



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

CAPEX S.A.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
As of July 31, 2019 stated in thousands of pesos and presented in comparative form



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SUMMARY OF ACTIVITY

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

Terms	Description
\$	Argentine peso
€	Euro
GBP	Pound sterling
US\$	United States dollar

Glossary of Terms

Terms	Description
Bbl	Barrel
BTU	British thermal unit
CC	Combined cycle
CNV	National Securities Commission
CSJN	Supreme Court of Justice
CT ADC	Agua del Cajón Power Plant
CVP	Variable production cost
FACPCE	Argentine Federation of Professional Councils in Economic Sciences
GWh	Gigawatts per hour
IASB	International Accounting Standards Board
Km	Kilometer
km ²	Square kilometer
KW	Kilowatt
LVFVD	Sales settlement with maturity to be defined
m ³	Cubic meter
MMBTU	Million British thermal unit
WEM	Wholesale Electricity Market
Mm ³	Thousand cubic meters
MMm ³	Million cubic meters
MMMm ³	Billion cubic meters
Mtn	Thousands of tons
MW	Megawatt
NCP ARG	Professional Accounting Standards prevailing prior to IFRS
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
Nm ³	Standard cubic meter
OyM	Operation and Maintenance
DEEF	Diadema Eolic Energy Farm
RECPAM	Purchasing power parity
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

Mrs. Marilina Manteiga

Alternate directors

Mr. Ernesto Grandolini

Mr. René Balestra

Mr. Miguel Fernando Götz

Statutory Syndics

Mr. Norberto Luis Feoli

Mr. Edgardo Giudicessi

Mr. Mario Árraga Penido

Alternate Syndics

Mrs. Claudia Marina Valongo

Mrs. Andrea Mariana Casas

Mrs. Claudia Angélica Briones



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CAPEX S.A.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended July 31, 2019 presented in comparative form

Fiscal year No. 32 commenced on May 1, 2019

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, 5th floor, apartment C, City of Buenos Aires

Main activity: Exploitation of hydrocarbons

Participation of parent company in capital stock and votes: 75.4%

CAPITAL STOCK

Type of shares	Subscribed, paid-in and registered with the Public Registry of Commerce
	Thousands of \$
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

Alejandro Götz
Chairman



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Condensed Interim Consolidated Statement of Financial Position
As of July 31, 2019 and April 30, 2019
Stated in thousands of pesos

	<u>Note/ Exhibit</u>	<u>07.31.2019</u>	<u>04.30.2019</u>
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9 / A	24,728,868	25,361,081
Spare parts and materials		772,445	751,894
Net deferred tax assets	10	46,110	37,543
Right of use asset	5	232,045	-
Other accounts receivable	11	5,083	5,501
Total Non-Current Assets		25,784,551	26,156,019
CURRENT ASSETS			
Spare parts and materials		226,557	219,416
Inventories		240,595	10,836
Other accounts receivable	11	1,123,948	976,501
Trade accounts receivable	12	1,708,216	1,934,629
Cash and cash equivalents	13	8,057,479	9,452,865
Total Current Assets		11,356,795	12,594,247
Total Assets		37,141,346	38,750,266

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

Alejandro Götz
Chairman



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Condensed Interim Consolidated Statements of Financial Position

As of July 31, 2019 and April 30, 2019

Stated in thousands of pesos

	Note / Exhibit	07.31.2019	04.30.2019
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Capital stock		179,802	179,802
Capital adjustment		2,934,060	2,934,060
Additional paid-in capital		79,686	79,686
Adjustment additional paid-in capital		1,300,340	1,300,340
Legal reserve		71,838	71,838
Free reserve		2,212,839	2,212,839
Reserve for assets revaluation	14	754,356	1,436,693
Unappropriated retained earning		7,870,972	6,757,110
Total shareholders' equity attributable to shareholders		15,403,893	14,972,368
Non-controlling interest		94,558	93,246
Total shareholders' equity		15,498,451	15,065,614
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade accounts payable	15	1,402,985	1,327,877
Financial liabilities	16	13,163,298	14,331,357
Net deferred tax liabilities	10	2,736,285	2,903,750
Taxes payable		965,278	527,293
Provisions and other charges	E	2,480	2,683
Total non-current liabilities		18,270,326	19,092,960
CURRENT LIABILITIES			
Trade accounts payable	15	2,297,432	2,919,400
Financial liabilities	16	269,043	545,556
Salaries and social security contributions	17	111,882	225,595
Taxes payable		461,833	714,065
Other liabilities	18	232,379	187,076
Total current liabilities		3,372,569	4,591,692
Total liabilities		21,642,895	23,684,652
Total shareholders' equity and liabilities		37,141,346	38,750,266

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

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Condensed Interim Consolidated Statement of Comprehensive Income

For the three-month periods beginning on May 1, 2019 and 2018 and ended on July 31, 2019 and 2018
Stated in thousands of pesos

	Note/ Exhibit	07.31.2019	07.31.2018
Sales	20	3,392,990	2,758,261
Cost of sales	F	(1,540,171)	(1,050,641)
Gross profit		1,852,819	1,707,620
Preoperative expenses	H	(1,354)	(2,198)
Selling expenses	H	(510,710)	(341,597)
Administrative expenses	H	(164,885)	(151,779)
Other operating income/ (expenses), net	21	10,595	(499)
Operating income		1,186,465	1,211,547
Financial income	22	84,812	1,924,747
Financial costs	22	(162,862)	(3,935,454)
Other financial results	E	7,588	2,653
Other financial results - RECPAM		231,447	367,759
Results before income tax		1,347,450	(428,748)
Income tax		(301,579)	206,931
Net result for the period		1,045,871	(221,817)
Concepts that will not be reclassified to results			
Other comprehensive results	14	(613,034)	1,672,282
Comprehensive result for the period		432,837	1,450,465
Net result for the period attributable to:			
Company shareholders		1,039,476	(220,363)
Non-controlling interest		6,395	(1,454)
Net result for the period		1,045,871	(221,817)
Net comprehensive result for the period attributable to:			
Company shareholders		431,525	1,448,770
Non-controlling interest		1,312	1,695
Comprehensive result for the period		432,837	1,450,465
Basic and diluted net result per share attributable to:			
- Company shareholders		5,78123	(1,22559)
Basic and diluted comprehensive result per share attributable to:			
- Company shareholders		2,40000	8,05759

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

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Condensed Interim Consolidated Statement of Changes in Shareholders' Equity
For the three-month periods ended July 31, 2019 and 2018
Stated in thousands of pesos

	Capital Stock			Retained earnings			Other accumulated comprehensive income	Unappropriated Retained earnings ⁽³⁾	Total shareholders' equity	Non-controlling interest	Total equity
	Outstanding shares	Capital adjustment	Additional paid-in capital	Adjustment additional paid-in capital	Legal reserve	Free reserve ⁽¹⁾	Reserve for assets revaluation ⁽²⁾				
Balances at April 30, 2018	179,802	2,934,060	79,686	1,300,340	71,838	927,760	608,298	6,517,972	12,619,756	67,524	12,687,280
Comprehensive result for the three-month period	-	-	-	-	-	-	1,669,133	(220,363)	1,448,770	1,695	1,450,465
Reversal of reserve for assets revaluation	-	-	-	-	-	-	(30,749)	30,749	-	-	-
Balances at July 31, 2018	179,802	2,934,060	79,686	1,300,340	71,838	927,760	2,246,682	6,328,358	14,068,526	69,219	14,137,745
Ordinary Shareholders' Meeting of August 28, 2018	-	-	-	-	-	1,285,079	-	(1,285,079)	-	1,524	1,524
Comprehensive result for the nine-month period	-	-	-	-	-	-	(814,463)	1,718,305	903,842	22,503	926,345
Reversal of reserve for assets revaluation	-	-	-	-	-	-	4,474	(4,474)	-	-	-
Balances at April 30, 2019	179,802	2,934,060	79,686	1,300,340	71,838	2,212,839	1,436,693	6,757,110	14,972,368	93,246	15,065,614
Comprehensive result for the three-month period	-	-	-	-	-	-	(607,951)	1,039,476	431,525	1,312	432,837
Reversal of reserve for assets revaluation	-	-	-	-	-	-	(74,386)	74,386	-	-	-
Balances at July 31, 2019	179,802	2,934,060	79,686	1,300,340	71,838	2,212,839	754,356	7,870,972	15,403,893	94,558	15,498,451

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

⁽²⁾ Generated by the revaluation of assets (see Notes 14 and 24).

⁽³⁾ See Note 24.

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

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Chairman



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Condensed Interim Consolidated Statement of Cash Flows

For the three-month periods beginning on May 1, 2019 and 2018 and ended on July 31, 2019 and 2018
Stated in thousands of pesos

	Note / Exhibit	07.31.2019	07.31.2018
Cash flows from operating activities:			
Comprehensive result for the period		432,837	1,450,465
Adjustments to arrive at net cash flows provided by operating activities:			
Exchange differences generated by cash and cash equivalents		32,955	(1,208,736)
Income tax		301,579	(206,931)
Interest accrued on financial liabilities and others	16	242,023	308,758
Exchange difference generated by financial liabilities	16	(87,051)	3,416,280
Exchange difference from placements in financial instruments at amortized cost not considered as cash or cash equivalents		-	(381,676)
RECPAM		(152,339)	(2,617,576)
Exchange difference generated by accounts receivable with CAMMESA		(6,958)	(6,948)
Interest accrued on accounts receivable and payable	22	5,655	5,306
Depreciation of property, plant and equipment	9 / A	511,187	746,238
Other comprehensive results	14	613,034	(1,672,282)
Recovery of hydrogen and oxygen plant provision		(7,588)	(8,984)
Provision for lawsuits and fines		(203)	(352)
Depreciation of right of use asset		10,858	-
Changes in net operating assets and liabilities:			
Decrease / (Increase) in trade accounts receivable		226,413	(412,970)
Increase in other accounts receivable		(139,582)	(454,639)
(Increase) / decrease in inventories		(229,759)	280
Increase in spare parts and materials		(27,692)	(259,432)
(Decrease) / Increase in trade accounts payable		(801,450)	283,076
Decrease in salaries and social security contributions		(113,713)	(81,425)
(Decrease) / Increase in taxes payables		(310,494)	208,014
Increase in other liabilities		45,303	3,341
Income tax advance payment		-	(25,042)
Net cash flows generated by / (used in) operating activities		545,015	(915,235)
Cash flows from investment activities			
Payments made for the acquisition of property, plant and equipment	A	(678,927)	(645,783)
Net retirement in property, plant and equipment	A	3,876	-
Payments for acquisition of new areas		-	(1,194,556)
Evolution of financial investments at amortized cost not considered as cash or cash equivalents		-	276,006
Contributions in controlled companies		-	(1,497)
Net cash flows used in investment activities		(675,051)	(1,565,830)
Cash flows from financing activities			
Interest paid and others	16	(495,829)	(431,277)
Financial liabilities settled, net	16	(13,833)	(24,709)
Rent payment (NIIF 16)		(7,219)	-
Net cash flows used in financing activities		(516,881)	(455,986)
Net decrease in cash, cash equivalents and overdrafts			
Exchange difference generated by cash and cash equivalents		(32,955)	1,208,736
RECPAM generated by cash and cash equivalents		(715,514)	1,428,437
Cash, cash equivalents and overdrafts at the beginning of the year	13	9,452,865	6,758,802
Cash, cash equivalents and overdrafts at the end of the period	13	8,057,479	6,458,924

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Chairman



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Condensed Interim Consolidated Statement of Cash Flows (Cont'd.)

For the three-month periods beginning on May 1, 2019 and 2018 and ended on July 31, 2019 and 2018
Stated in thousands of pesos

**Operations not entailing movements of cash
Complementary information**

	<u>07.31.2019</u>	<u>07.31.2018</u>
Accrual for well capping	2,410	(71,230)
Right of use liability	(242,903)	-

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

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Chairman



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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

As of July 31 and April 30, 2019, as appropriate
Stated in thousands in pesos

NOTE 1 – GENERAL INFORMATION

Capex S.A. ("the Company") and its subsidiaries Servicios Buproneu S.A. (SEB), Hychico S.A. (Hychico) and E G WIND S.A. (E G WIND) (jointly, "the Group") have as main activity the generation of electric power of thermal source, 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.

