



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

**CAPEX S.A.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of July 31, 2017 stated in pesos and presented in comparative format**



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19550

SUMMARY OF ACTIVITIES

REVIEW REPORT OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF THE SYNDICS' COMMITTEE ON THE CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS



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## NOMENCLATURE

### Currency

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

### Glossary of Terms

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

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**BOARD OF DIRECTORS AND SYNDICS' COMMITTEE**

**Chairman**

Mr. Alejandro Götz

**Vice-chairman**

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

M:



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**CAPEX S.A.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three-month period ended July 31, 2017 compared with the prior year

Fiscal year No. 30 commenced on May 1, 2017

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

Company main activity: Generation of electricity

Registration number with the Superintendence 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, 5<sup>th</sup> floor, apartment 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



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**Condensed Interim Consolidated Statement of Financial Position**  
As of July 31 and April 30, 2017  
Stated in pesos

	Note/ Exhibit	07.31.2017	04.30.2017
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9 / A	7,450,259,429	6,849,140,196
Investments in subsidiaries		75,000	75,000
Spare parts and materials		122,179,831	99,669,808
Net deferred tax assets	10	22,071,528	22,088,202
Other accounts receivable	11	29,460,307	38,996,718
Trade accounts receivable	12	-	-
<b>Total Non-Current Assets</b>		<b>7,624,046,095</b>	<b>7,009,969,924</b>
<b>CURRENT ASSETS</b>			
Spare parts and materials		38,808,689	32,540,789
Inventories		2,331,969	4,833,702
Other accounts receivable	11	95,155,268	79,195,705
Trade accounts receivable	12	731,366,310	653,803,416
Financial instruments at fair value	13 / C	1,138,652,397	482,898,674
Cash and cash equivalents	14	2,316,674,073	967,538,539
<b>Total Current Assets</b>		<b>4,322,988,706</b>	<b>2,220,810,825</b>
<b>Total Assets</b>		<b>11,947,034,801</b>	<b>9,230,780,749</b>

The accompanying Notes 1 to 24 and Exhibits A and C to H form an integral part of these condensed interim consolidated financial statements.

  
 Alejandro Getz  
 Chairman



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**Condensed Interim Consolidated Statements of Financial Position**  
As of July 31 and April 30, 2017  
Stated in pesos

	Note / Exhibit	07.31.2017	04.30.2017
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Capital stock		179,802,282	179,802,282
Additional paid-in capital		79,686,176	79,686,176
Reserve for assets revaluation	15	3,145,693,909	2,757,020,004
Unappropriated retained earnings		518,739,013	500,373,632
<b>Total shareholders' equity attributable to shareholders</b>		<b>3,923,921,380</b>	<b>3,516,882,094</b>
Non-controlling interest		26,653,074	24,560,269
<b>Total shareholders' equity</b>		<b>3,950,574,454</b>	<b>3,541,442,363</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Trade accounts payable	16	50,778,084	44,042,587
Financial liabilities	17	5,346,960,404	85,724,974
Net deferred tax liabilities	10	1,844,700,253	1,625,918,557
Provisions and other charges	E	2,730,347	2,730,347
<b>Total non-current liabilities</b>		<b>7,245,169,088</b>	<b>1,758,416,465</b>
<b>CURRENT LIABILITIES</b>			
Trade accounts payable	16	201,788,272	343,973,839
Financial liabilities	17	345,212,116	3,327,697,436
Salaries and social security contributions	18	33,939,233	71,320,430
Taxes payables		120,326,414	141,250,208
Other liabilities		50,025,224	46,680,008
<b>Total current liabilities</b>		<b>751,291,259</b>	<b>3,930,921,921</b>
<b>Total liabilities</b>		<b>7,996,460,347</b>	<b>5,689,338,386</b>
<b>Total shareholders' equity and liabilities</b>		<b>11,947,034,801</b>	<b>9,230,780,749</b>

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



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**Condensed Interim Consolidated Statement of Comprehensive Income**  
For the three-month periods ended July 31, 2017 and 2016  
Stated in pesos

	Note/ Exhibit	07.31.2017	07.31.2016
Net sales	20	912,574,754	686,495,197
Cost of sales	F	(302,404,230)	(211,038,548)
<b>Gross profit</b>		<b>610,170,524</b>	<b>475,456,649</b>
Selling expenses	H	(138,477,850)	(105,079,593)
Administrative expenses	H	(79,674,765)	(44,507,182)
Other operating (expenses) / income, net	21	(311,737)	314,583
<b>Operating income</b>		<b>391,706,172</b>	<b>326,184,457</b>
Financial income	22	507,248,566	78,258,791
Financial costs	22	(928,340,446)	(295,350,162)
Other financial income	E	249,626	285,800
<b>Result before income tax</b>		<b>(29,136,082)</b>	<b>109,378,886</b>
Income tax		10,494,517	(39,422,523)
<b>Net result for the period</b>		<b>(18,641,565)</b>	<b>69,956,363</b>
<b>Items that will not be reclassified to profit or loss</b>			
Other comprehensive results		427,773,656	-
<b>Comprehensive result for the period</b>		<b>409,132,091</b>	<b>69,956,363</b>
<b>Net result for the period attributable to:</b>			
Company shareholders		(18,656,894)	69,990,034
Non-controlling interest		15,329	(33,671)
<b>Net result for the period</b>		<b>(18,641,565)</b>	<b>69,956,363</b>
<b>Net comprehensive result for the period attributable to:</b>			
Company shareholders		407,039,286	69,990,034
Non-controlling interest		2,092,805	(33,671)
<b>Comprehensive result for the period</b>		<b>409,132,091</b>	<b>69,956,363</b>
<b>Basic and diluted net result per share attributable to:</b>			
- Company shareholders		(0.10376)	0.38926
<b>Basic and diluted comprehensive result per share attributable to:</b>			
- Company shareholders		2.26381	0.38926

The accompanying Notes 1 to 24 and Exhibits A and C to H form an integral part of these condensed interim consolidated financial statements.

  
 Alejandro Götz  
 Chairman





Capex S.A.

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### Condensed Interim Consolidated Statement of Changes in Shareholders' Equity

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

Stated in pesos

	Attributable to the Company shareholders									
	Retained earnings									
	Capital Stock	Outstanding shares	Additional paid-in capital	Retained earnings			Reserve for assets revaluation <sup>(2)</sup>	Unappropriated retained earnings	Subtotal	Non-controlling interest
Legal reserve				Free reserve <sup>(1)</sup>	accumulated comprehensive income					
<b>Balances at April 30, 2016</b>	179,802,282	79,686,176	23,508,318	43,367,267	1,692,108,746	(231,664,704)	1,786,808,085	10,490,689	1,797,298,774	
Comprehensive result for the three month period	-	-	-	-	-	69,990,034	69,990,034	(33,671)	69,956,363	
Reversal of reserve for assets revaluation (Note 15)	-	-	-	-	(21,882,414)	21,882,414	-	-	-	
<b>Balances at July 31, 2016</b>	179,802,282	79,686,176	23,508,318	43,367,267	1,670,226,332	(139,792,256)	1,856,798,119	10,457,018	1,867,255,137	
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 nine-month period	-	-	-	-	1,166,539,323	493,544,652	1,660,083,975	2,603,251	1,662,687,226	
Reversal of reserve for assets revaluation	-	-	-	-	(79,745,651)	79,745,651	-	-	-	
<b>Balances at April 30, 2017</b>	179,802,282	79,686,176	-	-	2,757,020,004	500,373,632	3,516,882,094	24,560,269	3,541,442,363	
Comprehensive result for the three month period	-	-	-	-	425,696,180	(18,656,894)	407,039,286	2,092,805	409,132,091	
Reversal of reserve for assets revaluation (Note 15)	-	-	-	-	(37,022,275)	37,022,275	-	-	-	
<b>Balances at July 31, 2017</b>	179,802,282	79,686,176	-	-	3,145,693,909	518,739,013	3,923,921,380	26,653,074	3,950,574,454	

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

<sup>(2)</sup> Created by 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 Gótz  
Chairman



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**Condensed Interim Consolidated Statement of Cash Flows**  
For the three-month periods ended July 31, 2017 and 2016  
Stated in pesos

	Note / Exhibit	07.31.2017	07.31.2016
<b>Cash flows from operating activities:</b>			
Comprehensive result for the period		409,132,091	69,956,363
<b>Adjustments to arrive at net cash flows provided by operating activities:</b>			
Exchange differences generated by cash and cash equivalents		(305,720,999)	(131,561)
Income tax		(10,494,517)	39,422,523
Interest accrued on financial liabilities and others		127,892,470	112,731,380
Exchange difference generated by financial liabilities	17	785,647,265	158,384,000
Exchange difference from placements in financial instruments at amortized cost not considered as cash or cash equivalents		(129,012,630)	(29,906,000)
Exchange difference generated by accounts receivable with CAMMESA		(4,957,528)	(1,996,920)
Interest accrued on accounts receivable and payable	22	508,413	1,944,111
Commissions and expenses related to negotiable obligations	17	(52,489,011)	-
Amortization of property, plant and equipment	9 / A	150,461,537	109,646,922
Other comprehensive results	15	(427,773,656)	-
Recovery of the provision for property, plant and equipment impairment	9 / E	(249,626)	(285,800)
Recovery of the provision for turnover and obsolescence of spare parts and materials	21 / E	-	(43,664)
<b>Changes in net operating assets and liabilities:</b>			
Increase in trade accounts receivable		(77,562,894)	(107,846,409)
Decrease / (increase) in other accounts receivable		3,536,282	(1,077,074)
Decrease in inventories		2,501,733	1,272,527
(Increase) / Decrease in spare parts and materials		(28,777,923)	88,316,268
Decrease in trade accounts payable		(139,780,490)	(73,973,842)
Decrease in salaries and social security contributions		(37,381,197)	(22,554,258)
(Decrease) / increase in taxes		(21,987,239)	23,181,167
Increase in other liabilities		3,345,216	4,385,314
Tax on assets paid		(4,270,597)	(2,626,077)
<b>Net cash flows provided by operating activities</b>		<b>242,566,700</b>	<b>368,798,970</b>
<b>Cash flows from investment activities</b>			
Payments made for the acquisition of property, plant and equipment	9 / A	(90,223,335)	(256,876,566)
Retirements of property, plant and equipment	9 / A	112,877	-
Changes in financial instruments at amortized cost not considered as cash or cash equivalents		(526,741,093)	(122,940,191)
Capital contributions in subsidiaries		-	(18,750)
<b>Net cash flows used in investment activities</b>		<b>(616,851,551)</b>	<b>(379,835,507)</b>
<b>Cash flows from financing activities</b>			
Interest paid and others	17	(77,962,481)	(24,686,935)
Financial liabilities settled – net	17	(3,159,459,520)	(84,282,556)
Financial liabilities obtained	17	4,655,121,387	-
<b>Net cash flows generated by / (used in) financing activities</b>		<b>1,417,699,386</b>	<b>(108,969,491)</b>
<b>Net Increase / (decrease) in cash, cash equivalents and overdrafts</b>		<b>1,043,414,535</b>	<b>(120,006,028)</b>
Exchange difference generated by cash and cash equivalents		305,720,999	131,561
Cash, cash equivalents and overdrafts at the beginning of the period	14	967,538,539	244,425,609
<b>Cash, cash equivalents and overdrafts at the end of the period</b>	<b>14</b>	<b>2,316,674,073</b>	<b>124,551,142</b>

Alejandro Götz  
Chairman



Capex S.A.

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**Operations not generating changes in cash**  
**Complementary information**

	<u>07.31.2017</u>	<u>07.31.2016</u>
Accrual for well capping	(3,107,372)	(1,692,607)
Capital contributions to be made in EG Wind S.A.	(56,250)	-

The accompanying Notes 1 to 24 and Exhibits A and C to H form an integral part of these condensed interim consolidated financial statements.

  
Alejandro Götz  
Chairman



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## Notes to Condensed Interim Consolidated Financial Statements of Financial Position

### 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 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. The agreement involved the payment of US \$ 17 million, the commitment to conduct an action plan for an aggregate amount of US\$ 144 million until the expiration of the concession term, the payment of an extraordinary 3% production fee and 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.

In April 2017, by Decree No. 556/17, the Executive Power of the Province of Neuquén granted the Company a concession for the non-conventional exploitation of hydrocarbons for a term of 35 years over the entire Agua del Cajón Area. Said concession will terminate in 2052 and, as a condition for its granting, the Company undertook to carry out an investment program for US\$ 126 millions, to be carried out during a period of five years as from January 1, 2017.

Furthermore, as part of the terms and conditions for the granting of the concession to exploit unconventional hydrocarbons, the Company paid the Neuquén Province a total of \$137,853,682 in April 2017. This amount results from the following items: (i) US\$ 4.97 million in respect of the conventional exploitation bond under Section 58 bis, paragraph two, of Law 17319; (ii) US\$ 3.1 million in respect of contributions for corporate social responsibility; and (iii) US\$ 0.882 million for stamp tax on the investment agreement signed with the Province. With the payment of the bond mentioned in point (i), the Company also keeps the right to exploit conventional resources in the area until the end of the unconventional hydrocarbon exploitation concession.

Under the agreement signed with the Neuquén Province, the Company shall pay the following royalties: (a) on the production from all completed and finished wells, except for those with production from unconventional reservoirs, such as shale gas, shale oil or schist of slate rock, the percentages agreed under the Memorandum of Understanding of April 13, 2009 shall be paid until January 11, 2026, date as from which the maximum royalty payment of 18% shall be made, as set forth in Section 59 of Law 17319; and (b) royalties of 12% shall be paid on the production from wells completed and finished as from the grant of the unconventional hydrocarbon exploitation concession, with production from the unconventional shale gas, shale oil, or schist of slate rock reservoirs.

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.



