



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

CAPEX S.A.

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



Contents

	Condensed Interim Consolidated Statement of Financial Position
	Condensed Interim Consolidated Statement of Comprehensive Income
	Condensed Interim Consolidated Statement of Changes in Shareholders' Equity
	Condensed Interim Consolidated Statement of Cash Flows
	Notes to the Condensed Interim Consolidated Financial Statements
1	- GENERAL INFORMATION
2	- OIL AND GAS RESERVES (NOT COVERED BY THE REVIEW REPORT OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS)
3	- REGULATORY FRAMEWORK OF THE OIL&GAS, ELECTRIC AND LPG SECTORS
4	- BASIS FOR PREPARATION AND PRESENTATION
5	- ACCOUNTING STANDARDS
6	- ACCOUNTING ESTIMATES AND JUDGEMENTS
7	- ADMINISTRATION OF FINANCIAL RISKS
8	- SEGMENT REPORTING
9	- PROPERTY, PLANT AND EQUIPMENT
10	- NET DEFERRED TAX ASSETS / LIABILITIES
11	- OTHER ACCOUNTS RECEIVABLE
12	- TRADE ACCOUNTS RECEIVABLE
13	- FINANCIAL INVESTMENTS
14	- CASH AND CASH EQUIVALENTS
15	- RESERVE FOR ASSETS REVALUATION
16	- TRADE ACCOUNTS PAYABLE
17	- FINANCIAL LIABILITIES
18	- SALARIES AND SOCIAL SECURITY CONTRIBUTIONS
19	- CONTINGENCIES
20	- NET SALES
21	- OTHER OPERATING INCOME / (EXPENSES), NET
22	- FINANCIAL RESULTS
23	- BALANCES AND TRANSACTIONS WITH RELATED PARTIES
24	- EXPLORATION AREAS IN RIO NEGRO
	EXHIBIT A – PROPERTY, PLANT AND EQUIPMENT
	EXHIBIT C – INVESTMENTS
	EXHIBIT D – OTHER INVESTMENTS
	EXHIBIT E – PROVISIONS
	EXHIBIT F – COST OF SALES
	EXHIBIT G – FOREIGN CURRENCY ASSETS AND LIABILITIES
	EXHIBIT H – INFORMATION REQUIRED BY SECT. 64, SUB-SECT. B) OF LAW No. 19550
	SUMMARY OF ACTIVITIES
	REVIEW REPORT OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
	SYNDICS' COMMITTEE REPORT



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
FACPACE	Argentine Federation of Professional Councils in Economic Sciences
GWh	Gigawatts per hour
IASB	International Accounting Standards Board
Km	Kilometer
km ²	Square kilometer
KW	Kilowatt
LVFVD	Sales settlement with maturity to be defined
m ³	Cubic meter
MMBTU	Millions of British thermal unit
WEM	Wholesale Electricity Market
Mm ³	Thousand cubic meters
MMm ³	Million cubic meters
MMMm ³	Billion cubic meters
Mtn	Thousands of tons
MW	Megawatt
NCP ARG	Professional Accounting Standards prevailing prior to IFRS
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
Nm ³	Standard cubic meter
OyM	Operation and Maintenance
DEEF	Diadema Eolic Energy Farm
tn	Ton
V/N	Nominal value
WTI	West Texas Intermediate

M.



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

A handwritten signature in the bottom right corner of the page.



CAPEX S.A.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
for the six-month period ended October 31, 2016 compared with the prior year

Fiscal year No. 29 commenced on May 1, 2016

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: Exploitation 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 October 31 and April 30, 2016
Stated in pesos

	<u>Note/ Exhibit</u>	<u>10.31.2016</u>	<u>04.30.2016</u>
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9/ A	4,753,281,068	4,553,549,826
Investments in subsidiaries		75,000	-
Financial investments at fair value	13/ C	66,586,377	-
Spare parts and materials		102,241,048	160,296,481
Net deferred tax	10	24,919,303	24,214,743
Other accounts receivable	11	109,051,974	113,570,294
Trade accounts receivable	12	132,744,608	100,444,863
Total Non-Current Assets		<u>5,188,899,378</u>	<u>4,952,076,207</u>
CURRENT ASSETS			
Spare parts and materials		33,694,838	47,140,393
Inventories		2,506,722	3,274,450
Other accounts receivable	11	108,313,168	103,856,669
Trade accounts receivable	12	449,873,813	699,074,460
Financial investments at fair value	13/ C	43,583,810	-
Financial investments at amortized cost	13/ D	-	568,799,995
Cash and cash equivalents	14	1,140,347,338	244,425,609
Total Current Assets		<u>1,778,319,689</u>	<u>1,666,571,576</u>
Total Assets		<u><u>6,967,219,067</u></u>	<u><u>6,618,647,783</u></u>

The accompanying Notes 1 to 24 and Exhibit A and C 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 October 31 and April 30, 2016
Stated in pesos

	Note / Exhibit	10.31.2016	04.30.2016
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
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	1,644,444,736	1,692,108,746
Unappropriated retained earnings		123,925,256	(231,664,704)
Total shareholders' equity attributable to shareholders		2,027,858,450	1,786,808,085
Non-controlling interest		23,689,377	10,490,689
Total shareholders' equity		2,051,547,827	1,797,298,774
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade accounts payable	16	36,194,192	33,176,202
Financial liabilities	17	3,259,633,466	3,152,592,897
Deferred income tax	10	1,028,410,431	907,810,751
Provisions and other charges	E	4,680,347	3,244,352
Total Non-Current Liabilities		4,328,918,436	4,096,824,202
CURRENT LIABILITIES			
Trade accounts payable	16	235,769,225	339,763,833
Financial liabilities	17	189,530,526	238,186,176
Salaries and social security contributions	18	44,239,819	50,861,297
Taxes		70,425,441	39,852,551
Other liabilities		46,787,793	55,860,950
Total Current Liabilities		586,752,804	724,524,807
Total Liabilities		4,915,671,240	4,821,349,009
Total Shareholders' equity and liabilities		6,967,219,067	6,618,647,783

The accompanying Notes 1 to 24 and Exhibit A and C 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 six and three-month periods ended October 31, 2016 and 2015
Stated in pesos

	Note / Exhibit	Six months		Three months	
		10.31.2016	10.31.2015	10.31.2016	10.31.2015
Net sales	20	1,421,899,827	744,068,704	735,404,630	361,832,840
Cost of sales	F	(437,325,691)	(278,165,987)	(226,287,143)	(146,447,686)
Gross income		984,574,136	465,902,717	509,117,487	215,385,154
Selling expenses	H	(217,604,585)	(103,534,987)	(112,524,992)	(53,791,235)
Administrative expenses	H	(87,153,550)	(58,492,889)	(42,646,368)	(29,530,916)
Other operating income / (expenses), net	21	777,545	(231,587)	462,962	(165,215)
Operating income		680,593,546	303,643,254	354,409,089	131,897,788
Financial income	22	128,559,438	96,429,483	50,300,647	54,834,791
Financial costs	22	(432,434,820)	(302,652,115)	(137,084,658)	(160,480,473)
Other financial results	E	(1,316,990)	303,950	(1,602,790)	238,079
Result before Income Tax		375,401,174	97,724,572	266,022,288	26,490,185
Income tax		(132,652,121)	(34,384,710)	(93,229,598)	(9,696,977)
Net result for the period		242,749,053	63,339,862	172,792,690	16,793,208
Other comprehensive results					
No future charge to results		-	-	-	-
Comprehensive result for the period		242,749,053	63,339,862	172,792,690	16,793,208
Net result for the period attributable to:					
Company shareholders		241,050,365	63,421,521	171,060,331	16,874,341
Non-controlling interest		1,698,688	(81,659)	1,732,359	(81,133)
Comprehensive result for the period		242,749,053	63,339,862	172,792,690	16,793,208
Comprehensive result for the period attributable to:					
Company shareholders		241,050,365	63,421,521	171,060,331	16,874,341
Non-controlling interest		1,698,688	(81,659)	1,732,359	(81,133)
Comprehensive result for the period		242,749,053	63,339,862	172,792,690	16,793,208
Basic and diluted net result per share					
- Attributable to Company Shareholders		1.34064	0.35273	0.95138	0.09385
Basic and diluted comprehensive result per share					
- Attributable to Company Shareholders		1.34064	0.35273	0.95138	0.09385

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


Alejandro Götz
 Chairman



Condensed Interim Consolidated Statement of Changes in Shareholders' Equity
For the six month periods ended October 31, 2016 and 2015
Stated in pesos

	Attributable to the Company shareholders										Total Shareholders' equity
	Retained earnings										
	Capital Stock	Additional paid-in capital	Legal reserve	Retained earnings	Free reserve (1)	Other accumulated comprehensive results	Reserve for assets revaluation(2)	Unappropriated retained earnings	Subtotal	Non-controlling interest	
Balances at April 30, 2015	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 six-month period	-	-	-	-	-	-	63,421,521	63,421,521	(81,659)	63,339,862	
Reversal of reserve for assets revaluation	-	-	-	-	-	(11,878,168)	11,878,168	-	-	-	
Balances at October 31, 2015	179,802,282	79,686,176	23,508,318	43,367,267	559,923,796	75,299,689	1,061,587,528	8,981,083	1,070,568,611		
Comprehensive result for the six-month period	-	-	-	-	1,048,198,511	(322,977,954)	725,220,557	1,509,606	726,730,163		
Reversal of reserve for assets revaluation	-	-	-	-	(16,013,561)	16,013,561	-	-	-		
Balances at April 30, 2016	179,802,282	79,686,176	23,508,318	43,367,267	1,692,108,746	1,786,808,085	10,490,689	1,797,298,774			
Ordinary Shareholders' Meeting of August 17, 2016	-	-	(23,508,318)	(43,367,267)	-	66,875,585	-	-	-		
Capital contribution from Interenergy Argentina S.A. to Hychico S.A.	-	-	-	-	-	-	-	11,500,000	11,500,000		
Comprehensive result for the six-month period	-	-	-	-	-	241,050,365	241,050,365	1,698,688	242,749,053		
Reversal of reserve for assets revaluation (Note 15)	-	-	-	-	(47,664,010)	47,664,010	-	-	-		
Balances at October 31, 2016	179,802,282	79,686,176	-	-	1,644,444,736	2,027,858,450	23,689,377	2,051,547,827			

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

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

The accompanying Notes 1 to 24 and Exhibit A and C 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 six-month periods ended October 31, 2016 and 2015
Stated in pesos

	Note / Exhibit	10.31.2016	10.31.2015
Net cash flows provided by operating activities:			
Comprehensive result for the period		242,749,053	63,339,862
Adjustments to arrive at net cash flows provided by operating activities:			
Exchange difference generated by cash and cash equivalents		(161,353)	(78,005)
Income tax		132,652,121	34,384,710
Interest accrued on financial liabilities and others		206,659,681	154,349,289
Exchange difference generated by financial liabilities	17	187,589,814	132,964,363
Exchange difference from placements in financial investments at amortized cost not considered as cash or cash equivalents		(35,495,277)	(25,275,645)
Exchange difference generated by accounts receivable with CAMMESA		(2,126,413)	(1,868,713)
Interest accrued from accounts receivable and payable	22	2,153,880	(731,096)
Amortization of Property, plant and equipment	9 / A	235,902,515	130,030,538
Increase / (recovery) of the provision for property, plant and equipment	9 / E	1,316,990	(303,950)
Recovery / (increase) of the provision for turnover and obsolescence of spare parts and materials	21 / E	(1,049,229)	26,759
Provision for lawsuits and fines	21 / E	1,435,995	239,226
Changes in net operating assets and liabilities:			
Decrease / (Increase) in trade accounts receivable		215,266,917	(15,830,761)
Decrease / (Increase) in other accounts receivable		5,957,813	(30,164,104)
Decrease / (Increase) in inventories		767,728	(36,574)
Decrease / (Increase) in spare parts and materials		72,550,217	(31,482,034)
Decrease in trade accounts payable		(105,584,498)	(48,893,224)
Decrease in debts for remunerations and social security charges		(6,621,478)	(9,801,170)
Increase in taxes		18,520,449	6,480,943
(Decrease) / Increase in other liabilities		(9,129,407)	7,603,254
Tax on assets paid		(2,626,077)	(2,107,640)
Net cash flows provided by operating activities		1,160,729,441	362,846,028
Net cash flows of investment activities			
Payments made for the purchase of property, plant and equipment		(434,710,824)	(234,627,691)
Write-off of property, plant and equipment, net		-	41,184
Evolution of financial investments at amortized cost not considered as cash or cash equivalents		494,125,085	(2,539,996)
Irrevocable contributions		(18,750)	-
Net cash flows provided by / (used in) investment activities		59,395,511	(237,126,503)
Net cash flows of financing activities			
Interest paid and others	17	(192,523,607)	(124,122,744)
Loans settled with compensations	17	(99,717,969)	(44,972,881)
Financial liabilities settled, net	17	(110,883,000)	(10,657,926)
Financial liabilities obtained	17	67,260,000	204,750,000
Contributions from third parties in subsidiaries		11,500,000	-
Net cash flows (used in) / generated by financing activities		(324,364,576)	24,996,449
Net increase in cash, cash equivalents and overdrafts			
Exchange difference generated by cash and cash equivalents		161,353	78,005
Cash, cash equivalents and overdrafts at the beginning of the year		244,425,609	241,480,927
Cash, cash equivalents and overdrafts at the end of the period	14	1,140,347,338	392,274,906

Alejandro Götz
Chairman



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

Transactions not entailing movements of cash

Supplementary information	10.31.2016	10.31.2015
Provision for well capping	(2,239,923)	(1,114,849)
Capital contributions to be made in E G Wind S.A.	(56,250)	-

The accompanying Notes 1 to 24 and Exhibit A and C 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 October 31, 2016 and 2015 and April 30, 2016
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 132kW 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 KW 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.