Capex was incorporated in 1988 to carry out oil and gas exploration in Argentina. This activity was performed through the acquisition/exploration of several areas (ADC, Senillosa, Villa Regina, Lago Pellegrini, Cerro Chato, Loma Kauffman and recently Loma Negra, La Yesera and Pampa del Castillo). Subsequently, Capex expanded its operations to include electricity generation to become an integrated energy company. As a result, from 1993 to 2000 Capex developed a 672-MW combined cycle thermal station and an LPG plant on the ADC field, which allowed the business to vertically integrate operations. In addition, through its subsidiary Hychico, Capex started to diversify into the field of renewable energies, including the generation of wind power and the production of oxygen and hydrogen.

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 (which was capitalized in Property, plant and equipment), 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 for which it paid a total of US \$ 8.95 million, which was capitalized in the heading Property, plant and equipment. The concession will terminate in 2052 and, as a condition for its granting, the Company undertook to carry out an investment program for US\$ 126 million, to be carried out during a period of five years as from January 1, 2017. At April 30, 2019, the total investment made was US \$ 129.3 million, exceeding the investment committed two years earlier than stipulated.

Under the agreement signed with the Province of Neuquén, 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.

On October 31, 2017, Capex S.A. completed the acquisition from Chevron Argentina S.R.L. of i) 37.5% of the concession of hydrocarbon exploitation "Loma Negra", and ii) 18.75% of the concession of hydrocarbon exploitation "La Yesera", two oil and gas exploitation areas located in the province of Río Negro. The duration of the concession agreement of Loma Negra matures on December 24, 2024, and on June 3, 2027 in the case of La Yesera. In both concessions Capex is operator. The acquisition price amounted to US \$ 24.7 million.

In August 2018, the Company acquired 95% of the concession of hydrocarbon exploitation Pampa del Castillo - La Guitarra from Enap Sipetrol and Petrominera del Chubut S.E., an oil exploitation area located in Comodoro Rivadavia, Province of Chubut. The term of validity of the Pampa del Castillo - La Guitarra area expires in October 2026. Capex is the operator of the area. The acquisition price amounted to US \$ 39.3 million, with US \$ 5 million withheld from contingent environmental liabilities. At the date of issuance of these financial statements, the amount withheld amounts to US \$ 3.8 million.

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 of thermal source 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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Chairman



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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

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. Thus the Company built the Diadema Eolic Energy Farm (“DEEF I”) with an installed power of 6.3 MW and the Hydrogen and Oxygen Plant in Comodoro Rivadavia. 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.

On December 19, 2017 Capex became the awardee in the RenovAr Program – Round 2 for the development and construction (through its subsidiary EG WIND S.A.) of the Diadema Eolic Energy Farm II (“DEEF II”) of 27.6 MW, located near DEEF I. The energy generated by the DEEF II will be sold to CAMMESA under a PPA for a 20-year period as from the date of authorization of commercial commissioning. At the date of issue of these financial statements, the equipment has been mounted and is working under the phase of industrial running. The Company is performing the actions required to obtain the authorization to operate. Total investment is expected to reach approximately US\$ 35 million (excluding taxes).

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)

- Agua del Cajón

Below is the estimate of hydrocarbon reserves and resources in the Agua del Cajon area made by the Company at December 31, 2018, and audited by the independent auditor, Lic. Hector A. Lopez, in compliance with the requirements of ES Resolution 324/06. The expiration horizon is January 2052, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	Mm ³ ⁽¹⁾	4,126	1,208	5,334	797	653	15,315
Oil	Mbbl	1,774	1,094	2,868	1,730	1,736	3,730
	Mm ³	282	174	456	275	276	593

⁽¹⁾ Determined at 9,300 K/Cal per m³

- Loma Negra

The estimate of hydrocarbon reserves and resources in the Loma Negra area, at December 31, 2018, was audited by the independent auditor, Lic. Hector A. Lopez, in compliance with the requirements of ES Resolution 324/06. The expiration horizon is in December 2024, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	Mm ³ ⁽¹⁾	972	6	978	238	-	766
Oil	Mbbl	1,585	327	1,912	50	-	755
	Mm ³	252	52	304	8	-	120

⁽¹⁾ Determined at 9,300 K/Cal per m³

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Chairman



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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

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

The Company owns 37.5% of said reserves.

- La Yesera

The estimate of hydrocarbon reserves and resources in the La Yesera area, at December 31, 2018, was audited by the independent auditor, Lic. Héctor A. López, in compliance with the requirements of ES Resolution 324/06. The expiration horizon in June 2027, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	MMm ³ ⁽¹⁾	235	26	261	-	-	236
Oil	Mbbl	1,145	365	1,510	-	-	3,007
	Mm ³	182	58	240	-	-	478

⁽¹⁾ Determined at 9,300 K/Cal per m³

The Company owns 18.75% of said reserves.

- Pampa del Castillo

The estimate of hydrocarbon reserves and resources in the Pampa del Castillo – La Guitarra area, at December 31, 2018, was audited by the independent auditor, Lic. Ana María Nardone, in compliance with the requirements of ES Resolution 324/06. The expiration horizon is October 2026, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	MMm ³ ⁽¹⁾	26	28	54	5	4	-
Oil	Mbbl	7,246	7,560	14,806	1,365	1,044	-
	Mm ³	1,152	1,202	2,354	217	166	-

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

The company owns 95 % of said reserves.

Proven developed reserves at July 31, 2019, calculated on the basis of the audited reserves at December 31, 2018 until the end of the concessions, and adjusted according to production for the period from January to July 2019 and taking into account the participation of the Company in each of the areas, amount to:

		Agua del Cajón	Loma Negra (37,5%)	La Yesera (18,75%)	Pampa del Castillo (95%)	Total
Gas	MMm ³ ⁽¹⁾	4,073	315	41	25	4,454
Oil	Mbbl	1,755	507	191	6,030	8,483
	Mm ³	279	81	30	959	1,349

⁽¹⁾ Determined at 9,300 K/Cal per m³

Alejandro Götz
Chairman



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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

NOTE 3 – REGULATORY FRAMEWORK FOR THE OIL, ELECTRICITY, GAS AND LPG SECTORS

There were no changes in the regulatory framework of the oil & gas, electric and LPG sectors compared with the information provided in the consolidated financial statements for the year ended April 30, 2019, except for:

Presidential Decrees Nos. 566/19 and 601/19 on hydrocarbons

Through Decree of Necessity and Urgency No. 566/19 dated August 15, 2019 and effective since the day of its publication in the Official Gazette on August 16, 2019, the National Executive Branch (PEN) established that:

- 1) deliveries of crude oil in the local market during the ninety calendar days following the entry into force of the measure must be invoiced and paid at the price agreed by producing and refining companies at August 9, 2019, applying a reference exchange rate of \$ 45.19/US\$ and a BRENT reference price of US\$ 59/bbl.
- 2) the maximum price of gasoline and gas oil (all qualities), marketed by refining companies and/or wholesalers and/or retailers, in all sale channels, during the ninety calendar days following the entry into force of the measure, shall not be higher than the current price at August 9, 2019.
- 3) during the period covered by this measure, refining companies and/or wholesalers and/or retailers must meet, at the prices established in said decree, the total national demand for liquid fuels, in accordance with the volumes required under usual market practices, supplying on a regular and continuous basis to each and every area that makes up the territory of the Argentine Republic.
- 4) hydrocarbon producing companies must meet the total demand for crude oil required by local refining companies, supplying regularly and continuously to all refineries located in the territory of the Argentine Republic to satisfy domestic demand.
- 5) fuels shall be marketed according to the qualities, types and other requirements established by current regulations.

Through Decree of Necessity and Urgency No. 601/19 dated August 30, 2019 and effective since the day of its publication in the Official Gazette on September 2, 2019, the PEN superseded sections 1 and 2 of Presidential Decree 566/19 and established a reference exchange rate of \$ 46.69/US\$ until November 13, 2019. In addition, the maximum price of gasoline and gas oil (all qualities), marketed by refining companies and/or wholesalers and/or retailers, whose final destination is the supply of fuel in points of sale (service station) shall not exceed the price effective at August 9, 2019.

Taking into account the purposes pursued by presidential decrees 566/19 and 601/19 and as long as they are effective, the Energy Secretariat from the Ministry of Finance shall issue any resolutions as necessary to normalize the hydrocarbon sector prices and/or modify the reference values and maximum prices established therein and/or require transfers from the National Treasury to maintain the level of activity and employment and protect consumers during this exceptional period.

NOTE 4 - BASIS FOR PRESENTATION

The National Securities Commission (CNV), by means of General Resolution 622/13, has established the application of Technical Pronouncement No. 26 and its changes 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 authorization to be included in this regime.

These financial statements are stated in thousands of Argentine pesos without cents, except otherwise expressly stated. They have been prepared in homogeneous currency at the end of the period, modified by the measurement of certain financial and no financial assets and liabilities at fair value.

The information included in the financial statements is stated in the functional and presentation currency of the Company, i.e. the currency of the primary economic environment in which the entity operates. The functional currency is the Argentine peso, which coincides with the presentation currency of the financial statements.

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Chairman



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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

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

These condensed interim consolidated financial statements, for the three-month period ended July 31, 2019, have been prepared according to "Financial Interim Information" (IAS 34).

This condensed interim financial information must be read jointly with the consolidated financial statements of the Company as of April 30, 2019.

The condensed interim consolidated financial statements corresponding to the three-month periods ended July 31, 2019 and 2018 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, 2019 and 2018 do not necessarily reflect the proportion of the Group's results during full fiscal years.

The condensed interim consolidated financial statements have been approved for their issuance by the Board of Directors on September 10, 2019.

Comparative information

Balances at April 30, 2019 and for the three-month period ended on July 31, 2018, which are disclosed for comparative purposes, arise from financial statements at those dates after their reexpression. 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.

Consideration of the effects of inflation

The International Accounting Standard No. 29 "Financial information in hyperinflationary economies" (IAS 29) requires that the financial statements of an entity whose functional currency is that of a high inflation 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. These requirements also include comparative information of the financial statements.

In order to conclude on whether an economy is categorized as of high inflation in terms of IAS 29, the norm details some key indicators, among which accumulative inflation rate over three years that approaches, or exceeds, 100%, is included. For this reason, according to IAS 29, the Argentine economy must be considered as a highly inflationary economy as from July 1, 2018.

In turn, Law No. 27468 (Official Gazette December 4, 2018) modified Section 10 of Law No. 23928 and amendments, and provided that the repeal of all the regulations that establish or authorize index-adjustment, monetary restatement, cost variation or any other way of restatement of debts, taxes, prices or tariffs of goods, works or services/utilities, does not apply to the financial statements, to which the provisions of Section 62 in fine of General Companies Law No. 19550 (restated text 1984), as amended, will continue to apply. That law also repealed Decree No. 1269/2002 dated July 16, 2002, as amended, and delegated to the National Executive Branch, through its control authorities, the power to set the effective date of the rules governing financial statements to be filed. Therefore, under General Resolution 777/2018 (Official Gazette December 28, 2018), the CNV established that the issuing entities under its control shall apply to financial statements for annual, interim and special periods ending on or after December 31, 2018 the method of restatement to constant currency, pursuant to IAS 29.

According to IAS 29, the financial statements of entities reporting in the currency of a hyperinflationary economy shall be stated in terms of the measuring unit current at the date of the financial statements. Statement of financial position amounts not already expressed in terms of the measuring unit current at the date of the financial statements shall be restated by applying a general price index. All items in the statement of income shall be expressed in terms of the measuring unit current at the date of the financial statements by applying the change in the general price index from the dates when the items of income and expenses were initially recorded in the financial statements.

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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

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

The adjustment for inflation applied to opening balances was calculated based on the indexes established by FACPCE and the price indexes published by the National Institute of Statistics and Census (INDEC).