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**NOTE 1 – GENERAL INFORMATION (CONT'D.)**

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

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

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

**NOTE 2 - OIL AND GAS RESERVES (NOT COVERED BY 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, 2016, and audited by the independent auditor, Lic. Héctor López, in compliance with the requirements of ES Resolution 324/06. At that time the process of extension of the concession had not yet been completed, for which the concession expiration horizon was January 2026, with the following values:

Products		Proven			Probable	Possible	Resources
		Developed	Non-developed	Total			
Gas	MMm3 <sup>(1)</sup>	3,578	1,559	5,137	1,046	260	15,315
Oil	Mbbbl	1,591	925	2,516	692	572	2,807
	Mm3	253	147	400	110	91	332

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

Further, hydrocarbon reserves were estimated in the Agua del Cajón area at December 31, 2016 until the end of their useful life, which were certified by the independent auditor, Mr. Héctor López, considering the requirements set out by ES Resolution 324/06, in the following amounts. The latter are used by the Company in the calculation of the depreciation of property, plant and equipment, based on the extension of the concession (see Note 1):

Products		Proven			Probable	Possible	Resources
		Developed	Non-developed	Total			
Gas	MMm3 <sup>(1)</sup>	4,145	1,842	5,987	1,304	321	15,315
Oil	Mbbbl	1,805	1,088	2,893	837	704	2,807
	Mm3	287	173	460	133	112	332

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

Proven developed reserves at July 31, 2017, based on the audited reserves at December 31, 2016 and adjusted according to production for the period January to July 2017, are as follows:

Gas	MMm <sup>3</sup> <sup>(1)</sup>	3,815
Oil	Mbbbl	1,602
	Mm <sup>3</sup>	255

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

On December 31, 2016, the Company obtained certification of reserves and resources from the firm DeGolyer and MacNaughton, the international independent auditor, which confirmed those reserves.

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

There have been no changes in the regulatory framework of the oil & gas, electric and LPG sectors compared with the information provided in the consolidated financial statements for the year ended April 30, 2017, except for:

#### **ES Resolution No. 19E/2017 of the Ministry of Energy and Mining – amendments**

Through Note No. 2017-15482939-APN-SECEE#MEM, ES Resolution No. 19E/2017 is amended; these amendments become effective as from November 2017:

- Offered Guaranteed Availability (DIGO, for its acronym in Spanish) declaration may be made in each Seasonal Schedule;
- the method to control the DIGO may be chosen, which may be monthly (with a 7.5% tolerance) or half-yearly;
- the exchange rate to be considered by CAMMESA for the payment of settlements will be that of the prior day to the due date of the commercial document.

#### **Program for the maintenance of electricity generating units**

During the months of May to July 2017, the Company received from CAMMESA disbursements for \$ 53.1 million. (see Note 17).

Since the beginning of the program until July 31, 2017, the Company received from CAMMESA disbursements for \$ 519.7 million, which have been offset with the Non-recurring maintenance remuneration, which totals a liability of \$ 262.3 million. They are shown under "Financial debts" for \$ 247.5 million, net of the receivables accrued with CAMMESA in relation to the Non-recurring maintenance remuneration and the interests accrued, net (see Note 17).

#### **Resolution No. E-275/2017 of the Ministry of Energy and Mining**

On August 17, 2017, Resolution No. 275/2017 was published in the Official Gazette which calls for interested parties to offer in the National and International Open Bid Process for contracting in the WEM electricity from renewable sources - Program RenovAr (2nd Round), with the aim of entering into contracts in the forward market (called supply contracts of renewable electricity) with CAMMESA in representation of Distributors and Large Users of the Wholesale Electric Market - until their reallocation to distribution agents and/or Large Users of WEM in accordance with the Program Bidding Terms and Conditions.

#### **Resolution No. E-281/2017 of the Ministry of Energy and Mining**

On August 22, 2017, Resolution No. 281/2017 was published which established the Forward Market System for Electricity from Renewable Sources within the framework of Law No. 27191 and Regulatory Decree No. 531/2016. This system has the purpose of establishing conditions in accordance with Section 9 of the Law 27191 to be complied with by Large Users of the Wholesale Electricity Market and Large Demands from Customers of the Distribution Agents of the WEM or Utility Distribution Providers as long as their power demands be equal or greater than three hundred kilowatt (300 KW) on average, through the individual contracting in the Forward Market of Electricity from Renewable Sources or by self-generation from renewable sources, in accordance with Section 9 of Law. 27191 and Section 9 of Exhibit II of Decree No. 531. Specifically, the entities falling within the mentioned Section of the Law could comply with their obligation in any of the following manners: a) individual contracting of electricity from renewable energies, b) self-generation or co-generation from renewable sources, or c) participation in the mechanism of joint purchases developed by CAMMESA. Section 9, subsection 2, paragraph (i) of Exhibit II of the regulatory Decree establishes that supply contracts for electricity from renewable sources entered into within the framework of Law 27191 by entities falling within Section 9 will be freely agreed upon by the parties, considering the characteristics of investment projects and compliance with obligations established by the law and regulatory decree, information duties and management requirements established in the CAMMESA Procedures and in the supplementary regulations issued by the Enforcement Authority.



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

The CNV, by means of General Resolution No. 622/13, has established the application of Technical Pronouncements Nos. 26, modified by Technical Pronouncement No. 29 and 43 issued by the Argentine Federation of Professional Councils in Economic Sciences, adopting International Financial Reporting Standards (IFRS), issued by the IASB, for those entities included in the public offering regime of Law 17811 and its amendments, due either to their stock or corporate bonds, or having requested listing authorization to be included in this regime.

These condensed interim consolidated financial statements for the three month period ended July 31, 2017 have been prepared according to IAS 34 "Financial Interim Information".

This condensed interim individual financial information must be read jointly with the consolidated financial statements of the Group as of April 30, 2017.

The condensed interim consolidated financial statements corresponding to the three-month periods ended July 31, 2017 and 2016 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 three-month periods ended July 31, 2017 and 2016 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 individual financial statements have been approved for their issuance by the Board of Directors on September 7, 2017.

#### **Comparative information**

Balances at April 30, 2017 and for the three-month period ended on July 31, 2016, which are disclosed for comparative purposes, arise from financial statements at those dates. Certain not significant reclassifications corresponding to the financial statements presented for comparative purposes have been made to keep consistency in disclosure with the amounts for the current period.

#### **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 current cost method, be restated in constant currency at the end date of the reporting period. For this, in general terms, the inflation produced from the date of acquisition or from the revaluation date should be computed in the non-monetary items as appropriate. In order to conclude on the existence of a hyperinflationary economy, the norm details some key indicators, among which accumulative inflation rate over three years that approaches or exceeds 100%, should be considered.

At July 31, 2017, 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, the Company has evaluated and concluded that the Argentine peso has not met the characteristics to be qualified as a hyperinflationary currency as defined by IAS 29, and the Government's expectations regarding inflation are towards a lower level. Therefore, these financial statements have not been restated in constant currency.

#### **NOTE 5 - ACCOUNTING POLICIES**

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, 2017.

#### **NOTE 6 - ACCOUNTING ESTIMATES AND JUDGEMENTS**

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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, 2017.

#### **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 segments 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 the Senior Managers are responsible for assigning resources and assessing the profitability of operating segments.

Management information used in the decision-making process is prepared on a monthly basis and contains a breakdown of the Group's segments:

- 1) the exploration, production and sale of oil and gas ("Oil and Gas"),
- 2) generation of electric power ("Electricity ADC"),
- 3) production and sale of gas-derived liquid fuel ("LPG").
- 4) generation of wind electric power ("Energy DEEF"),
- 5) generation of electric power with hydrogen ("HYDROGEN Energy") and
- 6) oxygen production and sale ("Oxygen").

Income received from CAMMESA, broken down by segment which arises to \$ 627,6 million, is allocated to:

- 1) Gas revenues of \$ 331.3 million: corresponds to payments received from CAMMESA for the Recognition of Own Fuels, whose remuneration is set in dollars and associated with the evolution of the price of gas for generation plants, and
- 2) Electric energy revenues of \$ 296.3 million: corresponds to the specific remuneration per generation.

Segments reporting information is disclosed below:





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

Three months at 07.31.2017							
	Oil and Gas	Electricity ADC	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Total
Net sales	211,952,011	627,617,871	56,137,734	14,800,174	1,527,499	539,465	912,574,754
Reclassification between segments	363,783,658	(331,295,615)	(32,488,043)	-	-	-	-
Sales per segment	575,735,669	296,322,256	23,649,691	14,800,174	1,527,499	539,465	912,574,754
Participation per segment on Sales	63.1%	32.5%	2.6%	1.6%	0.2%	0.0%	100.0%
Cost of sales	(129,735,103)	(151,408,007)	(14,846,119)	(3,919,445)	(1,864,990)	(630,566)	(302,404,230)
Gross Profit	446,000,566	144,914,249	8,803,572	10,880,729	(337,491)	(91,101)	610,170,624
Segment share on gross income	73.1%	23.7%	1.4%	1.8%	0.0%	0.0%	100.0%
Selling Expenses	(106,386,173)	(25,262,890)	(5,311,694)	(102,087)	(315,242)	(99,764)	(138,477,850)
Administrative Expenses	(47,789,158)	(23,627,862)	(7,699,710)	(81,759)	(313,469)	(162,807)	(79,674,765)
Other operating (expenses) / income, net	(68,896)	(204,010)	(25,828)	(11,409)	(1,178)	(416)	(311,737)
Operating result	291,756,339	94,819,487	(4,233,660)	10,885,474	(867,380)	(354,088)	391,706,172
Financial income							507,248,566
Financial Costs							(928,340,446)
Other Financial Income							249,626
Result Before Income Tax							(29,136,082)
Income Tax							10,494,517
Result for the period							(18,641,665)
Other comprehensive results							427,773,656
Net comprehensive result for the period							409,132,091
Amortization							
In Cost of Sales	(62,504,001)	(80,915,399)	(3,666,247)	(2,351,032)	(291,805)	(71,844)	(149,800,328)
In Administrative Expenses	(156,462)	(463,306)	(41,441)	-	-	-	(661,209)
Total	(62,660,463)	(81,378,705)	(3,707,688)	(2,351,032)	(291,805)	(71,844)	(150,461,537)

Three months at 07.31.2016							
	Oil and gas	Electricity ADC	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Total
Net sales	117,985,277	522,911,417	36,682,905	7,389,928	1,040,600	485,070	686,495,197
Reclassification between segments	368,350,565	(348,278,079)	(20,072,486)	-	-	-	-
Sales per segment	486,335,842	174,633,338	16,610,419	7,389,928	1,040,600	485,070	686,495,197
Segment share on gross income	70.8%	25.4%	2.4%	1.1%	0.2%	0.1%	100.0%
Cost of sales	(112,653,096)	(82,586,225)	(9,729,813)	(4,422,588)	(1,165,297)	(481,519)	(211,038,548)
Gross profit	373,682,746	82,047,113	6,880,606	2,967,330	(124,697)	3,551	476,466,649
Participation per segment on Gross Income	78.6%	19.4%	1.4%	0.6%	0.0%	0.0%	100.0%
Selling expenses	(88,950,078)	(9,215,367)	(6,632,483)	(71,427)	(149,751)	(60,487)	(105,079,593)
Administrative expenses	(25,904,367)	(12,955,141)	(4,589,100)	(194,997)	(525,109)	(338,468)	(44,507,182)
Other operating income / (expenses), net	56,411	250,022	8,564	-	(414)	-	314,583
Operating result	258,884,712	70,126,827	(4,332,413)	2,700,906	(799,971)	(395,404)	328,184,467
Financial income							78,258,791
Financial costs							(295,350,162)
Other financial income							285,800
Result before Income Tax							109,378,886
Income tax							(39,422,523)
Result for the period							69,956,363
Other comprehensive results							-
Net comprehensive result for the period							69,956,363
Amortization							
In Cost of sales	(57,943,663)	(45,392,007)	(3,098,375)	(2,660,508)	(345,147)	(18,503)	(109,448,203)
In Administrative expenses	(34,603)	(153,358)	(10,758)	-	-	-	(198,719)
Total	(57,978,266)	(45,545,365)	(3,099,133)	(2,660,508)	(345,147)	(18,503)	(109,646,922)

<sup>(1)</sup> No future charge to results  
The company did not make sales to foreign customers and is not owner of assets which are not financial instruments abroad.



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

	07.31.2017	07.31.2016
Residual value at beginning of period	6,849,140,196	4,553,549,826
Additions / retirements	93,217,830	258,569,173
Provisions	249,626	285,800
Revaluation	658,113,314	-
Amortization	(150,461,537)	(109,646,922)
Residual value at the end of the period	<u>7,450,259,429</u>	<u>4,702,757,877</u>

From the amortization charge for the three-month periods ended July 31, 2017 and 2016, \$ 149,800,328 and \$ 109,448,203, respectively, were allocated to Cost of sales and \$ 661,209 and \$ 198,719, respectively, to Administrative Expenses.

At July 31, 2017, the Company with independent experts have revalued at fair value the CT ADC and DEEF (owned by Hychico) (see Note 15). The differences that have arisen compared with the revaluation at April 30, 2017 were recorded at that date. The Board of Directors approved the revaluations made on the different classes of assets.

The participation of the independent experts was approved by the Board of Directors based on skills such as the knowledge of the market, reputation and independence. Furthermore, the Board of Directors decides, after discussing with experts, the valuation methods and, where applicable, the entry data to be used in each case.

There were no transfers between levels 1, 2 and 3 during the current period.

At July 31, 2017, the Company has compared the recoverable values of its revalued assets with their carrying values, measured based on the revaluation model, concluding that the latter do not exceed their recoverable values.

