and land in Neuquén	21,714,433	(13,419)	21,701,014	55,431,493
LPG Plant	95,520,655	(5,822,740)	89,697,915	151,664,322
DEEF	30,618,925	(1,435,262)	29,183,663	89,165,798
Remaining assets	-	-	-	1,247,176,964
Total	1,039,475,168	(30,428,137)	1,009,047,031	2,824,900,134

**NOTE 10 - NET DEFERRED TAX LIABILITIES**

The net deferred tax position is as follows:

	01.31.2016	04.30.2015
<b>Deferred tax assets:</b>		
Deferred tax assets to be recovered after 12 months	263,657,748	67,472,558
Deferred tax assets to be recovered in 12 months	9,865,528	3,773,534
<b>Deferred tax liabilities:</b>		
Deferred tax liabilities to be recovered after 12 months	(515,032,576)	(474,589,897)
Deferred tax liabilities to be recovered in 12 months	(29,841,589)	(56,969,943)
<b>Deferred tax liabilities (net)</b>	<b>(271,350,889)</b>	<b>(460,313,748)</b>

The movement of deferred assets and tax liabilities, without considering compensation of balances, is as follows:

- Deferred assets:

	Tax losses	Trade Accounts Receivable	Trade Accounts Payable	Provisions and Others	Total
Balance at April 30, 2015	56,852,527	20,259	5,940,436	8,432,870	71,246,092
Charge to income/loss	200,077,060	-	3,426,716	(1,226,592)	202,277,184
Balance at January 31, 2016	256,929,587	20,259	9,367,152	7,206,278	273,523,276



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**NOTE 10 – NET DEFERRED TAX LIABILITIES (CONT'D)**

- Deferred liabilities:

	Financial investments at fair value	Property, plant and equipment	Other accounts receivable	Financial liabilities	Total
Balance at April 30, 2015	(7,156,809)	(520,042,388)	(1,010,139)	(3,350,504)	(531,559,840)
Charge to income/loss	2,578,645	(16,345,934)	452,964	-	(13,314,325)
Balance at January 31, 2016	(4,578,164)	(536,388,322)	(557,175)	(3,350,504)	(544,874,165)

Tax-losses carry forwards recorded at January 31, 2016 are as follows:

Generated in	Amount	Rate 35%	Tax-loss recovery <sup>(1)</sup>	Expire in
Tax-loss generated at April 30, 2011	576,166	201,658	-	2016
Tax-loss generated at April 30, 2012	23,843,898	8,345,364	-	2017
Tax-loss generated at April 30, 2013	6,741,288	2,359,451	2,359,451	2018
Tax-loss generated at April 30, 2014	120,051,289	42,017,952	42,017,952	2019
Tax-loss generated at April 30, 2015	1,401,557	490,545	490,545	2020
Tax-loss generated at January 31, 2016	605,890,396	212,061,639	212,061,639	2021
<b>Total tax-loss carry forward at January 31, 2016</b>	<b>758,504,594</b>	<b>265,476,609</b>	<b>256,929,587</b>	

<sup>(1)</sup>Such tax-losses carry forwards might be allocated to future taxable income arising within five years as from the date they are generated.

**NOTE 11 - OTHER ACCOUNTS RECEIVABLE**

	01.31.2016	04.30.2015
<b>Non-current</b>		
In local currency		
Value added tax	-	3,763,373
Tax on assets	85,920,473	51,151,967
In foreign currency (Exhibit G)		
Assignment of CAMMESA rights	27,674,216	21,172,535
<b>Total</b>	<b>113,594,689</b>	<b>76,087,875</b>
<b>Current</b>		
In local currency		
Sundry advances	4,485,652	3,456,373
Tax on assets	1,306,673	764,435
Turnover tax	2,850,815	2,175,122
Value added tax	18,848,961	13,644,025
Income tax – withholdings	922,595	14,877,039
Other tax credits	5,713,398	3,971,147
Prepaid insurance	4,170,320	10,413,483
Prepaid expenses	3,740,568	1,145,788
Assignment of CAMMESA rights	990,162	411,554
Intercompany receivables (Note 22.b)	487,614	584,416
Sundry	2,187,992	540,380
In foreign currency (Exhibit G)		
Sundry advances	8,836,020	6,042,812
Intercompany receivables (Note 22.b)	6,038	-
Assignment of CAMMESA rights	12,488,700	8,152,972
Agreement for gas propane supply for networks to collect	13,234,261	4,925,349
<b>Total</b>	<b>80,269,769</b>	<b>71,104,895</b>



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**NOTE 12 - TRADE ACCOUNTS RECEIVABLE**

	01.31.2016	04.30.2015
<b>Non-Current</b>		
In local currency		
From sale of energy and others (Receivables Art. 5 Res. 95/2013 – CAMMESA)	90,189,277	54,988,586
Doubtful accounts	2,627,115	2,627,115
Less: Provision for doubtful accounts (Exhibit E)	(2,627,115)	(2,627,115)
<b>Total</b>	<b>90,189,277</b>	<b>54,988,586</b>
<b>Current</b>		
In local currency		
From sale of energy and others	421,423,462	226,787,801
Intercompany receivables (Note 22.b)	309,824	314,422
In foreign currency (Exhibit G)		
From sale of oil and others	52,966,987	104,793,478
Intercompany receivables (Note 22.b))	293,985	173,957
<b>Total</b>	<b>474,994,258</b>	<b>332,069,658</b>

**NOTE 13 - FINANCIAL INVESTMENTS AT AMORTIZED COST**

	01.31.2016	04.30.2015
<b>Non-Current</b>		
In foreign currency (Exhibit G)		
Time deposits (Exhibit D)	555,642,784	354,415,925
<b>Total</b>	<b>555,642,784</b>	<b>354,415,925</b>

Book value of financial investments at amortized cost approximates its fair value.

**NOTE 14 - CASH AND CASH EQUIVALENTS**

	01.31.2016	04.30.2015
<b>Current</b>		
In local currency		
Cash	59,019	51,619
Checks to be deposited	1,484,072	2,171,745
Banks	9,233,902	8,242,758
Financial investments at amortized cost (Exhibit D)	85,638,274	-
Financial investments at fair value (Exhibit D)	260,624,441	381,965,221
In foreign currency (Exhibit G)		
Cash	148,323	95,636
Banks	849,670	176,541
<b>Total</b>	<b>358,037,701</b>	<b>392,703,520</b>

For purposes of the statement of cash flows, cash, cash equivalents and bank overdrafts include:

	01.31.2016	01.31.2015
Cash and cash equivalents	11,774,986	8,905,904
Financial investments at amortized cost	85,638,274	-
Financial investment at fair value	260,624,441	364,252,468
Bank overdrafts	(18,402,097)	(137,049,202)
<b>Total</b>	<b>339,635,604</b>	<b>236,109,170</b>



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**NOTE 15 - RESERVE FOR THE ASSETS REVALUATION**

Below is a detail of the changes and breakdown of the Reserve for assets revaluation:

	CT ADC	LPG Plant	DEEF	Building and land - Vicente López	Building and land - Neuquén	Total	Attributable to the Company	Attributable to Minority Interest
Balances as of January 31, 2015	584,968,008	63,259,680	20,208,490	-	14,117,289	682,553,467	678,543,881	4,009,586
Reversal due to depreciation for the period <sup>(1)</sup>	(8,329,626)	(1,802,277)	(471,060)	-	(4,473)	(10,607,436)	(10,372,180)	(235,256)
Reversal of deferred tax <sup>(1)</sup>	2,915,369	630,798	164,871	-	1,566	3,712,604	3,630,263	82,341
<b>Subtotal for reversal of reserve for assets revaluation <sup>(1)</sup></b>	<b>(5,414,257)</b>	<b>(1,171,479)</b>	<b>(306,189)</b>	<b>-</b>	<b>(2,907)</b>	<b>(6,894,832)</b>	<b>(6,741,917)</b>	<b>(152,915)</b>
Balances as of April 30, 2015	579,553,751	62,088,201	19,902,301	-	14,114,382	675,658,635	671,801,964	3,856,671
Reversal due to depreciation for the period <sup>(1)</sup>	(23,156,716)	(5,822,740)	(1,435,262)	-	(13,419)	(30,428,137)	(30,082,735)	(345,402)
Reversal of deferred tax <sup>(1)</sup>	8,104,851	2,037,959	502,342	-	4,697	10,649,849	10,528,958	120,891
<b>Subtotal for reversal of reserve for assets revaluation <sup>(1)</sup></b>	<b>(15,051,865)</b>	<b>(3,784,781)</b>	<b>(932,920)</b>	<b>-</b>	<b>(8,722)</b>	<b>(19,778,288)</b>	<b>(19,553,777)</b>	<b>(224,511)</b>
Balances as of January 31, 2016	564,501,886	58,303,420	18,969,381	-	14,105,660	655,880,347	652,248,187	3,632,160

<sup>(1)</sup> Charged to "Retained Earnings".

**Restrictions on the free availability of the Reserve for assets revaluation**

At the closing of the year or period, the positive balance of the Reserve for assets revaluation may not be distributed, capitalized or allocated to absorb accumulated losses, but must be computed as part of Retained earnings for the purposes of comparison to determine the Company's situation under sections 31, 32 and 206 of the Commercial Companies Law No 19550, based on the restated text of the CNV.