Below are the main procedures to be applied for the adjustment for inflation mentioned above:

- Monetary assets and liabilities recorded at the monetary unit current at the balance sheet date are not restated as they are already expressed in terms of the monetary unit current at the date of the financial statements.
- Non-monetary assets and liabilities that are recorded at the balance sheet date and equity items are restated by applying the corresponding index adjustments.
- Income and expenses (including interest and exchange differences) from the Statement of Income are restated as from their date of accounting recognition, except for the items that show or include the consumption of assets measured under purchasing power currency prior to the registration of the consumption, restated based on the date of origin of the asset to which that item is related (for example, depreciation and other, consumption of assets stated at historical cost.)
- The effect of inflation on the Company's net monetary position is included in the Statement of Income within Other financial results – RECPAM.
- Comparative amounts have been inflation-adjusted following the same procedure explained above.

In the first period of application of this standard, the equity accounts were restated as follows:

- The capital and additional paid in capital was restated from the date of subscription or the date of the last accounting adjustment for inflation, whatever happened later. The resulting amount was incorporated to the "Capital adjustment" and "Additional paid-in capital adjustment" respectively and
- Other comprehensive income items were restated as from each date of accounting allocation.
- The Reserve for revaluation is expressed in real terms.
- Other reserves were not restated in the initial application of the standard.

The inflation adjustment was calculated considering the indexes established by the FACPCE based on the price indexes published by INDEC.

NOTE 5 - ACCOUNTING POLICIES

The accounting policies adopted for these interim condensed consolidated financial statements are consistent with those used in the consolidated financial statements for the year ended April 30, 2019, except for:

IFRS 16 – Leases

Since the fiscal year commenced May 1, 2019, the Company applies IFRS in a simplified manner, in relation to lease agreements identified as such under IAS 17, recognizing the accumulated effect of such application as an adjustment to P&L for the period.

The terms of the lease contracts are negotiated on an individual basis and contain various terms and conditions. Leases are recognized as a right-of-use asset and lease liability at the date on which the leased asset is available. The right-of-use asset is depreciated by the straight-line method.

In applying IFRS 16, the Company recognized lease payables that were measured at present value of payments of remaining leases, discounted at the market rate.

Management has reviewed the lease agreements in force and identified commitments relating to agreements ending within 12 months from the date of adoption of IFRS 16 or relating to short-term leases or leases of underlying low-value assets that the Company continues recognizing in P&L for the period.

The Company did not recognize any adjustment to the unappropriated retained earnings at the beginning due to the initial application of IFRS 16.

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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

NOTE 6 - ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

In the preparation of these condensed interim consolidated financial statements, critical judgments made by Management when applying the Group accounting policies and the sources of information used for the related estimates are the same as those applied to the consolidated financial statements for the fiscal year ended April 30, 2019.

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 ended April 30, 2019 (See note 24).

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").

Within this segment opening, the revenues received from CAMMESA as of July 31, 2019, which amount to \$ 1,873.4 million, are distributed as follows:

- 1) Gas revenues of \$ 1,046.3 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 \$ 827.1 million: corresponds to the specific remuneration per generation.

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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

NOTE 8 - SEGMENT REPORTING (cont.)

Segments reporting information is disclosed below:

07.31.2019							
	Oil and Gas	Electricity ADC	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Total
Sales	1,356,014	1,873,375	120,017	37,629	4,439	1,516	3,392,990
Reclassification between segments	1,041,737	(1,046,325)	4,588	-	-	-	-
Sales per segment	2,397,751	827,050	124,605	37,629	4,439	1,516	3,392,990
Participation per segment on Sales	70.67%	24.38%	3.67%	1.11%	0.13%	0.04%	100%
Cost of sales	(1,198,494)	(294,450)	(24,830)	(12,725)	(7,413)	(2,259)	(1,540,171)
Gross Profit	1,199,257	532,600	99,775	24,904	(2,974)	(743)	1,852,819
Segment share on gross income	64.73%	28.75%	5.39%	1.34%	(0.16%)	(0.05%)	100%
Preoperative expenses	-	-	-	(1,354)	-	-	(1,354)
Selling Expenses	(424,480)	(80,137)	(4,911)	(320)	(517)	(345)	(510,710)
Administrative Expenses	(103,730)	(48,321)	(9,779)	(827)	(1,336)	(892)	(164,885)
Other operating income, net	7,497	2,922	176	-	-	-	10,595
Operating result	678,544	407,064	85,261	22,403	(4,827)	(1,980)	1,186,465
Financial income							84,812
Financial costs							(162,862)
Other financial income							7,588
Other financial results RECPAM							231,447
Result Before Income Tax							1,347,450
Income Tax							(301,579)
Net result for the period							1,045,871
Other comprehensive results ⁽¹⁾							(613,034)
Net comprehensive result for the period							432,837
Depreciation							
In Cost of Sales	(290,042)	(194,222)	(12,107)	(7,953)	(3,540)	(172)	(508,036)
In Administrative Expenses	(1,276)	(1,762)	(113)	-	-	-	(3,151)
Total	(291,318)	(195,984)	(12,220)	(7,953)	(3,540)	(172)	(511,187)

07.31.2018							
	Oil and Gas	Electricity ADC	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Total
Sales	650,096	1,917,552	155,697	31,609	2,061	1,246	2,758,261
Reclassification between segments	1,135,594	(991,345)	(144,249)	-	-	-	-
Sales per segment	1,785,690	926,207	11,448	31,609	2,061	1,246	2,758,261
Participation per segment on Sales	64.74%	33.58%	0.41%	1.15%	0.07%	0.05%	100%
Cost of sales	(413,894)	(558,011)	(60,176)	(9,282)	(5,929)	(3,349)	(1,050,641)
Gross Profit	1,371,796	368,196	(48,728)	22,327	(3,868)	(2,103)	1,707,620
Segment share on gross income	80.33%	21.56%	(2.85%)	1.31%	(0.23%)	(0.12%)	100%
Preoperative expenses	-	-	-	(2,198)	-	-	(2,198)
Selling Expenses	(266,603)	(72,339)	(1,728)	(464)	(296)	(167)	(341,597)
Administrative Expenses	(96,172)	(44,810)	(9,308)	(744)	(476)	(269)	(151,779)
Other operating income (expenses) net	2,803	(3,042)	(260)	-	-	-	(499)
Operating result	1,011,824	248,005	(60,024)	18,921	(4,640)	(2,539)	1,211,547
Financial income							1,924,747
Financial costs							(3,935,454)
Other financial income							2,653
Other financial results RECPAM							367,759
Result Before Income Tax							(428,748)
Income Tax							206,931
Net result for the period							(221,817)
Other comprehensive results ⁽¹⁾							1,672,282
Net comprehensive result for the period							1,450,465
Depreciation							
In Cost of Sales	(256,453)	(444,904)	(21,455)	(18,975)	(1,466)	(356)	(743,609)
In Administrative Expenses	(628)	(1,851)	(150)	-	-	-	(2,629)
Total	(257,081)	(446,755)	(21,605)	(18,975)	(1,466)	(356)	(746,238)

(1) No future allocation to results

The Company made sales to foreign clients in the period ended July 31, 2019. The Company does not own assets that are not financial instruments outside the country.

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Chairman



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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

NOTE 9 – PROPERTY, PLANT AND EQUIPMENT

	07.31.2019	07.31.2018
Residual value at the beginning of period	25,361,081	19,192,909
Additions / retirements/ impairments	695,404	1,274,770
Revaluation	(816,430)	2,247,147
Depreciation	(511,187)	(746,238)
Residual value at the end of the period	<u>24,728,868</u>	<u>21,968,588</u>

From the depreciation charge for the three-month periods ended July 31, 2019 and 2018, \$ 508,036 and \$ 743,609 respectively, were allocated to Cost of sales and \$ 3,151 and \$ 2,629, respectively, to Administrative Expenses.

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

Below is the revaluation by group of assets:

	Net book value at cost at 04.30.2019	Additions/ Retirements for the period – net	Depreciation for the period at cost value	Residual value at cost value at 07.31.2019
CT ADC	3,935,558	24,808	(95,253)	3,865,113
Building and land in Neuquén	290,562	-	(337)	290,225
LPG Plant	264,745	-	(7,061)	257,684
DEEF	273,087	303	(5,164)	268,226
Remaining assets	14,357,756	670,293	(296,937)	14,731,112
Total	<u>19,121,708</u>	<u>695,404</u>	<u>(404,752)</u>	<u>19,412,360</u>

	Residual value of revaluation at 04.30.2019	Depreciation for the period- Revaluation	Additions/ Retirements of the period- Revaluation	Residual value of revaluation at 07.31.2019	Net book value at 07.31.2019
CT ADC	5,419,543	(98,969)	(695,664)	4,624,910	8,490,023
Building and land in Neuquén	512,004	-	(58,633)	453,371	743,596
LPG Plant	168,359	(4,677)	(31,460)	132,222	389,906
DEEF	139,467	(2,789)	(30,673)	106,005	374,231
Remaining assets	-	-	-	-	14,731,112
Total	<u>6,239,373</u>	<u>(106,435)</u>	<u>(816,430)</u>	<u>5,316,508</u>	<u>24,728,868</u>

At July 31, 2019, Capex has compared the recoverable values of its fixed assets with their carrying values, concluding that they do not exceed their recoverable values.

NOTE 10 – NET DEFERRED TAX ASSETS / LIABILITIES

The deferred tax net position is as follows:

	07.31.2019	04.30.2019
Deferred tax assets		
Deferred tax assets to be recovered after 12 months	67,660	72,318
Deferred tax assets to be recovered within 12 months	2,550	2,087
Deferred tax liabilities:		
Deferred tax liabilities to be recovered after 12 months	(2,497,756)	(2,032,938)
Deferred tax liabilities to be recovered within 12 months	(262,629)	(907,674)
Net liability for deferred tax ⁽¹⁾	<u>(2,690,175)</u>	<u>(2,866,207)</u>

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Chairman



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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

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

⁽¹⁾ This amount is shown in the condensed interim consolidated financial statements as follows: \$ 46,110 and \$ 37,543 under net deferred tax assets at July 31 and April 30, 2019, respectively, and \$ 2.736.285 and \$ 2.903.750 under net deferred tax liabilities at July 31 and April 30, 2019, respectively.

The changes in deferred tax assets and liabilities, without considering the offsetting of balances referred to the same fiscal authority, are as follows:

- Deferred assets:

	Tax losses	Assets for adjustment for tax inflation	Trade accounts payable	Total
Balance at April 30, 2019	49,669	6,058	18,680	74,407
Charge to income/loss	(3,760)	1,057	(1,493)	(4,196)
Balance at July 31, 2019	45,909	7,115	17,187	70,211

- Deferred liabilities:

	Financial instruments at amortized cost	Property, plant and equipment	Other accounts receivables	Financial liabilities	Provisions and others	Total
Balance at April 30, 2019	(68,972)	(2,754,508)	(85,668)	(22,727)	(8,738)	(2,940,613)
Charge to income/loss	71,422	58,196	(32,331)	-	(121,494)	(24,207)
Change in income tax rate	-	1,038	-	-	-	1,038
Charge to Other Comprehensive Results	-	203,396	-	-	-	203,396
Balance at July 31, 2019	2,450	(2,491,878)	(117,999)	(22,727)	(130,232)	(2,760,386)

Tax losses in force as of July 31, 2019 of E G WIND, for \$ 45,909, may be applied against future taxable income originated within ten years from its generation; these tax losses become statute-barred as from the year ending April 30, 2028.

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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

NOTE 11 - OTHER ACCOUNTS RECEIVABLE

	07.31.2019	04.30.2019
Non-Current		
In local currency		
Tax on assets	5,083	5,501
Total	5,083	5,501
Current		
In local currency		
Sundry advances	26,464	25,847
Turnover tax	24,467	26,045
Value added tax	199,491	298,783
Income tax and tax on assets	70,529	4,461
Other tax credits	119,797	96,417
Prepaid insurance	34,291	49,451
Prepaid expenses	16,372	2,585
Assignment of CAMMESA rights	2,847	3,670
Intercompany receivables Section 33 – Law 19550 (Note 23.b))	4,826	2,413
Agreement for gas propane supply for networks to collect	15,613	68,331
Fiduciary fund gas to recover	27,918	24,486
Unconventional gas stimulus program	408,911	302,125
Sundry	2,708	8,997
In foreign currency (Exhibit G)		
Sundry advances	94,976	29,424
Assignment of CAMMESA rights	22,286	33,466
Credits to be recovered	52,452	-
Total	1,123,948	976,501

The fair value of other accounts receivable does not significantly differ from the carrying value.