A handwritten signature in black ink, appearing to be a stylized letter 'M' or similar, located in the bottom right corner of the page.



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

NOTE 2- OIL AND GAS RESERVES (NOT COVERED BY 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, 2015, which has been audited by the independent auditor Lic. Ana M. Nardone 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):

Products		Proven			Probable	Possible
		Developed	Non-developed	Total		
Gas	MMm ³ ⁽¹⁾	3,636	1,339	4,975	430	408
Oil	Mbbl	1,830	566	2,396	654	830
	Mm ³	291	90	381	104	132

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

Gas	MMm ³ ⁽¹⁾	3,168
Oil	Mbbl	1,600
	Mm ³	254

⁽¹⁾ Determined at 9,300 K/Cal per m³

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

There were no changes in the regulatory framework of the oil & gas, electric and LPG sectors compared with the information provided in the individual financial statements for the year ended April 30, 2016, except for:

Program for the maintenance of electricity generating units

From May to October 2016, Capex has received from CAMMESA disbursements for \$ 67.3 million (see Note 17). By the date of issuance of these financial statements Capex received additional \$ 26.5 million.

From the beginning of the program until October 31, 2016 Capex has received from CAMMESA disbursements for \$ 395.6 million, which have been compensated with the Non-recurring maintenance remuneration. The debt accrued at period end amounts to \$ 310.8 million. Those are shown under "Financial debts", for \$ 135.5 million, net of the receivables accrued with CAMMESA in relation to the Non-recurring maintenance remuneration plus net accrued interest (see Note 17).

Incentive Program for Natural Gas Injection for Companies with Reduced Injection

On June 13, 2016 Capex received \$107,931,422 in BONAR 2020 corresponding to the amount accrued and due until December 31, 2015.

On August 31, 2016 Capex collected \$114,907,274 for the January-March 2016 quarter.

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.



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

NOTE 4 - BASIS FOR PREPARATION AND PRESENTATION (CONT'D)

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, 2016.

The condensed interim consolidated financial statements corresponding to the six and three-month periods ended October 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 six and three-month periods ended October 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.

The condensed interim consolidated financial statements have been approved for their issuance by the Board of Directors on December 7, 2016.

Comparative Information

Balances at April 30, 2016 and for the six and three-month periods ended on October 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.

Financial reporting in hyperinflationary economies

IAS 29 "Financial reporting in hyperinflationary economies" requires that the financial statements of an entity whose functional currency is that of a hyperinflationary economy, regardless of whether they are based on the historical cost method or the currency cost method, be restated in constant currency at the end date of the reporting period. For this purpose, in general terms, for non-cash items it is necessary to compute the inflation recorded since the acquisition date or since the date of revaluation, as applicable. To conclude on the existence of a hyperinflationary economy, the standard establishes a series of factors to be considered; among them, a cumulative inflation rate over three years that approaches, or exceeds, 100%.

At October 31, 2016, it is not possible to calculate the cumulative inflation rate corresponding to the three-year period then ended based on official data from the National Institute of Statistics and Census (INDEC), given that in October 2015 this agency discontinued the calculation of the Domestic Wholesale Price Index, only resuming its calculation from January 2016 onwards.

At the end of the reporting period, Management has evaluated and concluded that the Argentine peso does not meet the characteristics to be classified as the currency of a hyperinflationary economy, according to the guidelines of IAS 29 and Government's expectations towards a lower inflation level; therefore, these condensed interim consolidated financial statements have not been restated in constant currency.

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, 2016.

A handwritten signature in black ink, appearing to be the initials 'M.' followed by a flourish.



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

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, 2016.

NOTE 7 - ADMINISTRATION OF FINANCIAL RISKS

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").

Income received from CAMMESA, broken down by segment, is allocated to:

- 1) Gas revenue: payments received from CAMMESA as Own Fuel Recognition, the remuneration of which is fixed in US dollars and associated with the price of gas for generation plants, and
- 2) Electric power revenue: specific remuneration for the generation of power.

Segment reporting information is disclosed below:

A handwritten signature in black ink, appearing to be the initials "M." followed by a flourish.



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

NOTE 8 – SEGMENT REPORTING (CONT'D.)

Six months at 10.31.2016								
	Oil and gas	ADC Energy	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Deletions	Total
Net sales	240,356,367	1,089,578,559	72,380,657	16,340,622	2,214,766	1,028,856	-	1,421,899,827
Reclassification between segments	765,675,568	(723,733,147)	(41,942,421)	-	-	-	-	-
Sales among segments	1,006,031,935	365,845,412	30,438,236	16,340,622	2,214,766	1,028,856	-	1,421,899,827
Participation per segment over sales	70.8%	25.7%	2.1%	1.1%	0.2%	0.1%	-	100.0%
Cost of sales	(226,982,408)	(177,603,076)	(21,045,920)	(8,269,892)	(2,421,777)	(1,002,618)	-	(437,325,691)
Gross Income	779,049,527	188,242,336	9,392,316	8,070,730	(207,011)	26,238	-	984,574,136
Participation per segment over Gross Income	79.1%	19.1%	1.0%	0.8%	0.0%	0.0%	-	100.0%
Selling Expenses	(169,213,818)	(41,283,965)	(6,587,887)	(11,700)	(360,087)	(147,128)	-	(217,604,585)
Administrative Expenses	(52,146,545)	(25,441,848)	(7,752,458)	(309,513)	(931,853)	(571,333)	-	(87,153,550)
Other operating income / (expenses), net	132,667	601,401	45,536	-	(2,059)	-	-	777,545
Operating Income	557,821,831	122,117,924	(4,902,493)	7,749,517	(1,501,010)	(692,223)	-	680,593,546
Financial Income	70,464,164	39,025,655	12,908,638	2,265,610	2,744,797	1,275,078	(124,504)	128,559,438
Financial Costs	-	(418,093,349)	8,862	(14,466,112)	(6,108)	(2,617)	124,504	(432,434,820)
Other financial results	-	-	-	-	(1,460,450)	143,460	-	(1,316,990)
Result before income tax	628,285,995	(256,949,770)	8,015,007	(4,450,985)	(222,771)	723,698	-	375,401,174
Income tax	-	-	-	-	-	-	-	(132,652,121)
Net Result for the period								242,749,053
Other comprehensive results ⁽¹⁾								-
Net comprehensive result for the period								242,749,053
Amortization								
Cost of Sales	(121,132,087)	(101,988,840)	(6,176,751)	(5,321,017)	(690,294)	(37,005)	-	(235,345,994)
Administrative Expenses	(95,387)	(432,409)	(28,725)	-	-	-	-	(556,521)
Total	(121,227,474)	(102,421,249)	(6,205,476)	(5,321,017)	(690,294)	(37,005)	-	(235,902,515)

Three months at 10.31.2016								
	Oil and gas	ADC Energy	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Deletions	Total
Net sales	122,371,090	566,667,142	35,697,752	8,950,694	1,174,166	543,786	-	735,404,630
Reclassification between segments	397,325,003	(375,455,068)	(21,869,935)	-	-	-	-	-
Sales among segments	519,696,093	191,212,074	13,827,817	8,950,694	1,174,166	543,786	-	735,404,630
Participation per segment over sales	70.6%	26.0%	1.9%	1.2%	0.2%	0.1%	-	100.0%
Cost of sales	(114,329,312)	(95,016,851)	(11,316,107)	(3,847,294)	(1,256,480)	(521,099)	-	(226,287,143)
Gross Income	405,366,781	96,195,223	2,511,710	5,103,400	(82,314)	22,687	-	509,117,487
Participation per segment over Gross Income	79.6%	18.9%	0.5%	1.0%	0.0%	0.0%	-	100.0%
Selling Expenses	(88,346,145)	(20,862,428)	(3,079,169)	59,727	(210,336)	(86,641)	-	(112,524,992)
Administrative Expenses	(25,700,993)	(12,486,706)	(3,704,544)	(114,516)	(406,744)	(232,865)	-	(42,646,368)
Other operating income / (expenses), net	76,256	351,379	36,972	-	(1,645)	-	-	462,962
Operating Income	291,395,899	63,197,468	(4,235,031)	5,048,611	(701,039)	(296,819)	-	354,409,089
Financial Income	18,464,235	24,760,806	3,828,413	1,995,117	900,061	415,163	(63,148)	50,300,647
Financial Costs	-	(132,528,028)	(17,559)	(4,601,937)	(198)	(84)	63,148	(137,084,658)
Other financial results	-	-	-	-	(1,674,520)	71,730	-	(1,602,790)
Result before income tax	309,860,134	(44,569,754)	(424,177)	2,441,791	(1,475,696)	189,990	-	266,022,288
Income tax	-	-	-	-	-	-	-	(93,229,598)
Net Result for the period								172,792,690
Other comprehensive results ⁽¹⁾								-
Net comprehensive result for the period								172,792,690
Amortization								
Cost of Sales	(63,188,424)	(56,596,833)	(3,088,376)	(2,660,509)	(345,147)	(18,502)	-	(125,897,791)
Administrative Expenses	(60,784)	(279,051)	(17,967)	-	-	-	-	(357,802)
Total	(63,249,208)	(56,875,884)	(3,106,343)	(2,660,509)	(345,147)	(18,502)	-	(126,255,593)

(1) No future charge to results



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

NOTE 8 – SEGMENT REPORTING (CONT'D.)

Six months at 10.31.2016								
	Oil and gas	ADC Energy	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Deletions	Total
Net sales	306,477,126	382,056,228	38,935,260	14,758,242	1,352,872	488,976	-	744,068,704
Reclassification between segments	187,208,123	(203,623,732)	16,415,609	-	-	-	-	-
Sales among segments	493,685,249	178,432,496	55,350,869	14,758,242	1,352,872	488,976	-	744,068,704
Participation per segment over sales	66.3%	24.0%	7.4%	2.0%	0.2%	0.1%	-	100.0%
Cost of sales	(174,820,639)	(78,547,162)	(16,827,842)	(4,844,157)	(2,341,120)	(785,067)	-	(278,165,987)
Gross Income	318,864,610	99,885,334	38,523,027	9,914,085	(988,248)	(296,091)	-	465,902,717
Participation per segment over Gross Income	68.5%	21.4%	8.3%	2.1%	-0.2%	-0.1%	-	100.0%
Selling Expenses	(82,037,133)	(17,445,734)	(3,248,085)	(575,653)	(174,963)	(53,419)	-	(103,534,987)
Administrative Expenses	(33,407,354)	(16,857,841)	(6,369,704)	(186,529)	(1,172,639)	(498,822)	-	(58,492,889)
Other operating expenses, net	(85,276)	(106,307)	(26,721)	-	(13,283)	-	-	(231,587)
Operating Income	203,334,847	65,475,452	28,878,517	9,151,903	(2,349,133)	(848,332)	-	303,643,254
Financial Income	70,360,009	8,793,843	12,976,514	1,134,999	2,391,129	864,239	(91,250)	96,429,483
Financial Costs	-	(291,156,004)	(22,373)	(11,391,560)	(127,454)	(45,974)	91,250	(302,652,115)
Other financial results	-	-	-	-	160,490	143,460	-	303,950
Result before income tax	273,694,856	(216,886,709)	41,832,658	(1,104,658)	75,032	113,393	-	97,724,572
Income tax	-	-	-	-	-	-	-	(34,384,710)
Net Result for the period								63,339,862
Other comprehensive results	-	-	-	-	-	-	-	-
Net comprehensive result for the period								63,339,862
Amortization								
Cost of Sales	(87,304,734)	(32,243,055)	(7,358,875)	(1,926,350)	(583,613)	(143,687)	-	(129,560,314)
Administrative Expenses	(198,102)	(246,955)	(25,167)	-	-	-	-	(470,224)
Total	(87,502,836)	(32,490,010)	(7,384,042)	(1,926,350)	(583,613)	(143,687)	-	(130,030,538)