**NOTE 16 - TRADE ACCOUNTS PAYABLE**

	01.31.2016	04.30.2015
<b>Non-Current</b>		
In local currency		
Sundry accruals	30,471,904	20,010,647
Total	30,471,904	20,010,647
<b>Current</b>		
In local currency		
Suppliers	67,962,869	87,166,404
Intercompany suppliers (Note 22.b))	17,371	6,636
Sundry accruals	1,347,015	9,190,212
In foreign currency (Exhibit G)		
Suppliers	159,625,842	123,293,250
Sundry accruals	7,614,713	3,021,375
Total	236,567,810	222,677,877



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**NOTE 17 – FINANCIAL LIABILITIES**

	01.31.2016	04.30.2015
<b>Non-Current</b>		
In local currency		
Commissions and expenses to be accrued	(2,984,673)	(4,680,858)
Bank	103,416,667	74,000,000
Advance funding for maintenance of the CT ADC	103,083,602	62,694,874
In foreign currency (Exhibit G)		
Bank	107,492,000	74,818,800
Corporate bonds	2,792,000,000	1,781,400,000
<b>Total</b>	<b>3,103,007,596</b>	<b>1,988,232,816</b>
<b>Current</b>		
In local currency		
Bank overdrafts	18,402,097	151,222,593
Commissions and expenses to be accrued	(2,277,328)	(2,251,786)
Bank	147,713,165	43,212,123
In foreign currency (Exhibit G)		
Bank	23,125,930	12,826,229
Corporate bonds	109,594,972	25,380,166
<b>Total</b>	<b>296,558,836</b>	<b>230,389,325</b>

Changes in financial liabilities are as follows:

	01.31.2016	01.31.2015
<b>Balances at the beginning</b>	<b>2,218,622,141</b>	<b>1,883,082,096</b>
(Decrease) / Increase in bank overdrafts	(132,820,496)	42,344,104
Loans obtained	171,750,000	40,000,000
Funding for maintenance of the CT ADC	90,000,000	130,398,012
Offsetting with credit for remuneration of non-recurring maintenance	(70,365,638)	(74,004,023)
Accruals:		
Accrued interest	267,041,725	169,004,096
Accrued commissions and expenses	1,670,662	1,673,163
Exchange difference generated by foreign currency debts	1,057,097,605	134,822,079
Payments:		
Interest	(145,771,641)	(100,985,384)
Capital	(57,657,926)	(52,014,142)
<b>Balances at period-end</b>	<b>3,399,566,432</b>	<b>2,174,320,001</b>

The main loans contracted in the period are detailed as follows:

a) Banco Ciudad de Buenos Aires, Banco Hipotecario and Banco Macro for \$ 125,000,000

On May 5, 2015 the Company signed a loan agreement with Banco de la Ciudad de Buenos Aires, Banco Hipotecario S.A. and Banco Macro S.A. as lenders and Banco Macro S.A., as administrative agent and underwriter, with the following characteristics:

Amount: \$ 125,000,000

Purpose of the funds: \$ 100,000,000 for the repayment of financial debt and \$ 25,000,000 for working capital.

Starting date: May 5, 2015

Term: 24 months

Expiration date: May 5, 2017

Amortization: 5 quarterly, equal and consecutive installments, with a grace period of one year. The amount of each principal installment is as follows:





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**NOTE 17 – FINANCIAL LIABILITIES (CONT'D)**

Installment	Expiration date	Percentage of the loan amount
1	May, 2016	15%
2	August, 2016	15%
3	November, 2016	15%
4	February, 2017	25%
5	May, 2017	30%

Interest rate: It accrues interest at nominal annual floating BADLAR rate for Private Banks (adjusted) plus 450 bps. Minimum Cash for the adjustment corresponds to the percentage of minimum cash for liquidity required from financial entities for the placement of time deposits at 30 to 59 days residual corresponding to Category 1 in accordance with the BCRA, in force at the date of calculating interest that may apply. Interest is paid on a quarterly basis.

Main commitments of the Company and its restricted subsidiaries: it has general conditions similar to those already existing under Class 1 Negotiable Obligations at Fixed Rate falling due in 2018 for a nominal value of up to US\$ 200,000,000. In the event of non-compliance with certain financial commitments, there is a restriction to the declaration or payment of dividends or the distribution of share capital.

At the date of issuance of the financial statements at January 31, 2016, the Company and its Restricted Companies comply with all obligations undertaken.

b) Banco de Crédito y Securitización S.A. for \$ 15,000,000

On July 28, 2015, the Company entered into a loan agreement with BACS Banco de Crédito y Securitización S.A.:

Amount: \$ 15,000,000

Purpose of the funds: working capital.

Starting date: July 28, 2015

Term: 28 months

Expiration date: November 13, 2017

Amortization: 5 equal and consecutive installments, the first one falling due on November 11, 2015 and the others every six months.

Interest rate: It accrues interest at nominal annual floating BADLAR rate for Private Banks (adjusted) plus 400 bps. Minimum Cash used for the adjustment corresponds to the average for a time deposit at 29 days, corresponding to Category 1 in accordance with the BCRA, in force at the time of each base rate calculation, which are paid together with principal amortization charges

Main commitments of the Company and its restricted subsidiaries: it has general conditions similar to those already existing under Class 1 Negotiable Obligations at Fixed Rate falling due in 2018 for a nominal value of up to US\$ 200,000,000. In the event of non-compliance with certain financial commitments, there is a restriction to the declaration or payment of dividend or the distribution of share capital.

At the date of issuance of the financial statements at January 31, 2016, the Company and its Restricted Companies comply with all obligations undertaken.

On May 29 and July 8, 2015 the company signed loan agreements with Banco Galicia of Buenos Aires and Banco Itaú for \$ 3,750,000 and \$ 28,000,000, respectively, with maturities of less than one year.

**NOTE 18 - CONTINGENCIES**

There have been no significant changes in contingencies compared with respect to the information provided in the consolidated financial statements for the fiscal year ended on April 30, 2015, except for:

*M*



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**NOTE 18 – CONTINGENCIES (CONT'D.)**

**ENARGAS Resolutions No. 1982, 1988 and 1991/2011**

On September 16, 2015, the Federal Court of Appeals of General Roca admitted the appeal filed by the Company and rejected the petition for release of the precautionary measure filed by ENARGAS. The entity filed an extraordinary appeal against such decision, the admission of which is still pending resolution by the Court.

In addition to the maintenance of the precautionary measure, on October 27, 2015, the National Supreme Court of Justice issued a ruling in "*Compañía Mega S.A v. EN*" establishing, in a case similar to that of the Company in which the gas consumed by plaintiff does not enter the transport system and cannot be confused with imported gas, that the charge created by Decree No. 2067/08 is unconstitutional. The legal advisors of the Company consider that this ruling sets an important precedent to support the Company's position.

**Argentine Central Bank ("BCRA") Summary Proceedings - Access to the foreign exchange market for payments under the Swap Agreement**

In November 2015, through Resolution No. 881/2015, the BCRA started summary proceedings under the criminal exchange system against the Company and its directors Alejandro Götz, Pablo Götz and Rafael Götz. The summary proceedings were commenced under three exchange operations performed in 2011 and 2012 for US\$ 5,334,192.77, corresponding to purchases of foreign currency for the settlement of interest rate hedge agreements which, according to the BCRA, have apparently been made without prior authorization. The Company filed the pertinent disclaimers on December 4, 2015 and the legal advisors consider that it has grounds to argue that the purchases of foreign currency did not require prior authorization from the BCRA under the regulations prevailing at the time of the agreement.

**NOTE 19 – NET SALES**

	Nine months		Three months	
	01.31.2016	01.31.2015	01.31.2016	01.31.2015
Oil <sup>(1)</sup>	263,670,255	221,075,688	97,705,540	69,782,642
Gas <sup>(2)</sup>	251,258,785	105,750,889	110,746,374	35,643,278
Electricity ADC	599,508,199	494,687,693	217,451,971	180,004,810
LPG <sup>(3)</sup>	60,516,477	77,113,928	21,581,217	25,012,264
DEEF Energy	23,984,201	21,558,601	9,225,959	7,508,065
Energy generated with hydrogen	2,055,991	1,611,939	703,119	483,804
Oxygen	728,121	617,893	239,145	178,623
<b>Total</b>	<b>1,201,722,029</b>	<b>922,416,631</b>	<b>457,653,325</b>	<b>318,613,486</b>

<sup>(1)</sup> At January 31, 2016, it includes the offsetting arising from the "Stimulus Plan for Crude Oil Production" for \$ 3.2 million.

<sup>(2)</sup> At January 31, 2016 and 2015, it includes the offsetting arising from the "Stimulus Plan for Injection of Excess Volume of Natural Gas for Companies with reduced injection" for \$ 178.6 million and \$ 61.6 million, respectively.

<sup>(3)</sup> At January 31, 2016, it includes compensations arising from Propano Sur and Programa Hogar for \$1.6 million.



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**NOTE 20 – OTHER OPERATING INCOME / (EXPENSES), NET**

	Nine months		Three months	
	01.31.2016	01.31.2015	01.31.2016	01.31.2015
Assignment of rights under the compensation program of oil plus	-	4,107,070	-	-
Provisions	81,129	(161,132)	347,114	6,703
Sale of vehicles	21,357	-	-	-
Expenses relating to the notarial registration of the sale of the Vicente López building	-	(2,908,303)	-	-
Sundry	(530)	133,782	(13,571)	(44,290)
<b>Total</b>	<b>101,956</b>	<b>1,171,417</b>	<b>333,543</b>	<b>(37,587)</b>

**NOTE 21 – FINANCIAL RESULTS**

	Nine months		Three months	
	01.31.2016	01.31.2015	01.31.2016	01.31.2015
<b>Financial income</b>				
Interest and other	88,674,300	40,898,757	29,613,182	21,082,429
Interest accrued on receivables	1,655,049	7,448,147	(582,916)	5,143,479
Exchange difference	267,951,362	32,913,808	232,820,962	7,455,610
	<b>358,280,711</b>	<b>81,260,712</b>	<b>261,851,228</b>	<b>33,681,518</b>
<b>Financial costs</b>				
Interest and other	(279,499,065)	(204,766,716)	(116,239,284)	(70,268,119)
LIBO rate swap	-	1,079,814	-	-
Interest accrued from liabilities	(2,519,275)	(1,944,518)	(1,012,406)	(2,808,030)
Exchange difference	(1,097,666,894)	(139,238,442)	(959,781,429)	(31,739,545)
	<b>(1,379,685,234)</b>	<b>(344,869,862)</b>	<b>(1,077,033,119)</b>	<b>(104,815,694)</b>

**NOTE 22 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES**

The Company is controlled by Compañías Asociadas Petroleras Sociedad Anónima (C.A.P.S.A.) which holds 75.2% of the Company's shares. In addition, Wild S.A. is the last parent company of the group and holds direct and indirect equity interest of 98.01% in C.A.P.S.A. The remaining shares are held by shareholders who have acquired them in the Stock Market.