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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

NOTE 12 – TRADE ACCOUNTS RECEIVABLE

	07.31.2019	04.30.2019
Non-Current		
In local currency		
Doubtful accounts	2,627	2,842
Less: Provision for doubtful accounts (Exhibit E)	(2,627)	(2,842)
Total	-	-
Current		
In local currency		
From sale of energy and others	80,967	58,107
Intercompany receivables Section 33 – Law 19550 (Nota 23.b))	33,765	22,047
In foreign currency (Exhibit G)		
From sale of oil and others	811,335	955,834
From sale of energy	774,569	892,371
Intercompany receivables Section 33 – Law 19550 (Nota 23.b))	7,580	6,270
Total	1,708,216	1,934,629

NOTE 13 - CASH AND CASH EQUIVALENTS

	07.31.2019	04.30.2019
Current		
In local currency		
Cash	87	87
Banks	204,655	41,763
Financial instruments at fair value (Exhibit D)	275,506	795,724
In foreign currency (Exhibit G)		
Cash	375	351
Banks	172,981	157,396
Financial instruments at amortized cost (Exhibit D)	869,820	7,009,537
Financial instruments at fair value (Exhibit D)	6,534,055	1,448,007
Total	8,057,479	9,452,865

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

	07.31.2019	07.31.2018
Cash, banks and checks to be deposited	378,098	43,219
Financial instruments at fair value	6,809,561	5,566,038
Financial instruments at amortized cost	869,820	849,667
Total	8,057,479	6,458,924

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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

NOTE 14 - RESERVE FOR ASSETS REVALUATION

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

	CT ADC	LPG Plant	DEEF	Building and land - Neuquén	Total	Attributable to the Company	Attributable to Minority Interest
Balance at April 30, 2018	498.713	-	46.571	70.009	615.293	608.298	6.995
Increase for revaluation / (Reserve decrease)	2.217.946	80.498	1.154	(52.451)	2.247.147	2.242.949	4.198
Deferred tax	(665.384)	(24.149)	(346)	15.735	(674.144)	(672.885)	(1.259)
Result for change of the income tax rate	95.196	4.025	58	-	99.279	99.069	210
Total other comprehensive results	1.647.758	60.374	866	(36.716)	1.672.282	1.669.133	3.149
Reversal due to depreciation for the period ⁽¹⁾	(42.920)	-	(12)	(993)	(43.925)	(43.923)	(2)
Reversal of deferred tax ⁽¹⁾	12.876	-	-	298	13.174	13.174	-
Subtotal for reversal of Reserve for the revaluation of assets ⁽¹⁾	(30.044)	-	(12)	(695)	(30.751)	(30.749)	(2)
Balance at July 31, 2018	2.116.427	60.374	47.425	32.598	2.256.824	2.246.682	10.142
(Reserve decrease) / Increase for revaluation	(1.441.854)	86.492	80.818	203.166	(1.071.378)	(1.087.840)	16.462
Deferred tax	372.040	(25.948)	(24.245)	(60.950)	260.897	265.835	(4.938)
Result due to change in income tax rate	-	4.325	4.041	-	8.366	7.542	824
Total other comprehensive results	(1.069.814)	64.869	60.614	142.216	(802.115)	(814.463)	12.348
Reversal due to depreciation for the period ⁽¹⁾	-	-	(4.587)	7.139	2.552	3.241	(689)
Reversal of deferred tax ⁽¹⁾	-	-	1.150	256	1.406	1.233	173
Subtotal for reversal of Reservation for the revaluation of assets ⁽¹⁾	-	-	(3.437)	7.395	3.958	4.474	(516)
Balance at April 30, 2019	1.046.613	125.243	104.602	182.209	1.458.667	1.436.693	21.974
Reserve decrease	(695.664)	(31.460)	(30.673)	(58.633)	(816.430)	(810.601)	(5.829)
Deferred tax	173.916	7.587	7.235	14.658	203.396	202.650	746
Total other comprehensive results	(521.748)	(23.873)	(23.438)	(43.975)	(613.034)	(607.951)	(5.083)
Reversal due to depreciation for the period ⁽¹⁾	(98.969)	(4.443)	(2.370)	-	(105.782)	(105.204)	(578)
Reversal of deferred tax ⁽¹⁾	29.691	938	712	-	31.341	30.818	523
Subtotal for reversal of depreciation for the revaluation of assets ⁽¹⁾	(69.278)	(3.505)	(1.658)	-	(74.441)	(74.386)	(55)
Balance at July 31, 2019	455.587	97.865	79.506	138.234	771.192	754.356	16.836

⁽¹⁾ Charged to "Retained earnings".

As of April 30, 2019, following the guidelines established in Resolution 777/18, there is a restriction on the distribution of unappropriated retained earnings equivalent to the amount of the special reserve, reversed in accordance with the guidelines of the aforementioned rules, for \$ 2,955,050, ad referendum of the Shareholders' Meeting that considers the financial statements as of April 30, 2019 (See note 24).

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Chairman



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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

NOTE 15 - TRADE ACCOUNTS PAYABLE

	07.31.2019	04.30.2019
Non-Current		
In local currency		
Sundry accruals	398,426	426,328
In foreign currency (Exhibit G)		
Suppliers	257,454	280,251
Lease debt	166,049	-
Sundry accruals	581,056	621,298
Total	<u>1,402,985</u>	<u>1,327,877</u>
Current		
In local currency		
Suppliers	1,386,798	1,280,183
Intercompany suppliers Section 33 - Law 19550 (Nota 23.b))	2,639	2,734
Sundry accruals	150,950	136,424
In foreign currency (Exhibit G)		
Suppliers	634,864	1,040,813
Lease debt	65,996	-
Sundry accruals	56,185	459,246
Total	<u>2,297,432</u>	<u>2,919,400</u>

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

NOTE 16 - FINANCIAL LIABILITIES

	07.31.2019	04.30.2019
Non-Current		
In local currency		
Commissions and expenses to be accrued	(70,910)	(74,720)
In foreign currency (Exhibit G)		
Bank	70,208	76,425
Corporate bonds	13,164,000	14,329,652
Total	<u>13,163,298</u>	<u>14,331,357</u>
Current		
In local currency		
Advance funding for maintenance of the CT ADC	59,895	71,555
Commissions and expenses to be accrued	(19,288)	(18,848)
In foreign currency (Exhibit G)		
Bank	37,375	38,579
Corporate bonds	191,061	454,270
Total	<u>269,043</u>	<u>545,556</u>

Changes in loans are as follows:

	07.31.2019	07.31.2018
Balances at the beginning	14,876,915	12,797,000
RECPAM	(1,089,884)	(1,189,139)
Accruals:		
Accrued interest	238,493	304,238
Accrued commissions and expenses	3,530	4,520
Exchange difference generated by foreign currency debts	(87,051)	3,416,280
Payments:		
Interest	(495,829)	(431,277)
Capital	(13,833)	(24,709)
Balances at period-end	<u>13,432,341</u>	<u>14,876,913</u>

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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

NOTE 16 - FINANCIAL LIABILITIES (CONT'D)

Class II of the Negotiable Obligations, at the time of issuance, has been qualified internationally and locally by two risk rating agencies such as: "B + (EXP) / RR4" and "B-" and "B (arg)" and "raAA -" , respectively by Fitch and Standard & Poor's respectively. At the date of issuance of these financial statements, these negotiable obligations were classified internationally and locally as "CCC+" and "B-" and "RR3" and "raAA-", respectively, by Fitch and Standard & Poor's.

The fair value of corporate bonds at July 31, 2019 and April 30, 2019 amounts to \$ 11,971 million and \$ 11,381 million, respectively, measured at fair value level 1 (See note 24).

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

NOTE 17 – SALARIES AND SOCIAL SECURITY CONTRIBUTIONS

	<u>07.31.2019</u>	<u>04.30.2019</u>
Current		
In local currency		
Salaries and social security contributions	65,311	59,992
Sundry accruals	46,571	165,603
Total	<u>111,882</u>	<u>225,595</u>

NOTE 18 – OTHER LIABILITIES

	<u>07.31.2019</u>	<u>04.30.2019</u>
Currency		
In local currency		
Oil and gas royalties	232,379	187,076
Total	<u>232,379</u>	<u>187,076</u>

NOTE 19 – CONTINGENCIES

There were no significant changes in the contingencies of the Company with respect to the statements in the consolidated financial statements for the year ended April 30, 2019.

NOTE 20 – SALES

	<u>07.31.2019</u>	<u>07.31.2018</u>
Oil (Local market)	423,198	424,780
Oil (Foreign market)	646,908	-
Gas	50,852	-
Gas stimulation program	219,464	208,400
Electricity ⁽¹⁾	1,873,375	1,917,552
LPG	120,017	138,332
DEEF Energy	37,629	31,609
Energy generated with hydrogen	4,439	2,061
Oxygen	1,516	1,246
Services	15,592	16,916
Other ⁽²⁾	-	17,365
Total	<u>3,392,990</u>	<u>2,758,261</u>

⁽¹⁾ 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 \$ 1,046.3 and \$ 991.3 as of July 31, 2019 and 2018, respectively.

⁽²⁾ Corresponds to revenues from the "Propano Sur" and "Programa Hogar" programs.

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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

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

	07.31.2019	07.31.2018
Income from charges for indirect administrative services consortia / UTE (net)	6,114	4,467
Not computable assessments	-	(2,000)
Sundry	4,481	(2,966)
Total	10,595	(499)

NOTE 22 – FINANCIAL RESULTS

	07.31.2019	07.31.2018
Financial income		
Interest and other	144,318	132,191
Accrual of interest on accounts receivable	489	18
Exchange difference	(59,995)	1,792,538
	84,812	1,924,747
Financial costs		
Interest and other	(241,613)	(310,535)
Interest accrued from accounts payable	(6,144)	(6,618)
Exchange difference	84,895	(3,618,301)
	(162,862)	(3,935,454)

NOTE 23 – RELATED PARTIES OF THE COMPANY

The Company is controlled by Compañías Asociadas Petroleras Sociedad Anónima (C.A.P.S.A.), which holds 75.4% 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:

	07.31.2019	07.31.2018
Sale of energy	4,439	2,033
Expenses corresponding to Hychico	-	(36)
Expenses corresponding to C.A.P.S.A.	4,302	4,158
Expenses corresponding to Capex	(242)	(601)
Expenses corresponding a E G WIND	-	(2)
Expenses corresponding a SEB	-	(20)

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

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

	07.31.2019	07.31.2018
Office and garage rental	1,393	1,800
Services provided	713	1,690
Irrevocable contributions	-	679
Expenses corresponding to Capex	(5)	
Expenses corresponding to Hychico	-	(116)

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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

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

a.iii) With the related parties

The transactions with Alparamis S.A. were:

	01.31.2019	01.31.2018
Office and garage rental	7,219	9,813

a.iv) With consortia

The transactions with Loma Negra were:

	07.31.2019	07.31.2018
Management and operation services	27,019	24,080
Prorateable expenses	4,568	8,042
Charges for indirect administration services	4,201	4,830
Expenses refund	993	2,458
Cash Call	155,617	208,963
Distributions to partners	(19,900)	(22,884)

The transactions with La Yesera were:

	07.31.2019	07.31.2018
Management and operation services	8,704	6,881
Prorateable expenses	1,304	894
Charges for indirect administration services	3,022	1,325
Expenses refund	7	42
Cash Call	17,050	9,622
Distributions to partners	(3,888)	(1,262)

a.v) With UTE

The transactions with Pampa del Castillo were:

	07.31.2019	07.31.2018
Management and operation services	102,361	-
Charges for indirect administrative services	21,324	-
Reimbursement of expenses	367	-
Cash call	1,231,475	-
Distributions to partners	(242,435)	-

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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

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

b) Balances at period end with the related companies

	07.31.2019		
	Other current accounts	Current trade accounts receivable	Current accounts payable
In local currency			
With the parent company:			
- Compañías Asociadas Petroleras S.A.	1,219	1,754	2,639
With the companies directly or indirectly controlled by the parent company:			
- Interenergy Argentina S.A.	5	264	-
With consortia / UTE:			
- Río Negro Norte Area	3,399	14,875	-
- Lote IV La Yesera	20	13,115	-
- Pampa del Castillo	183	3,757	-
Total In local currency	4,826	33,765	2,639
In foreign currency (Exhibit G)			
With the parent company:			
- Compañías Asociadas Petroleras S.A.	-	1.888	-
With consortia / UTE:			
- Río Negro Norte Area	-	1.640	-
- Lote IV La Yesera	-	3.471	-
- Pampa del Castillo	-	581	-
Total In foreign currency	-	7.580	-

	04.30.2019		
	Other current accounts	Current trade accounts receivable	Current accounts payable
In local currency			
With the parent company:			
- Compañías Asociadas Petroleras S.A.	1,218	1,853	2,734
With the companies directly or indirectly controlled by the parent company:			
- Interenergy Argentina S.A.	135	318	-
With consortia / UTE:			
- Río Negro Norte Area	655	15,192	-
- Lote IV La Yesera	3	3,691	-
- Pampa del Castillo	402	993	-
Total In local currency	2,413	22,047	2,734
In foreign currency (Exhibit G)			
With the parent company:			
- Compañías Asociadas Petroleras S.A.	-	1,900	-
With consortia / UTE:			
- Río Negro Norte Area	-	1,176	-
- Lote IV La Yesera	-	560	-
- Pampa del Castillo	-	2,634	-
Total In foreign currency	-	6,270	-

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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

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

c) Remuneration of key management personnel

Remuneration accrued to members of the senior management, for labor services rendered (salaries and other benefits) accrued at January 31, 2019 and 2018, amounts to \$ 38,497 and \$ 37,525, respectively.