Below is the revaluation by group of assets:

	Net book value at cost at 04.30.2017	Additions/ Retirements/ for the period – net	Amortization for the period at cost value	Residual value at cost value at 07.31.2017	
CT ADC	541,833,871	39,438,307	(27,457,846)	553,814,332	
Building and land in Neuquén	33,471,592	-	(51,778)	33,419,814	
LPG Plant	55,665,883	-	(1,260,104)	54,405,779	
DEEF	57,601,560	291,973	(932,299)	56,961,234	
Remaining assets	1,901,772,611	53,737,176	(63,468,782)	1,892,041,005	
Total	<u>2,590,345,517</u>	<u>93,467,456</u>	<u>(93,170,809)</u>	<u>2,590,642,164</u>	

	Residual value of revaluation at 04.30.2017	Additions/ Retirements for the period- Revaluation	Amortization of the period Revaluation	Residual value of revaluation at 07.31.2017	Net book value at 07.31.2017
CT ADC	3,844,153,128	636,831,907	(53,457,553)	4,427,527,482	4,981,341,814
Building and land in Neuquén	229,322,232	-	(8,299)	229,313,933	262,733,747
LPG Plant	105,870,289	-	(2,406,143)	103,464,146	157,869,925
DEEF	79,449,030	21,281,407	(1,418,733)	99,311,704	156,272,938
Remaining assets	-	-	-	-	1,892,041,005
Total	<u>4,258,794,679</u>	<u>658,113,314</u>	<u>(57,290,728)</u>	<u>4,859,617,265</u>	<u>7,450,259,429</u>

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**NOTE 10 – NET DEFERRED TAX ASSETS AND LIABILITIES**

The deferred tax net position is as follows:

	07.31.2017	04.30.2017
<b>Deferred tax assets</b>		
Deferred tax assets to be recovered after 12 months	80,877,781	38,764,609
Deferred tax assets to be recovered within 12 months	1,028,396	3,895,693
<b>Deferred tax liabilities:</b>		
Deferred tax liabilities to be recovered after 12 months	(1,849,225,841)	(1,071,744,731)
Deferred tax liabilities to be recovered within 12 months	(55,309,061)	(574,745,926)
<b>Net deferred tax liabilities <sup>(1)</sup></b>	<b>(1,822,628,725)</b>	<b>(1,603,830,355)</b>

<sup>(1)</sup> This amount is shown in the consolidated financial statements as follows: \$ 22,071,528 y \$ 22,088,202 under net deferred tax assets at July 31, 2017 and April 30, 2017, respectively, and \$ 1,844,700,253 and \$ 1,625,918,557 under net deferred tax liabilities at July 31, 2017 and April 30, 2017, respectively.

The changes in deferred tax assets and liabilities, without considering the offsetting of balances, are as follows:

- Deferred assets:

	Tax losses	Trade accounts payable	Provisions and others	Total
Balance at April 30, 2017	17,404,518	11,829,089	13,426,695	42,660,302
Charge to income/loss	44,025,048	4,113,586	(8,892,759)	39,245,875
Balance at July 31, 2017	61,429,566	15,942,675	4,533,936	81,906,177

- Deferred liabilities:

	Financial instruments at amortized cost	Property, plant and equipment	Other accounts receivables	Financial liabilities	Total
Balance at April 30, 2017	(3,905,327)	(1,637,964,764)	(3,041,456)	(1,579,110)	(1,646,490,657)
Charge to income/loss	(9,089,064)	(230,859,395)	(18,018,964)	(76,822)	(258,044,245)
Balance at July 31, 2017	(12,994,391)	(1,868,824,159)	(21,060,420)	(1,655,932)	(1,904,534,902)

Tax-losses carry forwards recorded at July 31, 2017 are as follows:

Generated in	Amount	Rate 35%	Expire in
Tax-loss generated at April 30, 2013	6,741,288	2,359,451	2018
Tax-loss generated at April 30, 2014	19,670,479	6,884,668	2019
Tax-loss generated at April 30, 2015	1,401,557	490,545	2020
Tax-loss generated at April 30, 2016	21,913,869	7,669,854	2021
Tax-loss generated at July 31, 2017	125,785,853	44,025,048	2023
<b>Total tax-losses carry forward at July 31, 2017</b>	<b>175,513,046</b>	<b>61,429,566</b>	



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**NOTE 11 - OTHER ACCOUNTS RECEIVABLE**

	<u>07.31.2017</u>	<u>04.30.2017</u>
<b>Non-Current</b>		
In local currency		
Tax on assets	9,981,201	9,527,154
Prepaid expenses	-	10,106,494
In foreign currency (Exhibit G)		
Assignment of CAMMESA rights	19,479,106	19,363,070
<b>Total</b>	<u>29,460,307</u>	<u>38,996,718</u>
<b>Current</b>		
In local currency		
Sundry advances	10,584,493	3,489,445
Turnover tax	6,477,202	5,437,705
Value added tax	3,551,188	6,501,750
Income tax and tax on assets	14,064,530	8,483,967
Other tax credits	3,972,180	4,657,679
Prepaid insurance	15,103,672	16,878,653
Prepaid expenses	4,210,275	3,551,259
Assignment of CAMMESA rights	1,020,434	927,069
Intercompany receivables Section 33 – Law 19550 (Note 23.b))	585,911	520,786
Agreement for gas propane supply for networks to collect	12,688,598	9,721,073
Sundry	290,654	315,352
In foreign currency (Exhibit G)		
Sundry advances	6,034,770	5,630,174
Intercompany receivables Section 33 – Law 19550 (Note 23.b))	-	7,650
Assignment of CAMMESA rights	14,817,360	13,073,143
Sundry	1,754,001	-
<b>Total</b>	<u>95,155,268</u>	<u>79,195,705</u>

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

**NOTE 12 – TRADE ACCOUNTS RECEIVABLE**

	<u>07.31.2017</u>	<u>04.30.2017</u>
<b>Non-Current</b>		
In local currency		
Doubtful accounts	2,627,115	2,627,115
Less: Provision for doubtful accounts (Exhibit E)	(2,627,115)	(2,627,115)
<b>Total</b>	<u>-</u>	<u>-</u>
<b>Current</b>		
In local currency		
From sale of energy and others (Receivables Art. 5 Res. 95/2013 – CAMMESA)	642,623,982	609,629,007
Intercompany receivables Section 33 – Law 19550 (Nota 23.b)	1,133,078	674,603
In foreign currency (Exhibit G)		
From sale of oil and others	86,808,634	43,061,351
Intercompany receivables Section 33 – Law 19550 (Nota 23.b)	800,616	438,455
<b>Total</b>	<u>731,366,310</u>	<u>653,803,416</u>

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**NOTE 13 - FINANCIAL INSTRUMENTS**

	<u>07.31.2017</u>	<u>04.30.2017</u>
<b>Current</b>		
In foreign currency (Exhibit G)		
Financial instruments at fair value (Exhibit C)	1,138,652,397	482,898,674
Total	<u>1,138,652,397</u>	<u>482,898,674</u>

**NOTE 14 - CASH AND CASH EQUIVALENTS**

	<u>07.31.2017</u>	<u>04.30.2017</u>
<b>Current</b>		
In local currency		
Cash	59,615	56,412
Checks to be deposited	3,403,490	-
Banks	32,199,007	11,238,187
Financial instruments at fair value (Exhibit D)	733,016,334	324,024,850
In foreign currency (Exhibit G)		
Cash	138,816	129,618
Banks	409,510	198,673
Financial instruments at amortized cost (Exhibit D)	1,403,863,366	631,890,799
Financial instruments at fair value (Exhibit D)	143,583,935	-
Total	<u>2,316,674,073</u>	<u>967,538,539</u>

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

	<u>07.31.2017</u>	<u>07.31.2016</u>
Cash, banks and checks to be deposited	36,210,438	10,990,827
Financial instruments at fair value	876,600,269	115,671,077
Financial instruments at amortized cost	1,403,863,366	-
Bank overdrafts	-	(2,110,762)
Total	<u>2,316,674,073</u>	<u>124,551,142</u>

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

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, 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 depreciation for the year <sup>(1)</sup>	(30,290,783)	(1,828,271)	(1,697,333)	(4,473)	(33,820,840)	(33,865,253)	(155,587)
Reversal of deferred tax <sup>(1)</sup>	10,601,767	639,895	584,067	1,566	11,837,295	11,782,839	54,456
<b>Subtotal for reversal of depreciation for the revaluation of assets <sup>(1)</sup></b>	<b>(19,688,996)</b>	<b>(1,188,376)</b>	<b>(1,103,266)</b>	<b>(2,907)</b>	<b>(21,983,545)</b>	<b>(21,882,414)</b>	<b>(101,131)</b>
Balance at July 31, 2016	1,440,841,447	55,853,451	65,092,717	113,692,228	1,675,479,843	1,670,226,332	5,253,511
Increase / (decrease) for revaluation	1,728,930,205	25,987,357	(15,786,241)	54,492,095	1,793,603,416	1,794,675,881	(1,072,465)
Deferred tax	(605,125,572)	(9,088,575)	5,525,184	(18,072,233)	(627,761,196)	(628,136,558)	375,362
<b>Total other comprehensive results</b>	<b>1,123,804,633</b>	<b>16,878,782</b>	<b>(10,261,057)</b>	<b>35,419,862</b>	<b>1,165,842,220</b>	<b>1,166,539,323</b>	<b>(697,103)</b>
Reversal due to change of share	-	-	-	-	-	(11,444,272)	11,444,272
Reversal of deferred tax	-	-	-	-	-	4,005,495	(4,005,495)
Reversal due to depreciation for the year <sup>(1)</sup>	(101,458,227)	(6,025,453)	(4,907,370)	(80,981)	(112,470,031)	(111,241,344)	(1,228,687)
Reversal of deferred tax <sup>(1)</sup>	35,509,680	2,108,908	1,717,579	28,343	39,364,510	38,934,470	430,040
<b>Subtotal for reversal of depreciation for the revaluation of assets (1)</b>	<b>(65,946,547)</b>	<b>(3,916,545)</b>	<b>(3,189,791)</b>	<b>(52,638)</b>	<b>(73,105,521)</b>	<b>(79,745,651)</b>	<b>6,640,130</b>
Balance at April 30, 2017	2,498,699,533	68,815,688	51,641,869	149,059,452	2,768,216,542	2,757,020,004	11,196,538
Increase for revaluation	636,831,907	-	21,261,407	-	658,113,314	654,917,198	3,196,116
Deferred tax	(222,891,166)	-	(7,448,492)	-	(230,339,658)	(229,221,018)	(1,118,640)
<b>Total other comprehensive results</b>	<b>413,940,741</b>	<b>-</b>	<b>13,832,915</b>	<b>-</b>	<b>427,773,656</b>	<b>425,696,180</b>	<b>2,077,476</b>
Reversal due to depreciation for the period <sup>(1)</sup>	(53,457,553)	(2,406,143)	(1,418,733)	(8,299)	(57,290,728)	(56,957,347)	(333,381)
Reversal of deferred tax <sup>(1)</sup>	18,710,144	842,150	498,557	2,905	20,051,756	19,935,072	118,684
<b>Subtotal for reversal of depreciation for the revaluation of assets <sup>(1)</sup></b>	<b>(34,747,409)</b>	<b>(1,563,993)</b>	<b>(922,176)</b>	<b>(5,394)</b>	<b>(37,238,972)</b>	<b>(37,022,275)</b>	<b>(216,697)</b>
Balance at July 31, 2017	2,877,892,865	67,251,695	64,552,608	149,054,058	3,168,751,226	3,145,693,909	13,057,317

(1) Charged to "Retained earnings".

**NOTE 16 - TRADE ACCOUNTS PAYABLE**

	07.31.2017	04.30.2017
<b>Non-Current</b>		
In local currency		
Sundry accruals	45,476,902	39,045,036
In foreign currency (Exhibit G)		
Sundry accruals	5,301,182	4,997,551
<b>Total</b>	<b>50,778,084</b>	<b>44,042,587</b>
<b>Current</b>		
In local currency		
Suppliers	100,517,322	143,429,918
Intercompany suppliers Section 33 - Law 19550 (Nota 23.b))	13,136	48,534
Sundry accruals	9,845,082	14,434,778
In foreign currency (Exhibit G)		
Suppliers	84,490,892	168,226,681
Intercompany suppliers Section 33 - Law 19550 (Nota 23.b))	-	616
Sundry accruals	6,921,840	17,833,312
<b>Total</b>	<b>201,788,272</b>	<b>343,973,839</b>

The carrying amount of trade accounts payable approximates to their fair value.



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**NOTE 17 - FINANCIAL LIABILITIES**

	<b>07.31.2017</b>	<b>04.30.2017</b>
<b>Non-Current</b>		
In local currency		
Commissions and expenses to be accrued	(43,823,596)	(515,026)
In foreign currency (Exhibit G)		
Bank	98,784,000	86,240,000
Corporate bonds	5,292,000,000	-
<b>Total</b>	<b>5,346,960,404</b>	<b>85,724,974</b>
<b>Current</b>		
In local currency		
Advance funding for maintenance of the CT ADC	247,543,241	183,718,838
Commissions and expenses to be accrued	(7,608,968)	(1,905,314)
In foreign currency (Exhibit G)		
Bank	28,470,343	22,002,190
Corporate bonds	76,807,500	3,123,881,722
<b>Total</b>	<b>345,212,116</b>	<b>3,327,697,436</b>

Changes in loans are as follows:

	<b>07.31.2017</b>	<b>07.31.2016</b>
<b>Balances at the beginning</b>	<b>3,413,422,410</b>	<b>3,390,779,073</b>
Increase in bank overdrafts	-	2,110,762
Loans obtained	-	-
Funding for maintenance of the CT ADC	53,121,387	48,260,000
Loans obtained	4,602,000,000	-
Credit for remuneration of non-recurring maintenance	-	(51,042,556)
Accruals:		
Accrued interest	124,360,419	112,106,105
Accrued commissions and expenses	3,532,051	625,275
Exchange difference generated by foreign currency debts	785,647,265	158,384,000
Payments:		
Corporate bond expenses	(52,489,011)	-
Interest	(77,962,481)	(24,686,935)
Capital	(3,159,459,520)	(81,500,000)
<b>Balances at period-end</b>	<b>5,692,172,520</b>	<b>3,555,035,724</b>

The fair value of corporate bonds at July 31, 2017 and April 30, 2017 amounts to \$ 5,372 million and \$ 3,139 million, measured at fair value level 1.