Transactions between related parties were conducted as if between independent parties and are as follows:



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**NOTE 22 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONT'D.)**

*a) Transactions with related parties*

*a.i) With the parent company*

Transactions with the parent company C.A.P.S.A. were:

	Nine months		Three months	
	01.31.2016	01.31.2015	01.31.2016	01.31.2015
Sale of energy	2,055,991	1,611,938	703,119	483,803
Expenses corresponding to Hychico	(751)	(12,273)	-	(145)
Expenses corresponding to SEB	(170)	(13,488)	-	(2,988)
Expenses corresponding to Capex S.A.	(120,715)	(135,048)	(33,223)	(12,236)
Expenses corresponding to C.A.P.S.A.	2,842,610	2,296,597	903,718	735,387

*a.ii) With the companies directly or indirectly controlled by the parent company*

The following transactions were carried out with Interenergy Argentina S.A.:

	Nine months		Three months	
	01.31.2016	01.31.2015	01.31.2016	01.31.2015
Office and garage rental	(1,693,000)	(1,123,200)	(606,000)	(374,400)
Guarantee fee	(5,000)	(5,000)	(5,000)	-
Expenses corresponding to Capex S.A.	-	(271)	-	(271)
Expenses corresponding to SEB	-	(4,490)	-	(4,490)
Expenses corresponding to Hychico S.A.	-	(4,200)	-	-
Expenses corresponding to Interenergy	5,394	2,710	-	-

*a.iii) With the parent companies of the parent company*

The following transactions were carried out with Plenium Energy S.A.:

	Nine months		Three months	
	01.31.2016	01.31.2015	01.31.2016	01.31.2015
Expenses corresponding to Plenium	-	9,258	-	-

The following transactions were carried out with Wild S.A.:

	Nine months		Three months	
	01.31.2016	01.31.2015	01.31.2016	01.31.2015
Expenses corresponding to Wild	-	9,798	-	-

*a.iv) With related parties*

The following transactions were carried out with Alparamis S.A.:

	Nine months		Three months	
	01.31.2016	01.31.2015	01.31.2016	01.31.2015
Sale of Vicente López building	-	141,000,000	-	-
Office and garage rental	(8,980,000)	(4,000,000)	(3,180,000)	(2,400,000)



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**NOTE 22 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONT'D.)**

b) Balances at period end with the related companies

	With the parent company	With the companies directly or indirectly controlled by the parent company	Total at 01.31.2016
	C.A.P.S.A.	Interenergy Argentina S.A.	
<b>Assets</b>			
Current trade receivables			
In local currency	309,824	-	309,824
In foreign currency	293,985	-	293,985
Other current trade receivables			
In local currency	362,814	124,800	487,614
In foreign currency	6,038	-	6,038
<b>Liabilities</b>			
Current trade accounts payable	17,371	-	17,371
In local currency	-	-	-

	With the parent company	With the companies directly or indirectly controlled by the parent company	With related company	Total at 04.30.2015
	C.A.P.S.A.	Interenergy Argentina S.A.	Alparamis S.A.	
<b>Assets</b>				
Current trade receivables				
In local currency	308,122	6,300	-	314,422
In foreign currency	173,957	-	-	173,957
Other current trade receivables				
In local currency	242,522	124,800	217,094	584,416
<b>Liabilities</b>				
Current trade accounts payable				
In local currency	6,220	416	-	6,636



**Notes to the Condensed Interim Consolidated Financial Statements**  
As of January 31, 2016 and 2015 and April 30, 2015  
Stated in pesos

**NOTE 23 – EXPLORATION AREAS IN RÍO NEGRO**

There have been no significant changes in the exploration areas in Río Negro compared with the information provided in the consolidated financial statements for the fiscal year ended on April 30, 2015.

On June 12, 2015 the Company has informed the Secretariat of Hydrocarbons of the Province of Río Negro of:

- 1) the decision to fully reverse the Exploration Area "Lago Pellegrini" as from that date, and
- 2) as regards the Exploration Area "Loma de Kauffman", the decision to proceed to the third exploratory period within one year counted as from that date, with the consequent reversal of 50% of the exploratory surface.

Subsequently, the Province of Río Negro approved the presentations made, and the Decree establishing the extension of Loma de Kauffman Exploration Area is pending issuance.

The effect of these events was recorded in the financial statements at April 30, 2015. At January 31, 2015, the Company charged to earnings the investments made in Cerro Chato for \$ 23,177,851.

**NOTE 24 – ECONOMIC CONTEXT**

With the change of government, the new authorities have introduced new regulations and amendments to certain laws that have an impact on the activities and economic variables in Argentina and the energy sector.

Those variables relating to the foreign exchange activity for the period prior to November 2011 were dated back, producing changes in some of the restrictions and maximum amounts then applicable for exchange transactions. As a result, from October 31, 2015 to January 31, 2016, the peso/dollar Exchange rate showed an upward trend of approximately 4.41 pesos per dollar. Currency quotation has derived from the fluctuations in supply and demand, with a minimum intervention of the Enforcement Authorities.

Furthermore, the national authorities stated that the oil prices would continue being commensurate with the domestic market, taking into account the balance between the need to maintain the activity and the development of Argentina's resources and more competitive prices of the production inputs. Within this framework, to maintain a price to sustain the production activity while reducing the impact on fuel prices of the devaluation of the peso as against the US dollar, producers and refineries have negotiated a decrease in the prices set forth in their agreements.

As regards gas, the National Government has expressed the need to accompany the development of resources with prices tending to sustain and/or increase national production and reduce demand for foreign currency for the importation of gas.

As regards the electric market, Decree 134/15 declared the emergency of the Argentine electricity sector until December 31, 2017 and instructed the Ministry of Energy and Mining to implement an action plan for the electric power generation, transport and distribution segments of national jurisdiction, to improve the quality and safety of power supply and guarantee the provision of electricity public utility services in good technical and economic conditions. As a result of this decree, the Ministry of Energy and Mining adopted Resolution 6/16 on January 25, 2016 approving, among other issues, the Summer Quarterly Rescheduling, an increase in the seasonal benchmark prices applicable during that period, setting differential prices for users of the distributors with consumption of less than 300 kV, a stimulus plan with discounts for reduction of consumption and a preferential tariff. Although no measures have been adopted so far to increase the price received by the generators, in the opinion of the Company the measures described and the declarations of the National Government officials would indicate a return to the principles set forth by Law 24065 and to establishing regulations and remunerations to encourage the development of the sector with a view to satisfying demand.



**Notes to the Condensed Interim Consolidated Financial Statements**  
As of January 31, 2016 and 2015 and April 30, 2015  
Stated in pesos

**NOT2 24 – ECONOMIC CONTEXT (CONT'D.)**

The impact of the change in the Argentine peso/US dollar parity on Company's economic results, consolidated liabilities in US dollars net of consolidated assets denominated in that currency, net of income tax, was a loss of approximately \$ 473 million, mainly attributable to the Company's indebtedness for US\$ 200 million through Negotiable Obligations falling due in March 2018 and the US\$ 9 million loan obtained by Hychico from CII. However, it is expected that the operating results will be partially counteracting that effect within the next few months.

The Company considers that it has a solid business structure to enable it to adapt to the new scenario described above.

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**EXHIBIT A**

At January 31, 2016 and April 30, 2015

**Property, plant and equipment**

Item	At beginning of year	Additions	Original Value			Accumulated at beginning of year	For the period / year	Amortization		Accumulated at end of period / year	Net book value at 01.31.16	Net book value at 04.30.15
			Completed work in progress	Retirements / Provisions	Technical revaluation			At end of period / year	Retirements			
<b>Assets for the production of oil and gas:</b>												
- Acquired exploration permits (includes fidelity bond insurance)												
- Loma de Kauffman	311,156	-	-	-	-	311,156	-	-	-	-	311,156	311,156
<b>Assets for the production of oil and gas in:</b>												
- Loma de Kauffman	19,964,009	5,881,200	-	-	-	19,964,009	-	-	-	-	19,964,009	19,964,009
- Oil and gas Wells	15,808,931	-	-	-	-	21,691,131	-	-	-	-	21,691,131	15,808,931
- Work in progress												
- Other Studies												
- Loma de Kauffman	11,324,793	-	-	-	-	11,324,793	-	-	-	-	11,324,793	11,324,793
- Sismic	7,653,488	-	-	-	-	7,653,488	-	-	-	-	7,653,488	7,653,488
- Geological research and other studies	358,355	-	-	-	-	358,355	-	-	-	-	358,355	358,355
- Geo-magnetography												
<b>Oil and gas exploitation activities</b>												
- Areas acquired and other studies												
- Agua del Cajón - exploitation rights	120,660,816	-	-	-	-	120,660,816	70,909,239	3,319,661	-	74,228,900	46,431,916	46,751,577
- Other studies												
- Agua del Cajón - Exploration	8,106,139	-	-	-	-	8,106,139	5,873,800	142,260	-	6,116,080	1,990,059	2,132,339
- Agua del Cajón - Seismic	12,172,940	-	-	-	-	12,172,940	7,813,681	290,870	-	8,104,551	4,068,389	4,359,259
<b>Assets for the production of oil and gas in</b>												
- Oil and gas Wells	1,721,140,267	9,841,957	240,597,750	-	-	1,971,579,974	829,674,333	126,184,462	-	955,668,795	1,015,721,179	891,465,934
- Work in progress	9,637,728	291,577,884	(245,679,632)	-	-	55,535,980	-	-	-	55,535,980	9,637,728	9,637,728
- Production assets	162,952,867	-	2,806,420	-	-	165,759,287	108,283,428	6,966,519	-	115,249,947	50,509,340	54,669,439
- Vehicles	4,172,948	1,106,792	-	-	-	5,286,601	2,503,062	440,917	(43,139)	2,900,640	2,335,761	1,669,886
- Gas Pipeline	33,864,764	-	-	-	-	33,864,764	25,776,978	2,147,830	-	27,924,808	5,939,956	8,087,786
- Carried forward	2,128,130,201	308,407,833	(2,275,462)	(43,139)	-	2,134,219,433	1,050,834,521	139,492,539	(43,139)	1,190,383,921	1,243,835,512	1,077,195,680