NOTE 24 – SUBSEQUENT EVENTS

Ordinary and Extraordinary Shareholders' Meeting

The Company's Ordinary and Extraordinary Shareholders' Meeting was held on August 21, 2019, which approved the financial statements at April 30, 2019 and decided the allocation of the retained earnings at April 30, 2019, stated in terms of unit of measurement at July 31, 2019 and in whole numbers, for the amount of \$ 6,757,109,405 in the following manner:

- \$ 2,995,049,938 to the Reserve for revaluation of assets;
- \$ 188,102,974 to the Legal Reserve; and
- \$ 3,573,956,493 to the Free Reserve for the distribution of dividends and/or investments and/or debt settlement and/or absorption of losses.

Measures in the financial and foreign exchange market adopted by the National Government

On September 1, 2019, the PEN issued Presidential Decree 609/19, and accordingly the Central Bank of Argentina (“BCRA”) issued Communication “A” 6770, establishing measures for access to the exchange market, among others:

- Deadlines to bring in and trade export transactions in the exchange market.
- BCRA's prior approval for: i) transfer of profits and dividends abroad; ii) payment of financial debts abroad with more than 3 business days prior to the due date for payment of principal and interest thereon; iii) payment of debts for imports of goods and services; iv) access to the exchange market for the formation of external assets for entities and individuals (in the case of the latter, when they exceed US\$ 10,000 per month).
- Bringing in and trading in the exchange market the proceeds of the new financial debts abroad and providing evidence of compliance with this requirement for access to the exchange market for the repayment of principal and interest thereon.
- In case of access to the local exchange market for the repayment of financial or commercial debts abroad, it must be demonstrated, if applicable, that the transaction at issue was reported in the last Survey on Assets and Liabilities filed with the BCRA.
- Prohibition to access the exchange market: i) to settle debts between residents, the related agreement being executed following September 1, 2019; ii) for amounts over US\$ 1,000 per month in the case of non-residents.

Devaluation of the peso against the US dollar

Since July 31, 2019 and until the date of presentation of these financial statements, the peso has devalued by approximately 28% against the US dollar.

The Company estimates that the devaluation of the peso against the US dollar will have positive and negative effects on results and equity because: i) the revenue obtained by the Company and its subsidiaries is mostly denominated in US dollars - oil is temporarily affected by Presidential Decrees Nos. 569/19 and 601/19 (Note 3); ii) the policy for valuation at current values of certain items of property, plant and equipment requires an index-adjustment of residual values, whose main components are stated in US dollars; and iii) the effect of the devaluation on net indebtedness.

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Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

NOTE 24 – SUBSEQUENT EVENTS (CONT'D)

Neuquén Exploration plan - 7th invitation for bids for exploration, development and operation - Parva Negra Oeste

In the framework of Neuquén Exploration Plan, Gas y Petróleo del Neuquén S.A. launched the 7th invitation for bids for the exploration, development and potential operation of a series of hydrocarbon areas. On July 25, 2019 the Company submitted a bid for the Parva Negra Oeste area, which was pre-approved to continue with the bidding process and bid opening, which took place on August 7, 2019. At the date of signing of these financial statements, the Board of Directors of Gas y Petróleo del Neuquén S.A. is considering the technical and economic aspects of the bid. The date on which the successful bidder will be announced has not been confirmed yet.

National and International Public Bid No. 2/19 - Concession of Bella Vista Oeste area

In May 2019, Petrominera Chubut S.E. launched a call for National and International Public Bid No. 2/19 with the aim of awarding exclusive rights for the operation, transport and commercialization of hydrocarbons within the area of the Bella Vista Oeste Block I, in the Province of Chubut. The Company submitted its bid, which was pre-approved to continue with the bidding process and bid opening, which took place on September 2. At the date of signing of these financial statements, the Board of Directors of Pretrominera is considering the technical and economic aspects of the bid. The date on which the successful bidder will be announced has not been confirmed yet.

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EXHIBIT A

At July 31 and April 30, 2019

Property, plant and equipment

This exhibit is part of these condensed interim consolidated financial statements

Items	ORIGINAL VALUE					At period / year-end	Accumulated at the beginning of year	For the period	DEPRECIATION			Net book value at 07.31.19	Net book value at 04.30.19
	At the beginning of year	Additions	Completed work in progress	Retirements / Recovery	Decrease / Increase revaluation ⁽¹⁾				Retirements	Decrease / Increase revaluation ⁽¹⁾	Accumulated at period / year-end		
Operation activities of oil and gas:													
- Areas acquired and other studies													
Agua del Cajón – Operation rights	1,256,350	-	-	-	-	1,256,350	713,886	9,343	-	-	723,229	533,121	542,464
Río Negro Norte	406,588	-	-	-	-	406,588	57,893	21,424	-	-	79,317	327,271	348,695
La Yesera	121,860	-	-	-	-	121,860	16,403	3,826	-	-	20,229	101,631	105,457
Pampa del Castillo	375,758	-	-	-	-	375,758	21,587	8,422	-	-	30,009	345,749	354,171
- Other Studies													
Agua del Cajón – Exploration	64,813	-	-	-	-	64,813	52,376	214	-	-	52,590	12,223	12,437
Agua del Cajón – Seismic	97,329	-	-	-	-	97,329	71,904	438	-	-	72,342	24,987	25,425
- Assets for the production of oil and gas in Agua del Cajón													
Oil and gas wells	15,128,267	-	613,491	(2,024)	-	15,739,734	7,999,966	129,927	-	-	8,129,893	7,609,841	7,128,301
Work in progress	1,097,413	80,555	(629,122)	-	-	548,846	-	-	-	-	-	548,846	1,097,413
Production assets	1,165,198	-	15,631	-	-	1,180,829	742,370	9,015	-	-	751,385	429,444	422,828
Vehicles	70,898	474	-	-	-	71,372	23,649	3,056	-	-	26,705	44,667	47,249
Gas Pipeline	378,870	-	-	-	-	378,870	338,466	1,443	-	-	339,909	38,961	40,404
- Assets for the production of oil in Loma Negra and La Yesera Rio Negro⁽²⁾													
Oil and gas wells	377,659	-	1,941	(127)	-	379,473	67,630	20,570	-	-	88,200	291,273	310,029
Production assets	51,880	-	-	-	-	51,880	10,451	2,450	-	-	12,901	38,979	41,429
Work in progress	306,430	36,391	(1,941)	-	-	340,880	-	-	-	-	-	340,880	306,430
- Assets for the production of oil and gas in Pampa del Castillo Chubut													
Oil and gas wells	1,264,607	-	306,130	(259)	-	1,570,478	128,891	60,400	-	-	189,291	1,381,187	1,135,716
Production assets	381,829	-	-	-	-	381,829	49,801	19,514	-	-	69,315	312,514	332,028
Work in progress	488,349	506,461	(306,130)	-	-	688,680	-	-	-	-	-	688,680	488,349
Other tangible assets													
Central administration and plant administration													
Neuquén land and buildings	840,701	-	-	-	(58,633)	782,068	38,135	337	-	-	38,472	743,596	802,566
Administration assets	120,818	25,834	-	-	-	146,652	99,572	2,814	-	-	102,386	44,266	21,246
Power Station Agua del Cajón													
CT ADC (1)	20,455,507	-	-	-	(695,664)	19,759,843	11,218,891	194,222	-	-	11,413,113	8,346,730	9,236,616
Work in progress	118,485	24,808	-	-	-	143,293	-	-	-	-	-	143,293	118,485
Eolic Energy													
Work in progress	331	2,915	-	-	-	3,246	-	-	-	-	-	3,246	331
Brought forward	44,569,940	677,438	-	(2,410)	(754,297)	44,490,671	21,651,871	487,415	-	-	22,139,286	22,351,385	22,918,069

(1) See Note 9



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EXHIBIT A

At July 31 and April 30, 2019

Property, plant and equipment (Cont'd.)

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

Items	ORIGINAL VALUE						DEPRECIATION					Net book value at 07.31.2019	Net book value at 04.30.2019
	At the beginning of year	Additions	Completed works in progress	Retirements / Recovery	Decrease / Increase revaluation ⁽¹⁾	At period / year-end	Accumulated at the beginning of year	For the period	Retirements	Decrease / Increase revaluation ⁽¹⁾	Accumulated at period / year-end		
Brought forward	44,569,940	677,438	-	(2,410)	(754,297)	44,490,671	21,651,871	487,415	-	-	22,139,286	22,351,385	22,918,069
LPG Plant – Agua del Cajón LPG plant ⁽¹⁾	1,995,820	-	-	-	(194,461)	1,801,359	1,562,347	12,107	-	(163,001)	1,411,453	389,906	433,473
Diadema Eolic Energy Farm (DEEF) DEEF ⁽¹⁾	689,615	303	-	-	(52,463)	637,455	277,061	7,953	-	(21,790)	263,224	374,231	412,554
Diadema Eolic Energy Farm (DEEF II)													
Construction in progress	1,556,238	16,361	1,825	-	-	1,574,424	-	-	-	-	-	1,574,424	1,556,238
Financial results capitalized	37,750	-	-	-	-	37,750	-	-	-	-	-	37,750	37,750
Advances	2,997	-	(1,825)	-	-	1,172	-	-	-	-	-	1,172	2,997
Hydrogen and oxygen plant													
Hydrogen and oxygen plant	291,297	-	-	(3,876)	-	287,421	117,094	3,712	-	-	120,806	166,615	174,203
Provision for hydrogen and oxygen plant	(174,203)	-	-	7,588	-	(166,615)	-	-	-	-	-	(166,615)	(174,203)
Total at July 31, 2019	48,969,454	694,102	-	1,302	(1,001,221)	48,663,637	23,608,373	511,187	-	(184,791)	23,934,769	24,728,868	
Total at April 30, 2019	40,017,742	7,166,408	-	(6,842)	1,792,149	48,969,457	20,824,833	2,169,629	-	613,914	23,608,376		25,361,081

(1) See note 9



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EXHIBIT D

At July 31 and April 30, 2019

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

OTHER INVESTMENTS

Principal account and characteristics	Book value at 07.31.19	Book value at 04.30.19
	\$	\$
Cash and cash equivalents		
In local currency		
Financial instruments at fair value		
Mutual funds	275,506	795,724
In foreign currency (Exhibit G)		
Financial instruments at amortized cost		
Paid account	44,771	164,935
Time deposits	825,049	6,844,602
Financial instruments at fair value		
Mutual funds	6,534,055	1,448,007
Total other investments	7,679,381	9,253,268



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EXHIBIT E

At July 31 and April 30, 2019

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

PROVISIONS

Items	Balance at the beginning of year	(Recoveries) / Increases ⁽¹⁾	Balance at period – end
	\$	\$	\$
DEDUCTED FROM ASSETS			
<u>NON-CURRENT ASSETS</u>			
Property, plant and equipment			
In local currency	174,203	(7,588)	166,615
Impairment of property, plant and equipment			
Trade accounts receivable			
In local currency			
Provision for doubtful accounts	2,842	(215)	2,627
Total deducted from assets	177,045	(7,803)	169,242
INCLUDED IN LIABILITIES			
<u>NON-CURRENT LIABILITIES</u>			
Provisions			
In local currency			
For lawsuits and fines	2,683	(203)	2,480
Total included in liabilities	2,683	(203)	2,480
Total provisions	179,728	(8,006)	171,722

⁽¹⁾ Charged to Other financial income.