The carrying value of the other current and non-current financial liabilities is close to their fair value.

On May 10, 2017 Capex issued Class II Corporate Bonds for an amount of US\$ 300 million under that program.

At the time of their issuance, Class II Corporate Bonds were rated locally and internationally as "B+(EXP)/RR3" and "B" and "A (arg)" and "raA+", respectively, by two credit rating agencies, Fitch and Standard & Poor's.

The international underwriters were Deutsche Bank Securities Inc, J.P. Morgan Securities LLC, BBVA Securities Inc. and Itaú BBA USA Securities, Inc. and the Argentine underwriters were BACS Banco de Crédito y Securitización S.A., Banco Hipotecario S.A. and Banco CMF S.A.

Main characteristics:

Issued Amount: US\$ 300.000.000  
Issue Date: May 15, 2017  
Maturity date: May 15, 2024  
Issue Price: 100%  
Interest rate: 6.875% nominal annual rate  
Applicable return: 6.875% nominal annual rate



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

**Interest Payment Dates:** compensatory interest accrued and payable for periods of six months, from the signing date to the full repayment date. The payment dates will be May 15 and November 15 of each year to maturity, commencing on November 15, 2017.

**Amortization:** Principal will be amortized in only one installment on May 15, 2024.

Amount of principal awarded to the International Underwriters:

Deutsche Bank Securities Inc.....	U\$S 138,889,000
J.P. Morgan Securities LLC.....	U\$S 138,889,000
BBVA Securities Inc.....	U\$S 11,111,000
Itaú BBA USA Securities, Inc....	U\$S 11,111,000

**Optional Redemption with no Premium:** at any time as from May 15, 2021, the Company may redeem the Corporate Bonds, according to the following schedule and as set forth in the Pricing Supplement:

	Redemption price
2021	103.438%
2022	101.719%
2023	100.000%

**Redemption price in case of repurchase of shares:** 106.875% of principal on the Corporate Bonds, in conformity with and under the terms of the Pricing Supplement regarding the Optional Redemption with the Proceeds from the Shares Offered.

**Application of the funds:** The funds shall be applied to the settlement of short- and long-term liabilities; to making investments in fixed assets in Argentina; payment of capital contributions in controlled or related companies and working capital.

**Guarantees:** No guarantees.

Main commitments of Capex and its restricted subsidiaries.

- **Change of control:** In the event of a change of control, the holders may request Capex to buy all or some of its corporate bonds.
- **Limitation on incurring additional financial indebtedness:** Capex and its restricted subsidiaries may incur additional financial indebtedness if, at the time of, and immediately after, giving pro-forma effect to incur Indebtedness, and the application of the funds derived therefrom, (i) they have not incurred any Default or Event of Default, and (ii) the Consolidated Interest Coverage Ratio is not less than 2.0:1.0 and the Consolidated Net Financial Indebtedness to Consolidated EBITDA Ratio is not higher than 3.5:1.0 (\*).
- **Limitation on dividend payments:** The Company and its restricted subsidiaries may pay dividends if no event of default shall have occurred and Capex may incur additional financial indebtedness for at least US\$1, if when it incurs such indebtedness the Consolidated Interest Coverage Ratio is not less than 2.0:1.0 and the Consolidated Net Financial Indebtedness to Consolidated EBITDA Ratio is not higher than 3.5:1.0 (\*).
- **Limitation on dividend payments and other payment restrictions affecting the restricted subsidiaries:** The restricted subsidiaries may not have agreements restricting their ability to pay dividends (\*).
- **Limitation on sales of assets:** The Company and its subsidiaries shall apply the proceeds from the sales of their assets (other than in the ordinary course of business) to: (1) the repayment of Financial Debt; (2) the purchase of assets in a similar line of business (in the case of the purchase of Shares in a company, this company must, as from that moment, become a restricted subsidiary); (3) making a capital contribution in any of the Restricted Subsidiaries, provided that such Restricted Subsidiary uses the funds from that contribution as stated in points (1) or (2). All amounts not applied to one or some of these items within 365 days must be applied to an offer for the purchase of the Corporate Bonds (\*).
- Limitation on liens on any of its assets or property (with the usual exceptions)
- Limitation on sale & leaseback transactions (with the usual exceptions) (\*)
- Limitation on mergers, absorptions and sales of assets (with the usual exceptions) (\*)
- Limitation on transactions with related companies (with the usual exceptions) (\*)
- No activity will be carried out other than the permitted business
- Keeping its corporate existence in full force and effect
- Maintenance of property and insurance





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

- Keeping its bond ratings: Capex will make all commercial efforts to keep the rating of the Corporate Bonds with at least two credit rating agencies.

If on any date subsequent to the issuance, the Corporate Bonds have at least two Investment Grade Ratings granted by Rating Agencies, and no Event of Default has occurred or subsisted under the Trust Contract, Capex and its Restricted Subsidiaries shall not be subject to the commitments indicated with (\*).

For further information, see the Offering Circular and Pricing Supplement for Capex's Global Class II Corporate Bond Issue Program for US\$ 600,000,000.

Together with the issuance of Class II, Capex launched a purchase offer to the holders of Class I and on May 10, 2017 Capex accepted the purchase by all of the holders of Class I which accepted the purchase offer launched by Capex. The total amount of this transaction was US\$ 51,126,000 (nominal value), approximately 25.56% of the outstanding total. The purchase was paid on May 15, 2017. The remaining balance of US\$ 148,874,000 (nominal value) was paid off on June 12, 2017, together with interest accrued at that date, with the proceeds from the Class II Corporate Bonds.

At the date of issue of the financial statements at July 31, 2017, the Company and its Restricted Subsidiaries are in compliance with all commitments taken on.

**NOTE 18 – SALARIES AND SOCIAL SECURITY CONTRIBUTIONS**

	07.31.2017	04.30.2017
<b>Current</b>		
In local currency		
Salaries and social security contributions	19,852,527	16,083,579
Sundry accruals	14,086,706	55,236,851
<b>Total</b>	<b>33,939,233</b>	<b>71,320,430</b>

**NOTE 19 - CONTINGENCIES**

There have been no significant changes in the contingencies of the Company with respect to what was stated in the individual financial statements for the year ended April 30, 2017.

**NOTE 20 – NET SALES**

	07.31.2017	07.31.2016
Oil	147,828,011	111,917,802
Gas	64,124,000	6,067,475
Electricity <sup>(1)</sup>	627,617,871	522,911,417
LPG	56,129,658	36,682,905
DEEF Energy	14,800,174	7,389,928
Energy generated with hydrogen	1,527,499	1,040,600
Oxygen	539,465	485,070
Other <sup>(2)</sup>	8,076	-
<b>Total</b>	<b>912,574,754</b>	<b>686,495,197</b>

<sup>(1)</sup> Includes the revenues generated by the gas produced by the ADC field and consumed in the CT ADC and paid by CAMMESA under the concept of the Recognition of Own Fuels for \$ 331.3 million and \$ 348.3 million as of July 31, 2017 and 2016, respectively.

<sup>(2)</sup> Corresponds to revenues from the programs "Propano Sur".

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

	07.31.2017	07.31.2016
Recovery of provision for turnover and obsolescence of spare parts and materials	-	43,664
Sale of vehicles	413,100	168,900
Sundry	(724,837)	102,019
<b>Total</b>	<b>(311,737)</b>	<b>314,583</b>

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**NOTE 22 – FINANCIAL RESULTS**

	<u>07.31.2017</u>	<u>07.31.2016</u>
<b>Financial income</b>		
Interest and other	57,474,261	44,932,125
Interest accrued from accounts receivable	714,635	(779,328)
Exchange difference	449,059,670	34,105,994
	<u>507,248,566</u>	<u>78,258,791</u>
<b>Financial costs</b>		
Interest and other	(130,116,940)	(117,446,805)
Exchange difference	(1,223,048)	(1,164,783)
Interest accrued from accounts payable	(797,000,458)	(176,738,574)
	<u>(928,340,446)</u>	<u>(295,350,162)</u>

**NOTE 23 –RELATED PARTIES OF THE COMPANY**

The Company is controlled by Compañías Asociadas Petroleras Sociedad Anónima (C.A.P.S.A.) which holds 75.2% of the Company's shares. Furthermore, Wild S.A. is the last group parent company with a direct and indirect interest of 98.01% in the shares of CAPSA. 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*

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

	<u>07.31.2017</u>	<u>07.31.2016</u>
Sale of energy	1,527,499	1,040,600
Expenses corresponding to Hychico	-	(29,706)
Expenses corresponding to C.A.P.S.A.	1,697,271	1,180,965
Expenses corresponding to Capex S.A.	(50,685)	(19,445)

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

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

	<u>07.31.2017</u>	<u>07.31.2016</u>
Office and garage rental	(934,500)	(702,000)
Services provided	342,713	-
Expenses corresponding to Interenergy	711	220

The following transactions were carried out with E G Wind S.A.:

	<u>07.31.2017</u>	<u>07.31.2016</u>
Contributions to EG Wind S.A.	-	(18,750)

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

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

	<u>07.31.2017</u>	<u>07.31.2016</u>
Office and garage rental	(5,100,000)	(3,750,000)

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**NOTE 23 –RELATED PARTIES OF THE COMPANY (CONT'D)**

**b) Balances at period end with the related companies**

	With the parent company	With the companies directly or indirectly controlled by the parent company		Total at 07.31.2017
	C.A.P.S.A.	Interenergy Argentina S.A.	EG Wind S.A.	
<b>Assets</b>				
Other current trade receivables				
In local currency	461,111	124,800	-	585,911
Accounts receivables				
In local currency	789,654	343,424	-	1,133,078
In foreign currency	800,616	-	-	800,616
<b>Liabilities</b>				
Current trade accounts payable				
In local currency	13,136	-	-	13,136
Other debts				
In foreign currency	-	-	56,250	56,250

	With the parent company	With the companies directly or indirectly controlled by the parent company		Total at 04.30.2017
	C.A.P.S.A.	Interenergy Argentina S.A.	EG Wind S.A.	
<b>Assets</b>				
Current trade receivable				
In local currency	674,603	-	-	674,603
In foreign currency	438,455	-	-	438,455
Other current trade receivables				
In local currency	395,986	124,800	-	520,786
In foreign currency	7,650	-	-	7,650
<b>Liabilities</b>				
Current trade accounts payable				
In local currency	48,534	-	-	48,534
In foreign currency	616	-	-	616
Other debts				
In local currency	-	-	56,250	56,250

**c) Remuneration of key management personnel**

Remuneration accrued to members of the senior management for labor services rendered (salaries and other benefits) accrued in the three month period ending on July 31, 2017 amounts to \$ 24,432,444.

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#### **NOTE 24 - SUBSEQUENT EVENTS**

##### **Ordinary Shareholders' Meeting**

The Company's Ordinary Shareholders' Meeting was held on August 9, 2017, which approved the financial statements at April 30, 2017 and decided the allocation of the retained earnings at April 30, 2017 for the amount of \$ 500,373,632 in the following manner:

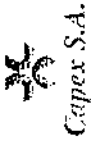
- (i) restoring the Legal Reserve for \$ 23,508,318 used to partially absorb the retained losses at April 30, 2016,
- (ii) setting up of a Legal Reserve for the year ended April 30, 2017 for \$ 12,452,138, and
- (iii) setting up of a Free Reserve for the distribution of dividends and/or investments and/or debt settlement and/or absorption of losses for \$ 464,413,176.

##### **Ordinary Shareholders' Meeting of Servicios Buproneu S.A.**

The Ordinary Shareholders' Meeting held on August 23, 2017 approved the financial statements at April 30, 2017 and decided to set up a legal reserve for \$ 931,294 and transfer the remaining balance of retained earnings for \$ 17,694,580 to a free reserve for the distribution of dividends and/or investments and/or debt settlement and/or absorption of losses.

##### **Ordinary Shareholders' Meeting of Hychico S.A.**

The Ordinary Shareholders' Meeting held on August 23, 2017 approved the financial statements at April 30, 2017 and decided to partially absorb accumulated losses for \$ 12,626,273. After this absorption, the retained earnings/losses account has a balance of \$ 36,469,578 (loss).



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**EXHIBIT A**

At July 31 and April 30, 2017

**Property, plant and equipment**

This exhibit is part of these condensed interim consolidated financial statements.