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**EXHIBIT A**  
At January 31, 2016 and April 30, 2015  
**Property, plant and equipment (CONT'D.)**

Item	Original value					Amortization					Net book value at 01.31.16	Net book value at 04.30.15	
	At beginning of year	Additions	Completed work in progress	Retirements / Provisions	Technical revaluation	At end of period / year	Accumulated at beginning of year	For the period / year	Retirements	Technical revaluation			Accumulated at end of period / year
Brought forward	2,128,130,201	308,407,833	(2,275,462)	(43,139)	-	2,434,219,433	1,050,934,521	139,492,599	(43,139)	-	1,190,383,921	1,243,835,512	1,077,195,680
Central administration and production plant													
Neuquén land and buildings	59,545,148	-	-	-	-	59,545,148	3,944,903	168,752	-	-	4,113,655	55,431,493	55,600,245
Furniture and fixtures	1,776,563	-	-	-	-	1,776,563	1,776,563	-	-	-	1,776,563	-	-
Administration assets	11,451,442	-	2,275,462	-	-	13,726,904	9,801,463	583,989	-	-	10,385,452	3,341,452	1,648,979
Agua del Cajón - Power Station	1,988,356,515	-	58,782,118	-	-	2,047,138,633	741,512,685	55,156,085	-	-	796,688,790	1,250,469,843	1,246,843,620
Work in progress	10,961,144	78,812,688	(58,782,118)	-	-	30,991,714	-	-	-	-	-	30,991,714	10,961,144
Assets under Surplus due to Restrictions to the Transportation Capacity Account													
Fourth line	15,523,142	-	-	-	-	15,523,142	15,523,142	-	-	-	15,523,142	-	-
Capacitor bank	6,558,338	-	-	-	-	6,558,338	6,558,338	-	-	-	6,558,338	-	-
- LPG Plant - Agua del Cajón													
Vehicles	67,920	-	-	-	-	67,920	67,920	-	-	-	67,920	-	-
Facilities	54,881	-	-	-	-	54,881	54,881	-	-	-	54,881	-	-
Computer equipment	11,252	-	-	-	-	11,252	11,252	-	-	-	11,252	-	-
Furniture and fixtures	4,579	-	-	-	-	4,579	4,579	-	-	-	4,579	-	-
LPG Plant (1)	359,908,095	-	-	-	-	359,908,095	198,640,721	9,603,052	-	-	208,243,773	151,864,322	161,267,374
- Diadema Eolic Energy Farm (DEEF)													
DEEF (2)	132,213,752	511,296	-	-	-	132,725,048	39,234,464	4,324,786	-	-	43,559,250	89,165,798	92,979,288
- Hydrogen and Oxygen Project													
Hydrogen and Oxygen Plant	30,484,595	544,257	-	-	-	31,028,852	7,267,718	1,090,949	-	-	8,358,667	22,670,185	23,216,877
Hydrogen and Oxygen Plant provision	(23,216,877)	-	-	546,692	-	(22,670,185)	-	-	-	-	-	(22,670,185)	(23,216,877)
Total at January 31, 2016	4,721,830,690	388,276,074	-	503,553	-	5,110,610,317	2,075,933,160	210,420,162	(43,139)	-	2,285,710,183	2,824,900,134	2,646,487,530
Total at April 30, 2015	3,371,007,393	353,904,047	-	(322,765,636)	1,319,704,896	4,721,830,690	1,700,368,776	205,980,533	(6,846,630)	175,830,481	2,075,333,160	2,646,487,530	

(1) The residual value of the technical revaluation is \$ 89,697,915 (see Note 9)  
(2) The residual value of the technical revaluation is \$ 29,183,663 (see Note 9)



**EXHIBIT D**  
At January 31, 2016 and April 30, 2015

**OTHER INVESTMENTS**

Principal account and characteristics	Book value at 01.31.2016	Book value at 04.30.2015
	\$	\$
Other Non-Current investments		
Financial investments at amortized cost		
In foreign currency (Exhibit G)		
Time deposits	555,642,784	354,415,925
Total Non-Current other investments	555,642,784	354,415,925
Other Current investments		
Cash and cash equivalents		
In local currency		
Financial investments at amortized cost		
Time deposits	85,638,274	-
Financial investments at fair value		
Mutual funds	260,624,441	381,965,221
Total Current other investments	346,262,715	381,965,221
Total other investments	901,905,499	736,381,146

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**EXHIBIT E**

At January 31, 2016 and April 30, 2015

**PROVISIONS**

Captions	Balance at the beginning of year	Increases / (Recoveries)	Balance at period-end
	\$	\$	\$
<b>DEDUCTED FROM ASSETS</b>			
<b><u>NON-CURRENT ASSETS</u></b>			
Property, plant and equipment			
In local currency			
Impairment of property, plant and equipment	23,216,877	<sup>(1)</sup> (546,692)	22,670,185
Trade accounts receivable			
In local currency			
Provision for doubtful accounts	2,627,115	-	2,627,115
Spare parts and materials			
In local currency			
Provision for rotation and obsolescence	959,414	<sup>(2)</sup> 9,838	969,252
<b><u>CURRENT ASSETS</u></b>			
Spare parts and materials			
In local currency			
Provision for rotation and obsolescence	239,854	<sup>(2)</sup> 2,459	242,313
Total deducted from assets	27,043,260	(534,395)	26,508,865
<b>INCLUDED IN LIABILITIES</b>			
<b><u>NON-CURRENT LIABILITIES</u></b>			
Provisions and other charges			
In local currency			
For legal claims and fines	2,367,385	<sup>(3)</sup> (726,426)	1,640,959
Total included in liabilities	2,367,385	(726,426)	1,640,959
Total provisions	29,410,645	(1,260,821)	28,149,824

<sup>(1)</sup> Charged to financial results.

<sup>(2)</sup> Charged to Other operating income / (expenses), net

<sup>(3)</sup> As of January 31, 2016 court judgements for \$ 633,000 were paid. The remaining \$ 93,426 amount has been charged to other operating income / (expenses), net.



**EXHIBIT F**  
At January 31, 2016 and 2015

**COST OF SALES**

	Nine months at		Three months at	
	01.31.2016	01.31.2015	01.31.2016	01.31.2015
	\$			
Inventories and spare parts and materials at the beginning of year / period <sup>(1)</sup>	80,707,611	63,501,394	90,998,385	72,928,860
Plus:				
- Addition to warehouses	106,458,572	71,648,434	51,474,533	36,795,837
- Production cost (Exhibit H)	450,225,540	334,449,077	172,022,916	123,917,481
Less:				
- Consumption	(87,384,976)	(49,508,318)	(42,655,074)	(24,766,107)
Inventories and spare parts and materials at period end <sup>(1)</sup>	(101,440,825)	(85,536,596)	(101,440,825)	(85,536,596)
<b>Cost of sales</b>	<b>448,565,922</b>	<b>334,553,991</b>	<b>170,399,935</b>	<b>123,339,475</b>

<sup>(1)</sup> Includes inventories and spare parts and materials net of advances to suppliers.

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**EXHIBIT G**  
At January 31 and April 30, 2015

**FOREIGN CURRENCY ASSETS AND LIABILITIES**

Items	01.31.2016				04.30.2015			
	Class	Amount	Exchange rate	AMOUNT IN LOCAL CURRENCY	Class	Amount	Exchange rate	AMOUNT IN LOCAL CURRENCY
<b>ASSETS</b>								
<b>NON-CURRENT ASSETS</b>								
Financial investments at amortized cost								
Time deposits	US\$	40,089,667	13.86	555,642,784	US\$	40,242,526	8.807	354,415,925
Spare parts and materials								
Sundry advances	US\$	5,419,202	13.86	75,110,146	US\$	782,864	8.807	6,894,682
Other accounts receivable								
Assignment of rights CAMMESA	US\$	1,996,697	13.86	27,674,216	US\$	2,404,058	8.807	21,172,535
<b>Total Non-Current Assets</b>				<b>658,427,146</b>				<b>382,483,142</b>
<b>CURRENT ASSETS</b>								
Spare parts and materials								
Sundry advances	US\$	1,354,801	13.86	18,777,537	US\$	181,782	8.807	1,600,956
Other accounts receivable								
Sundry advances	US\$	637,520	13.86	8,836,020	US\$	686,137	8.807	6,042,812
Assignment of rights CAMMESA	US\$	901,061	13.86	12,488,700	US\$	925,738	8.807	8,152,972
Intercompany receivables		436	13.86	6,038	-	-	-	-
Agreement for gas propane supply for networks to collect	US\$	954,853	13.86	13,234,261	US\$	559,254	8.807	4,925,349
Trade accounts receivable								
Intercompany receivables	US\$	21,211	13.86	293,985	US\$	19,752	8.807	173,957
From sale of oil and others	US\$	3,821,572	13.86	52,966,987	US\$	11,898,885	8.807	104,793,478
Cash and cash equivalents								
Cash	US\$	6,011	13.86	83,318	US\$	6,019	8.807	53,010
Cash	€	4,329	15.0159	65,005	€	4,329	9.8462	42,626
Bank	US\$	61,304	13.86	849,670	US\$	20,046	8.807	176,541
<b>Total Current Assets</b>				<b>107,601,521</b>				<b>125,961,701</b>
<b>Total assets</b>				<b>766,028,667</b>				<b>508,444,843</b>
<b>LIABILITIES</b>								
<b>NON-CURRENT LIABILITIES</b>								
Financial liabilities								
Bank	US\$	7,700,000	13.96	107,492,000	US\$	8,400,000	8.907	74,818,800
Corporate bonds	US\$	200,000,000	13.96	2,792,000,000	US\$	200,000,000	8.907	1,781,400,000
<b>Total Non-Current Liabilities</b>				<b>2,899,492,000</b>				<b>1,856,218,800</b>
<b>CURRENT LIABILITIES</b>								
Trade accounts payable								
Suppliers	US\$	11,434,429	13.96	159,624,634	US\$	13,842,287	8.907	123,293,250
Suppliers	€	80	15.1592	1,208	-	-	-	-
Sundry accruals	US\$	545,467	13.96	7,614,713	US\$	339,214	8.907	3,021,375
Financial liabilities								
Bank	US\$	1,656,585	13.96	23,125,930	US\$	1,440,017	8.907	12,826,229
Corporate bonds	US\$	7,860,643	13.96	109,594,972	US\$	2,849,463	8.907	25,380,166
<b>Total Current Liabilities</b>				<b>299,961,457</b>				<b>164,521,020</b>
<b>Total Liabilities</b>				<b>3,199,453,457</b>				<b>2,020,739,820</b>