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EXHIBIT F

At July 31, 2019 and 2018

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

COST OF SALES

	07,31,2019	07,31,2018
Inventories and spare parts and materials at the beginning of year ⁽¹⁾	952,276	654,319
Plus:		
- Addition to warehouses	164,265	338,235
- Acquisition of crude of resale	11,711	-
- Production cost (Exhibit H)	1,763,006	1,051,412
Less:		
- Consumption	(158,522)	(607,416)
Inventories and spare parts and materials at period end ⁽¹⁾	(1,192,565)	(385,909)
Cost of sales	1,540,171	1,050,641

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



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

EXHIBIT G

At July 31 and April 30, 2019

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

FOREIGN CURRENCY ASSETS AND LIABILITIES

Items	07.31.2019				04.30.2019				
	Class	Amount in thousands of US\$	Exchange rate	Amount in \$	Class	Amount in thousands of US\$	Exchange rate	Amount in \$	Amount in \$ reexpressed
ASSETS									
NON-CURRENT ASSETS									
Spare parts and materials									
Sundry advances	US\$	861	43.68	37,626	US\$	503	43.95	22,086	23,895
Total Non-Current Assets				37,626				22,086	23,895
CURRENT ASSETS									
Spare parts and materials									
Sundry advances	US\$	215	43.68	9,406	US\$	126	43.95	5,522	5,974
Other accounts receivable									
Sundry advances	US\$	2,174	43.68	94,976	US\$	619	43.95	27,197	29,424
Assignment of rights CAMMESA	US\$	510	43.68	22,286	US\$	704	43.95	30,933	33,466
Credit to be recovered	US\$	1,201	43.68	52,452	-	-	-	-	-
Trade accounts receivable									
Intercompany receivables Sect. 33 – Law 19550	US\$	174	43.68	7,580	US\$	132	43.95	5,795	6,270
For sale of energy	US\$	17,733	43.68	774,569	US\$	18,767	43.95	824,825	892,371
For sale of oil and others	US\$	18,575	43.68	811,335	US\$	20,102	43.95	883,484	955,834
Cash and cash equivalents									
Cash	US\$	5	43.68	203	US\$	1	43.95	49	53
Cash	€	4	48.50	172	€	6	49.26	275	298
Banks	US\$	3,960	43.68	172,981	US\$	3,310	43.95	145,482	157,396
Financial instruments at fair value	US\$	149,589	43.68	6,534,055	US\$	30,453	43.95	1,338,403	1,448,007
Financial instruments at amortized cost	US\$	19,913	43.68	869,820	US\$	147,417	43.95	6,478,965	7,009,537
Total Current Assets				9,349,835				9,740,930	10,538,630
Total assets				9,387,461				9,763,016	10,562,525
LIABILITIES									
NON-CURRENT LIABILITIES									
Trade accounts payable									
Suppliers	US\$	5,867	43.88	257,454	US\$	5,867	44.15	259,038	280,251
Sundry accruals	US\$	13,242	43.88	581,056	US\$	13,007	44.15	574,270	621,298
Lease debt	US\$	3,784	43.88	166,049	-	-	-	-	-
Financial liabilities									
Bank	US\$	1,600	43.88	70,208	US\$	1,600	44.15	70,640	76,425
Corporate bonds	US\$	300,000	43.88	13,164,000	US\$	300,000	44.15	13,245,000	14,329,652
Total Non-Current Liabilities				14,238,767				14,148,948	15,307,626
CURRENT LIABILITIES									
Trade accounts payable									
Suppliers	US\$	14,468	43.88	634,864	US\$	21,790	44.15	962,031	1,040,813
Sundry accruals	US\$	1,280	43.88	56,185	US\$	9,615	44.15	424,484	459,246
Lease debt	US\$	1,504	43.88	65,996	US\$	-	-	-	-
Financial liabilities									
Bank	US\$	852	43.88	37,375	US\$	808	44.15	35,659	38,579
Corporate bonds	US\$	4,354	43.88	191,061	US\$	9,510	44.15	419,885	454,270
Total Current Liabilities				985,481				1,842,059	1,992,908
Total Liabilities				15,224,248				15,991,007	17,300,534



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

EXHIBIT H

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

For the three-month periods beginning on May 1, 2019 and 2018, and ended on July 31, 2019 and 2018

This exhibit is part of these condensed interim consolidated financial statements

Items	07.31.2019					07.31.2018				
	Preoperative expenses	Production cost	Selling expenses	Administrative expenses	Total	Preoperative expenses	Production cost	Selling expenses	Administrative expenses	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Fees and other compensation	689	8,762	-	11,686	21,137	654	7,080	-	6,765	14,499
Salaries and social security contributions	-	252,050	-	73,537	325,587	-	161,597	-	66,006	227,603
Materials, spare parts and others	-	130,823	-	14	130,837	-	18,717	-	4	18,721
Operation, maintenance and repairs	-	215,705	-	14,381	230,086	-	59,288	-	17,507	76,795
Fuel, lubricants and fluids	-	132,106	-	-	132,106	-	15,775	-	-	15,775
Transportation, freight and studies	-	25,005	-	865	25,870	-	4,676	-	1,371	6,047
Depreciation of Property, plant and equipment	-	508,036	-	3,151	511,187	-	743,609	-	2,629	746,238
Depreciation of right of use asset	-	3,639	-	7,219	10,858	-	-	-	-	-
Office, travel and representation expenses	305	4,317	-	1,609	6,231	267	2,307	-	8,188	10,762
Taxes, rates, contributions, insurance and rental	43	51,515	-	4,942	56,500	43	21,987	-	14,006	36,036
Transport of gas expenses	-	21,102	-	-	21,102	-	16,363	-	-	16,363
Acquisition of third-party gas	-	409,904	-	-	409,904	-	-	-	-	-
Royalties	-	-	333,229	-	333,229	-	-	243,590	-	243,590
Cost of transport and energy deliveries	-	-	25,738	-	25,738	-	-	18,591	-	18,591
Export withholdings	-	-	59,527	-	59,527	-	-	-	-	-
Turnover tax	-	-	90,957	-	90,957	-	-	77,798	-	77,798
Commissions and other	-	-	1,259	-	1,259	-	-	1,618	-	1,618
Bank charges	317	-	-	47,481	47,798	1,234	-	-	35,303	36,537
Energy acquisition	-	42	-	-	42	-	13	-	-	13
Total	1,354	1,763,006	510,710	164,885	2,439,955	2,198	1,051,412	341,597	151,779	1,546,986

SUMMARY OF ACTIVITY

REFERRED TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF

CAPEX S.A. AS OF JULY 31, 2019

(stated in thousands of pesos)

a) **Comments on the comprehensive results and consolidated financial position at July 31, 2019** (Not covered by the report on the condensed interim consolidated financial statements).

Consolidated Statement of Comprehensive Results

	07/31/2019	07/31/2018	Variation	
Sales	3,392,990	2,758,261	634,729	23.0%
Cost of Sales	(1,540,171)	(1,050,641)	(489,530)	46.6%
Gross Profit	1,852,819	1,707,620	145,199	8.5%
Preoperative expenses	(1,354)	(2,198)	(844)	-38.4%
Selling expenses	(510,710)	(341,597)	(169,113)	49.5%
Administrative expenses	(164,885)	(151,779)	(13,106)	8.6%
Other operating income / (expenses), net	10,595	(499)	11,094	2,223.2%
Operating result	1,186,465	1,121,547	(25,082)	-2.1%
Financial Income	84,812	1,924,747	(1,839,935)	-95.6%
Financial Costs	(162,862)	(3,935,454)	3,772,592	-95.9%
Other Financial Income	7,588	2,653	4,935	186.0%
Other financial results – RECPAM	231,447	367,759	(136,312)	-37.1%
Result before income tax	1,347,450	(428,748)	1,776,198	414.3%
Income tax	(301,579)	206,931	(508,510)	-245.7%
Net result of the period	1,045,871	(221,817)	1,267,688	571.5%
Other Comprehensive Income	(613,034)	1,672,282	(2,285,316)	-136.7%
Comprehensive Result of the Period	432,837	1,450,465	(1,017,628)	-70.2%

To analyze the changes, it should be taken into account that the balances at July 31, 2018 disclosed below arise from the restatement of the balances at that date in terms of unit of measurement at July 31, 2019.

The comparative evolution of the results as of July 31, 2019 with respect to July 31, 2018 was as follows:

- The gross result for the period ended July 31, 2019 was \$ 1,852,819 (profit), representing 54.6% of sales, while in the same period of the previous year it amounted to \$ 1,707,620 (profit) or 61.9% of sales at July 31, 2018. The gross result for the current period increased by 8.5%.
- Operating result in the period ended July 31, 2019 rose to \$ 1,186,465 (profit), compared to \$ 1,121,547 (profit) for the same period of the prior year, representing a decrease of 2.1%.
- Net result of the period amounted to \$ 1,045,871 (profit) in the period ended July 31, 2019, compared to \$ 221,817 (loss) in the prior period, representing an increase of 571.5%.
- Other comprehensive income, which has an impact on the technical revaluation reserve, being the same stated in real terms, amounted to \$ 613,034 (loss) as a result of the application of the inflation adjustment, net of the tax effect, of certain items of Property, plant and equipment stated at fair value (accounting revaluation).
- The comprehensive result was of \$ 432,837 (profit) in the period ended July 31, 2019, compared to \$ 1,450,465 (profit) for the same period of the previous year, representing a decrease of 70.2%.

Sales

Product	07/31/2019	07/31/2018	Variation	
Energy				
Energy CT ADC ⁽¹⁾	1,873,375	1,917,552	(44,177)	-2.3%
Energy DEEF	37,629	31,609	6,020	19.0%
Façon Service of electric energy	4,439	2,061	2,378	115.4%
Gas stimulus program	219,464	280,400	11,064	5.3%
Gas	50,852	-	50,852	100.0%
Oil	1,070,106	424,780	645,326	151.9%
Propane	72,240	95,431	(23,191)	-24.3%
Butane	47,777	60,266	(12,489)	-20.7%
Oxygen	1,516	1,246	270	21.7%
Services	15,592	16,916	(1,324)	-7.8%
Total	3,392,990	2,758,261	634,729	23.0%

(1) At July 31, 2019 and 2018 it includes income generated by the gas produced at the ADC area, Loma Negra and La Yesera, consumed in the CT ADC, and paid by CAMMESA under the concept Own Fuel Recognition. Likewise, as of November 2018, the third party gas redirected by CAMMESA and consumed in the CT ADC is included in this item.