Items	ORIGINAL VALUE					AMORTIZATION					Net book value at 04.30.17	
	At the beginning of year	Additions	Completed work in progress	Retirements/Provisions	Revaluation	At period-end	Accumulated at the beginning of year	For the period	Retirements	Revaluation		Accumulated at period-end
<b>Operation activities of oil and gas:</b>												
- Areas acquired and other assets	258,514,498	-	-	-	-	258,514,498	79,834,123	3,350,795	-	-	83,184,918	175,329,580
- Agua del Cajón - Operation rights	8,106,139	-	-	-	-	8,106,139	6,319,480	33,505	-	-	6,352,985	1,753,154
- Other Studies	12,172,940	-	-	-	-	12,172,940	8,520,376	68,497	-	-	8,588,873	3,584,067
- Agua del Cajón - Exploration	2,659,299,784	3,107,372	72,224,374	-	-	2,734,631,530	1,196,094,006	55,710,565	-	-	1,251,804,571	1,482,826,959
- Agua del Cajón - Seismic	181,248,120	42,014,357	(94,806,416)	-	-	128,456,061	127,758,727	2,955,787	-	-	130,714,514	128,456,061
- Assets for the production of oil	187,356,589	-	22,582,042	-	-	209,938,631	3,616,052	254,176	(313,507)	-	3,556,721	79,224,117
- Oil and gas wells	7,526,043	-	-	(426,384)	-	7,099,659	3,616,052	130,676	-	-	29,282,246	3,542,938
- Work in progress	33,864,764	-	-	-	-	33,864,764	29,161,570	-	-	-	29,282,246	4,572,518
- Production assets												
- Vehicles												
- Gas Pipeline												
- Central administration and plant administration	270,174,896	-	-	-	-	270,174,896	7,381,072	60,077	-	-	7,441,149	262,733,747
- Neuquén land and buildings	1,776,563	-	-	-	-	1,776,563	1,776,563	-	-	-	1,776,563	-
- Furniture and fixtures	16,908,570	8,364,675	-	-	-	25,273,245	11,920,502	601,132	-	-	12,821,634	12,751,611
- Administration assets												
- Power Station Agus del Cajón	11,542,749,046	-	5,533,460	-	1,653,227,321	13,201,509,827	7,175,523,792	80,915,369	-	1,016,395,414	8,272,834,605	4,928,675,222
- CT ADC (*)	18,761,745	39,438,307	(5,533,460)	-	-	52,666,592	-	-	-	-	-	52,666,592
- Work in progress												
<b>Assets under Surplus due to Restitutions to the Transportation Capacity Account</b>												
- Fourth line	15,523,142	-	-	-	-	15,523,142	15,523,142	-	-	-	15,523,142	-
- Capacitor bank	6,558,338	-	-	-	-	6,558,338	6,558,338	-	-	-	6,558,338	-
<b>Transport</b>	<b>15,220,541,177</b>	<b>92,924,711</b>	<b>-</b>	<b>(426,384)</b>	<b>1,653,227,321</b>	<b>16,966,266,825</b>	<b>8,659,987,743</b>	<b>144,080,609</b>	<b>(313,507)</b>	<b>1,016,395,414</b>	<b>9,830,150,259</b>	<b>7,136,116,566</b>
												<b>6,550,553,404</b>

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**EXHIBIT A**  
At July 31 and April 30, 2017

**Property, plant and equipment (Cont'd)**  
This exhibit is part of these condensed interim consolidated financial statements.

Items	ORIGINAL VALUE						AMORTIZATION						Net book value at 04.30.2017
	At the beginning of year	Additions	Completed works in progress	Retirements / Provisions	Revaluation	At period-end	Accumulated at the beginning of year	For the period	Retirements	Revaluation	Accumulated at period -end	Net book value at 07.31.2017	
Transport	15,220,541,177	92,924,711	-	(426,384)	1,653,227,321	16,966,266,825	8,669,987,743	144,080,609	(313,507)	1,016,395,414	9,830,150,259	7,136,116,566	6,550,533,494
LPG Plant - Agua del Cajón	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	54,881	-	-	-	-	54,881	54,881	-	-	-	54,881	-	-
Installation	11,252	-	-	-	-	11,252	11,252	-	-	-	11,252	-	-
Computer equipment	4,579	-	-	-	-	4,579	4,579	-	-	-	4,579	-	-
Furniture and fixtures	673,608,150	-	-	-	-	673,608,150	512,071,876	3,666,247	-	-	515,738,225	157,869,925	161,536,172
LPG plant(1)	-	-	-	-	-	-	-	-	-	-	-	-	-
Wind farm Diadema (DEEF)	182,388,241	291,973	-	-	29,060,543	211,740,757	45,337,661	2,351,032	-	7,779,136	55,467,819	156,272,938	137,050,590
DEEF (1)	-	-	-	-	-	-	-	-	-	-	-	-	-
Hydrogen and oxygen plant	34,991,027	114,023	-	-	-	35,105,050	10,176,916	363,649	-	-	10,540,565	24,564,485	24,814,111
Hydrogen and oxygen plant	(24,814,111)	-	-	-	-	(24,564,485)	-	-	-	-	-	(24,564,485)	(24,814,111)
Provision for hydrogen and oxygen plant	16,086,785,186	93,330,707	249,626	(426,384)	1,682,287,664	17,862,227,003	9,237,645,000	150,461,537	(313,507)	1,024,174,550	10,411,987,580	7,450,258,429	6,849,140,196
Total at July 31, 2017	6,923,571,184	987,436,933	-	(2,221,650)	8,177,988,709	16,086,785,186	2,370,021,358	483,395,632	(167,463)	6,384,396,283	9,237,645,000	7,450,258,429	6,849,140,196
Total at April 30 2017	-	-	-	-	-	-	-	-	-	-	-	-	-

(1) See note 9



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**EXHIBIT C**

At July 31 and April 30, 2017

This exhibit is part of these condensed interim consolidated financial statements.

**INVESTMENTS**

**Securities issued in Series and Investments in other Companies**

Issuer and characteristics of the securities	Class	Nominal value	Quantity	Book value at 07.31.2017	Book value at 04.30.2017	Information about the issuer Latest financial statements											
						Principal activity	Closing date	Capital stock	Legal reserve	Free reserve	Unappropriated results	Shareholders' equity	% participation in capital stock				
Current assets In foreign currency (Exhibit G) Financial Instruments at fair value BONAR 2020 LETES 2017 Total financial instruments at fair value		\$	6,104,582 59,341,141	122,702,299 1,015,950,098 1,138,652,397	108,722,784 374,175,890 482,898,674												

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**EXHIBIT D**

At July 31 and April 30, 2017

This exhibit is part of these condensed interim consolidated financial statements.

**OTHER INVESTMENTS**

Principal account and characteristics	Book value at 07.31.17	Book value at 04.30.17
	\$	\$
Cash and cash equivalents		
In local currency		
Financial instruments at fair value		
Mutual funds	733,016,334	324,024,850
In foreign currency (Exhibit G)		
Financial instruments at amortized cost		
Paid account	1,403,863,366	-
Time deposits	-	623,595,492
Secure bonds	-	8,295,307
Financial instruments at fair value		
Mutual funds	143,583,935	-
Total current other instruments	2,280,463,635	955,915,649
Total other instruments	2,280,463,635	955,915,649

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**EXHIBIT E**

At July 31 and April 30, 2017

This exhibit is part of these condensed interim consolidated financial statements.

**PROVISIONS**

Items	Balance at the beginning of year	(Recoveries)	Balance at period – end
	\$	\$	\$
<b>DEDUCTED FROM ASSETS</b>			
<b><u>NON-CURRENT ASSETS</u></b>			
Property, plant and equipment In local currency			
Impairment of property, plant and equipment	24,814,111	<sup>(1)</sup> (249,626)	24,564,485
Trade accounts receivable In local currency			
Provision for doubtful accounts	2,627,115	-	2,627,115
<b>Total deducted from assets</b>	<b>27,441,226</b>	<b>(249,626)</b>	<b>27,191,600</b>
<b>INCLUDED IN LIABILITIES</b>			
<b><u>NON-CURRENT LIABILITIES</u></b>			
Provisions and other charges In local currency			
For lawsuits and fines	2,730,347	-	2,730,347
<b>Total included in liabilities</b>	<b>2,730,347</b>	<b>-</b>	<b>2,730,347</b>
<b>Total provisions</b>	<b>30,171,573</b>	<b>(249,626)</b>	<b>29,921,947</b>

<sup>(1)</sup> Charged to Other financial income.

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**EXHIBIT F**

At July 31, 2017 and 2016

This exhibit is part of these condensed interim consolidated financial statements.

**COST OF SALES**

	07.31.2017	07.31.2016
	\$	
Inventories and spare parts and materials at the beginning of year <sup>(1)</sup>	125,545,681	114,329,878
Plus:		
- Addition to warehouses	42,396,367	139,632,138
- Production cost (Exhibit H)	299,902,497	209,676,749
Less:		
- Consumption	(25,711,132)	(146,842,198)
Inventories and spare parts and materials at period end <sup>(1)</sup>	(139,729,183)	(105,758,019)
Cost of sales	302,404,230	211,038,548

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

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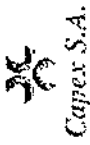
**EXHIBIT G**

At July 31 and April 30, 2017

This exhibit is part of these condensed interim consolidated financial statements.

**FOREIGN CURRENCY ASSETS AND LIABILITIES**

Items	07.31.2017				04.30.2017			
	Class	Amount	Exchange rate	Amount in \$	Class	Amount	Exchange rate	Amount in \$
<b>ASSETS</b>								
<b>NON-CURRENT ASSETS</b>								
Spare parts and materials								
Sundry advances	US\$	1,076,000	17.54	18,873,045	US\$	601,235	15.30	9,198,894
Other accounts receivable								
Assignment of rights CAMMESA	US\$	1,110,553	17.54	19,479,108	US\$	1,265,560	15.30	19,363,070
<b>Total Non-Current Assets</b>				<b>38,352,151</b>				<b>28,561,964</b>
<b>CURRENT ASSETS</b>								
Spare parts and materials								
Sundry advances	US\$	269,000	17.54	4,718,261	US\$	150,309	15.30	2,299,724
Other accounts receivable								
Sundry advances	US\$	332,228	17.54	5,827,277	US\$	367,986	15.30	5,630,174
Sundry advances	€	10,021	20.706	207,493	-	-	-	-
Intercompany receivables Sect. 33 – Law 19550	US\$	-	-	-	US\$	500	15.30	7,650
Assignment of rights CAMMESA	US\$	844,775	17.54	14,817,360	US\$	854,454	15.30	13,073,143
Sundry	US\$	100,000	17.54	1,754,001	US\$	-	-	-
Trade accounts receivable								
Intercompany receivables Sect. 33 – Law 19550	US\$	45,645	17.54	800,616	US\$	28,657	15.30	438,455
For sale of oil and others	US\$	4,949,181	17.54	86,808,634	US\$	2,814,467	15.30	43,061,351
Financial instruments								
Financial instruments at fair value	US\$	64,917,468	17.54	1,138,652,397	US\$	31,562,005	15.30	482,898,674
Cash and cash equivalents								
Cash	US\$	4,771	17.54	83,680	US\$	5,204	15.30	79,619
Cash	€	2,663	20.706	55,138	€	3,001	18.8617	49,999
Banks	US\$	23,347	17.54	409,510	US\$	12,985	15.30	198,673
Financial instruments at amortized cost	US\$	80,037,820	17.54	1,403,863,366	US\$	41,300,052	15.30	631,890,799
Financial instruments at fair value	US\$	8,186,085	17.54	143,583,935	US\$	-	-	-
<b>Total Current Assets</b>				<b>2,801,581,666</b>				<b>1,179,628,261</b>
<b>Total assets</b>				<b>2,839,933,817</b>				<b>1,208,190,225</b>
<b>LIABILITIES</b>								
<b>NON-CURRENT LIABILITIES</b>								
Trade accounts payable								
Sundry accruals	US\$	300,521	17.64	5,301,182	US\$	324,516	15.40	4,997,551
Financial liabilities								
Bank	US\$	5,600,000	17.64	98,784,000	US\$	5,600,000	15.40	86,240,000
Corporate bonds	US\$	300,000,000	17.64	5,292,000,000	US\$	-	-	-
<b>Total Non-Current Liabilities</b>				<b>5,396,085,182</b>				<b>91,237,551</b>
<b>CURRENT LIABILITIES</b>								
Trade accounts payable								
Suppliers	US\$	4,789,163	17.64	84,480,834	US\$	10,883,388	15.40	167,604,170
Suppliers	€	482	20.868	10,058	€	37,034	16.809	622,511
Intercompany suppliers Sect. 33 - Law 19550	US\$	-	-	-	US\$	40	15.40	616
Sundry accruals	US\$	392,395	17.64	6,921,840	US\$	1,158,007	15.40	17,833,312
Financial liabilities								
Bank	US\$	1,613,965	17.64	28,470,343	US\$	1,428,714	15.40	22,002,190
Corporate bonds	US\$	4,354,167	17.64	76,807,500	US\$	202,849,462	15.40	3,123,881,722
<b>Total Current Liabilities</b>				<b>196,690,575</b>				<b>3,331,944,521</b>
<b>Total Liabilities</b>				<b>5,592,775,757</b>				<b>3,423,182,072</b>



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**EXHIBIT H**

**INFORMATION REQUIRED BY SECT. 64, SUB-SECT. B) OF LAW 19550**

For the three-month periods beginning on May 1, 2017 and 2016, and ending on July 31, 2017 and 2016

This exhibit is part of these condensed interim consolidated financial statements

Items	07.31.2017			07.31.2017			Total
	Production cost	Selling expenses	Administrative expenses	Production cost	Selling expenses	Administrative expenses	
Fees and other compensation	\$ 1,678,482	-	\$ 3,186,601	\$ 1,397,111	-	\$ 2,386,874	\$ 3,784,085
Salaries and social security contributions	91,878,414	-	48,238,103	56,095,358	-	23,221,568	79,316,926
Materials, spare parts and others	12,229,244	-	12,845	10,301,265	-	21,811	10,323,076
Operation, maintenance and repairs	26,364,948	-	7,086,537	19,738,650	-	4,402,569	24,141,219
Fuel, lubricants and fluids	2,450,247	-	-	347,667	-	-	347,667
Transportation, freight and studies	2,332,556	-	390,559	1,059,237	-	412,781	1,472,028
Amortization of Property, plant and equipment	149,800,328	-	661,209	109,448,203	-	188,719	109,648,922
Office, travel and representation expenses	900,358	-	972,424	470,339	-	1,041,424	1,511,763
Taxes, rates, contributions, insurance and rental	7,787,787	-	8,134,319	8,811,585	-	5,632,995	14,444,580
Acquisition of electricity from CAMMESA	9,340	-	-	25,080	-	-	25,080
Transport of gas expenses	2,270,793	-	-	1,982,354	-	-	1,982,354
Royalties	-	90,154,368	-	-	76,743,857	-	76,743,857
Cost of transport and energy deliveries	-	18,897,486	-	-	3,779,582	-	3,779,582
Turnover tax	-	28,760,446	-	-	23,322,574	-	23,322,574
Commissions and other	-	665,550	-	-	1,233,560	-	1,233,560
Bank charges	-	-	9,982,368	-	-	7,188,331	7,188,331
<b>Total</b>	<b>299,902,497</b>	<b>138,477,850</b>	<b>79,674,765</b>	<b>209,676,749</b>	<b>105,079,593</b>	<b>44,507,182</b>	<b>359,263,524</b>

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**SUMMARY OF ACTIVITY**

**REFERRED TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF  
CAPEX S.A. AS OF JULY 31, 2017**

a) Comments on the comprehensive results and consolidated financial position at July 31, 2017 (Not covered by the report on the condensed interim consolidated financial statements).