**EXHIBIT H**

**INFORMATION REQUIRED BY SECT. 64, SUB-SECT. B) OF LAW No. 19550**  
for the nine and three -month periods commenced on May 1, 2015 and 2014 and ended January 31, 2016 and 2015.

Items	Nine months at 01.31.2016			Three months at 01.31.2016			Total
	Production cost	Selling expenses	Administrative expenses	Production cost	Selling expenses	Administrative expenses	
	\$	\$	\$	\$	\$	\$	\$
Fees and other compensation	5,236,684	-	11,155,688	3,119,380	-	4,845,069	7,964,449
Salaries and social security contributions	126,076,103	-	46,561,909	46,331,673	-	19,264,964	65,596,637
Cost of personnel engaged in unconventional projects	5,976,900	-	-	1,992,300	-	-	1,992,300
Materials, spare parts and others	17,974,607	-	3,854	6,908,670	-	675	6,909,345
Operation, maintenance and repairs	54,488,031	-	8,203,241	19,789,459	-	2,612,607	22,402,066
Fuel, lubricants and fluids	2,225,606	-	-	690,833	-	-	690,833
Transportation, freight and studies	5,552,104	-	556,878	2,875,903	-	180,189	3,056,092
Amortization of Property, plant and equipment	209,667,421	-	752,741	80,107,107	-	282,517	80,389,624
Office, travel and representation expenses	1,554,721	-	881,607	568,985	-	335,502	904,497
Taxes, rates, contributions, insurance and rental	19,008,835	-	13,342,898	8,212,918	-	4,689,332	12,902,250
Acquisition of electricity from CAMMESA	710,718	-	-	672,863	-	-	672,863
Acquisition of gas to third parties	1,753,811	-	1,753,811	752,815	-	-	752,815
Royalties	-	126,813,686	-	126,813,686	-	-	52,335,357
Cost of transport and energy deliveries	-	10,809,432	-	10,809,432	-	-	2,713,910
Withholding exports	-	29,400	-	29,400	-	-	29,400
Turnover tax	-	30,848,105	-	30,848,105	-	-	11,449,071
Commissions and other	-	2,694,753	-	2,694,753	-	-	1,132,651
Bank expenses	-	-	13,858,000	-	-	4,613,072	4,613,072
<b>Total</b>	<b>450,225,540</b>	<b>171,195,376</b>	<b>85,316,816</b>	<b>172,022,916</b>	<b>67,660,389</b>	<b>36,823,927</b>	<b>276,507,232</b>

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EXHIBIT H

INFORMATION REQUIRED BY SECT. 64, SUB-SECT. B) OF LAW No. 19550 (CONT'D.)  
for the nine and three -month periods commenced on May 1, 2015 and 2014 and ended January 31, 2016 and 2015.

Items	Nine months at 01.31.2015			Three months at 01.31.2015			Total
	Production cost	Selling expenses	Administrative expenses	Production cost	Selling expenses	Administrative expenses	
Fees and other compensation	\$ 3,214,525	-	\$ 4,579,974	\$ 1,576,285	-	\$ 1,555,770	\$ 3,132,055
Salaries and social security contributions	93,530,845	-	34,397,548	35,172,715	-	13,536,204	48,708,919
Cost of personnel engaged in unconventional projects	5,586,011	-	-	1,865,337	-	-	1,865,337
Materials, spare parts and others	24,266,058	-	4,248	4,504,470	-	2,631	4,507,101
Operation, maintenance and repairs	41,821,581	-	6,835,442	15,638,420	-	2,006,553	17,644,973
Fuel, lubricants and fluids	1,819,939	-	-	652,705	-	-	652,705
Transportation, freight and studies	4,472,306	-	541,534	1,489,975	-	170,702	1,670,677
Amortization of Property, plant and equipment	140,209,306	-	778,710	54,727,140	-	225,631	54,952,771
Office, travel and representation expenses	1,455,609	-	897,441	354,474	-	355,412	719,886
Taxes, rates, contributions, insurance and rental	15,664,340	-	7,742,155	6,950,612	-	3,465,654	10,416,266
Acquisition of electricity from CAMMESA	169,843	-	-	(3,911)	-	-	(3,911)
Acquisition of gas to third parties	2,139,994	-	-	916,623	-	-	916,623
Sundry	68,720	-	-	52,636	-	-	52,636
Royalties	-	87,072,459	-	87,072,459	28,726,017	-	28,726,017
Cost of transport and energy deliveries	-	12,273,677	-	-	3,556,019	-	3,556,019
Turnover tax	-	25,179,664	-	-	8,584,498	-	8,584,498
Commissions and other	-	1,692,767	-	-	729,007	-	729,007
Bank expenses	-	-	10,635,084	-	-	2,861,304	2,861,304
<b>Total</b>	<b>334,449,077</b>	<b>126,218,567</b>	<b>66,412,136</b>	<b>123,917,481</b>	<b>41,586,541</b>	<b>24,179,861</b>	<b>189,692,883</b>



**SUMMARY OF ACTIVITY**

**REFERRED TO THE CONSOLIDATED FINANCIAL STATEMENTS OF  
CAPEX S.A. AS OF 01/31/16**

**1) Comments on the consolidated comprehensive results and financial position at January 31, 2016 (Not covered by the limited review report)**

Gross profit for the nine-month period ended on January 31, 2016 amounted to \$ 753,156 thousand (62.7% of net sales), while the comprehensive results arose to a loss of \$ 348,369 thousand (29.0% of sales).

**Sales**

Net sales totaled \$ 1,201,722 thousand. The breakdown of sales of the different products is as follows:

Product	01/31/16		01/31/15	
	\$thousand	%	\$thousand	%
Energy				
- Energy CT ADC	599,509	49.9	494,688	53.6
- Energy DEEF	23,984	2.0	21,559	2.3
Façon Service of electric energy	2,056	0.2	1,612	0.2
Gas				
- Sales	72,632	6.0	44,174	4.8
- Subsidy - Stimulus Plan for Injection of Natural Gas	178,627	14.9	61,577	6.7
Oil				
- Sales	260,450	21.7	221,076	24.0
- Subsidy - Stimulus Plan for oil Injection	3,220	0.3	-	-
Propane				
-Sales	35,325	2.9	45,990	5.0
-Subsidy – Propano Sur Plan	244	0.0	-	-
Butane				
-Sales	23,547	2.0	31,123	3.3
-Subsidy – Hogar Plan	1,400	0.1	-	-
Oxygen	728	0.1	618	0.1
<b>Total</b>	<b>1,201,722</b>	<b>100.0</b>	<b>922,417</b>	<b>100.0</b>

Net sales for the nine-month period ended on January 31, 2016 increased by 30.3 % compared with the previous year. The evolution of each product was as follows:

a) Energy:

Sales of CT ADC energy measured in pesos increased by \$ 104,821 thousand, representing a rise of 21.2% compared with the same period of the previous year, from \$ 494,688 thousand as of January 31, 2015 to \$ 599,509 thousand as of January 31, 2016. This variation is due to: (i) the recognition in this period of the increment in the scheme remuneration established by SEN Res 482/15 regarding the period February-April 2015 of \$ 18 million, and (ii) a higher average sale price registered on MW sold during the period, as a consequence of the mentioned resolution and the increased exchange rate that directly affected the remuneration of the gas consumed by the CT ADC. Also, product of the program maintenance works, it operated with a lower central availability of the machines, which meant a lower generation with its impact on lower sale revenues.

Sales of CT ADC energy measured in GWh decreased by 7.1%, from 2,495 GWh (or an average of 277 GWh monthly), as of January 31, 2015 to 2,318 GWh (or an average of 258 GWh monthly) as of January 31, 2016.



The CT ADC energy sale prices, including own gas used for generation, increased by 26.5%, from \$ 198.3 average for the period ended at January 31, 2015 to \$ 250.8 average for the period ended at January 31, 2016, due to application of Res SEN 482/15. In the average price calculated as of January 31, 2016 the effect recorded at that date corresponding to the period February-April 2015 was not considered.

Sales of energy of the DEEF measured in pesos increased by \$ 2,425 thousand, 11.2% higher than the same period of the prior year, from \$ 21,559 thousand at January 31, 2015 to \$ 23,984 thousand at January 31, 2016.