Sales for the period ended on July 31, 2019 increased by 23.0% compared with the same period of the previous year. The evolution of each product was as follows:

a) Energy:

The income generated by CT ADC operations measured in pesos decreased by \$44,177, representing a drop of 2.3%, from \$ 1,917,552 as of July 31, 2018 to \$ 1,873,375 as July 31, 2019. This variation was mainly due to:

- (i) A decrease of 20.2% in the average sales price on GW sold, from an average \$ / MWh 858.4 in the period ended July 31, 2018 to average \$ / MWh 685.2 in the period ended July 31, 2019, as a result of the lower value of the energy and remunerated power based on the rate schedule implemented by Resolution SRRME 1/2019, offset with the higher evolution of the U.S. dollar quotation, with respect to the evolution of the inflation. Resolution SRRME 1/2019, effective since March 2019, set lower values of energy and power to those in force at February 2019.
- (ii) A reduction of 5.6% in the remuneration in pesos, recognized by CAMMESA to generators for the gas produced by the ADC, Loma Negra and La Yesera areas. This decrease was generated by the drop in the reference value of gas per million BTU for thermal plants of the Neuquen Basin from US\$ 5.53 (Resolution of the Ministry of Energy and Mining No. 41/16) to an annual average of US\$ 3.1 for the three months (period ended on July 31, 2019), as a result of the application of the maximum prices established by Resolution No. 46/2018 of the Ministry of Energy and the bidding made by CAMMESA for the acquisition of natural Gas for the generation of electricity as from September 2018. This decrease was offset by an increase of 94.5% in the remunerated volume, due to the incorporation since November 2018 of the remuneration of gas acquired from third parties and used in the generation, and to a higher price of the US dollar vis-à-vis the evolution of inflation. Income from this remuneration is included within the Oil and Gas segment (Note 8 to the Condensed Interim Consolidated Financial Statements). The own production gas consumed by the CT ADC slightly increased by 2.2%.

The generation of the ADC TC rose by 10.7% with respect to the same period of the previous year because of the greater availability of gas, by incorporating gas from third parties.

Sales of energy from the DEEF measured in pesos increased by \$ 6,020, representing an increment of 19.0%, from \$ 31,609 for the three month period ended July 31, 2018 to the three-month period ended July 31, 2019. Sales measured in GWh were 7.2 and 6.3 at July 31, 2019 and 2018, respectively. The average price of sales was \$ 5,206.7 and \$ 4,942.0 at July 31, 2019 and 2018, respectively; the price increase was due to the higher rise in the US dollar exchange rate with respect to the evolution of inflation.

b) Façon Service of electric energy

Facon services for the generation of electricity with natural gas and hydrogen measured in pesos increased by \$ 2,378 representing a rise of 115.4%, from \$ 2,061 at July 31, 2018 to \$ 4,439 at July 31, 2019. This increment is produced by the rise of 107.7% in the volume sold during the period ended July 31, 2019 due to the fact that, at the same period of the preceding financial year, maintenance work was being carried out in the plant, and to the upward of 2% in the tariff sold in pesos as a result of the greater evolution of the price of the US dollar, currency in which the price is fixed for this service, with respect to the evolution of inflation.

c) Gas

Gas production increased by 2.1%, from 142,377 thousands m³ as of July 31, 2018 to 145,407 thousands m³ as of July 31, 2019. Capex has been keeping the level of gas production by means of the investments made, mainly encouraged by the stimulus programs and by the development of reserves with better productivity. The production of gas from its participation in the Consortia with concessions in Loma Negra and La Yesera areas, in the province of Río Negro, increased by 170% from an average of 95 m³ per day at July 31, 2018 to an average of 256 m³ per day at July 31, 2019.

At July 31, 2019 Capex has used 100% of the production of gas originating from the Agua del Cajón area, for the generation of electricity in CT ADC and the operation of the LPG plant. Under the framework of the Incentive Program for the Investments in Developments of Natural Gas Production from Unconventional Reservoirs, the Company has presented the affidavits of the Agua del Cajón Area corresponding to the periods January 2018 – June 2019 and the bond insurance policies in order to request the payment of the program. The Ministry of Energy authorized all final economic compensations requested for the period January - August 2018 for approximately \$203.4 million and the provisional payment equivalent to 85% of the economic compensations requested for the period September 2018 - January 2019 for approximately \$248.6 million (both them expressed in historical cost). The Company has recorded under Sales the total incentive which complies with the conditions set forth in Resolution No. 419 E/2017, by \$ 219,464 and \$ 208,400 at July 31 2019 and 2018, respectively.

In the period ended July 31, 2019 Capex sold \$ 50,852 corresponding to the delivery of 8,848 m³ originating from Loma Negra area's concession at an average of US\$/ m³ 0.17741 (or US\$ 4.8 million BTU). 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 \$ 645,326, representing an increment of 151.9%. This increase was due to:

- i) the exports of oil, from the participation in the concession of Pampa del Castillo - La Guitarra area in the Province of Chubut (as from August 2018) of 36,904 m³ (bbl) at an average sale price of \$/ bbl 2,786.9; and
- ii) a decrease of 0.4% in the local sale of oil due to a reduction of 6.9% in the average price in pesos caused by a drop in the average price in dollars agreed between the parties offset by the higher evolution of the price of the US dollar with respect to the evolution of inflation, and the increase of 7% in the m³ sold, from 23,310 m³ at July 31, 2018 to 24,932 m³ at July 31, 2019. Considering the international price of crude oil and the need for a local price that allows developing the production activity and the impact of the exchange rate in the final prices of oil, fuel pump, producers and refineries negotiate regularly a price convergence of the inner product with the international value of the same.

Oil production increased by 394.7 %, from 15,933 m³ as of July 31, 2018 to 78,826 m³ as of July 31, 2019, due to the results obtained from the stimulation of some wells and the increment of production:

- i) in 77%, in the Consortia with concessions in Loma Negra and La Yesera areas in the Province of Río Negro
- ii) and to a greater extent, by the incorporation of oil production from the participation in the concession of Pampa del Castillo - La Guitarra Area in the Province of Chubut, as from August 1, 2018, with an average of 667 m³ per day in the period May-July 2019.

e) Propane, butane and gasoline:

- Sales of propane decreased by \$ 23,191 or 24.3%, from 95,431 at July 31, 2018 to \$ 72,240 at July 31, 2019, including the income from the "Propane Sur Program".

The reduction in sales is the result of a decrease in the average sale price of 14.1%, from \$ 18,098.0 average \$/tn as of July 31, 2018 to \$15,542 average \$/tn as of July 31, 2019, as a result of the lower international prices, offset by the higher evolution of the US dollar vis-à-vis the evolution of inflation. The volume sold decreased by 11.9%.

- The sales of butane decreased by \$ 12,489 or 20.7%, from \$ 60,266 at July 31, 2018 to \$ 47,777 at July 31, 2019. This decrease was due to a reduction in the average sales price in pesos of 18.6 %, from \$/tn 17,121.0 on average at July 31, 2018 to \$/tn 13,961.6 on average at July 31, 2019, due to the lower international prices, offset by a higher price of the US dollar vis-à-vis the evolution of inflation. The volume sold decreased by 2.8%.
- No sales of gasoline were recorded at July 31, 2019 and 2018, since production of 6,379 m³ and 6,412 m³, respectively, were blended and sold with oil for market reasons.

f) Oxygen:

Hychico sold 32,000 m³ and 31,500 m³ of oxygen for a total of \$ 1,516 and \$ 1,246 in the periods ended on July 31, 2019 and 2018, respectively. This increase in sales was due to an increment in the sale price in pesos as a result of the greater evolution of the price of the US dollar with respect to the evolution of inflation, and to the increase in the volume sold of 1.6%.

g) Services:

It corresponds to the participation of 37.5% over the income in the services provided for the treatment of crude oil and gas readiness by the Loma Negra consortia.

Cost of sales

	07/31/2019	07/31/2018	Variation	
Fees and other compensations	(8,762)	(7,080)	(1,682)	23.8%
Salaries and social security contributions	(252,050)	(161,597)	(90,453)	56.0%
Materials, spare parts and others	(130,823)	(18,717)	(112,106)	599.0%
Operation, maintenance and repairs	(215,705)	(59,288)	(156,417)	263.8%
Fuel, lubricants and fluids	(132,106)	(15,775)	(116,331)	737.4%
Transportation, freight and studies	(25,005)	(4,676)	(20,329)	434.8%
Depreciation of property, plant and equipment	(508,036)	(743,609)	235,573	-31.7%
Depreciation of right of use asset	(3,639)	-	(3,639)	100.0%
Office, travel and representation expenses	(4,317)	(2,307)	(2,010)	100.0%
Taxes, rates, contributions, insurance and rental	(51,515)	(21,987)	(29,528)	134.3%
Acquisition of electricity from CAMMESA	(42)	(13)	(29)	223.1%
Gas transportation costs	(21,102)	(16,363)	(4,739)	29.0%
Acquisition of third-party gas	(409,904)	-	(409,904)	100.0%
Oil acquisition	(11,711)	-	(11,711)	100.0%
Cost of production of inventories	(234,546)	771	233,775	30,321.0%
Cost of Sales	(1,540,171)	(1,050,641)	(489,530)	46.6%

The cost of sales as of July 31, 2019 amounted to \$ 1,540,171 (45.4% of net sales), while as of July 31, 2018 it amounted to \$ 1,050,641 (38.1% of sales).

The 46.6% increase in the cost of sales was mainly explained by:

- an increment of \$ 90,453, mainly, in labor costs, as a result of the incorporation of personnel to carry out the operation of the Pampa del Castillo - La Guitarra area as of August 1, 2018.
- an increment of materials, spare parts and others of \$ 112,106 and in operating, maintenance and repairs of \$156,417, as a result of the increment in the activity generated by the incorporation of Pampa del Castillo – La Guitarra area and the increase of the components of the rates of these services in foreign currency over the period, regarding the evolution of inflation,
- an increase in the costs of fuels, lubricants and fluids for \$ 116,331, as a consequence of more activity in the oil field , the rise in prices and the increment in the price of fiduciary funds for residential consumption associated with the production of LPG gas, higher than the evolution of inflation,
- The purchase of gas from third parties for \$ 409,904, given that since November 2018 the mode of gas acquisition from third parties for the generation of energy is in force and,
- the acquisition of oil for \$ 11,711, as a consequence of the Joint Operation Agreement that governs the operation of the Pampa del Castillo - La Guitarra area.

All this, offset by the lower depreciation charge of \$ 235,573 of items of Property, plant and equipment, substantially due to a lower depreciation value of the CT ADC at July 31, 2019 with respect to the depreciation value at July 31, 2018, as a consequence of a decrease in the fair value of CT ADC stated in constant currency at the end of the period (see Note 14 to the interim condensed consolidated financial statements). The calculation of depreciation was offset by an increase in the same due to investments made in the areas and to the incorporation of the participation in Pampa del Castillo - La Guitarra joint venture.

The cost of production of inventories corresponds to the capitalization of production costs to be allocated to the final stocks disclosed under Inventories.

Preoperative expenses

Preoperative expenses correspond to the professional fees, expenses, commissions and banking taxes, among others, related to the construction of Diadema Eolic Energy Farm II.

Selling expenses

	07/31/2019	07/31/2018	Variation	
Royalties	(333,229)	(243,590)	(89,639)	36.8%
Cost of transport and energy delivery	(25,738)	(18,591)	(7,147)	38.4%
Export duties	(59,527)	-	(59,527)	100.0%
Turnover tax	(90,957)	(77,798)	(13,159)	16.9%
Commissions and other	(1,259)	(1,618)	359	-22.2%
Selling expenses	(510,710)	(341,597)	(169,113)	49.5%

Selling expenses were \$ 510,710 as of July 31, 2019, representing 15.1% of sales, while as of July 31, 2018 they amounted to \$ 341,597, representing 12.4% of sales.

The 49.5% increase was mainly explained by:

- The royalties associated with oil by: i) the increment in production by adding the participation in UTE Pampa del Castillo – La Guitarra area and ii) the greater evolution of the price of the US dollar with respect to the evolution of inflation, all this compensated with a decrease in the local average price of crude oil measured in dollars.
- the royalties on gas production, produced by i) the increment in production obtained by adding the participation in the Consortia of the Loma Negra and La Yesera areas, and ii) the greater evolution of the price of the US dollar with respect to the evolution of inflation.
- the payment of export duties as a result of the export of oil from the Pampa del Castillo - La Guitarra area.