Three months at 10.31.2016								
	Oil and gas	ADC Energy	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Deletions	Total
Net sales	161,178,455	174,956,116	18,016,012	6,739,884	655,038	287,335	-	361,832,840
Reclassification between segments	90,583,802	(99,179,690)	8,595,888	-	-	-	-	-
Sales among segments	251,762,257	75,776,426	26,611,900	6,739,884	655,038	287,335	-	361,832,840
Participation per segment over sales	69.5%	20.9%	7.4%	1.9%	0.2%	0.1%	-	100.0%
Cost of sales	(91,172,227)	(43,018,320)	(8,347,674)	(2,355,484)	(1,114,385)	(439,596)	-	(146,447,686)
Gross Income	160,590,030	32,758,106	18,264,226	4,384,400	(459,347)	(152,261)	-	215,385,154
Participation per segment over Gross Income	74.6%	15.2%	8.5%	2.0%	-0.2%	-0.1%	-	100.0%
Selling Expenses	(43,321,852)	(8,355,865)	(1,748,748)	(245,575)	(87,290)	(31,905)	-	(53,791,235)
Administrative Expenses	(16,942,887)	(8,500,580)	(3,101,969)	(97,154)	(594,701)	(293,625)	-	(29,530,916)
Other operating expenses, net	(66,113)	(78,993)	(6,956)	-	(13,153)	-	-	(165,215)
Operating Income	100,259,178	15,822,668	13,406,553	4,041,671	(1,154,491)	(477,791)	-	131,897,788
Financial Income	38,223,808	8,045,398	6,825,466	101,751	1,172,213	512,030	(45,875)	54,834,791
Financial Costs	-	(154,301,469)	9,228	(6,089,383)	(105,128)	(39,596)	45,875	(160,480,473)
Other financial results	-	-	-	-	166,350	71,729	-	238,079
Result before income tax	138,482,986	(130,433,403)	20,241,247	(1,945,961)	78,944	66,372	-	26,490,185
Income tax	-	-	-	-	-	-	-	(9,696,977)
Net Result for the period								16,793,208
Other comprehensive results	-	-	-	-	-	-	-	-
Net comprehensive result for the period								16,793,208
Amortization								
Cost of Sales	(46,452,026)	(18,587,321)	(3,679,436)	(963,177)	(291,692)	(71,956)	-	(70,045,608)
Administrative Expenses	(110,284)	(121,785)	(12,524)	-	-	-	-	(244,593)
Total	(46,562,310)	(18,709,106)	(3,691,960)	(963,177)	(291,692)	(71,956)	-	(70,290,201)

Capex did not make sales to foreign customers at October 31, 2016 and is not owner of assets which are not financial instruments abroad.

At October 31, 2015 Capex made sales of LPG to foreign customers.



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT

	10.31.2016	10.31.2015
Residual value at beginning of year	4,553,549,826	2,646,497,530
Additions	436,950,747	235,742,538
Write-off, net	-	(41,184)
(Increase) / Recovery of provisions	(1,316,990)	303,950
Amortization	(235,902,515)	(130,030,538)
Residual value at the end of period	<u>4,753,281,068</u>	<u>2,752,472,296</u>

From the amortization charge for the six-month periods ended October 31, 2016 and 2015, \$ 235,345,994 and \$ 129,560,314, respectively, were allocated to Cost of sales and \$ 556,521 and \$ 470,224, respectively, to Administrative Expenses.

Below is the revaluation by group of assets:

	Net book value at cost value at 04.30.2016	Additions/Retirements/Provisions for the period – Net	Amortization for the period at cost value	Residual value at cost value
CT ADC	424,657,006	142,446,170	(46,471,371)	520,631,805
Building and land in Neuquén	33,678,702	-	(103,555)	33,575,147
LPG Plant	60,706,301	-	(2,520,209)	58,186,092
DEEF	59,171,460	1,624,332	(1,926,350)	58,869,442
Remaining assets	1,363,853,876	291,563,255	(122,303,407)	1,533,113,724
Total	<u>1,942,067,345</u>	<u>435,633,757</u>	<u>(173,324,892)</u>	<u>2,204,376,210</u>

	Revaluation at 04.30.2016	Amortization of the period – Revaluation	Residual value of revaluation	Net book value at 10.31.2016
CT ADC	2,246,969,913	(55,517,469)	2,191,452,444	2,712,084,249
Building and land in Neuquén	174,915,591	(8,946)	174,906,645	208,481,792
LPG Plant	87,757,002	(3,656,542)	84,100,460	142,286,552
DEEF	101,839,975	(3,394,666)	98,445,309	157,314,751
Remaining assets	-	-	-	1,533,113,724
Total	<u>2,611,482,481</u>	<u>(62,577,623)</u>	<u>2,548,904,858</u>	<u>4,753,281,068</u>

NOTE 10 - NET DEFERRED TAX ASSETS / LIABILITIES

The net deferred tax position is as follows:

	10.31.2016	04.30.2016
Deferred tax assets:		
Deferred tax assets to be recovered after 12 months	39,545,069	193,834,548
Deferred tax assets to be recovered in 12 months	2,240,692	5,983,073
Deferred tax liabilities:		
Deferred tax liabilities to be recovered after 12 months	(972,758,936)	(1,058,095,476)
Deferred tax liabilities to be recovered in 12 months	(72,517,953)	(25,318,153)
Deferred tax liabilities (net) ⁽¹⁾	<u>(1,003,491,128)</u>	<u>(883,596,008)</u>

⁽¹⁾ This amount is shown in the condensed interim consolidated financial statement as follows: \$ 24,919,303 and \$ 24,214,743 under net deferred tax assets at October 31 and April 30, 2016, respectively, and \$ 1,028,410,431 and \$ 907,810,751 under net deferred tax liabilities at October 31 and April 30, 2016, respectively.

The evolution of deferred assets and tax liabilities, without considering compensation of balances referred to the same fiscal entity, is as follows:



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

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

- Deferred assets:

	Tax losses	Trade Accounts Payable	Provisions and Others	Total
Balance at April 30, 2016	178,704,890	10,874,403	10,238,328	199,817,621
Charge to income/loss	(158,389,560)	1,869,001	(1,511,302)	(158,031,861)
Balance at October 31, 2016	20,315,330	12,743,404	8,727,026	41,785,760

Deferred liabilities:

	Financial investments at amortized cost	Property, plant and equipment	Other accounts receivable	Financial liabilities	Total
Balance at April 30, 2016	(4,046,887)	(1,074,628,426)	(2,961,891)	(1,776,425)	(1,083,413,629)
Charge to income/loss	(191,649)	37,858,293	133,394	336,703	38,136,741
Balance at October 31, 2016	(4,238,536)	(1,036,770,133)	(2,828,497)	(1,439,722)	(1,045,276,888)

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

Generated in	Amount	Rate 35%	Tax-loss recovery ⁽¹⁾	Expire in
Tax-loss generated at April 30, 2012	23,843,898	8,345,364	2,505,183	2017
Tax-loss generated at April 30, 2013	6,741,288	2,359,450	2,359,450	2018
Tax-loss generated at April 30, 2014	19,670,479	6,884,668	6,884,668	2019
Tax-loss generated at April 30, 2015	1,401,557	490,545	490,545	2020
Tax-loss generated at April 30, 2016	21,913,869	7,669,854	7,669,854	2021
Tax-loss generated at October 31, 2016	1,158,943	405,630	405,630	2022
Total tax-losses carry forwards at October 31, 2016	74,730,034	26,155,511	20,315,330	

⁽¹⁾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

	10.31.2016	04.30.2016
Non-current		
In local currency		
Value added tax	513,222	5,479,475
Tax on assets	84,950,203	81,810,021
In foreign currency (Exhibit G)		
Assignment of CAMMESA rights	23,588,549	26,280,798
Total	109,051,974	113,570,294
Current		
In local currency		
Sundry advances	2,502,498	18,209,231
Tax on assets	2,359,977	1,741,024
Turnover tax	5,241,407	3,772,105
Value added tax	11,820,741	11,384,420
Income tax – withholdings	30,372,949	15,290,830
Other tax credits	6,733,894	5,597,950
Prepaid insurance	9,237,827	15,698,508
Prepaid expenses	3,553,532	3,236,324
Assignment of CAMMESA rights	954,767	891,038
Intercompany receivables (Note 23.b)	565,456	487,168
Sundry	1,392,872	1,246,971
In foreign currency (Exhibit G)		
Sundry advances	1,165,993	58,921
Assignment of CAMMESA rights	13,142,234	12,622,189
Intercompany receivables (Note 23.b)	46,079	-
Agreement for gas propane supply for networks to collect	19,222,942	13,619,990
Total	108,313,168	103,856,669

Fair value of other accounts receivable does not differ significantly from its book value.



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

NOTE 12 - TRADE ACCOUNTS RECEIVABLE

	10.31.2016	04.30.2016
Non-Current		
In local currency		
From sale of energy and others (Receivables Art. 5 Res. 95/2013 – CAMMESA)	132,744,608	100,444,863
Doubtful accounts	2,627,115	2,627,115
Less: Provision for doubtful accounts (Exhibit E)	(2,627,115)	(2,627,115)
Total	132,744,608	100,444,863
Current		
In local currency		
From sale of energy and others	398,633,938	642,488,528
Intercompany receivables (Note 23.b)	400	483,881
In foreign currency (Exhibit G)		
From sale of oil and others	50,798,784	55,371,084
Intercompany receivables (Note 23.b))	440,691	730,967
Total	449,873,813	699,074,460

NOTE 13 - FINANCIAL INVESTMENTS

	10.31.2016	04.30.2016
Non-Current		
In foreign currency (Exhibit G)		
Financial investments at fair value (Exhibit C)	66,586,377	-
Total	66,586,377	-
Current		
In foreign currency (Exhibit G)		
Financial investments at fair value (Exhibit C)	43,583,810	-
Financial investments at amortized cost (Exhibit D)	-	568,799,995
Total	43,583,810	568,799,995

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

NOTE 14 - CASH AND CASH EQUIVALENTS

	10.31.2016	04.30.2016
Current		
In local currency		
Cash	46,208	49,895
Checks to be deposited	2,463,701	
Banks	11,060,236	8,338,715
Financial investments at fair value (Exhibit D)	519,671,984	235,707,720
In foreign currency (Exhibit G)		
Cash	138,381	155,178
Banks	348,648	174,101
Financial investments at amortized cost (Exhibit D)	606,618,180	
Total	1,140,347,338	244,425,609

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

	10.31.2016	10.31.2015
Cash and cash equivalents	14,057,174	9,964,822
Financial investment at fair value (Exhibit D)	519,671,984	406,127,679
Financial investments at amortized cost (Exhibit D)	606,618,180	-
Bank overdrafts	-	(23,817,595)
Total	1,140,347,338	392,274,906



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

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 - Neuquén	Total	Attributable to the Company	Attributable to Minority Interest
Balance at 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 ⁽¹⁾	(13,656,756)	(3,881,826)	(956,841)	(8,946)	(18,504,369)	(18,274,102)	(230,267)
Reversal of deferred tax ⁽¹⁾	4,779,864	1,358,639	334,894	3,131	6,476,528	6,395,934	80,594
Subtotal for reversal of revaluation of assets⁽¹⁾	(8,876,892)	(2,523,187)	(621,947)	(5,815)	(12,027,841)	(11,878,168)	(149,673)
Balances as of October 31, 2015	570,676,859	59,565,014	19,280,354	14,108,567	663,630,794	659,923,796	3,706,998
Increase for revaluation	1,389,024,419	-	73,134,733	153,219,051	1,615,378,203	1,612,613,095	2,765,108
Deferred tax	(486,158,547)	-	(25,597,157)	(53,626,668)	(565,382,372)	(564,414,584)	(967,788)
Total for other integral results	902,865,872	-	47,537,576	99,592,383	1,049,995,831	1,048,198,511	1,797,320
Reversal due to depreciation for the period ⁽¹⁾	(20,018,905)	(3,881,827)	(956,842)	(8,947)	(24,866,521)	(24,636,251)	(230,270)
Reversal of deferred tax ⁽¹⁾	7,006,617	1,358,640	334,895	3,132	8,703,284	8,622,690	80,594
Subtotal for reversal of revaluation of assets⁽¹⁾	(13,012,288)	(2,523,187)	(621,947)	(5,815)	(16,163,237)	(16,013,561)	(149,676)
Subtotal	889,853,584	(2,523,187)	46,915,629	99,586,568	1,033,832,594	1,032,184,950	1,647,644
Balances as of April 30, 2016	1,460,530,443	57,041,827	66,195,983	113,695,135	1,697,463,388	1,692,108,746	5,354,642
Reversal due to change of participation	-	-	-	-	-	(11,444,272)	11,444,272
Reversal due to depreciation for the period ⁽¹⁾	(55,517,469)	(3,656,542)	(3,394,666)	(8,946)	(62,577,623)	(61,884,973)	(692,650)
Reversal of deferred tax ⁽¹⁾	19,431,114	1,279,790	1,188,133	3,131	21,902,168	21,659,740	242,428
Subtotal for reversal of revaluation of assets⁽¹⁾	(36,086,355)	(2,376,752)	(2,206,533)	(5,815)	(40,675,455)	(47,664,010)	6,988,555
Balances as of October 31, 2016	1,424,444,088	54,665,075	63,989,450	113,689,320	1,656,787,933	1,644,444,736	12,343,197

⁽¹⁾ Charged to "Retained Earnings".