During the nine-month period ended at January 31, 2016, sales in GWh were 20.0 at an average price of \$ 1,199.2, and in the period ended January 31, 2015 it was of 22 GWh, at an average price of \$ 980; the price increase is due to the increment in the US dollar exchange rate, the currency in which the tariff is fixed with CAMMESA.

b) Façon Service of electric energy

Façon services for the generation of electricity with natural gas and hydrogen measured in pesos increased by \$ 444 thousand, 27.5 % more than in the same period of the previous year, from \$ 1,612 thousand at January 31, 2015 to \$ 2,056 thousand at January 31, 2016. This variation was principally due to an increment of the tariff and in the US dollar quotation, currency in which the price is fixed for this service.

c) Gas

Gas production increased by 5,312 thousand m<sup>3</sup>, namely, 1.3%, from 416,247 thousand m<sup>3</sup> at January 31, 2015, to 421,559 thousand m<sup>3</sup> at January 31, 2016. This increase that stopped the curve production decline was due to investments made as a consequence of the "Stimulus Plan for Injection of Excess Volume of Natural Gas".

Under the "Gas Plus" program, the Company sold \$ 72,632 thousand corresponding to the delivery of 44,548 thousand m<sup>3</sup> at an average price of US\$/m<sup>3</sup> 0.1607 (or US\$ 4.35 million btu). In the same period of the previous year sales of gas amounted to \$ 44,174 thousand corresponding to 28,837 thousand m<sup>3</sup> at an average price of US\$/m<sup>3</sup> 0.1848 (or US\$ 5.0 million btu). Such price decrease (US\$/million btu) is due to market conditions, mostly during the winter period 2015, in which customers were not disposed to pay overcharges for not having guarantee product supply.

The remaining gas was used for the generation of electric power in the CT ADC and in the operation of the LPG plant.

In addition, the subsidy under the *Stimulus Plan for Injection of Excess Volume of Natural Gas* was accrued, which in the nine-month period ended at January 31, 2016 amounted to \$ 178,627 thousand. In the period ended at January 31, 2015 the amount accrued amounted to 61,577 thousand. Further, the rise in the dollar exchange rate led to an increase in the amount receivable by the program since it is calculated in dollars. During the nine-month period ended at January 31, 2016 the Company has collected \$ 117.3 million of the mentioned program for the period October 2014 to June 2015.

d) Oil:

Sales of oil for the nine-month period ended on January 31, 2016 increased by \$39,374 thousand, representing an increase of 17.8% compared with the same period of the previous year. This increase was due to a higher volume sold, to a price rise in pesos of 10.3%, caused by the increment in the foreign exchange rate applicable to selling prices and to the "Program to encourage crude oil production".

In view of the fall in international crude oil prices and the need to maintain a price to sustain the production activity while reducing the impact on fuel prices of the devaluation of the peso as against the US dollar, in the period of nine months ended on January 31, 2016, producers and refineries have negotiated a decrease in the prices set forth in their agreements, effective for deliveries made as from December 2015. Furthermore, in January 2015 a decrease in the price in US dollars had been renegotiated in the domestic market.

Oil sales measured in m<sup>3</sup> increased by 8.1%, from 50,814 m<sup>3</sup> at January 31, 2015 to 54,921 m<sup>3</sup> at January 31, 2016.

Oil production increased by 17.5%, from 27,181 m<sup>3</sup> at January 31, 2015 to 31,929 m<sup>3</sup> at January 31, 2016, due to the results obtained with the stimulus of some wells.

Further, in the period ended at January 31, 2016 the subsidy under the "Program to encourage crude oil production" in place since January 1, 2015 to December 31, 2015 was accrued for \$ 3,220 thousand. In the period ended at January 31, 2016, \$ 1,458 thousand have been collected corresponding to the periods January-March and April-June.

e) Propane, butane and gasoline:

- Sales of propane for the nine-month period ended on January 31, 2016 decreased by \$ 10,421 thousand with respect to the same period of the previous year, from \$ 45,990 thousand at January 31, 2015 to \$ 35,569 thousand at January 31, 2016, including the subsidy "Propano Sur Program". It is worth mentioning that in this period the Company has exported for the amount of \$ 4,616 thousand and a volume of 1,189 tn. Excluding the effect of the mentioned export, the decrease in sales is a result of: (i) a reduction in sales volume of 20.5%, due to plant shutdowns, and (ii) a decrease in the average price of sales of 15.4% as a result of low international prices and delivery of products at regulated prices, from \$ average / tn 2,740.3 at January 31, 2015 to average \$ / tn 2,318.8 at January 31, 2016.
- Sales of butane for the nine-month period ended on January 31, 2016 decreased by \$ 6,176 thousand, with respect to the same period of the previous year, from \$ 31,123 thousand at January 31, 2015 to \$ 24,947 thousand at January 31, 2016, including the subsidy "Hogar Program". This decrease is due to a reduction of 6.0% in the volume sold due to plant shutdowns, and a decrease of 14.7% in the average sale price as a result of lower international prices and the delivery of products at regulated prices, from an average \$/ton 2,726.9 at January 31, 2015, to an average \$/ton 2,324.8 at January 31, 2016.
- No sales of gasoline were recorded at January 31, 2016 since production of 21,081 m<sup>3</sup> was blended and sold with oil for market reasons. In addition, no sales of gasoline were recorded at January 31, 2015 for the same reasons indicated above.

f) Oxygen:

Hychico sold 85,453 m<sup>3</sup> and 95,188 m<sup>3</sup> of oxygen for a total of \$ 728 thousand and \$ 618 thousand in the period ended at January 31, 2016 and 2015, respectively. The increase in sales was caused by a rise in the selling price as a consequence of the exchange rate increment, offset by a decrease of the volume sold.

Cost of sales

The cost of sales for the nine-month period ended on January 31, 2016 amounted to \$ 448,566 thousand, (representing 37.3 % of net sales), while in the same period of the previous year it amounted to \$ 334,554 thousand (representing 36.3% of net sales).

The 34.1% increase in the cost of sales was mainly explained by:

- The higher charge for amortization of assets related to oil and gas, the CT ADC, DEEF and the LPG plant by \$ 69,458 thousand, as a result of an increase in purchases made and the assets revaluation for certain assets made since July 31, 2014.
- An increase in labor costs by \$ 32,926 thousand for the award of compensation to cover losses in the purchasing power of salaries.
- A rise in the costs of maintenance and operation by \$ 12,666, as a result of an increment in the tariffs during the period,
- An increment of fees and other compensations by \$ 2,022 thousand, and
- An increase of tax, rate contributions and insurance by \$ 3,324 thousand as result, mainly, of an increment in the cost of coverage.

These charges were partially offset by a decrease in the costs of spare parts and materials by \$ 6,291, as a result of certain price reductions obtained from suppliers and a lower consumption with respect to the previous period.

Exploration costs

The decrease in exploration costs for \$ 23,178 thousand is due to the Company's decision to return 100% of the Cerro Chato area at January 31, 2015, and the charge to income of the investments made.

### Selling expenses

Selling expenses were \$ 171,195 thousand, representing 14.2% of net sales. These expenses increased by 35.6% with respect to the same period of the previous year mainly due to an increment of turnover tax as a consequence of a higher billing and an increase in royalties associated with gas as a consequence of:

- (i) increment in gas production and in the sale price, and the increase of the exchange rate; and
- (ii) the Stimulus Plan for Injection of Excess Volume of Natural Gas.

### Administrative expenses

Administrative expenses for the nine-month period ended on January 31, 2016 amounted to \$ 95,317 thousand, representing 7.9% of net sales. These expenses increased, with respect to the same period of the previous year, by 43.5%, basically due to salaries and social security contributions (for the granting by the Company of the compensation to cover losses in the purchasing power of salaries), the increase in rent (due to the sale of the Vicente López building and subsequent lease) and rises in legal fees and bank expenses.

### Other operating income / (expenses), net

Other operating income / (expenses) net at January 31, 2016, were positive by \$ 102 thousand, while the other operating income / (expense), net for the period ended at January 31, 2015 were positive by \$ 1,171 thousand mainly as a result of the collection of \$ 4,107 thousand for the assignment of compensation rights under the Oil Plus Program regulated in 2008, offset by the expenses relating to the notarial registration of the sale of the Vicente López building, by \$ 2,908 thousand.

### Financial results

Financial income reflected a balance of \$ 358,281 thousand, which compares with \$ 81,261 thousand of the same period of the previous year. The main reasons for this \$ 277,020 thousand increase are listed below:

	Item	Variation in \$thousand
(i)	Accrued interest and other results on placements	47,775
(ii)	Exchange difference	235,038
(iii)	Accrued interest on credits	(5,793)
	<b>Total</b>	<b>277,020</b>

- The variation in accrued interest and other results on placements accrued corresponds to higher results from financial placements, as a result of the impact of the increase in the exchange rate of the US dollar on interest earned and higher returns on investments in pesos
- The variation in exchange difference is due to an increase in the US dollar exchange rate with respect to the peso calculated on investments in such foreign currency. The variation in the US dollar quotation between April 2015 and January 2016 was 57.4%, whereas between April 2014 and January 2015 it was of 8.1 %,
- The variation in accrued interest on credits mainly corresponds to the present value of Hychico's long term receivables.

Financial costs show a negative balance of \$ 1,379,685 thousand, while in the same period of the previous year they were negative by \$ 344,870 thousand. The main causes of the \$ 1,034,815 thousand increase were:

	Item	Variation in \$thousand
(i)	Interest and others	(74,732)
(ii)	LIBO rate swap	(1,080)
(iii)	Exchange difference	(958,429)
(iv)	Interest accrued from accounts payable	(574)
	<b>Total</b>	<b>(1,034,815)</b>

- The variation in interest and others mainly corresponds to new fundings and to the interest accrued on the funding granted by CAMMESA for the maintenance of the CT ADC. Further, although principal on debt in US dollars remained constant, the higher exchange rate accrued higher interest in pesos.
- The Group holds 89.2% of its financial liabilities in US dollars so that the variation of the exchange rate of this currency generates a significant impact on the economic results and on equity. The variation in the US dollar quotation between April 2015 and January 2016 was of 56.7%, whereas between April 2014 and January 2015 it was of 8.0%.
- The decrease in the LIBO rate swap line is due to the cancellation of the SWAP contract owned by the Company.