**Consolidated Statement of Comprehensive Results**

Thousand \$

	07/31/2017	07/31/2016		VARIATION
Net Sales	912,575	686,495	226,080	32.9%
Cost of Sales	(302,404)	(211,039)	(91,365)	43.3%
<b>Gross Profit</b>	<b>610,171</b>	<b>475,456</b>	<b>134,715</b>	<b>28.3%</b>
Selling Expenses	(138,478)	(105,080)	(33,398)	31.8%
Administrative Expenses	(79,675)	(44,507)	(35,168)	79.0%
Other operating (expenses) / income, net	(312)	315	(627)	-199.0%
<b>Operating result</b>	<b>391,706</b>	<b>326,184</b>	<b>65,522</b>	<b>20.1%</b>
Financial Income	507,248	78,259	428,989	548.2%
Financial Costs	(928,340)	(295,350)	(632,990)	214.3%
Other Financial Income	250	286	(36)	-12.6%
<b>Result before income tax</b>	<b>(29,136)</b>	<b>109,379</b>	<b>(138,515)</b>	<b>-126.6%</b>
Income tax	10,495	(39,423)	49,918	126.6%
<b>Net result of the period</b>	<b>(18,641)</b>	<b>69,956</b>	<b>(88,597)</b>	<b>-126.6%</b>
Other Comprehensive Income				
Other Comprehensive Income	427,773	-	427,773	100.0%
<b>Comprehensive Result for the Period</b>	<b>409,132</b>	<b>69,956</b>	<b>339,176</b>	<b>484.8%</b>

The performance of the results as of July 31, 2017 with respect to July 31, 2016 was as follows:

- Gross profit for the three month period ended July 31, 2017 was \$610,171 thousand, representing 66.9% of net sales, while in the same period of the previous year it amounted to \$475,456 thousand, representing 69.3% of net sales. Gross profit for the current period increased by 28.3%.
- Operating result amounted to \$391,706 thousand (profit), compared to \$326,184 thousand (profit) for the prior year, representing an increase of 20.1%.
- The net result for the three month period ended July 31, 2017 amounted to \$ 18,641 thousand (loss), and to \$ 69,956 thousand (profit) in the same period of the previous year, representing a decrease of 126.6%
- Other comprehensive income amounted to \$427,773 thousand (profit), since the Company has applied as from July 31, 2014 the revaluation model for certain assets within Property, plant and equipment, and adjusted the fair values of those assets at July 31, 2017.
- The comprehensive result was of \$409,132 thousand (profit) in the period ended July 31, 2017, compared to \$69,956 thousand (profit) for the same period of the previous year, representing an increase of 484.8 %.

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## Net sales

Thousand \$

Product	07/31/2017	07/31/2016	Variation	
<b>Energy</b>				
Energy CT ADC <sup>(1)</sup>	627,619	522,911	104,708	20.0%
Energy DEEF	14,800	7,390	7,410	100.3%
<b>Façon Service of electric energy</b>	1,527	1,041	486	46.7%
<b>Gas</b>	64,124	6,067	58,057	956.9%
Oil	147,828	111,918	35,910	32.1%
Propane	34,094	21,674	12,420	57.3%
Butane	22,044	15,009	7,035	46.9%
Oxygen	539	485	54	11.1%
<b>Total</b>	<b>912,575</b>	<b>686,495</b>	<b>226,080</b>	<b>32.9%</b>

(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 three month period ended on July 31, 2017 increased by 32.9% compared with 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 \$104,708 thousand, representing a rise of 20.0% from \$522,911 thousand as of July 31, 2016 to \$627,619 thousand as of July 31, 2017. This variation was due to:

- (i) An increase of 66.9% in the average sales price on GW sold, from an average \$/MWh 164.1 in the period ended July 31, 2016 to average \$/MWh 273.9 in the period ended July 31, 2017, as a result of the increases in the rate schedule implemented by Resolution SEN 19 E/2017 (effective since February 2017).
- (ii) A reduction of 6.5 % in the remuneration, recognized by CAMMESA to generators for the gas produced by the ADC field and consumed in the CT ADC, generated by the lower consumption of own gas in the CT ADC, offset by the increase in the peso/US dollar exchange rate, the currency in which gas is remunerated. Resolution 41/16 issued by the Ministry of Energy and Mining (in force as from April 2016) increased the reference value of gas per million BTU for thermal plants to US\$ 5.53. Income from this remuneration is included within the Oil and Gas segment (Note 8 to the Condensed Interim Consolidated Financial Statements).
- (iii) An increase in the GW sold of 1.7%, as consequence of the greater availability of the power plant, and as a result of the maintenance works.

Sales of energy from the DEEF measured in pesos increased by \$ 7,410 thousand, representing an increment of 100.3%, from \$ 7,390 thousand at July 31, 2016 to \$ 14,800 thousand at July 31, 2017. In the period ended July 31, 2017, sales in GWh were 7.5 at an average price of \$/MWh 1,970.8, and in the period ended July 31, 2016 it was of 4.2 GWh at an average price of \$/MWh 1,759.1; the price increase is due to the rise in the US dollar exchange rate, currency in which the price is fixed with CAMMESA. The increase in GW sold was due to a 78.6% increment in the wind factor (in the same period of the last year one of the wind generators had been out of order for 93 days due to technical flaws, which was economically compensated by the aerogenerators' supplier).

### b) Façon Service of electric energy

Façon services for the generation of electricity with natural gas and hydrogen measured in pesos increased by \$ 486 thousand, representing an increment of 46.7% from \$1,041 thousand at July 31, 2016 to \$1,527 thousand at July 31, 2017. This variation was mainly due to an increase of 21% in the tariff in pesos as a result of the rise in the US dollar exchange rate, currency in which the price is fixed for this service.

### c) Gas

Gas production decreased by 3,808 thousand m<sup>3</sup>, that is 2.7%, from 140,996 thousand m<sup>3</sup> as of July 31, 2016 to 137,188 thousand m<sup>3</sup> as of July 31, 2017. The maintenance of the level of gas production was due to investments made mainly driven by the increase in the gas price, the "Incentive Program for Gas Injection Surplus", in force in previous periods, and to the development of more productive reserves during the fiscal year ended on April 30, 2017.



Under the Gas Plus program, the Company, in the three month period ended at July 31, 2017, sold \$ 64,124 thousand corresponding to the delivery of 18,318 thousand m<sup>3</sup> at an average price of US\$/m<sup>3</sup> 0.20974 (or US\$ 5.7 million BTU), while gas sales in the same period of the previous year amounted to \$ 6,067 thousand corresponding to 2,319 thousand m<sup>3</sup> at an average price of US\$/m<sup>3</sup> 0.17943 (or US\$ 4.9 million BTU). The increase of 689.9% in the m<sup>3</sup> sold is attributable to better commercial conditions.

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

d) Oil:

Sales of oil increased by \$ 35,910 thousand, representing an increment of 32.1%. This rise was due to an increment of 41.6% in m<sup>3</sup> sold, from 17,965 m<sup>3</sup> at 31 July 2016 to 25,447 m<sup>3</sup> at 31 July 2017, offset by a 6.8% decrease in the price in pesos caused by a reduction in the reference price and offset by the increase 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 by 43.6 %, from 10,800 m<sup>3</sup> as of July 31, 2016 to 15,507 m<sup>3</sup> as of July 31, 2017, due to the results obtained from the stimulation of some wells.

e) Propane, butane and gasoline:

- Sales of propane increased by \$ 12,420 thousand or 57.3% from \$ 21,674 thousand at July 31, 2016 to \$ 34,094 thousand at July 31, 2017, including the income from the "Propane Sur Program".

The rise in sales is the result of: (i) a 12.4 % increase in the volume sold and (ii) an increment in the average sales price of 39.3 %, from \$ 4,169.7 average \$/tn as of July 31, 2016 to \$5,835 average \$/tn as of July 31, 2017, due mainly to the rise in international prices and the exchange rate of the US dollar.

- Sales of butane increased by \$ 7,035 thousand or 46.9% from \$ 15,009 thousand at July 31, 2016 to \$ 22,044 thousand at July 31, 2017. This was result of a rise in the average sale price of 39.3%, from \$/ton 4,255.5 on average as of July 31, 2016 to \$/ton 5,929.0 on average as of July 31, 2017, mainly due to the increase in international prices and in the US dollar exchange rate. The volume sold had an increment of 5.4%.
- No sales of gasoline were recorded at July 31, 2017 and 2016, since production of 6,747 m<sup>3</sup> and 6,392 m<sup>3</sup>, respectively, were blended and sold with oil for market reasons.

f) Oxygen:

Hychico sold 30,798 m<sup>3</sup> and 29,795 m<sup>3</sup> of oxygen for a total of \$ 539 thousand and \$ 485 thousand in the periods ended on July 31, 2017 and 2016, respectively. This increase in sales was the result of a rise in the sale price, due to the higher exchange rate, and by an increase in the volume sold.

Cost of sales

Thousand \$

	07/31/2017	07/31/2016	Variation	
Fees and other compensations	(1,878)	(1,397)	(481)	34.4%
Salaries and social security contributions	(91,878)	(56,095)	(35,783)	63.8%
Materials, spare parts and others	(12,229)	(10,301)	(1,928)	18.7%
Operation, maintenance and repairs	(28,365)	(19,739)	(8,626)	43.7%
Fuel, lubricants and fluids	(2,450)	(348)	(2,102)	604.0%
Transportation, freight and studies	(2,333)	(1,059)	(1,274)	120.3%
Depreciation of property, plant and equipment	(149,800)	(109,448)	(40,352)	36.9%
Office, travel and representation expenses	(900)	(470)	(430)	91.5%
Taxes, rates, contributions, insurance and rental	(7,788)	(8,812)	1,024	-11.6%
Acquisition of electricity from CAMMESA	(9)	(25)	16	-64.0%
Gas transportation costs	(2,271)	(1,982)	(289)	14.6%
Adjustment on the cost of sales	(2,503)	(1,363)	(1,140)	83.6%
<b>Cost of Sales</b>	<b>(302,404)</b>	<b>(211,039)</b>	<b>(91,365)</b>	<b>43.3%</b>

The cost of sales as of July 31, 2017 amounted to \$ 302,404 thousand (33.2 % of net sales), while as of July 31, 2016 it amounted to \$ 211,039 thousand (30.7% of net sales).



The 43.3% increase in the cost of sales was mainly explained by:

- the higher depreciation charge for the assets related to the exploitation of oil and gas, the CT ADC, DEEF and the LPG Plant for \$40,352 thousand, as a result of the larger investment made and the upgrade of the technical revaluation of certain assets carried out at April 30, 2017.
- an increment of \$ 35,783 thousand in labor costs, as a result of the salary increases granted and certain termination benefits.
- an increase of \$ 1,928 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 \$ 8,626 thousand in operating, maintenance and repair cost, as a result of the increase in the rates of these services over the period,
- An increase in the costs of fuels, lubricants and fluids for \$ 2,102 thousand, as a consequence of the increase in the activity of the oil field

#### Selling expenses

Thousand \$

	07/31/2017	07/31/2016	Variation	
Royalties	(90,153)	(76,744)	(13,409)	17.5%
Cost of transport and energy deliveries	(18,898)	(3,780)	(15,118)	399.9%
Turnover tax	(28,760)	(23,323)	(5,437)	23.3%
Commissions and other	(667)	(1,233)	566	-45.9%
<b>Selling expenses</b>	<b>(138,478)</b>	<b>(105,080)</b>	<b>(33,398)</b>	<b>31.8%</b>

Selling expenses amounted to \$ 138,478 thousand, representing 15.2% of net sales. The 31.8% increase was mainly due to a rise in transportation costs and energy dispatches (as a result of the increase in tariffs), royalties related to gas and the increase in turnover tax as a result of higher billing. The rise in royalties was due to: i) the increment in the US dollar exchange rate; and ii) the 1% increase in gas royalties rate, slightly offset by the decrease in the production of that product.