NOTE 16 - TRADE ACCOUNTS PAYABLE

	10.31.2016	04.30.2016
Non-Current		
In local currency		
Sundry accruals	30,548,055	27,159,490
In foreign currency (Exhibit G)		
Sundry accruals	5,646,137	6,016,712
Total	36,194,192	33,176,202
Current		
In local currency		
Suppliers	81,944,146	109,626,901
Intercompany suppliers (Note 23.b))	42,462	44,756
Sundry accruals	3,181,540	26,237,447
In foreign currency (Exhibit G)		
Suppliers	142,507,570	197,378,461
Sundry accruals	8,093,507	6,476,268
Total	235,769,225	339,763,833

Book value of trade accounts payable approximates its fair value.



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

NOTE 17 – FINANCIAL LIABILITIES

	10.31.2016	04.30.2016
Non-Current		
In local currency		
Commissions and expenses to be accrued	(1,289,549)	(2,420,340)
Bank	-	55,500,000
Advance funding for maintenance of the CT ADC	135,478,015	149,763,237
In foreign currency (Exhibit G)		
Bank	95,445,000	99,750,000
Corporate bonds	3,030,000,000	2,850,000,000
Total	3,259,633,466	3,152,592,897
Current		
In local currency		
Commissions and expenses to be accrued	(2,335,020)	(2,260,524)
Bank	126,997,091	179,376,486
In foreign currency (Exhibit G)		
Bank	21,699,100	20,465,376
Corporate bonds	43,169,355	40,604,838
Total	189,530,526	238,186,176

Changes in financial liabilities are as follows:

	10.31.2016	10.31.2015
Balances at the beginning	3,390,779,073	2,218,622,141
Decrease in bank overdrafts	-	(127,404,998)
Loans obtained	-	171,750,000
Funding for maintenance of the CT ADC	67,260,000	33,000,000
Credit for remuneration of non-recurring maintenance of the CT ADC	(99,717,969)	(44,972,881)
Accruals:		
Accrued interest	205,603,091	153,272,658
Accrued commissions and expenses	1,056,590	1,076,631
Exchange difference generated by foreign currency debts	187,589,814	132,964,363
Payments:		
Interest	(192,523,607)	(124,122,744)
Capital	(110,883,000)	(10,657,926)
Balances at period-end	3,449,163,992	2,403,527,244

The amount of current and non-current financial liabilities approximates their fair value.

On November 7, 2016, Capex repaid the balance of \$87,500,000 of the loans it held with Banco Ciudad de Buenos Aires, Banco Hipotecario and Banco Macro; the original principal was \$125,000,000.

On November 11, 2016, Capex repaid the balances of the following loans:
- Banco de Crédito y Securitización S.A.: \$18,000,000 - original principal was \$30,000,000.
- Banco de Crédito y Securitización S.A.: \$9,000,000 - original principal was \$15,000,000.

NOTE 18 – SALARIES AND SOCIAL SECURITY CONTRIBUTIONS

	10.31.2016	04.30.2016
In local currency		
Salaries and social security contributions	15,890,821	11,840,756
Sundry accruals	28,348,998	39,020,541
Total	44,239,819	50,861,297



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

NOTE 19 - CONTINGENCIES

There were no significant changes in the contingencies of the Group with respect to what was stated in the consolidated financial statements for the year ended April 30, 2016, except for:

Investigation Proceeding by the Argentine Central Bank (BCRA) - Access to the exchange market for payments under Swap agreement

In November 2015, the BCRA issued Resolution No. 881/2015 whereby it informed the initiation of investigation proceedings under the Criminal Exchange System against Capex and its directors, Alejandro Götz, Pablo Götz and Rafael Götz. The investigation began as a result of three exchange transactions in 2011 and 2012 totaling US\$ 5,334,192.77 for the purchase of foreign currency through the Unique Free Foreign Exchange Market to settle interest rate hedge contracts, which, in accordance to BCRA judgement, would have been carried out without obtaining the required authorization. Capex and its directors filed a brief on December 4, 2015 and in August 2016 requested their discontinuance with prejudice on the following grounds: (i) Judgement passed by the Trial Court with jurisdiction over Criminal-Economic Matters No. 9 in the case captioned "Banco CMF y otros s/ Infracción Ley 24.144 Denunciante BCRA" No. 1287/2015, which is final and the subject-matter of the case is similar to the one of the underlying investigation against CAPEX. The court decided that the transactions at issue were not subject to the limitations set out in the BCRA rules issued after the execution of the Swap agreement, and (ii) notwithstanding the above, BCRA Communication A6037 rendered Communication A4805 ineffective and consequently, in the new regime, hedge and derivative transactions do not need prior approval by the BCRA, in which case discontinuance would also apply due to "least harsh" criminal law principle. As a result of the above, the Management, based on the opinion of its legal advisors, considers that it has arguments to support that the purchases of foreign currency did not require the prior authorization by the BCRA due to the regulations in force at the time they were carried out and the regulations on the matter.

NOTE 20 – NET SALES

	Six months		Three months	
	10.31.2016	10.31.2015	10.31.2016	10.31.2015
Oil ⁽¹⁾	228,831,287	165,964,715	116,913,485	86,480,711
Gas ⁽²⁾	11,525,080	140,512,411	5,457,605	74,697,744
Electricity ADC	1,089,578,559	382,056,228	566,667,142	174,956,116
LPG ⁽³⁾	72,380,657	38,935,260	35,697,752	18,016,012
DEEF Energy	16,340,622	14,758,242	8,950,694	6,739,884
Energy generated with hydrogen	2,214,766	1,352,872	1,174,166	655,038
Oxygen	1,028,856	488,976	543,786	287,335
Total	1,421,899,827	744,068,704	735,404,630	361,832,840

⁽¹⁾ At October 31, 2015, it includes compensation arising from the "Stimulus Plan for Crude Oil Production" for \$ 1.6 million.

⁽²⁾ At October 31, 2015, it includes compensation arising from the "Stimulus Plan for Injection of Excess Volume of Natural Gas for Companies with reduced injection" for \$ 98.9 million.

⁽³⁾ As of October 31, 2015, it includes compensations from the Propano Sur and Hogar programs for \$1.0 million.

NOTE 21 – OTHER OPERATING INCOME / (EXPENSES), NET

	Six months		Three months	
	10.31.2016	10.31.2015	10.31.2016	10.31.2015
Provision for rotation and obsolescence of spare parts and materials (Exhibit E)	1,049,229	(26,759)	1,005,565	(26,759)
Provisions for lawsuit and fines (Exhibit E)	(1,435,995)	(239,226)	(1,435,995)	(239,226)
Result on sale of vehicles	168,900	21,357	-	62,550
Sundry	995,411	13,041	893,392	38,220
Total	777,545	(231,587)	462,962	(165,215)



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

NOTE 22 – FINANCIAL RESULTS

	Six months		Three months	
	10.31.2016	10.31.2015	10.31.2016	10.31.2015
Financial income				
Interest and other	88,096,965	59,061,118	43,164,840	32,914,585
Interest accrued on receivables	214,077	2,237,965	993,405	429,573
Exchange difference	40,248,396	35,130,400	6,142,402	21,490,633
	<u>128,559,438</u>	<u>96,429,483</u>	<u>50,300,647</u>	<u>54,834,791</u>
Financial costs				
Interest and other	(225,997,004)	(163,259,781)	(108,550,199)	(83,260,405)
Interest accrued from liabilities	(2,367,957)	(1,506,869)	(1,203,174)	(791,130)
Exchange difference	(204,069,859)	(137,885,465)	(27,331,285)	(76,428,938)
	<u>(432,434,820)</u>	<u>(302,652,115)</u>	<u>(137,084,658)</u>	<u>(160,480,473)</u>

NOTE 23 – 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 indirectly 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:

a) Transactions with related parties

a.i) With the parent company

The transactions with the parent company C.A.P.S.A. were:

	Six months		Three months	
	10.31.2016	10.31.2015	10.31.2016	10.31.2015
Sale of energy	2,214,766	1,352,872	1,174,166	655,038
Expenses corresponding to Hychico	(43,296)	(751)	(13,590)	(581)
Expenses corresponding to SEB	-	(170)	-	-
Expenses corresponding to C.A.P.S.A.	2,549,148	1,938,892	1,368,183	1,090,294
Expenses corresponding to Capex S.A.	(103,587)	(87,492)	(84,142)	(13,893)

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

The transactions with Interenergy Argentina S.A. were:

	Six months		Three months	
	10.31.2016	10.31.2015	10.31.2016	10.31.2015
Office and garage rental	(1,439,000)	(1,087,000)	(737,000)	(556,000)
Expenses corresponding to Interenergy	4,325	5,394	4,105	-

The transactions with E G Wind S.A. were:

	Six months		Three months	
	10.31.2016	10.31.2015	10.31.2016	10.31.2015
Contributions in E G Wind S.A.	(18,750)	-	-	-



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

NOTE 23 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONT'D.)

a.iii) With the companies that control the parent company

The transactions with Plenium Energy S.A. were:

	Six months		Three months	
	10.31.2016	10.31.2015	10.31.2016	10.31.2015
Expenses corresponding to Plenium	1,960	-	1,960	-

The transactions with Wild S.A. were:

	Six months		Three months	
	10.31.2016	10.31.2015	10.31.2016	10.31.2015
Expenses corresponding to Wild	400	-	400	-

a.iv) With related parties

The transactions with Alparamis S.A. were:

	Seis meses al		Tres meses al	
	31.10.2016	31.10.2015	31.10.2016	31.10.2015
Office and garage rental	(7,880,000)	(5,800,000)	(4,130,000)	(3,040,000)

b) Balances at period end with the related companies

	With the parent company	With the companies directly or indirectly controlled by the parent company		With the companies that control the parent company		Total al 31.10.2016
	C.A.P.S.A.	Interenergy Argentina S.A.	EG Wind S.A.	Plenium Energy S.A.	Wild S.A.	
Assets						
Other current trade receivables						
In local currency	436,966	126,530	-	1,960	-	565,456
In foreign currency	46,079	-	-	-	-	46,079
Current trade receivables						
In local currency	-	-	-	-	400	400
In foreign currency	440,691	-	-	-	-	440,691
Liabilities						
Current trade accounts payable						
In local currency	42,462	-	-	-	-	42,462
Other liabilities						
In local currency	-	-	56,250	-	-	56,250



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd.)
As of October 31, 2016 and 2015 and April 30, 2016
Stated in pesos

NOTE 23 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONT'D.)

b) Balances at period end with the related companies (Cont'd.)

	With the parent company	With the companies directly or indirectly controlled by the parent company	Total at 30.04.2016
	C.A.P.S.A.	Interenergy Argentina S.A.	
Assets			
Current trade receivables			
In local currency	483,881	-	483,881
In foreign currency	730,967	-	730,967
Other current trade receivables			
In local currency	362,368	124,800	487,168
Liabilities			
Current trade accounts payable			
In local currency	44,756	-	44,756

NOTE 24 – 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, 2016.