The other financial results correspond to the recovery of the valuation allowance for property, plant and equipment of the hydrogen and oxygen plant of Hychico.

As of January 31, 2016 assets increased by \$ 714,898, which represents an increment of 18.0% compared with January 31, 2015. The main causes for this variation are net increases in:

- (i) financial investments for \$ 212,730 thousand, due to the increase in the exchange rate of the US dollar which pushed up the valuation of time deposits in that currency;
- (ii) property, plant and equipment for \$ 129,445 thousand, corresponding to the net effect of investments made and amortization for the period;
- (iii) trade accounts receivable for \$ 223,712 thousand, due to the increase granted by SEN Res 482/15 on the remuneration scheme of the power generation, and also to gas sales and the accrual of the Stimulus Plan for Injection of Excess Volume of Natural Gas and an increase in the exchange rate;
- (iv) other accounts receivable for \$ 60,129 thousand, mainly due to the capitalization of the balances of tax on assets and the increase of advances to suppliers;
- (v) spare parts and materials for \$ 102,688 thousand due to higher stocks, and inventories for \$ 1,315 thousand.

All this offset by a decrease of cash and cash equivalents for \$ 15,121 thousand, principally due to the lower investment in mutual funds in pesos by the Company, among others.

Liabilities increased by \$ 1,141,423 thousand, representing a 39.5% increase as compared with January 31, 2015, mainly as a consequence of:

- (i) a net increase in financial liabilities for \$ 1,225,246 thousand, generated mainly by: (i) an increment of the exchange rate variation of the dollar, which results in an increase in the accrued interest and exchange difference and (ii) a higher bank financing for new credit lines contracted, and (iii) the major financing contracted with CAMMESA to perform the maintenance of the CT ADC;
- (ii) the increment of trade accounts payable for \$ 105,548 thousand, mainly due to an increase in costs, expenses and purchases made;
- (iii) a rise in payroll and social security for \$ 7,229 thousand, as a result of the compensation granted by the Company to cover losses in the purchasing power of salaries;
- (iv) the increase in other liabilities for \$ 21,604 thousand, as a consequence of the increment of the royalties of oil and gas;
- (v) the increase in tax liability for \$ 302 thousand.

All this offset by a decrease of deferred tax liabilities for \$ 217,877 thousand due to the decrease of the deferred income tax generated by the recording of tax losses, as result of the devaluation, and contingencies and provisions for \$ 629 thousand as a consequence of payments of judgments.

Additionally, the Group has significant debts in US dollars and, therefore, is very sensitive to potential increases of the quotation of this currency. The loans are as follows:

1. Corporate Bonds Senior Notes, for US\$ 200,000,000.
2. Secured loan of US\$ 14,000,000 allocated to the Diadema eolic energy project (Hychico).

The amount disbursed in point 1 accrues interest payable every six months as from disbursement date and until the full repayment date (2018), at a fixed rate of 10%.

The amount disbursed in point 2 accrues variable interest equivalent to LIBO plus an annual rate of 8.75% payable every six months.

## 2) Prospects (Not covered by the limited review report)

During the present year, the Company will continue in the Agua del Cajón area with a development plan contemplating the drilling of conventional and unconventional wells. At the date of issue of the financial statements, five conventional wells and five unconventional wells (of which four are tight gas sand and one of oil in "Vaca Muerta") were drilled.

Regarding Loma de Kauffman exploration area, in the Province of Río Negro, during the current period an exploratory well was drilled, and the results are being evaluated.

As regards gas, the National Government has expressed the need to accompany the development of resources with prices tending to sustain and/or increase national production and reduce demand for foreign currency for the importation of gas.

As regards the electric market, Decree 134/15 declared the emergency of the Argentine electricity sector until December 31, 2017 and instructed the Ministry of Energy and Mining to implement an action plan for the electric power generation, transport and distribution segments of national jurisdiction, to improve the quality and safety of power supply and guarantee the provision of electricity public utility services in good technical and economic conditions. As a result of this decree, the Ministry of Energy and Mining adopted Resolution 6/16 on January 25, 2016 approving, among other issues, the Summer Quarterly Rescheduling, an increase in the seasonal benchmark prices applicable during that period, setting differential prices for users of the distributors with consumption of less than 300 kW, a stimulus plan with discounts for reduction of consumption and a preferential tariff. Although no measures have been adopted so far to increase the price received by the generators, in the opinion of the Company the measures described and the declarations of the National Government officials would indicate a return to the principles set forth by Law 24065 and to establishing regulations and remunerations to encourage the development of the sector with a view to satisfying demand.

Hychico will continue operating its two projects and go on with the studies about:

1. The interconnection of the electrolyzer and the new wind turbine to overcome technological limitations in isolated systems and make use of the stored wind power in times of low demand.
2. Hydrogen storage in depleted oil reservoirs. At present, we are in the process of storing hydrogen in the reservoir through a hydrogen pipeline that was installed by the end of 2015. If this project is viable, two actions will be possible at the same time, namely:
  - a. Use of the hydrogen and natural gas storage as feed to a turbine and generation of electric power to satisfy peak demand in the region.
  - b. Use of the hydrogen and natural gas storage as a reactor and, by combining hydrogen with carbon dioxide, artificially produce methane for consumption as fuel in the region, or inject it into gas pipelines for transportation to other demand centers.

The Company considers that it has a solid business structure to enable it to adapt to the new scenario.


**Gas and oil reserves (not covered by the limited review report)**

Below is the estimate of hydrocarbon reserves in the Agua del Cajón area made by the Company at December 31, 2014, which has been audited by the Lic. Héctor A. López, of date March 31, 2015, in compliance with the requirements of ES Resolution 324/06, and having as its horizon the expiry of the concession in January 2026:

Estimation of reserves in those areas at that date comprises:

Products		Proven			Probable	Possible
		Developed	Non-developed	Total		
Gas	in million cubic meters (1)	3,626	1,340	4,966	790	586
Oil	thousands of bbl	1,572	736	2,308	849	868
	thousands of m <sup>3</sup>	250	117	367	135	138

<sup>(1)</sup> Determined at 9,300 K/Cal per cubic meter



### 3) Balance sheet structure

	01/31/16	01/31/15	01/31/14	01/31/13	01/31/12
	\$				
	(a)				
	<b>Consolidated Information</b>				
Current assets	959,960,427	777,041,831	292,947,345	187,522,210	391,655,133
Non current assets	3,732,996,693	3,201,017,291	2,052,593,059	1,863,072,806	1,595,382,673
<b>Total assets</b>	<b>4,692,957,120</b>	<b>3,978,059,122</b>	<b>2,345,540,404</b>	<b>2,050,595,016</b>	<b>1,987,037,806</b>
Current liabilities	627,625,973	472,854,462	414,872,611	269,858,148	275,775,667
Non current liabilities	3,406,471,348	2,419,819,898	1,744,678,204	1,281,067,149	1,158,174,991
<b>Total liabilities</b>	<b>4,034,097,321</b>	<b>2,892,674,360</b>	<b>2,159,550,815</b>	<b>1,550,925,297</b>	<b>1,433,950,658</b>
Equity	650,369,983	1,075,946,095	179,270,055	495,520,208	548,276,207
Non controlling interest	8,489,816	9,438,667	6,719,534	4,149,511	4,810,941
Equity	658,859,799	1,085,384,762	185,989,589	499,669,719	553,087,148
<b>Total equity and liabilities</b>	<b>4,692,957,120</b>	<b>3,978,059,122</b>	<b>2,345,540,404</b>	<b>2,050,595,016</b>	<b>1,987,037,806</b>

(a) Information consolidated with SEB and Hychico, as per financial information at January 31, 2016, 2015, 2014, 2013 and 2012.

### 4) Income structure

	01/31/16	01/31/15	01/31/14	01/31/13	01/31/12
	\$				
	(a)				
	<b>Consolidated Information</b>				
Operating result	486,745,871	373,225,503	188,370,429	80,298,085	87,052,717
Financial Income	358,280,711	81,260,712	140,322,400	39,272,804	14,989,368
Financial Costs	-1,379,685,234	-344,869,862	-782,787,548	-224,437,759	-145,819,869
Other financial results	546,692	1,015,762	1,023,962	1,213,907	1,157,025
Results before income tax	-534,111,960	110,632,115	-453,070,757	-103,652,963	-42,620,759
Income tax	185,743,010	-32,088,193	149,837,589	34,104,449	11,062,653
Tax on assets	-	-	-1,117,733	-612,654	-790,573
Net result for the period	-348,368,950	78,543,922	-304,350,901	-70,161,168	-32,348,679
Other comprehensive results	-	743,518,138	-	-	-
<b>Comprehensive result for the period</b>	<b>-348,368,950</b>	<b>822,062,060</b>	<b>-304,350,901</b>	<b>-70,161,168</b>	<b>-32,348,679</b>

Information consolidated with SEB and Hychico, as per financial information at January 31, 2016, 2014, 2013, 2012 and 2011.