#### Administrative expenses

Thousand \$

	07/31/2017	07/31/2016	Variation	
Fees and other compensations	(3,197)	(2,387)	(810)	33.9%
Salaries and social security contributions	(49,238)	(23,222)	(26,016)	112.0%
Materials, spare parts and others	(13)	(22)	9	-40.9%
Operation, maintenance and repairs	(7,087)	(4,404)	(2,683)	60.9%
Transportation, freight and studies	(391)	(413)	22	-5.3%
Depreciation of property, plant and equipment	(661)	(199)	(462)	232.2%
Office, travel and representation expenses	(972)	(1,041)	69	-6.6%
Taxes, rates, contributions, insurance and rental	(8,134)	(5,633)	(2,501)	44.4%
Bank charges	(9,982)	(7,188)	(2,794)	38.9%
<b>Administrative expenses</b>	<b>(79,675)</b>	<b>(44,509)</b>	<b>(35,166)</b>	<b>79.0%</b>

Administrative expenses were \$ 79,675 thousand, representing 8.7% of net sales. With respect to the same period of the previous year they increased by \$35,166, or 79%. This increment is mainly due to: i) an increase in salaries and social security contributions, as a result of the salary rises granted and certain severance benefits; ii) an increment in rental expenses; iii) the increase in expenses associated with the maintenance of communications, included in the line Operation, maintenance and repairs; and iv) a rise in bank charges as a result of higher expenditure in purchases and the higher income received by the Group.

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

Thousand \$

	07/31/2017	07/31/2016	Variation	
Sale of vehicles	413	169	244	144.4%
Recovery of provision for turnover and obsolescence of spare parts and materials	-	44	(44)	-100.0%
Sundry	(725)	102	(827)	-810.8%
<b>Other operating (expenses) / Income, net</b>	<b>(312)</b>	<b>315</b>	<b>(627)</b>	<b>-199.0%</b>

Other operating (expenses) / income, net, as of July 31, 2017 represented a loss of \$ 312 thousand, while a gain of \$ 315 thousand was recorded as of July 31, 2016.





**Financial results**

Thousand \$

	31/07/2017	31/07/2016	Variation	
Financial income	507,249	78,259	428,990	548.2%
Financial costs	(928,340)	(295,350)	(632,990)	214.3%
<b>Financial results</b>	<b>(421,091)</b>	<b>(217,091)</b>	<b>(204,000)</b>	<b>94.0%</b>

a) **Financial income**

Thousand \$

	31/07/2017	31/07/2016	Variation	
Exchange difference	449,060	34,106	414,954	1,216.7%
Interest and others	57,474	44,932	12,542	27.9%
Interest accrued on receivables	715	(779)	1,494	191.8%
<b>Financial income</b>	<b>507,249</b>	<b>78,259</b>	<b>428,990</b>	<b>548.2%</b>

The financial income for the period ended July 31, 2017 reflected a balance of \$ 507,249 thousand while at July 31, 2016 it was of \$ 78,259 thousand, representing an increment of 548.2%. The main cause of the increase of \$thousands 428,990 was due to:

- The variation in the exchange difference as a result of the increase in the US Dollar exchange rate with respect to the peso, calculated over the investments in such foreign currency. In May 2017, the basis of foreign currency investments increased as a result of the Company liquidity (Note 17 to the condensed interim consolidated financial statements). The variation in the price of the US dollar between April 2016 and July 2017 was of 14.6%, while between April 2015 and July 2016 it was of 5.4%.
- The variation of interest and other accrued results mainly corresponds to the interest accrued on the credits with CAMMESA and to the income generated by investments in mutual funds and the holding of securities.
- The variation in interest accrued on receivables mainly corresponds to the present value of Hychico's long term receivables.

b) **Financial costs**

Thousand \$

	31/07/2017	31/07/2016	Variation	
Exchange difference	(797,000)	(176,738)	(620,262)	350.9%
Interest and other	(130,117)	(117,447)	(12,670)	10.8%
Interest accrued from receivables and payables	(1,223)	(1,165)	(58)	-4.9%
<b>Financial Costs</b>	<b>(928,340)</b>	<b>(295,350)</b>	<b>(632,990)</b>	<b>214.3%</b>

Financial costs in the period ended July 31, 2017 showed a negative balance of \$ 928,340 thousand, while at July 31, 2016 they were negative by \$ 295,350 thousand, representing an increase in costs of 214.3%. The main cause of the variation of \$ 632,990 thousand is:

The higher foreign exchange losses are a consequence of the increase in foreign currency loans and the increment in the US dollar exchange rate in relation to the peso; the variation in the US dollar quotation between April and July 2017 was of 14.6%, and 5.3% between April and July 2016. The Group holds 96.6% 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:

- Class II Negotiable Obligation for US \$ 300 million maturing in May 2024 at a fixed rate of 6.875%, payable semiannually (Note 17 to the condensed interim consolidated financial statements).
  - Secured loan for US\$ 14,000,000 destined for Hychico Diadema Eolic Energy Farm, accruing interest at a variable rate equivalent to LIBO plus a nominal annual rate of 8.75% payable semi-annually.
- The variation in interest and other results 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 by 34% in comparison to the balance as of April 30, 2017. Regarding the Corporate Bonds, the disbursement of Class II was received with a capital increase of *11*.



U\$S 100 millions in debt and a decrease in the rate, but the increase in the exchange rate generated a higher accrual of interest in pesos.

- The accrual of interest from receivables and payables corresponds to the present value of the accrual for well capping.

**Income Tax**

Thousand \$

	07/31/2017	07/31/2016	Variation	
Income Tax	10,495	(39,423)	49,918	-126.6%

Income tax as of July 31, 2017 showed a positive balance of \$ 10,495 thousand, as a result of the recognition of the tax effect on the result (loss) of the period.

**Other comprehensive income**

Thousand \$

	07/31/2017	07/31/2016	Variation	
Other comprehensive income	427,773	-	427,773	100.0%

Other comprehensive income as of July 31, 2017 amounted to \$ 427,773 thousand, because the Company has applied since July 31, 2014 the revaluation model for certain assets within Property, plant and equipment, and adjusted the fair values of those assets at July 31, 2017.

The portion of total other comprehensive income for \$427,773 thousand attributable to the Company is \$425,696 thousand and is accumulated in the Reserve for revaluation of assets, in the Statement of Changes in Shareholders' Equity. The closing balance as of July 31, 2017 for that reserve is \$ 3,145,694 thousand which, as set forth in the Restated Text of the CNV, may not be distributed, capitalized or allocated to absorb accumulated losses, but must be computed as part of accumulated gains/losses for the purposes of comparison to determine the Company's situation under sections 31, 32 and 206 of Commercial Companies Law No 19550.

**Consolidated Financial Statements**

Thousand \$

	07/31/2017	07/31/2016	Variation	
Property, plant and equipment	7,450,259	4,702,758	2,747,501	58.40%
Investments in subsidiaries	75	75	0	0.0%
Financial instruments at fair value	1,138,652	120,646	1,018,006	843.80%
Financial instruments at amortized cost	0	601,000	-601,000	-100.00%
Spare parts and materials	160,989	119,164	41,825	35.10%
Net deferred tax assets	22,071	25,318	-3,247	-12.80%
Other receivables	124,616	223,241	-98,625	-44.20%
Trade receivables	731,366	906,473	-175,107	-19.30%
Inventories	2,332	2,002	330	16.50%
Cash and cash equivalents	2,316,674	126,662	2,190,012	1,729.00%
<b>Total assets</b>	<b>11,811,034</b>	<b>6,627,331</b>	<b>5,183,695</b>	<b>75.00%</b>
Total shareholders' equity attributable to shareholders	3,923,921	1,856,798	2,067,123	111.30%
Non-controlling interest	26,653	10,457	16,196	154.90%
<b>Total shareholders' equity</b>	<b>3,950,574</b>	<b>1,867,255</b>	<b>2,083,319</b>	<b>111.60%</b>
Trade accounts payable	252,567	301,824	-49,257	-16.30%
Financial liabilities	5,692,173	3,555,036	2,137,137	60.10%
Net deferred tax liabilities	1,844,700	946,970	897,730	94.80%
Taxes payable	120,326	64,400	55,926	86.80%
Provisions and other charges	2,730	3,244	-514	-15.80%
Salaries and social security contributions	33,939	28,307	5,632	19.90%
Other liabilities	50,025	60,303	-10,278	-17.00%
<b>Total liabilities</b>	<b>7,896,490</b>	<b>4,569,034</b>	<b>3,327,456</b>	<b>72.20%</b>
<b>Total Shareholders' equity/Total liabilities</b>	<b>3,950,574</b>	<b>1,867,255</b>	<b>2,083,319</b>	<b>111.60%</b>

Total assets as of July 31, 2017 increased in \$ 5,119,695 thousand, which represents a variation of 75.0% compared to July 31, 2016.



The main reasons for this variation are listed below:

- (i) **Property, plant and equipment:** an increase by \$ 2,747,501 thousand, due to the net effect of the technical revaluations of certain assets recorded during the year as of April 30, 2017 and the period as of July 31, 2017, investments made and amortization for the periods.
- (ii) **Financial instruments at fair value:** an increase by \$1,018,006 thousand, due to the collection during December 2016 of the "Undiluted Propane Gas Supply Contract" with BONAR 2020 and for the investments in LETES, given the greater liquidity achieved due to the normalization of payment terms by CAMMESA and by the increase in gas and energy remuneration.
- (iii) **Financial instruments at amortized cost:** a decrease by \$ 601,000 thousand due to the renewal of time deposits for investments lower than 90 days, now being shown under "Cash and cash equivalents".
- (iv) **Spare parts and materials:** increase by \$41,825 thousand, due to the net variation of income and consumption of the stocks due to the higher maintenance of the CT ADC.
- (v) **Net deferred tax assets:** a decrease by \$ 3,247 thousand resulting from the utilization of tax losses of Hychico S.A.
- (vi) **Other receivables:** a decrease by \$ 98,625 thousand mainly due to the payment received in BONAR 2020 for the credit for propane gas supply agreement for networks accrued until December 31, 2015, the reduction in the balance of advances to suppliers, the VAT credit of Hychico and the decrease in the tax on assets credit.
- (vii) **Trade receivables:** a decrease by \$ 175,107 thousand due to: the collection of the Incentive Program for the Excess Natural Gas Injection of the January-March 2016 quarter in cash, offset by: (i) the rise under Resolution SEN 19-E/17, in force since February 2017, in the remuneration system for generation of energy, and (ii) for the receivables denominated in US dollars, the rise in the exchange rate.
- (viii) **Cash and cash equivalents:** an increase by \$ 2,190,012 thousand due to the rise in financial investments at amortized cost, mainly by the constitution of remunerated accounts and an increase in investments in mutual funds, given the higher liquidity of the Company.

Total liabilities as of July 31, 2017 increased in \$ 3,036,376, which represents a variation of 61.2% in comparison with July 31, 2016.

The main reasons for this variation are listed below:

- (i) **Trade payables:** decrease by \$ thousands 49,257, mainly due to the reduction in imports of materials made.
- (ii) **Financial liabilities:** increase by \$thousands 2,137,137, mainly generated by: (i) the increment in financial liabilities resulting from the issuance of Class II of Negotiable Obligations in the amount of US \$ 300 million; (ii) the increase in the exchange rate of the dollar, which resulted in a rise in accrued interest and the higher valuation of foreign currency liabilities and (iii) the increased financing granted by CAMMESA to carry out the maintenance of the CT ADC. All this offset with the pre-cancellation of Class I Negotiable Obligations for US \$ 200 million, on May 15 and June 12, 2017.
- (iii) **Deferred income tax:** an increase of \$ 897,730 thousand as a result mainly of the tax effect of the update in recognition of technical revaluation registered to April and July 2017.
- (iv) **Taxes:** increase by \$ 55,926 thousand, as a result of the increment in the VAT tax debt given the increase in sales.
- (v) **Salaries and social security contributions:** an increase of \$ 5,632 thousand, as a result of the salary rises granted.
- (vi) **Other liabilities:** a decrease of \$ 10,278 thousand, due, mainly, to the cancellation of the gas royalties related to the collection of the Incentive Program of Excess Natural Gas Injection for the January-March 2016 quarter.

**Oil and gas reserves (information not covered by the review report on condensed interim consolidated financial statements)**

Below is the hydrocarbon reserves estimate of the Agua del Cajon area at December 31, 2016 which was certified by the independent auditor, Lic. Héctor López, complying with the requirements of ES Resolution 324/06.

At that time the process of extension of the concession had not yet been completed, for which the concession expiration horizon was January 2026, with the following values:

Products		Proven			Probable	Reserves	Total Proven
		Developed	Not developed	IPD			
Gas	MMm <sup>3</sup> <sup>(1)</sup>	3,578	1,559	5,137	1,046	260	15,315
	Mbbbl	1,591	925	2,516	692	572	2,807
Oil	Mm <sup>3</sup>	253	147	400	110	91	332

<sup>(1)</sup> Expressed in 9300 kcal/m<sup>3</sup>



Furthermore, the hydrocarbon reserves of the Agua del Cajón area were estimated at December 31, 2016 until the end of their useful life, which were certified by the same independent auditor, Lic. Héctor López, considering the requirements established in Res. SEN 324 / 06, with the following values. The latter are used by the Company to calculate the depreciation of property, plant and equipment, depending on the extent of the concession (see Note 1 to the financial statements):

Products		Reserves			Resources		
		Developed	Not developed	Total	Proven	Probable	Reserves
Gas	MMm <sup>3</sup> <sup>(1)</sup>	4,145	1,842	5,987	1,304	321	15,315
Oil	Mbbl	1,805	1,088	2,893	837	704	2,807
	Mm <sup>3</sup>	287	173	460	133	112	332

<sup>(1)</sup> Expressed in 9300 kcal/m<sup>3</sup>

Also, as of December 31, 2016, the Company carried out a certification of reserves and resources with DeGolyer and MacNaughton, an independent international auditor, who confirmed the reserves indicated.