EXHIBIT A
At October 31 and April 30, 2016
Property, plant and equipment

Concepto	Original Value						Amortization		Net book value at 10.31.16	Net book value at 04.30.16			
	At beginning of year	Additions	Completed work in progress	Retirements / Provisions	Technical revaluation	At end of period	Accumulated at beginning of year	For the period			Retirements	Technical revaluation	Accumulated at end of period
Assets for the exploration of oil and gas:													
- Acquired exploration permits Loma de Kaufman (1)	-	-	-	-	-	-	-	-	-	-	-	-	
- Assets for the production of oil and gas in: Loma de Kaufman (1)	-	-	-	-	-	-	-	-	-	-	-	-	
- Other Studies Loma de Kaufman (1)	-	-	-	-	-	-	-	-	-	-	-	-	
Exploitation activities of oil and gas:													
- Areas acquired and other studies Agua del Cajón - Operation rights	120,660,816	-	-	-	-	-	-	75,266,785	2,232,804	-	77,499,590	43,161,226	45,394,030
- Other Studies Agua del Cajón - Exploration Agua del Cajón - Seismic	8,106,139 12,172,940	-	-	-	-	-	-	6,160,563 8,195,492	95,697 195,639	-	6,256,260 8,391,131	1,849,879 3,781,809	1,945,576 3,977,448
- Assets for the production of oil Oil and gas wells	2,106,963,121	2,239,923	289,714,485	-	-	-	-	982,952,722	113,042,612	-	1,095,995,334	1,302,922,195	1,124,010,399
Work in progress	117,650,270	284,965,112	(290,031,599)	-	-	-	-	-	4,901,837	-	112,563,783	117,650,270	117,650,270
Production assets	177,941,131	-	317,114	-	-	-	-	117,799,226	402,147	-	55,157,192	59,741,905	59,741,905
Vehicles	5,740,574	449,254	-	-	-	-	-	2,883,910	402,147	-	3,232,654	2,903,771	2,856,664
Gas Pipeline	33,864,764	-	-	-	-	-	-	28,638,867	261,351	-	28,900,218	4,964,546	5,225,897
Central administration and plant administration													
- Neuquén land and buildings	212,764,199	-	-	-	-	-	-	4,169,906	112,501	-	4,282,407	208,481,792	208,594,293
- Furniture and fixtures	1,776,563	-	-	-	-	-	-	1,776,563	444,020	-	1,776,563	-	-
- Administration assets	13,726,904	3,181,666	-	-	-	-	-	10,675,217	-	-	11,119,237	5,789,333	3,051,687
Agua del Cajón Power Station													
- CT ADC	3,471,361,950	-	152,859,502	-	-	-	-	822,393,404	101,988,840	-	924,382,244	2,699,839,208	2,648,968,546
- Work in progress	22,658,373	142,446,170	(152,859,502)	-	-	-	-	-	-	-	-	12,245,041	22,658,373
Assets under Surplus due to Restrictions to the Transportation Capacity Account													
- Fourth line	15,523,142	-	-	-	-	-	-	15,523,142	-	-	15,523,142	-	-
- Capacitor bank	6,558,338	-	-	-	-	-	-	6,558,338	-	-	6,558,338	-	-
- LPG Plant - Agua del Cajón													
- Vehicles	43,214	-	-	-	-	-	-	43,214	-	-	43,214	-	-
- Facilities	54,881	-	-	-	-	-	-	54,881	-	-	54,881	-	-
- Computer equipment	11,252	-	-	-	-	-	-	11,252	-	-	11,252	-	-
- Furniture and fixtures	4,579	-	-	-	-	-	-	4,579	-	-	4,579	-	-
- LPG Plant	359,908,095	-	-	-	-	-	-	211,444,792	6,176,751	-	217,621,543	142,286,552	148,463,303
- Diadema Eolic Energy Farm (DEEF)													
- DEEF	227,732,916	1,624,332	-	-	-	-	-	66,721,481	5,321,016	-	72,042,497	157,314,751	181,011,435
- Hydrogen and Oxygen Project													
- Hydrogen and Oxygen Plant	31,482,281	2,044,290	-	-	-	-	-	8,722,317	727,300	-	9,449,617	24,076,964	22,759,964
- Hydrogen and Oxygen Plant provision	(22,759,964)	-	-	-	-	-	-	-	-	-	-	(24,076,964)	(22,759,964)
Total at October 31, 2016	6,923,546,478	439,950,747	-	(1,316,990)	-	-	-	2,369,996,652	235,902,515	(53,403)	2,605,845,764	4,753,281,066	4,553,549,826
Total at April 30, 2016	4,721,830,690	641,130,235	-	(76,513,285)	-	-	-	2,075,333,160	273,202,426	(259,569)	2,369,996,652	4,753,281,066	4,553,549,826

(1) The balances of Loma de Kaufman Area were provisioned as of April 30, 2016 for \$ 76,710,629. The third period of exploration expires in May 2017.



EXHIBIT C
At October 31 and April 30, 2016

INVESTMENTS

Securities issued in Series and Investments in other Companies

Issuer and characteristics of the securities	Class	Equity value	Quantity	Book value at 10.31.16	Book value at 04.30.16	INFORMATION ABOUT THE ISSUER					
						Closing date	Capital Stock	Legal Reserve	Unappropriated retained earnings	Shareholders' equity	% participation in capital stock
<u>Non-current assets</u> In foreign currency (Exhibit G) Financial investments at fair value BONAR 2020		\$	3,846,700	\$ 66,586,377	\$						
<u>Current assets</u> In foreign currency (Exhibit G) Financial investments at fair value BONAR 2020		\$	2,517,840	\$ 43,583,810	\$						

Mf



EXHIBIT D
At October 31 and April 30, 2016

OTHER INVESTMENTS

Principal account and characteristics	Book value at 10.31.2016	Book value at 04.30.2016
	\$	\$
Other current investments		
Financial investments at amortized cost		
In foreign currency (Exhibit G)		
Time deposits	-	568,799,995
Cash and cash equivalents		
In local currency		
Financial investments at fair value		
Mutual funds	519,671,984	235,707,720
In foreign currency (Exhibit G)	-	
Financial investments at amortized cost	-	
Time deposits	602,681,432	
Cautions	3,936,748	
Total current other investments	1,126,290,164	804,507,715
Total other investments	1,126,290,164	804,507,715

M.



EXHIBIT E
At October 31 and April 30, 2016

PROVISIONS

Captions	Balance at the beginning of year	Increase / (Recoveries)	Balance at period-end
	\$	\$	\$
DEDUCTED FROM ASSETS			
<u>NON-CURRENT ASSETS</u>			
Property, plant and equipment In local currency			
Impairment of property, plant and equipment	22,759,964	⁽¹⁾ 1,316,990	24,076,954
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	839,383	⁽²⁾ (839,383)	-
<u>CURRENT ASSETS</u>			
Spare parts and materials In local currency			
Provision for rotation and obsolescence	209,846	⁽²⁾ (209,846)	-
Total deducted from assets	26,436,308	267,761	26,704,069
INCLUDED IN LIABILITIES			
<u>NON-CURRENT LIABILITIES</u>			
Provisions and other charges In local currency			
For legal claims and fines	3,244,352	⁽²⁾ 1,435,995	4,680,347
Total included in liabilities	3,244,352	1,435,995	4,680,347
Total provisions	29,680,660	1,703,756	31,384,416

⁽¹⁾ Charged to financial results.

⁽²⁾ Charged to Other operating income / (expenses), net (See Note 21)



EXHIBIT F
At October 31, 2016 and 2015

COST OF SALES

	Six months		Three months	
	10.31.2016	10.31.2015	10.31.2016	10.31.2015
	\$			
Inventories and spare parts and materials at the beginning of year ⁽¹⁾	114,329,878	80,707,611	105,758,019	84,017,525
Plus:				
- Addition to warehouses	193,925,166	54,984,039	54,293,028	27,875,423
- Production cost (Exhibit H)	436,469,598	278,202,624	226,792,849	145,931,966
Less:				
- Consumption	(184,610,745)	(44,729,902)	(37,768,547)	(20,378,843)
Inventories and spare parts and materials at period end ⁽¹⁾	(122,788,206)	(90,998,385)	(122,788,206)	(90,998,385)
Cost of sales	437,325,691	278,165,987	226,287,143	146,447,686

⁽¹⁾ Includes inventories and spare parts and materials net of advances to suppliers.



EXHIBIT G
At October 31 and April 30, 2016

FOREIGN CURRENCY ASSETS AND LIABILITIES

Items	10.31.2016				04.30.2016			
	Class	Amount	Exchange rate	AMOUNT IN LOCAL CURRENCY	Class	Amount	Exchange rate	AMOUNT IN LOCAL CURRENCY
ASSETS								
NON-CURRENT ASSETS								
Financial investments								
Financial investments at fair value	US\$	4,424,344	15.05	66,586,377	US\$	-	-	-
Spare parts and materials								
Sundry advances	US\$	832,128	15.05	12,523,522	US\$	5,449,128	14.15	77,105,157
Other accounts receivable								
Assignment of rights CAMMESA	US\$	1,567,345	15.05	23,588,549	US\$	1,857,300	14.15	26,280,798
Total Non-Current Assets				102,698,448				103,385,955
CURRENT ASSETS								
Spare parts and materials								
Sundry advances	US\$	177,585	15.05	2,672,653	US\$	1,362,282	14.15	19,276,289
Other accounts receivable								
Sundry advances	US\$	77,476	15.05	1,165,993	US\$	4,165	14.15	58,921
Assignment of rights CAMMESA	US\$	873,238	15.05	13,142,234	US\$	892,027	14.15	12,622,189
Intercompany receivables		3,062	15.05	46,079	US\$	-	-	-
Agreement for gas propane supply for networks to collect	US\$	1,277,272	15.05	19,222,942	US\$	962,543	14.15	13,619,990
Trade accounts receivable								
Intercompany receivables	US\$	29,282	15.05	440,691	US\$	51,658	14.15	730,967
From sale of oil and others	US\$	3,375,334	15.05	50,798,784	US\$	3,913,151	14.15	55,371,084
Financial investments								
Financial investments at fair value	US\$	2,895,934	15.05	43,583,810	US\$	-	-	-
Financial investments at amortized cost	US\$	-	-	-	US\$	40,197,880	14.15	568,799,995
Cash and cash equivalents								
Cash	US\$	6,019	15.05	90,589	US\$	6,019	14.15	85,173
Cash	€	2,899	16.4873	47,792	€	4,329	16.1706	70,005
Bank	US\$	23,166	15.05	348,648	US\$	12,304	14.15	174,101
Financial investments at amortized cost	US\$	40,306,856	15.05	606,618,180	US\$	-	-	-
Total Current Assets				738,178,395				670,808,714
Total assets				840,876,843				774,194,669
LIABILITIES								
NON-CURRENT LIABILITIES								
Trade accounts payable								
Sundry accruals	US\$	372,682	15.15	5,646,137	US\$	422,225	14.25	6,016,712
Financial liabilities								
Bank	US\$	6,300,000	15.15	95,445,000	US\$	7,000,000	14.25	99,750,000
Corporate bonds	US\$	200,000,000	15.15	3,030,000,000	US\$	200,000,000	14.25	2,850,000,000
Total Non-Current Liabilities				3,131,091,137				2,955,766,712
CURRENT LIABILITIES								
Trade accounts payable								
Suppliers	US\$	9,406,003	15.15	142,500,953	US\$	13,845,459	14.25	197,297,795
Suppliers	€	398	16.6347	6,617	€	4,943	16.3205	80,666
Sundry accruals	US\$	534,225	15.15	8,093,507	US\$	454,475	14.25	6,476,268
Financial liabilities								
Bank	US\$	1,432,284	15.15	21,699,100	US\$	1,436,167	14.25	20,465,376
Corporate bonds	US\$	2,849,462	15.15	43,169,355	US\$	2,849,462	14.25	40,604,838
Total Current Liabilities				215,469,532				264,924,943
Total Liabilities				3,346,560,669				3,220,691,655



EXHIBIT H

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

Concepto	Six months at 10.31.2016			Three months at 10.31.2016				
	Production cost	Selling expenses	Administrative expenses	Total	Production cost	Selling expenses	Administrative expenses	Total
Fees and other compensation	\$ 5,296,282	-	\$ 5,908,401	\$ 11,194,683	\$ 3,889,171	-	\$ 3,521,427	\$ 7,410,598
Salaries and social security contributions	113,884,803	-	40,756,269	154,641,072	57,789,445	-	17,534,701	75,324,146
Materials, spare parts and others	15,165,661	-	23,248	15,188,909	4,864,396	-	1,437	4,865,833
Operation, maintenance and repairs	39,033,665	-	9,139,493	48,173,158	19,265,015	-	4,736,924	24,001,939
Fuel, lubricants and fluids	1,490,831	-	-	1,490,831	1,143,264	-	-	1,143,264
Transportation, freight and studies	3,879,686	-	787,907	4,667,593	2,820,449	-	375,116	3,195,565
Amortization of Property, plant and equipment	235,345,894	-	556,521	235,902,515	125,897,791	-	357,802	126,255,593
Office, travel and representation expenses	1,234,508	-	1,422,234	2,656,742	764,169	-	380,810	1,144,979
Taxes, rates, contributions, insurance and rental	16,662,166	-	11,966,276	28,628,462	7,850,601	-	6,333,281	14,183,882
Acquisition of electricity from CAMMESA	38,958	-	-	38,958	13,878	-	-	13,878
Gas transportation costs	4,447,024	-	-	4,447,024	2,464,670	-	-	2,464,670
Royalties	-	161,112,052	-	161,112,052	-	84,368,195	-	84,368,195
Cost of transport and energy deliveries	-	7,529,174	-	7,529,174	-	3,749,592	-	3,749,592
Turnover tax	-	46,711,192	-	46,711,192	-	23,388,618	-	23,388,618
Commissions and other	-	2,252,167	-	2,252,167	-	1,018,587	-	1,018,587
Bank charges	-	-	16,593,201	16,593,201	-	-	9,404,870	9,404,870
Total	436,469,598	217,604,585	87,153,550	741,227,733	226,792,849	112,524,992	42,646,368	381,964,209

M.



EXHIBIT H

INFORMATION REQUIRED BY SECT. 64, SUB-SECT. B) OF LAW No. 19550 (CONT'D.)

for the six and three-month periods commenced on May 1, 2016 and 2015 and ended October 31, 2016 and 2015.