5) Statistical data (Not covered by the limited review report)

OIL (m <sup>3</sup> )					
	01/31/2016	01/31/2015	01/31/2014	01/31/2013	01/31/2012
<b>Consolidated information</b>					
Production in bbl	200,824	170,962	197,755	221,042	253,881
Sales domestic market bbl	345,443	319,611	342,136	368,840	447,393
Production in m <sup>3</sup>	31,929	27,181	31,441	35,143	40,364
Sales in the domestic market m <sup>3(1)</sup>	54,921	50,814	54,395	58,641	71,130

GAS (thousands of m <sup>3</sup> )					
	01/31/2016	01/31/2015	01/31/2014	01/31/2013	01/31/2012
<b>Consolidated information</b>					
Production	421,559	416,247	420,695	500,906	531,317
Redirected by CAMMESA – Res.					
SEN 95/13 /Purchase	283,374	300,352	216,187	131,270	146,259
Sales in the domestic market	44,548	28,837	22,020	20,005	3,537

ENERGY AGUA DEL CAJON (thousands of MWh)					
	01/31/2016	01/31/2015	01/31/2014	01/31/2013	01/31/2012
<b>Consolidated information</b>					
Production	2,515	2,672	2,323	2,205	2,254
Purchase	-	-	28	92	134
Sales	2,318	2,495	2,150	2,094	2,220

RENEWABLE ENERGY (thousands of MWh)					
	01/31/2016	01/31/2015	01/31/2014	01/31/2013	01/31/2012
<b>Consolidated information</b>					
Production	20	22	22	22	6.3
Sales	20	22	22	22	6.3

ENERGY DIADEMA PLANT (thousands of MWh)					
	01/31/2016	01/31/2015	01/31/2014	01/31/2013	01/31/2012
<b>Consolidated information</b>					
Production	6.8	6.3	6.4	5.4	5.9
Sales	5.0	5.5	4.4	3.9	5.0

PROPANE (tn)					
	01/31/2016	01/31/2015	01/31/2014	01/31/2013	01/31/2012
<b>Consolidated information</b>					
Production	14,614	16,693	16,345	19,186	21,781
Sales domestic market	13,349	16,783	16,422	19,318	21,879
Sales foreign market	1,189	-	-	-	-

BUTANE (tn)					
	01/31/2016	01/31/2015	01/31/2014	01/31/2013	01/31/2012
<b>Consolidated information</b>					
Production	10,820	11,410	12,634	13,150	15,022
Sales domestic market	10,731	11,413	12,627	13,296	15,108

GASOLINE (m <sup>3</sup> )					
	01/31/2016	01/31/2015	01/31/2014	01/31/2013	01/31/2012
<b>Consolidated information</b>					
Production <sup>(2)</sup>	21,081	20,432	20,087	21,994	25,931

OXYGEN (Nm <sup>3</sup> )					
	01/31/2016	01/31/2015	01/31/2014	01/31/2013	01/31/2012
<b>Consolidated information</b>					
Production	37,758	26,664	58,395	37,384	35,643
Sales domestic market <sup>(3)</sup>	85,453	95,188	97,056	59,310	77,108

<sup>(1)</sup> Includes 21,071 m<sup>3</sup>, 20,403 m<sup>3</sup>, 20,098 m<sup>3</sup>, 21,984 m<sup>3</sup> y 25,841 m<sup>3</sup> of gasoline at January 31, 2016, 2015, 2014, 2013 and 2012, respectively, sold as oil,

<sup>(2)</sup> The gasoline at January 31, 2016, 2015, 2014, 2013 and 2012, was sold as oil,

<sup>(3)</sup> The sales of oxygen at January 31, 2016, 2015, 2014, 2013 and 2012 include take or pay clause.

## 6) Rates

	01/31/16	01/31/15	01/31/14	01/31/13	01/31/12
<b>(a)</b>					
<b>Consolidated information</b>					
Liquidity (1)	1.53	1.64	0.71	0.69	1.42
Solvency (2)	0.16	0.38	0.09	0.32	0.39
Capital immobilization (3)	0.80	0.80	0.88	0.91	0.80

a) Information consolidated with SEB and Hychico as per financial information at January 31, 2016, 2015, 2014, 2013 and 2012.

(1)	<u>Current assets</u>
	<u>Current liabilities</u>
(2)	<u>Shareholders' equity</u>
	<u>Total liabilities</u>
(3)	<u>Non-current assets</u>
	<u>Total assets</u>





*"Free translation from the original in Spanish for publication in Argentina"*

## **LIMITED REVIEW REPORT OVER THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

To the President and Directors of  
Capex S.A.  
Legal address: Córdoba Av. 948/950 5th C Floor  
Autonomous City of Buenos Aires  
Tax Code: 30-62982706-0

### **Introduction**

We have reviewed the accompanying condensed interim consolidated financial statements of Capex S.A. and its subsidiaries (the "Company") including the condensed interim consolidated statement of financial position as of January 31, 2016, the condensed interim consolidated statements of comprehensive income, of changes in shareholders' equity and cash flows for the nine and three months periods ended January 31, 2016, and the notes 1 and 3 to 24 and Exhibits A and D to H.

The balances and other information corresponding to the fiscal year 2015 and to its interim periods are an integral part of the financial statements mentioned above; therefore, they must be considered in connection with these financial statements.

### **Responsibility for the Board of Directors**

The Board of Directors of the Company is responsible for the preparation and presentation of the financial statements in accordance with International Financing Reporting Standards, which were adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and incorporated into the regulations of the National Securities Commission (CNV), as approved by the International Accounting Standards Board (IASB); therefore, it is responsible for the preparation and presentation of the condensed interim consolidated financial statements mentioned in the first paragraph in accordance with International Accounting Standard 34 "Interim Financial Reporting" (IAS 34). Our responsibility is to express a conclusion based on the review that we have performed with the scope detailed in paragraph "Scope of our review".

### **Scope of our review**

Our review was limited to the application of the procedures laid down by the International Standard on Review Engagement ISRE 2410 "Review of interim financial information development by independent auditor of entity", which was adopted as the standard of review in Argentina by Technical Pronouncement No. 33 of FACPCE as was approved by the International Auditing and Assurance Standard Board (IAASB). A limited review of interim financial statements consists in requesting information from the personnel of the Company in charge of preparing the information included in the condensed interim consolidated financial statements and applying analytical procedures and subsequent analysis. This review is substantially less in scope than an audit performed in accordance with international auditing standards; consequently, a review does not allow us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Therefore, we do not issue an opinion on the consolidated financial position, consolidated comprehensive income and the consolidated cash flow of the Company.

*Price Waterhouse & Co. S.R.L., Bouchard 557, piso 8°, C1106ABG - Ciudad de Buenos Aires*  
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*"Free translation from the original in Spanish for publication in Argentina"*

**Conclusion**

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

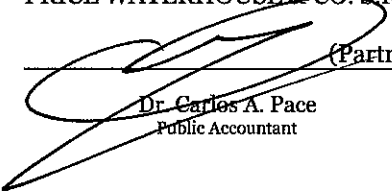
**Report on compliance with current regulations**

In accordance with current regulations, we report that, in connection with the Company:

- a) the condensed interim consolidated financial statements of the Company are transcribed into the "Inventory and Balance Sheet" book and as regards those matters that are within our competence, they are in compliance with the provisions of the Commercial Companies Law and pertinent resolutions of the National Securities Commission;
- b) the condensed interim individual financial statements of the Capex S.A. arise from accounting records kept in all formal respects in conformity with legal regulations;
- c) we have read the summary of activity, on which, as regards those matters that are within our competence, we have no observations to make;
- d) at January 31, 2016 the debt accrued by Capex S.A. in favor of the Argentine Integrated Social Security System according to the Company's accounting records amounted to \$ 3,533,262.17, none of which was claimable at that date.

Autonomous City of Buenos Aires, March 8, 2016.

PRICE WATERHOUSE & CO. S.R.L.

  
(Partner)

Dr. Carlos A. Pace  
Public Accountant

## **SYNDICS' COMMITTEE REPORT**

To the Shareholders of  
Capex S.A.  
Legal address: Córdoba Av. 948/950 5th C Floor  
Autonomous City of Buenos Aires

1. As called for by sub-section 5, section 294 of Law N° 19550, we have reviewed the accompanying condensed interim consolidated financial statements of Capex S.A. (the "Company") and its subsidiaries including the consolidated statement of financial position as of January 31, 2016, and the condensed interim consolidated statements of comprehensive income, of changes in shareholders' equity and cash flows for the nine-month period then ended, and the Notes 1 and 3 to 24, and Exhibits A and D to H.

The balances and other information corresponding to the fiscal year 2015 and its interim periods are an integral part of the financial statements mentioned above; therefore, they must be considered in connection with those financial statements.

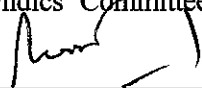
2. The Board of Directors of the Company is responsible for the preparation and reasonable presentation of the financial statements in accordance with International Financing Reporting Standards, which were adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and incorporated into the regulations of the National Securities Commission (CNV), as approved by the International Accounting Standards Board (IASB); therefore, it is responsible for the preparation and presentation of the condensed interim consolidated financial statements mentioned in paragraph 1. in accordance with International Accounting Standard 34 "Interim Financial Reporting" (IAS 34). Our responsibility is to express a conclusion based on the review that we performed with the scope detailed in paragraph 3..
3. Our work was conducted in accordance with standards in force for syndics' reviews. Those standards require that we apply the procedures laid down in Technical Pronouncement N° 33 of the Argentine Federation of Professional Councils of Economic Sciences for limited reviews of financial statements covering interim periods, which include verifying the consistency of the information included in the documents examined with the information concerning corporate decisions, as disclosed in minutes, and the conformity of such decisions to the laws and the by-laws, insofar as concerns formal and documentary aspects. To perform our professional work, we have reviewed the work done by Capex S.A.'s external auditors, Price Waterhouse & Co. S.R.L., who issued a limited review report without observations dated as of today. That review included the verification of work planning, the nature, scope and timing of the procedures applied and the results of the limited review performed by those professionals. A limited review consists mainly in applying analytical procedures to the accounting information and making inquiries of Company's personnel responsible for the accounting and financial information. The scope of such a review is substantially less than that of an audit examination conducted for the purposes of expressing an opinion on the financial statements taken as a whole. Accordingly, we

express no such opinion. We have not assessed the administrative, marketing or operating business criteria as these fall within the exclusive competence of the Company.

4. Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements mentioned in paragraph 1. have not been prepared, in all material respects, in accordance with IAS 34.
5. We have read the summary of activity, on which, as regards those matters that are within our competence, we have no observations to make;
6. The provisions of section 294 of Commercial Companies Law have been duly fulfilled.

Autonomous City of Buenos Aires, March 8, 2016.

For Syndics' Committee



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Norberto Luis Feoli

Syndic

Certified Public Accountant (UBA)