#### b) Asset structure

	07/31/2017	07/31/2016	07/31/2015	07/31/2014	07/31/2013
	\$				
	(a)				
Current Assets	4,322,988,706	1,699,223,333	896,521,542	482,405,530	242,687,291
Non-Current Assets	7,624,046,095	5,128,115,344	3,284,611,648	3,296,989,317	1,902,678,646
<b>Total Assets</b>	<b>11,947,034,801</b>	<b>6,827,338,677</b>	<b>4,181,133,190</b>	<b>8,789,394,847</b>	<b>2,045,365,937</b>
Current Liabilities	751,291,259	697,535,306	452,658,300	430,318,052	331,522,355
Non-Current Liabilities	7,245,169,088	4,262,548,234	2,674,699,487	2,307,627,413	1,359,109,515
<b>Total Liabilities</b>	<b>7,996,460,347</b>	<b>4,960,083,540</b>	<b>3,127,357,787</b>	<b>6,737,945,465</b>	<b>3,690,631,870</b>
Shareholders' equity attributable to shareholders	3,923,921,380	1,856,798,119	1,044,713,187	1,032,149,300	450,667,156
Non-Controlling interest	26,653,074	10,457,018	9,062,216	9,300,082	4,066,911
<b>Total Shareholders' Equity</b>	<b>3,950,574,454</b>	<b>1,867,255,137</b>	<b>1,053,775,403</b>	<b>1,041,449,382</b>	<b>454,734,067</b>
<b>Total Shareholders' Equity and Liabilities</b>	<b>11,947,034,801</b>	<b>6,827,338,677</b>	<b>4,181,133,190</b>	<b>8,789,394,847</b>	<b>2,045,365,937</b>

(a) Information consolidated with SEB and Hychico, according to financial information as of July 31, 2017, 2016, 2015, 2014 and 2013.

#### c) Results Structure

	07/31/2017	07/31/2016	07/31/2015	07/31/2014	07/31/2013
	\$				
	(a)				
Operating result	391,706,172	326,184,457	171,745,466	142,261,516	46,481,531
Financial income	507,248,566	78,258,791	41,594,692	19,498,869	15,868,078
Financial costs	(928,340,446)	(295,350,162)	(142,171,642)	(109,629,020)	(111,272,103)
Other financial income	249,626	285,800	65,871	360,189	371,472
<b>Result before income tax</b>	<b>(299,356,082)</b>	<b>109,379,886</b>	<b>74,233,387</b>	<b>52,491,554</b>	<b>(18,551,022)</b>
Tax on assets	-	-	-	(17,883,012)	16,288,465
Income tax	10,494,517	(39,422,523)	(24,687,733)	-	(343,866)
<b>Net result for the period</b>	<b>(18,367,048)</b>	<b>39,957,363</b>	<b>49,545,654</b>	<b>34,608,542</b>	<b>(2,606,423)</b>
Other comprehensive income	427,773,656	-	-	743,518,138	-
<b>Comprehensive result for the period</b>	<b>409,406,608</b>	<b>39,957,363</b>	<b>49,545,654</b>	<b>778,126,680</b>	<b>(2,606,423)</b>

(a) Information consolidated with SEB and Hychico, according to financial information as of July 31, 2017, 2016, 2015, 2014 and 2013.



d) Cash flow Structure

	07/31/2017	07/31/2016	07/31/2015	07/31/2014	07/31/2013
			\$		
			(a)		
Net cash flows provided by operating activities	242,566,700	368,798,970	116,672,171	38,223,378	13,021,162
Net cash flows used in investment activities	(616,851,551)	(379,835,507)	(104,333,358)	(27,217,395)	(14,275,898)
Net cash flows provided by/ (used in) financing activities	1,417,699,386	(108,969,491)	146,570,135	48,351,444	(7,719,010)
<b>Net increase (decrease) in cash, cash equivalents and overdrafts</b>	<b>(109,445,599)</b>	<b>(200,102,024)</b>	<b>(159,100,048)</b>	<b>59,357,427</b>	<b>(1,973,746)</b>

(a) Information consolidated with SEB and Hychico, according to financial information as of July 31, 2017, 2016, 2015, 2014 and 2013.

e) Statistical Data (information not covered by the review report on condensed interim consolidated financial statements)

OIL					
	07/31/2017	07/31/2016	07/31/2015	07/31/2014	07/31/2013
	Consolidated information				
Production in bbl	97,538	67,931	67,227	61,075	66,670
Sales domestic market bbl	160,058	112,998	112,983	106,700	106,694
Production in m <sup>3</sup>	15,507	10,800	10,688	9,710	10,600
Sales in the domestic market m <sup>3</sup> (1)	25,447	17,965	17,963	16,964	16,963

GAS (thousands of m <sup>3</sup> )					
	07/31/2017	07/31/2016	07/31/2015	07/31/2014	07/31/2013
	Consolidated information				
Production	137,188	140,996	140,213	142,163	146,585
Redirected by CAMMESA – ES Resolution 95/13 /Purchase	160,996	143,607	84,576	65,897	80,700
Sales in the domestic market	18,318	2,319	8,834	8,268	7,666

ENERGY AGUA DEL CAJON (thousands of MWh)					
	07/31/2017	07/31/2016	07/31/2015	07/31/2014	07/31/2013
	Consolidated information				
Production	1,119	1,128	822	759	844
Purchase	-	-	-	-	15
Sales	1,082	1,064	763	696	781

RENEWABLE ENERGY (thousands of MWh)					
	07/31/2017	07/31/2016	07/31/2015	07/31/2014	07/31/2013
	Consolidated information				
Production	7,5	4,2	7,6	7,3	7,8
Sales	7,5	4,2	7,6	7,3	7,8

ENERGY DIADEMA PLANT (thousands of MWh)					
	07/31/2017	07/31/2016	07/31/2015	07/31/2014	07/31/2013
	Consolidated information				
Production	2,6	2,5	2,3	2,5	1,9
Sales	2,3	1,9	1,9	1,9	1,2

M.



PROPANE (tn)					
	07/31/2017	07/31/2016	07/31/2015	07/31/2014	07/31/2013
	Consolidated information				
Production	5,696	5,254	4,975	5,973	5,603
Sales domestic market	5,843	5,198	5,095	6,151	5,648

BUTANE (tn)					
	07/31/2017	07/31/2016	07/31/2015	07/31/2014	07/31/2013
	Consolidated information				
Production	3,757	3,488	3,651	3,994	4,582
Sales domestic market	3,718	3,527	3,561	4,044	4,451

GASOLINE (m <sup>3</sup> )					
	07/31/2017	07/31/2016	07/31/2015	07/31/2014	07/31/2013
	Consolidated information				
Production <sup>(2)</sup>	6,747	6,392	6,689	6,572	6,615

OXYGEN (Nm <sup>3</sup> )					
	07/31/2017	07/31/2016	07/31/2015	07/31/2014	07/31/2013
	Consolidated information				
Production	10,358	7,324	13,501	9,148	20,847
Sales domestic market <sup>(3)</sup>	30,798	29,795	27,673	31,594	32,281

<sup>(1)</sup> Includes 6,753 m<sup>3</sup>, includes 6,415 m<sup>3</sup>, 6,689 m<sup>3</sup>, 6,533 m<sup>3</sup>, and 6,593 m<sup>3</sup> of gasoline at July 31, 2017, 2016, 2015, 2014 and 2013, respectively, sold as oil.

<sup>(2)</sup> The gasoline at July 31, 2017, 2016, 2015, 2014 and 2013, was sold as oil.

<sup>(3)</sup> The sales of oxygen at July 31, 2017, 2016, 2015, 2014 and 2013 include take or pay clause.

#### f) Ratios

	07/31/2017	07/31/2016	07/31/2015	07/31/2014	07/31/2013
	(a)				
Liquidity (1)	5.75	2.44	1.98	1.12	0.73
Solvency (2)	0.49	0.38	0.34	0.38	0.27
Capital Immobilization (3)	0.64	0.75	0.79	0.87	0.89

a) Information consolidated with SEB and Hychico as per financial information at July 31, 2017, 2016, 2015, 2014 and 2013.

(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 (information not covered by the review report on condensed interim consolidated financial statements)

##### Hydrocarbons

In the present fiscal year, the Company will continue in the Agua del Cajón area with a development plan called "conventional" that includes the drilling of two wells; additionally 4 wells tight gas sand will be drilled, there will be 3 deepenings and a program of repair/optimization of 10 wells. Furthermore, an exploratory well will be drilled to continue investigating shale gas productivity in the Los Molles formation and 2 wells to extend the tight gas sand area in operation and the evaluation of the oil potential of the Shale Vaca Muerta formation will be continued.



The Company will continue focusing its resources on the development of new conventional and unconventional reserves. The replacement of reserves in the short term will be based on the exploration and development of conventional reserves and tight gas sand projects. With regard to the development of shale resources (schist of slate rock), the Company will continue working on its technical-economic viability before embarking on any development project.

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

#### **Electric Energy**

With the new remuneration schedule in force since February 2017 that values the availability of generation units, establishes economically reasonable remuneration criteria and sets the values in US dollars, the Company estimates that the energy segment will generate sustained operating results. The Company estimates that this remuneration scheme will generate sustained results in the electric energy segment.

#### **Renewable Energy**

Hychico will continue operating its two plants and 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, a work program has already been defined with its corresponding budget and schedule, which will be extended until the middle of 2018.

Hychico's long-term objectives are to supply future regional and international markets for "green hydrogen" produced from renewable energy and / or "green methane", using hydrogen as a raw material and a sustainable source of carbon dioxide, as well as the development of new wind farms to supply national electricity demand as renewable energy generating plants free of greenhouse gas emissions.

As for the development of eolic farms, Hychico is evaluating different sites for the installation of future eolic farms, in order to participate in the upcoming tenders of the RenovAr Program.

#### **Financial**

The Company's financing strategy is focused on maintaining its financial liabilities in long-term structures by weighing the necessary flexibility to allow the Company's continued growth.

In line with this strategy, the Company has refinanced in May 2017 through the issuance of Class II maturing in May 2024, the Class I ON which matured in March 2018. As a consequence, the average life of the Company's financial debt as of the date of issuance of these financial statements is approximately 7 years.

The Company has a liquidity position that will enable it to meet its investment commitments and continue its growth in the near future.



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## **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 July 31, 2017, the condensed interim consolidated statements of comprehensive income, of changes in shareholders' equity and cash flows for the three months period ended on that date, and the notes 1 and 3 to 25 and Exhibits A and C to H.

The balances and other information corresponding to the fiscal year 2017 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.

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### **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 Capex S.A.:

- a) the condensed interim consolidated financial statements of Capex S.A. 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 July 31, 2017 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 \$ 4,266,865.41, none of which was claimable at that date.

Autonomous City of Buenos Aires, September 7, 2017.

PRICE WATERHOUSE & CO. S.R.L.

  
(Partner)

Dr. Nicolás A. Carusoni  
Public Accountant

## **REPORT OF THE SYNDICS' COMMITTEE ON THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

To the Shareholders of  
Capex S.A.

Legal Address: Avenida Córdoba 948/950 5th Floor Ap. C  
CUIT: 30-62982706/-0

In our capacity as members of the Syndics' Committee of Capex S.A. we have reviewed the condensed interim consolidated financial statements detailed as follows:

### **Documents examined**

- a) Condensed interim consolidated Statement of Financial Position at July 31, 2017.
- b) Condensed interim consolidated Statement of Comprehensive Income for the three-month period ended July 31, 2017.
- c) Condensed interim consolidated Statement of Changes in Shareholders' Equity for the three-month period ended July 31, 2017.
- d) Condensed interim consolidated Statement of Cash Flow for the three-month period ended July 31, 2017.
- e) Notes 1 and 3 to 24 and Exhibits A and C to H.

The balances and other information corresponding to the fiscal year ended April 30, 2017 and its interim periods are an integral part of the financial statements mentioned above; therefore, they must be considered solely in connection with the figures and the information of the current interim period.

### **Board responsibility as to the financial statements**

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

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### **Syndic's responsibility**

Our review was conducted in accordance with standards applicable to syndics as set forth in Technical Pronouncement 15/98 of the Argentine Federation of Professional Councils in Economic Sciences. Those standards require that the procedures established in Technical Pronouncement No. 33 of the Argentine Federation of Professional Councils in Economic Sciences as approved by the International Auditing and Assurance Standards Board (IAASB) be performed, and include verifying the consistency of the documents reviewed with the information on corporate decisions disclosed in minutes and the conformity of those decisions to the law and by-laws insofar as concerns formal and documentary aspects.

For the purposes of our professional work on the documents mentioned in items a) to e), we have reviewed the work done by the external auditors of Capex S.A., Price Waterhouse & Co. S.R.L., who issued their review report with no observations on this date in accordance with current auditing standards on review engagements of interim financial statements. The review included the verification of the work planning, the nature, scope and timing of the procedures applied and the results of the review performed by those professionals.

A review of interim financial statements consists of making inquiries of the Company's personnel, mainly those responsible for financial and accounting information, and performing analytical and other review procedures. A review is substantially less in scope than an audit examination, and consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

It is not the responsibility of the syndic to perform any control over the management, so the examination did not cover the business decisions and criteria adopted by the various areas of the Company, as such matters are the exclusive responsibility of the Board of Directors.

### **Conclusion**

On the basis of our review, with the scope mentioned in the paragraph above, nothing has come to our attention that makes us think that the condensed interim consolidated financial statements of Capex S.A. corresponding to the three-month period ended July 31, 2017 have not been prepared, in all material respects, in accordance with International Accounting Standard 34.

### **Report on other legal and regulatory requirements**

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- a) The financial statements of Capex S.A. arise from accounting records carried in all formal aspects in accordance with legal requirements.

- b) We have read the summary of activities and have no observations to make , regarding those matters that are within our field of competence.
- c) The provisions of section 294 of the General Companies Law No. 19550 have been duly fulfilled.
- d) Further, Resolutions 7/15 and 9/15 of the Superintendency of Commercial Companies regarding Directors' qualification bonds have been complied with.

City of Buenos Aires, September 7, 2017

For the Syndics' Committee



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Norberto Luis Feoli  
Full Syndic  
Public Accountant (UBA)

C.P.C.E.C.A.B.A. T° 50 F° 212