Concepto	Six months at 10.31.2015			Three months at 10.31.2015			Total
	Production cost	Selling expenses	Administrative expenses	Production cost	Selling expenses	Administrative expenses	
Fees and other compensation	2,117,304	-	6,310,619	1,042,148	-	3,914,488	4,956,636
Salaries and social security contributions	83,729,030	-	27,296,945	38,801,271	-	13,241,019	52,042,280
Materials, spare parts and others	11,065,937	-	3,179	5,968,483	-	1,844	5,970,327
Operation, maintenance and repairs	34,688,572	-	5,590,634	20,149,586	-	2,546,571	22,686,157
Fuel, lubricants and fluids	1,534,772	-	-	887,556	-	-	887,556
Transportation, freight and studies	2,676,201	-	376,689	1,796,651	-	190,748	1,987,399
Amortization of Property, plant and equipment	129,560,314	-	470,224	70,045,608	-	244,593	70,290,201
Office, travel and representation expenses	985,726	-	546,105	580,344	-	137,775	718,119
Taxes, rates, contributions, insurance and rental	10,795,917	-	8,653,566	6,047,317	-	4,483,169	10,530,486
Acquisition of electricity from CAMMESA	37,855	-	-	24,739	-	-	24,739
Gas transportation costs	1,000,996	-	-	601,336	-	-	601,336
Sundry	-	-	-	(13,073)	-	-	(13,073)
Royalties	-	74,478,329	-	-	38,821,619	-	38,821,619
Cost of transport and energy deliveries	-	8,095,522	-	-	3,519,646	-	3,519,646
Turnover tax	-	19,399,034	-	-	10,619,854	-	10,619,854
Commissions and other	-	1,562,102	-	-	830,116	-	830,116
Bank charges	-	-	9,244,928	-	-	4,770,709	4,770,709
Total	278,202,624	103,534,987	58,492,869	145,931,966	53,791,235	29,530,916	226,254,117

M.



SUMMARY OF ACTIVITY

REFERRED TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF

CAPEX S.A. AS OF OCTOBER 31, 2016

a) Comments on the interim consolidated comprehensive results and consolidated financial position at October 31, 2016 (Not covered by the limited review report of condensed interim consolidated financial statements).

Consolidated Statement of Results

Thousand \$

	10/31/2016	10/31/2015	Variation	
Net Sales	1,421,900	744,069	677,831	91.1%
Cost of Sales	(437,326)	(278,166)	(159,160)	57.2%
Gross Profit	984,574	465,903	518,671	111.3%
Selling Expenses	(217,605)	(103,535)	(114,070)	110.2%
Administrative Expenses	(87,154)	(58,493)	(28,661)	49.0%
Other operating income / (expenses), net	778	(232)	1,010	435.3%
Operating result	680,593	303,643	376,950	124.1%
Financial Income	128,559	96,429	32,130	33.3%
Financial Costs	(432,435)	(302,652)	(129,783)	42.9%
Other Financial Income	(1,317)	304	(1,621)	(533.2%)
Result before income tax	375,400	97,724	277,676	284.1%
Income Tax	(132,652)	(34,385)	(98,267)	285.8%
Net result of the period	242,748	63,339	179,409	283.3%
Other Comprehensive Results				
No future charge to results	-	-	-	-
Comprehensive Result for the Period	242,748	63,339	179,409	283.3%

Gross profit for the six month period ended October 31, 2016 was \$984,574 thousand, representing 69.2% of net sales, while in the same period of the previous year it amounted to \$465,903 thousand, representing 62.6% of net sales. Gross profit for the current period increased by 111.3%, as compared with the same period of the previous year.

Operating income in the six-month period ended October 31, 2016 was \$ 680,593 thousand, while in the same period of the previous year it amounted to \$ 303,643 thousand, representing an increase of 124.1%.

The net and comprehensive result for the six-month period ended October 31, 2016 amounted to \$ 242,748 thousand, and to \$ 63,339 thousand in the same period of the previous year, representing an increase of 283.3%.

Sales

Thousand \$

Product	10/31/2016	10/31/2015	Variation	
Energy				
Energy CT ADC ⁽¹⁾	1,089,579	382,057	707,522	185.2%
Energy DEEF	16,341	14,758	1,583	10.7%
Façon Service of electric energy	2,215	1,353	862	63.7%
Gas				
Sales	11,525	41,591	(30,066)	(72.3%)
Subsidy – Stimulus Plan for Injection of Natural Gas	-	98,922	(98,922)	(100.0%)
Oil				
Sales	228,831	164,337	64,494	39.2%
Subsidy – Stimulus Plan for Oil Injection	-	1,628	(1,628)	(100.0%)
Propane	43,090	22,898	20,192	88.2%
Butane	29,290	16,036	13,254	82.7%
Oxygen	1,029	489	540	110.4%
Total	1,421,900	744,069	677,831	91.1%

⁽¹⁾ It includes income generated by the gas produced at the ADC field, consumed in the CT ADC, and paid by CAMMESA under the concept Own Fuel Recognition.



Net sales for the six-month period ended on October 31, 2016 increased by 91.1% compared with the same period of the previous year. The evolution of each product was as follows:

a) Energy:

The income generated by CT ADC operations measured in pesos increased by \$ 707,522 thousand, representing an increase of 185.2% compared with the same period of the previous year, from \$ 382,057 thousand as of October 31, 2015 to \$ 1,089,579 thousand as of October 31, 2016. This variation is due to:

- (i) A 30% increase in the average sales price on MW sold, from an average 129.2 \$/GWh in the six-month period ended October 31, 2015 to 167.9 \$/GWh in the six-month period ended October 31, 2016 as a result of Resolution SEN No. 22/16 (effective since February 2016).
- (ii) An 106.3 % increase in US dollars in the remuneration recognized by CAMMESA to generators for the gas produced by the ADC field and consumed in the CT ADC, through Resolution 41/16 (effective since April 2016) and the rise in the peso/US dollar exchange rate. Resolution 41/16 issued by the Ministry of Energy and Mining increased the reference value of gas per million BTU for thermal plants from US\$ 2.68 to US\$ 5.53.
- (iii) A greater amount of GW generated, consequence of the greater availability of the power plant compared with the same period of the previous year, as a result of the maintenance works.

In the calculation of the average price as of October 31, 2016 and 2015 the effect of the price increase recorded at those dates corresponding respectively, to the February-April 2016 and 2015 periods, was not considered.

Sales of energy from the DEEF measured in pesos increased by \$ 1,583 thousand, 10.7% higher as compared with the same period of the previous year, from \$ 14,758 thousand at October 31, 2015 to \$ 16,341 thousand at October 31, 2016.

During the six month period ended on October 31, 2016, sales in GWh were 9.3 at an average price of \$/MWh 1,756.7, and in the six month period ended on October 31, 2015 it was of 13.5 GWh at an average price of \$/MWh 1,097.2; the price increase is due to the increase in the US dollar exchange rate, currency in which the price is fixed with CAMMESA. The decrease in GW sold was due to the fact that the wind factor for the six-month period ended October 31, 2016 decreased by 31% compared to the same period of the previous year, and also to the fact that one of the wind generators had been out of order for 93 days due to technical flaws.

b) Façon Service of electric energy

Façon services for the generation of electricity with natural gas and hydrogen measured in pesos increased by \$ 862 thousand, 63.7% higher than that of the same period of the previous year, from \$ 1,353 thousand at October 31, 2015 to \$ 2,215 thousand at October 31, 2016. This variation was mainly due to an increase in the tariff and in the US dollar exchange rate, currency in which the price is fixed for this service.

c) Gas

Gas production increased by 2,848 thousand m³, that is 1.0%, from 280,360 thousand m³ as of October 31, 2015 to 283,208 thousand m³ as of October 31, 2016. This slight increase was due to investments made under the Stimulus Plan for Injection of Excess Natural Gas and to the development of more productive reserves during the fiscal year ended on April 30, 2016.

Under the Gas Plus program, the Company sold in the present period \$ 11,525 thousand corresponding to the delivery of 4,186 thousand m³ at an average price of US\$/m³ 0.18883 (or US\$ 5.1 million BTU), while gas sales in the same period of the previous year amounted to \$ 41,591 thousand corresponding to 26,935 thousand m³ at an average price of US\$/m³ 0.1687 (or US\$ 4.57 million BTU). The 84.5% decrease in the m³ sold is attributable to commercial conditions.

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, in the six-month period ended October 31, 2015, the subsidy from "Incentive Program for Injection of Natural Gas for Companies with Reduced Injection" accrued was of \$ 98,922 thousand, while in the current period no income was recorded in connection with this program. As set forth in Decree 704/16 of the National Executive Branch and after the Company had adhered to it, in July 2016 Capex received a payment in BONAR 2020 US\$ corresponding to the balance accumulated and due at December 31, 2015 for the mentioned program. Also, in August 2016 the Company received, in cash, the amounts owed corresponding to the first quarter of 2016. At the date of issue of these financial statements the receivables corresponding to this program have been fully collected.



d) Oil:

Sales of oil for the six-month period ended on October 31, 2016 increased by \$ 64,494 thousand, representing an increase of 39.2% compared with the same period of the previous year. This increase was due to an increment of 37.9% in the price in pesos caused by a rise in the foreign exchange rate applicable to selling prices. Considering the international price of crude oil and the need for a local price that allows developing the production activity, minimizing the impact of the peso devaluation against the US dollar in the price of oil, producers and refiners have been negotiating a price convergence of the product since December 2015.

Oil production increased 11.0 %, from 20,918 m3 as of October 31, 2015 to 23,227 m3 as of October 31, 2016, due to the results obtained from the stimulation of some wells.

Further, in the six-month period ended at October 31, 2015 the subsidy under the "Program to encourage crude oil production" was accrued for \$ 1,628 thousand. This program was valid until December 31, 2015, and was not subsequently extended. In October 2016, the Company collected in cash all amounts due.

e) Propane, butane and gasoline:

- Sales of propane during the six-month period ended on October 31, 2016 increased by \$ 20,192 thousand with respect to the same period of the previous year, from \$ 22,898 thousand at October 31, 2015 to \$ 43,090 thousand at October 31, 2016, including the subsidy "Propano Sur Program".

In the six-month period ended October 31, 2015 the Company exported 195tn for \$589.2 thousand while in the six-month period ended October 31, 2016 there were no sales abroad.

Leaving aside the effect of exports mentioned above, the rise in sales in the local market is the result of: (i) a 7.9 % increase in the volume sold and (ii) an increase in the average sales price of 79 %, from \$2,297.3 average \$/tn as of October 31, 2015 to \$4,113.2 average \$/tn as of October 31, 2016, due mainly to the rise in international prices and the exchange rate of the US dollar.

- Sales of butane in the six-month period ended on October 31, 2016 increased by \$ 13,254 thousand, with respect to the same period of the previous year, from \$ 16,036 thousand at October 31, 2015 to \$ 29,290 thousand at October 31, 2016, including the subsidy "Hogar Program". This is result of a rise in the average sale price of 81.0%, from \$/ton 2,270.7 on average as of October 31, 2015 to \$/ton 4,109.1 on average as of October 31, 2016, mainly due to the increase in international prices and in the US dollar exchange rate. The volume sold increased by 1.0%.
- No sales of gasoline were recorded at October 31, 2016 and 2015, since production of 13,158 m3 and 13,457 m3, respectively, were blended and sold with oil for market reasons.

f) Oxygen:

Hychico sold 59,891 m³ and 56,691 m³ of oxygen for a total of \$ 1,029 thousand and \$ 489 thousand in the six-month periods ended at October 31, 2016 and 2015, respectively. This increase in sales was the result of a rise in the sale price, due to the higher exchange rate and volume sold.

Cost of sales

Thousand \$

	10/31/2016	10/31/2015	Variation	
Fees and other compensations	(5,286)	(2,117)	(3,169)	149.7%
Salaries and social security contributions	(113,885)	(83,729)	(30,156)	36.0%
Materials, spare parts and others	(15,166)	(11,066)	(4,100)	37.1%
Operation, maintenance and repairs	(39,034)	(34,699)	(4,335)	12.5%
Fuel, lubricants and fluids	(1,491)	(1,535)	44	(2.9%)
Transportation, freight and studies	(3,880)	(2,676)	(1,204)	45.0%
Amortization of property, plant and equipment	(235,346)	(129,560)	(105,786)	81.7%
Office, travel and representation expenses	(1,235)	(986)	(249)	25.3%
Taxes, rates, contributions, insurance and rental	(16,662)	(10,796)	(5,866)	54.3%
Acquisition of electricity from CAMMESA	(39)	(38)	(1)	2.6%
Gas transportation costs	(4,447)	(1,001)	(3,446)	344.3%
Adjustment on the cost of sales	(855)	37	(892)	(2410.8%)
Cost of Sales	(437,326)	(278,166)	(159,160)	57.2%

M.



The cost of sales for the six-month period ended on October 31, 2016 amounted to \$ 437,326 thousand (30.8 % of net sales), while in the same period of the previous year it amounted to \$ 278,166 thousand (37.4% of net sales).

The 57.2% increase in the cost of sales was mainly explained by:

- the higher amortization charge for the assets related to the exploitation of oil and gas, the CT ADC, DEEF and the LPG Plant for \$ 105,786 thousand, as a result of the larger investment made and the upgrade of the technical revaluation of certain assets carried out at April 30, 2016.
- an increase of \$ 30,156 thousand in labor costs, as a result of the salary increases granted;
- an increase of \$ 4,335 thousand in operation, maintenance and repairs costs, as a result of the rate increases for these services throughout the semester;
- an increase of \$ 4,100 thousand in materials, spare parts and others, as a result of the increment of the production maintenance jobs carried out in the reservoir;
- an increase of \$ 5,866 thousand in taxes, rates, contributions and insurance, mainly due to the rise in costs of insurance coverage and;
- An increase in gas transportation expenses for \$3,446 thousand as a result of the increment in the volume of gas received from CAMMESA for the generation of energy and the natural gas transportation rate since April 2016.

Selling expenses

Thousand \$

	10/31/2016	10/31/2015	Variation	
Royalties	(161,112)	(74,478)	(86,634)	116.3%
Cost of transport and energy deliveries	(7,529)	(8,096)	567	(7.0%)
Turnover tax	(46,711)	(19,399)	(27,312)	140.8%
Commissions and other	(2,253)	(1,562)	(691)	44.2%
Selling expenses	(217,605)	(103,535)	(114,070)	110.2%

Selling expenses amounted to \$ 217,605 thousand, representing 15.3% of net sales. These expenses increased by 110.2% over the same period of the previous year mainly due to a rise in the turnover tax as a result of higher billings and an increment in royalties related to gas. The increase in royalties was due to: i) the rise in gas production, ii) the increase in remuneration recognized by CAMMESA to the generators of the gas produced in the field and consumed in CT ADC (Resolution SEN 41/16 of the Ministry of Energy and Mining) and the rise in the US dollar exchange rate; and iii) the 1% increase in gas royalties rate.

Administrative expenses

Thousand \$

	10/31/2016	10/31/2015	Variation	
Fees and other compensations	(5,908)	(6,311)	403	(6.4%)
Salaries and social security contributions	(40,756)	(27,297)	(13,459)	49.3%
Materials, spare parts and others	(23)	(3)	(20)	666.7%
Operation, maintenance and repairs	(9,140)	(5,590)	(3,550)	63.5%
Transportation, freight and studies	(788)	(377)	(411)	109.0%
Amortization of property, plant and equipment	(557)	(470)	(87)	18.5%
Office, travel and representation expenses	(1,422)	(546)	(876)	160.4%
Taxes, rates, contributions, insurance and rental	(11,967)	(8,654)	(3,313)	38.3%
Bank charges	(16,593)	(9,245)	(7,348)	79.5%
Administrative expenses	(87,154)	(58,493)	(28,661)	49.0%

Administrative expenses for the six-month period ended October 31, 2016 amounted to \$ 87,154 thousand, representing 6.1% of net sales. Administrative expenses increased by 49.0% compared to the same period of the previous year, which is basically due to: i) an increase in salaries and social security contributions, as a result of the salary increases granted; ii) an increment in rental expenses; and iii) a rise in bank charges as a result of higher expenditure in purchases and the higher income received by the Group.

M.



Other operating income / (expenses), net

Thousand \$

	10/31/2016	10/31/2015	Variation	
Result on sale of vehicles	169	21	148	704.8%
Increase in provisions for lawsuits and fines	(1,436)	-	(1,436)	(100.0%)
Recovery / (increase) of provision for turnover and obsolescence of spare parts and materials	1,049	(266)	1,315	(494.4%)
Sundry	996	13	983	7,561.5%
Other operating income / (expenses), net	778	(232)	1,010	(435.3%)

Other operating income / (expenses), net, as of October 31, 2016 represented a gain of \$ 778 thousand, while a loss of \$ 232 thousand was recorded as of October 31, 2015.

Financial results

Thousand \$

	10/31/2016	10/31/2015	Variation	
Financial income	128,559	96,429	32,130	33.3%
Financial costs	(432,435)	(302,652)	(129,783)	42.9%
Financial results	(303,876)	(206,223)	(97,653)	47.4%

a) Financial income

Thousand \$

	10/31/2016	10/31/2015	Variation	
Interest and other	88,097	59,061	29,036	49.2%
Interest accrued on receivables	214	2,238	(2,024)	(90.4%)
Exchange difference	40,248	35,130	5,118	14.6%
Financial Income	128,559	96,429	32,130	33.3%

The financial income reflected a balance of \$ 128,559 thousand compared to \$ 96,429 thousand in the same period of the previous year, representing an increase of 33.3%. The main reasons for this variation by \$ 32,130 thousand are listed below:

- The variation in interest and other accrued results corresponds to the higher interest accrued for the receivables with CAMMESA.
- As of October 31, 2016 with respect to those existing as of October 31, 2015, the variation in exchange difference is due to an increase in investments in foreign currency. The variation in the US dollar quotation between April 2016 and October 2016 was of 6.3% and between April 2015 and October 2015 it was of 7.2%.
- The variation in interest accrued on receivables mainly corresponds to the present value of Hychico's long term receivables and Capex's credits related to additional remuneration for a trust.

b) Financial costs

Thousand \$

	10/31/2016	10/31/2015	Variation	
Interest and other	(225,997)	(163,260)	(62,737)	38.4%
Interest accrued from accounts receivable and payable	(2,368)	(1,507)	(861)	57.1%
Exchange difference	(204,070)	(137,885)	(66,185)	48.0%
Financial Costs	(432,435)	(302,652)	(129,783)	42.9%

Financial costs show a negative balance of \$ 432,435 thousand, while in the same period of the previous year they were negative by \$ 302,652 thousand, representing an increase of 42.9%. The main causes of the variation of \$ 129,783 thousands were:



- The variation in interest and other mainly corresponds to interest accrued by Corporate Bonds and to the advance funding for the maintenance of the ADC power plant, the capital of which increased compared to the period ended October 31, 2015. Regarding the Corporate Bonds, while the capital of the debt in dollars remained constant, due to its maturity date in March 2018, the increase in the exchange rate generated a higher accrual of interest in pesos.
- The higher exchange losses are the consequence of an increase in the US dollar exchange rate relative to the peso; the variation in the US dollar quotation between April and October 2016 was 6.3%, and 7.2% between April and October 2015. The Group holds 92.5% of its financial liabilities in US dollars, so the variation in the exchange rate of that currency has had a significant impact on the economic results and on equity.

The loans referred to above are as follows:

- Corporate Bonds, Senior Notes, for US\$ 200,000,000 accruing interest payable semi-annually, as from the disbursement date and until full repayment (March 2018), at a fixed rate of 10%.
 - Secured loan for US\$ 14,000,000 destined for Hychico Diadema Eolic Energy Farm, accruing interest at variable rates equivalent to LIBO plus a nominal annual rate of 8.75% payable semi-annually.
- The accrual of interest from accounts receivable and payable corresponds to the present value of the accrual for plugging of wells.

Income Tax

Thousand \$

	10/31/2016	10/31/2015	Variation	
Income Tax	(132,652)	(34,385)	(98,267)	285.8%
Income Tax	(132,652)	(34,385)	(98,267)	285.8%

Income tax as of October 31, 2016 showed a negative balance of \$ 132,652 thousand, as a result of the recognition of the tax effect on the gain for the period.

Consolidated Financial Statements

Thousand \$

	10/31/2016	10/31/2015	Variation	
Property, plant and equipment	4,753,281	2,752,471	2,000,810	72.7%
Investments in subsidiaries	75	-	75	100.0%
Financial investments at fair value	110,170	-	110,170	100.0%
Financial investments at amortized cost	-	382,232	(382,232)	(100.0%)
Spare parts and materials	135,936	120,464	15,472	12.8%
Net deferred tax on assets	24,919	15,575	9,344	60.0%
Other accounts receivable	217,365	182,925	34,440	18.8%
Trade accounts receivable	582,618	403,535	179,083	44.4%
Inventories	2,507	603	1,904	315.8%
Cash and cash equivalents	1,140,348	416,093	724,255	174.1%
Total Assets	6,967,219	4,273,898	2,693,321	63.0%
Total shareholders' equity attributable to shareholders	2,027,858	1,061,588	966,270	91.0%
Non-controlling interest	23,689	8,981	14,708	163.8%
Total shareholders' equity	2,051,547	1,070,569	980,978	91.6%
Trade accounts payable	271,963	196,417	75,546	38.5%
Financial liabilities	3,449,164	2,403,527	1,045,637	43.5%
Deferred income tax	1,028,411	509,344	519,067	101.9%
Income taxes	70,426	33,336	37,090	111.3%
Provisions and other charges	4,680	2,607	2,073	79.5%
Salaries and social security contributions	44,240	30,293	13,947	46.0%
Other liabilities	46,788	27,805	18,983	68.3%
Total Liabilities	4,915,672	3,203,329	1,712,343	53.5%
Total Shareholders' equity and liabilities	6,967,219	4,273,898	2,693,321	63.0%

Total assets as of October 31, 2016 increased in \$ 2,693,321 thousand, which represents a variation of 63.0% compared to October 31, 2015.



The main reasons for this variation are listed below:

- (i) Property, plant and equipment: an increase by \$ 2,000,810 thousand, due to the net effect of the technical revaluation of certain assets recorded at April 30, 2016, the investments made and amortization charges for the period.
- (ii) Financial investments at fair value: an increase by \$ 110,170 thousand, as a result of the collection, in July 2016, of BONAR 2020 for the balances of the "Incentive Program for Injection of Natural Gas for Companies with Reduced Injection" pending at December 31, 2015.
- (iii) Financial investments at amortized cost: a decrease by \$ 382,232 thousand due to the renewal of time deposits for terms lower than 90 days, now being shown under "Cash and cash equivalents";
- (iv) Spare parts and materials: an increase by \$ 15,472 thousand due to the larger number of stocks and the advances to suppliers for the purchase of materials for maintenance of the CT ADC;
- (v) Net deferred tax assets: an increase by \$ 9,344 resulting from greater tax losses of Hychico S.A.
- (vi) Other accounts receivable: an increase by \$ 34,440 thousand mainly due to the increase in the tax on assets credit, receivables for the assignment of rights to CAMMESA and the credit for propane gas supply agreement for networks to be collected (these two in foreign currency), offset by the decrease in the balance of advances to suppliers and the VAT credit of Hychico.
- (vii) Trade accounts receivable: increase by \$179,083 thousand due to: (i) the rise under Resolution SEN 22/16, in force since February 2016, in the remuneration system for generation of energy, (ii) the increment under Resolution 41/16 of the Ministry of Energy and Mining, in force since April 2016, in the remuneration recognized by CAMMESA to generators of the gas produced in the field and consumed in the CT ADC; and (iii) for the receivables denominated in US dollars, the rise in the exchange rate, offset by the collection of the Incentive Program for the Excess Natural Gas Injection of the January-March 2016 quarter in cash and the decline in the balance receivable at closing for the sale of oil.
- (viii) Cash and cash equivalents: an increase by \$724,255 thousand due to the rise in financial investments at amortized cost, mainly due to the renewal of time deposits for terms lower than 90 days and an increase of the mutual fund portfolio.

Total liabilities as of October 31, 2016 increased in \$ 1,712,343, which represents a variation of 53.5% in comparison with October 31, 2015.

The main reasons for this variation are listed below:

- (i) Trade accounts payables: an increase of \$ 75,546 thousand, basically due to the rise in prices of costs, expenses and investments made.
- (ii) Financial liabilities: an increase of \$ 1,045,637 thousand, mainly generated by: (i) a higher US dollar exchange rate, which gave rise to an increase in accrued interest and exchange differences; and (ii) greater financing granted by CAMMESA to carry out maintenance of the CT ADC.
- (iii) Deferred income tax: an increase of \$ 519,067 thousand as a result of the tax effect of the update in recognition of technical revaluation as of April 30, 2016, and the absorption of the tax losses by the result of the period.
- (iv) Taxes: an increase of \$ 37,090, due to the increase in VAT debit.
- (v) Salaries and social security contributions: an increase of \$ 13,947 thousand, as a result of the salary increases granted.
- (vi) Other liabilities: an increase of \$ 18,983 thousand, due, mainly, to the increase in oil and gas royalties.

In November 2016, Capex repaid the balance of the following loans:

- Banco Ciudad de Buenos Aires, Banco Hipotecario and Banco Macro: \$87,500,000 - original principal was \$125,000,000.
- Banco de Crédito y Securitización S.A.: \$18,000,000 - original principal was \$30,000,000.
- Banco de Crédito y Securitización S.A.: \$9,000,000 - original principal was \$15,000,000.

Oil and gas reserves (information not covered by the limited review report of condensed interim individual financial statements)

Below is the hydrocarbon reserves estimate of the Agua del Cajón area at December 31, 2015 made by the Company, which has been audited by the independent auditor Ana M. Nardone, complying with the requirements of ES Resolution 324/06 and considering the expiry date of the concession in January 2026 (see Note 1):



Products		Proven			Probable	Possible
		Developed	Non-developed	Total		
Gas	Mm ³ ⁽¹⁾	3,636	1,339	4,975	430	408
Oil	Mbbl	1,830	566	2,396	654	830
	Mm ³	291	90	381	104	132

⁽¹⁾ Expressed in 9300 kcal/m³

b) Asset structure

	10/31/2016	10/31/2015	10/31/2014	10/31/2013	10/31/2012
			\$		
			(a)		
Current Assets	1,778,319,689	878,472,575	615,821,493	253,396,036	197,082,723
Non-Current Assets	5,188,899,378	3,395,425,774	3,189,194,490	1,935,402,793	1,852,474,742
Total Assets	6,967,219,067	4,273,898,349	3,805,015,983	2,188,798,829	2,049,557,465
Current Liabilities	586,752,804	479,771,231	382,502,859	324,819,165	266,510,297
Non-Current Liabilities	4,328,918,436	2,723,558,507	2,360,959,481	1,426,024,623	1,258,646,380
Total Liabilities	4,915,671,240	3,203,329,738	2,743,462,340	1,750,843,788	1,525,156,677
Shareholders' equity attributable to shareholders	2,027,858,450	1,061,587,528	1,052,106,740	430,978,915	520,174,197
Non-Controlling interest	23,689,377	8,981,083	9,446,903	6,976,126	4,226,591
Total Shareholders' Equity	2,051,547,827	1,070,568,611	1,061,553,643	437,955,041	524,400,788
Total Shareholders' Equity and Liabilities	6,967,219,067	4,273,898,349	3,805,015,983	2,188,798,829	2,049,557,465

(a) Information consolidated with SEB and Hychico, according to financial information as of October 31, 2016, 2015, 2014, 2013 and 2012.

c) Results Structure

	10/31/2016	10/31/2015	10/31/2014	10/31/2013	10/31/2012
			\$		
			(a)		
Operating result	680,593,546	303,643,254	266,942,332	127,635,540	53,020,273
Financial income	128,559,438	96,429,483	47,579,194	39,397,505	26,567,268
Financial costs	(432,434,820)	(302,652,115)	(240,054,168)	(247,484,404)	(141,607,623)
Other financial income	(1,316,990)	303,950	697,460	574,627	777,488
Result before Income Tax	375,401,174	97,724,572	75,164,818	(79,876,732)	(61,242,594)
Tax on assets	-	-	-	(677,845)	(400,979)
Income tax	(132,652,121)	(34,384,710)	(20,452,015)	28,169,128	16,213,474
Net result for the period	242,749,053	63,339,862	54,712,803	(62,385,449)	(45,430,099)
Other comprehensive results	-	-	743,518,138	-	-
Comprehensive result for the period	242,749,053	63,339,862	798,230,941	(62,385,449)	(45,430,099)

(a) Information consolidated with SEB and Hychico, according to financial information as of October 31, 2016, 2015, 2014, 2013 and 2012.

M.



d) Cash flow Structure

	10/31/2016	10/31/2015	10/31/2014	10/31/2013	10/31/2012
			\$ (a)		
Net cash flows provided by operating activities	1,160,729,441	362,846,028	193,088,727	132,420,908	163,693,095
Net cash flows provided by / (used in) investment activities	59,395,511	(237,126,503)	63,846,950	(56,406,199)	(118,983,058)
Net cash flows (used in) / provided by financing activities	(324,364,576)	24,996,449	(88,735,278)	(73,473,221)	(44,406,085)
Net Increase in cash, cash equivalents and overdrafts	895,760,376	150,716,974	168,200,399	2,541,488	303,952

(a) Information consolidated with SEB and Hychico, according to financial information as of October 31, 2016, 2015, 2014, 2013 and 2012.

e) Statistical Data (Not covered by the limited review report of condensed interim consolidated financial statements)

OIL					
	10/31/2016	10/31/2015	10/31/2014	10/31/2013	10/31/2012
Consolidated Information					
Production in bbl	146,093	131,567	118,103	135,984	153,345
Sales domestic market bbl	232,284	232,251	219,711	225,990	252,806
Production in m ³	23,227	20,918	18,777	21,620	24,380
Sales in the domestic market m ³⁽¹⁾	36,930	36,925	34,931	35,930	40,193
GAS (thousands of m ³)					
	10/31/2016	10/31/2015	10/31/2014	10/31/2013	10/31/2012
Consolidated Information					
Production	283,208	280,360	278,362	286,163	337,081
Redirected by CAMMESA – ES Resolution 95/13 /Purchase	289,695	146,286	155,196	145,933	88,276
Sales in the domestic market	4,186	26,935	21,356	15,460	14,057
ENERGY AGUA DEL CAJON (thousands of MWh)					
	10/31/2016	10/31/2015	10/31/2014	10/31/2013	10/31/2012
Consolidated information					
Production	2,284	1,493	1,576	1,584	1,458
Purchase	-	-	-	25	56
Sales	2,179	1,381	1,461	1,468	1,382
RENEWABLE ENERGY (thousands of MWh)					
	10/31/2016	10/31/2015	10/31/2014	10/31/2013	10/31/2012
Consolidated information					
Production	9.3	13	14	14	13
Sales	9.3	13	14	14	13
ENERGY DIADEMA PLANT (thousands of MWh)					
	10/31/2016	10/31/2015	10/31/2014	10/31/2013	10/31/2012
Consolidated information					
Production	5.1	4.2	5.0	4.5	3.6
Sales	3.9	3.6	4.0	3.1	2.7



PROPANE (tn)					
	10/31/2016	10/31/2015	10/31/2014	10/31/2013	10/31/2012
	Consolidated information				
Production	10,657	9,840	11,097	10,872	12,932
Sales domestic market	10,476	9,711	11,260	10,990	13,112
Sales in the foreign market	-	195	-	-	-

BUTANE (tn)					
	10/31/2016	10/31/2015	10/31/2014	10/31/2013	10/31/2012
	Consolidated information				
Production	7,031	7,209	7,514	8,883	8,848
Sales domestic market	7,128	7,062	7,578	8,918	8,970

GASOLINE (m ³)					
	10/31/2016	10/31/2015	10/31/2014	10/31/2013	10/31/2012
	Consolidated information				
Production ⁽²⁾	13,158	13,457	12,860	13,051	14,298

OXYGEN (Nm ³)					
	10/31/2016	10/31/2015	10/31/2014	10/31/2013	10/31/2012
	Consolidated information				
Production	16,379	11,184	19,990	42,691	17,320
Sales domestic market ⁽³⁾	59,891	56,691	63,688	64,118	27,810

⁽¹⁾ Includes 13,104 m³, 13,463 m³; 12,838 m³, 13,071 m³ and 14,221 m³ of gasoline at October 31, 2016, 2015, 2014, 2013 and 2012, respectively, sold as oil.

⁽²⁾ The gasoline at October 31, 2016, 2015, 2014, 2013 and 2012, was sold as oil.

⁽³⁾ The sales of oxygen at October 31, 2016, 2015, 2014, 2013 and 2012 include take or pay clause.

f) Ratios

	10/31/2016	10/31/2015	10/31/2014	10/31/2013	10/31/2012
	(a)				
Liquidity (1)	3.03	1.83	1.61	0.78	0.74
Solvency (2)	0.42	0.33	0.39	0.25	0.34
Capital Immobilization (3)	0.74	0.79	0.84	0.88	0.90

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

(1)	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
(2)	$\frac{\text{Shareholders' Equity}}{\text{Total Liabilities}}$
(3)	$\frac{\text{Non-Current Assets}}{\text{Total Assets}}$

g) Perspectives (not covered by the limited review report of condensed interim consolidated financial statements)

Hydrocarbons

In the present fiscal year, Capex will continue in the Agua del Cajón area with a development plan called "conventional" which includes the drilling of two wells; also six unconventional wells (Tight Gas sand) will be drilled and a program of repair/optimization of eleven wells will be carried out.

As to the addition and development of new reserves, an advanced well will be drilled within the plan for the "conventional" hydrocarbon potential of the blocks nearby to the field Agua del Cajón. Furthermore, an exploratory well will be drilled to continue investigating Shale Gas in the Los Molles formation and the potential for oil will continue to be assessed in the Shale Vaca Muerta formation.



Capex will continue focusing its resources on the development of new conventional and unconventional reserves (Tight Gas Sand and Shale Gas).

As for the Loma de Kauffman area, the prospective potential will continue to be assessed as the third exploration period is due in May 2017, and it may be extended another year.

Further, the Company is evaluating, in the short term, other hydrocarbon assets to apply the expertise gained over the years and seize growth opportunities for its operations.

Electric Energy

Through ES Resolution 22/16 issued in March 2016, the remuneration values for electricity generation have been increased by 49% on average retroactively to February 2016, and we estimate that the measures taken so far by the new National Government intending to increase the rate of service in general, transferring a greater part of these to the end users, together with the statements of government officials, would indicate a return path to the principles laid down in Law 24065 and to establish rules and remunerations that promote the development of the sector to meet the demand.

Renewable Energy

Hychico will continue operating its two plants and will deepen the interconnection studies among electrolyzers and a future aerogenerator. In addition, it will continue assessing the storage of hydrogen in oil depleted reservoirs, as well as the feasibility to progress with the methanation project. In this sense, we have defined a working program with the pertinent budget and schedule, which will be developed over the following 24 months.

As for the development of DEEF, on September 5, 2016 Hychico, jointly with Plenium Energy S.A. (related company) within the "RenovAr" program launched by the National Government, submitted an offer to take part in the development of a new wind farm of 27.3MW, which was not finally awarded.

Based on the results obtained, Hychico is redefining its strategy to participate in the next bid of the RenovAr program scheduled for May 2017.

Financial

The Company's financing strategy is focused on long-term structures that give the Company financial strength, regardless of the situation existing locally and around the world. As part of this strategy, the Company structured almost all its liabilities by issuing in March 2011 corporate bonds for a term of 7 years, with one principal amortization installment falling due in March 2018. The covenants governing this debt refer to incurring rather than maintaining debt. This means that creditors cannot request advance payment if the Company does not meet any of the covenants; instead, the Company must comply with certain pre-established financial restrictions.

The Company's current financial ratios show that in the future it should be possible to refinance its liabilities and sustain its policy of financial debt in the long term.

The agreement reached with the "holdouts" (holders of Argentine bonds that did not accept the debt swaps offered by the government) allowed for the country's return to international financial credit markets, with a substantial reduction of the country risk. The fact of leaving behind the default to holdouts will enable both public and private sectors to have a more fluent access to foreign credit. The Company estimates that the economic reforms made by the National Government should reduce the country risk even more, to levels more in line with other economies of the region.

Aligned with the corporate strategy mentioned in the first paragraph, the Company monitors local and international financial markets on a regular basis to determine the convenience and timing of the structuring of new long-term financing.

Additionally, the Company's liquidity position should enable it to meet short-term volatilities that may occur in the development of its businesses.



"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 Octubre 31, 2016, the condensed interim consolidated statements of comprehensive income, of changes in shareholders' equity and cash flows for the six and three months periods ended on that date, and the notes 1 and 3 to 24 and Exhibits A and C to H.

The balances and other information corresponding to the fiscal year 2016 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).

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
T: +(54.11) 4850.0000, F: +(54.11) 4850.1800, www.pwc.com/ar*



"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.

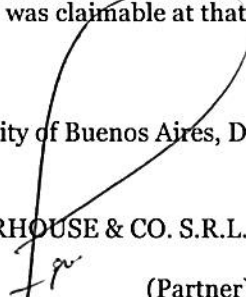
Report on compliance with current regulations

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) as of October 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 \$ 3,491,323.25, none of which was claimable at that date.

Autonomous City of Buenos Aires, December 7, 2016.

PRICE WATERHOUSE & CO. S.R.L.


(Partner)

Dr. Nicolás A. Carusoni
Public Accountant

SYNDICS' COMMITTEE REPORT

To the Shareholders of
Capex S.A.
Legal Address: Córdoba Av. 948/950 5th floor C
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 October 31, 2016, and the condensed interim consolidated statements of comprehensive income, of changes in shareholders' equity and cash flows for the six-month period then ended, and the Notes 1 and 3 to 24, and Exhibits A and C to H.

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

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).
3. Our work was conducted in accordance with the standards in force for syndics' reviews. Those standards require that we apply the procedures laid down in Technical Pronouncement No. 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

2

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, December 7, 2016

For Syndics' Committee



Norberto Luis Feoli
Syndic
Certified Public Accountant (UBA)