Administrative expenses

	07/31/2019	07/31/2018	Variation	
Fees and other compensations	(11,686)	(6,765)	(4,921)	72.7%
Salaries and social security contributions	(73,537)	(66,006)	(7,531)	11.4%
Materials, spare parts and others	(14)	(4)	(10)	250.0%
Operation, maintenance and repairs	(14,381)	(17,507)	3,126	-17.9%
Transportation, freight and studies	(865)	(1,371)	506	-36.9%
Depreciation of property, plant and equipment	(3,151)	(2,629)	(522)	19.9%
Depreciation of right of use asset	(7,219)	-	(7,219)	100.0%
Office, travel and representation expenses	(1,609)	(8,188)	6,579	-80.3%
Taxes, rates, contributions, insurance and rental	(4,942)	(14,006)	9,064	-64.7%
Bank charges	(47,481)	(35,303)	(12,178)	34.5%
Administrative expenses	(164,885)	(151,779)	(13,106)	8.6%

Administrative expenses were \$ 164,885 as of July 31, 2019, representing 4.9% of sales, while as of July 31, 2018 they were \$ 151,779, representing 5.5%. The increase was \$ 13,106, representing 8.6%. This increment results mainly from: i) bank charges as a result of the higher tax on bank credits and debits due to the higher expenses made and income received by the Group; ii) the increase in labor costs as a result of the hiring of personnel and iii) an increase in the depreciation of right-of-use asset related to leases in accordance with IFRS 16, offset by a decrease in Rental included in Taxes, rates, contributions, insurance and rental. All this was offset by a decrease in Office, travel and representation expenses due to the incorporation of expenses related to the acquisition of a participation in the Pampa del Castillo - La Guitarra area in the period ended July 31, 2018.

Other operating income / (expenses) net

	07/31/2019	07/31/2018	Variation	
Income from charges for indirect administrative services-consortia and UTE	6,114	4,467	1,647	36.9%
Non-computable assessments	-	(2,000)	2,000	100.0%
Sundry	4,481	(2,966)	7,447	-251.1%
Other operating income / (expenses), net	10,595	(499)	11,094	2,223.2%

Other operating income / (expenses), net as of July 31, 2019 were positive by \$ 10,595 and as of July 31, 2018 they were negative by \$ 499. This increase was partly due to the services provided by the Company as operator of the Consortia and UTE.

Financial results

	07/31/2019	07/31/2018	Variation	
Financial income	84,812	1,924,747	(1,839,935)	-95.6%
Financial costs	(162,862)	(3,935,454)	3,772,592	-95.9%
Other financial results	7,588	2,653	4,935	186.0%
Other financial results - RECPAM	231,447	367,759	(136,312)	-37.1%
Financial results	160,985	(1,640,295)	1,801,280	109.8%

a) Financial income

	07/31/2019	07/31/2018	Variation	
Exchange difference	(59,995)	1,792,538	(1,852,533)	-103.3%
Interest and others	144,318	132,191	12,127	9.2%
Interest accrued on receivables	489	18	471	2,616.7%
Financial Income	84,812	1,924,747	(1,839,935)	-95.6%

The financial income at July 31, 2019 reflected a balance of \$ 84,812 while at July 31, 2018 it was of \$ 1,924,747, representing a decrease of 95.6%. The main causes of the reduction of \$ 1,839,935 were:

- The variation in the exchange difference as a result of the evolution of the price of the US dollar with respect to the evolution of inflation, calculated over the investments in such foreign currency. The variation in the quotation of the US dollar between April and January 2019 was a drop of 0.6%, while between April and January 2018 it was a rise of 33.4%.

- The variation of interest and others mainly corresponds to the income generated by investments in term deposits and, to a lesser extent, to mutual funds and the holding of securities.
- The variation in interest accrued on receivables mainly corresponds to the result of the update of the value of Hychico's long term receivables.

b) Financial costs

	07/31/2019	07/31/2018	Variation	
Exchange difference	84,895	(3,618,301)	3,703,196	-102.3%
Interest and others	(276,644)	(310,535)	33,891	-10.9%
Interest accrued from payables	(6,144)	(6,618)	474	-7.2%
Financial Costs	(197,893)	(3,935,454)	3,737,561	-95.0%

Financial costs at July 31, 2019 showed a negative balance of \$ 197,893, while at July 31, 2018 they were negative by \$3,935,454, representing a decrease in costs of 95.0%. The main causes of the variation of \$ 3,737,561 were:

- The lower foreign exchange losses as a consequence of the evolution of the US dollar price in relation to the evolution of inflation; the variation in nominal values in the quotation of the US dollar between April and July 2019 was a decrease of 0.6%, while between April and July 2018 it was an increase of 33.4%. The Group holds 100% 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 financial debts 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.
 - Secured loan for US\$ 14 million with IIC, destined for Hychico Diadema Eolic Energy Farm, accruing interest at a variable rate equivalent to LIBO plus a nominal annual rate of 4.5% (as from April 2018) payable semi-annually. At July 31, 2019 the owed capital amounts to US\$ 2,4 million.
- The variation in interest and others mainly corresponds to interest accrued by Corporate Bonds, to the loan with IIC and to the funding for the maintenance of the ADC power plant. The decrease in the exchange rate generated a lower accrual of interest in pesos.
 - The accrual of interest on payables corresponds to the result generated by the updating of the value of the provision for well capping.

Other financial results - RECPAM

	07/31/2019	07/31/2018	Variation	
Other financial results - RECPAM	231,447	367,759	(136,312)	-37.1%

This item includes the result of the exposure to inflation.

Income tax

	07/31/2019	07/31/2018	Variation	
Income tax	(301,579)	206,931	(508,510)	-245.7%

The income tax result as of July 31, 2019 showed a negative balance of \$ 301,579, due to of the positive results for the period and for the tax generated by the adjustment for tax inflation art 95, while at July 31, 2018 the result was a profit.

Other comprehensive income

	07/31/2019	07/31/2018	Variation	
Other comprehensive income	(613,034)	1,672,282	(2,285,316)	-136.7%

Capex has been applying the revaluation model for certain assets within Property, plant and equipment. At July 31, 2019, a negative result of \$ 613,034 was generated due to the determination of the reserve for assets revaluation at real values.

Consolidated financial Statements

	07/31/2019	07/31/2018	Variation	
Property, plant and equipment	24,728,868	21,968,588	2,760,280	12.6%
Participation in companies	-	1,194,556	(1,194,556)	-100.0%
Financial instruments at fair value	-	1,171,693	(1,171,693)	-100.0%
Spare parts and materials	999,002	939,538	59,464	6.3%
Net deferred tax assets	46,110	5,158	40,952	794.0%
Right of use assets	232,045	-	232,045	100.0%
Other receivables	1,129,031	705,782	423,249	60.0%
Trade receivables	1,708,216	1,804,936	(96,720)	-5.4%
Inventories	240,595	7,020	233,575	3,327.3%
Cash and cash equivalents	8,057,479	6,458,924	1,598,555	24.7%
Total Assets	37,141,346	34,256,195	2,885,151	8.4%
Total shareholders' equity attributable to shareholders	15,403,893	14,068,527	1,335,366	9.5%
Non-controlling interest	94,558	67,481	27,077	40.1%
Total shareholders' equity	15,498,451	14,136,008	1,362,443	9.6%
Trade accounts payable	3,700,417	2,304,098	1,396,319	60.6%
Financial liabilities	13,432,341	12,988,153	444,188	3.4%
Net deferred tax liabilities	2,736,285	4,220,659	(1,484,374)	-35.2%
Taxes payable	1,427,111	409,660	1,017,451	248.4%
Provisions and other charges	2,480	3,828	(1,348)	-35.2%
Salaries and social security contributions	111,882	82,517	29,365	35.6%
Other liabilities	232,379	111,272	121,107	108.8%
Total Liabilities	21,642,895	20,120,187	1,522,708	7.6%
Total Shareholders' equity and liabilities	37,141,346	34,256,195	2,885,151	8.4%

Total assets as of July 31, 2019 increased by \$ 2,885,151, which represents an increment of 8.4% compared to July 31, 2018.

The main reasons for this variation are listed below:

- (i) Property, plant and equipment: an increase by \$ 2,760,280, due to: i) the investments made, ii) the acquisition of assets in Pampa del Castillo – La Guitarra area and iii) the advances for the construction of the DEEF II, iv) all net of the depreciations for the period and the decrease in fair value of CT ADC.
- (ii) Investments in companies: a decrease of \$ 1,194,556. At July 31, 2018 this was related to an advance payment for the operation of the Pampa del Castillo - La Guitarra area whose takeover occurred on August 1, 2018.
- (iii) Financial instruments at fair value: a decrease by \$ 1,171,693. They were destined to the acquisition of Pampa del Castillo – La Guitarra area and disbursements for the construction of DEEF II.
- (iv) Spare parts and materials: an increase of \$59,464, due to the net movement of the income and consumption of the stocks for major maintenance of the CT ADC and the materials coming from the operation of the Pampa del Castillo - La Guitarra area.
- (v) Net deferred tax asset: an increase of \$ 40,952 due to the generation of tax losses in E G WIND.
- (vi) Right of use assets: a \$ 232,045 increase generated by the application of IFRS 16.
- (vii) Other receivables: an increase of \$ 423,249, mainly due to the accrual of the Stimulus Program of natural gas from unconventional reservoirs, and E G WIND and Capex's VAT credit position.
- (viii) Trade receivables: a decrease by \$ 96,720 due to the reduction in the remuneration of power over the remuneration scheme for energy generation, offset by: i) the increment in crude oil selling price in pesos and quantities and ii) for credits nominated in US dollars, the increase in the quotation of this currency, regarding the evolution of inflation.
- (ix) Cash and cash equivalents: an increase by \$ 1,598,555, mainly due to higher net cash flows generated by: i) increases in sales as a result of the increment in prices in pesos and the variation of the exchange rate of the US dollar regarding the evolution of inflation, and ii) the increment in financial investments in foreign currency due to the variation in the exchange rate of the US dollar, offset by i) the payment for the acquisition of the participation in Pampa del Castillo – La Guitarra, ii) investments in property, plant and equipment iii) disbursements for the construction of the DEEF II and iv) the payment of the installments corresponding to the loan of Hychico with the CII.

Total liabilities as of July 31, 2019, increased in \$ 1,522,708, which represents an increment of 7.6 % in comparison with July 31, 2018.

The main reasons for this variation are listed below:

- (i) Trade accounts payable: an increase of \$ 1,396,319, mainly due to: i) higher purchases of materials and gas to supply the CT ADC, ii) the effect of the exchange rate of the US dollar on suppliers in foreign currency, iii) the higher commercial liabilities and provision for abandonment of wells resulting from the increase in activity in Agua del Cajón, and the incorporation of participation in the UTE Pampa del Castillo - La Guitarra iv) the balance pending cancellation for the acquisition of Pampa del Castillo - La Guitarra and v) the commercial liabilities resulting from the construction of the PED II.
- (ii) Financial liabilities: an increase of \$ 444,188, generated by: the increment in the exchange rate of the US dollar, regarding the evolution of inflation, causing the higher valuation of liabilities in foreign currency, offset by the capital payments of the loan with IIC of Hychico and compensation related to early financing for maintenance of the CT ADC.

- (iii) **Tax charges:** an increase of \$ 1,017,451 as a result of the accrual of the tax inflation adjustment, under section 95, and the higher tax results of this period.
- (iv) **Deferred tax liabilities:** a decrease of \$ 1,484,374 as a result of the application of the tax revaluation, of the tax inflation adjustment and by the effect of the gradual reduction of the income tax rate, introduced by the Tax Reform promulgated on December 29, 2017.
- (v) **Salaries and social security contributions:** an increase of \$ 29,365, as a result of the rise in the payroll of Capex due to the incorporation of new businesses.
- (vi) **Other liabilities:** an increase of \$ 121,107 as a result of the increment in royalties due to higher production, the increase in the exchange rate and the incorporation of new areas.

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

- Agua del Cajón

Below is the estimate of hydrocarbon reserves and resources in the Agua del Cajón area made by the Company at December 31, 2018, and audited by the independent auditor, Hector Alberto López, according to the requirements established in Res. SEN 324/06 and having as concession expiration horizon the month of January 2052.

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	MMm ³ ⁽¹⁾	4,126	1,208	5,334	797	653	15,315
Oil	Mbbl	1,774	1,094	2,868	1,730	1,736	3,730
	Mm ³	282	174	456	275	276	593

⁽¹⁾ Expressed in 9,300 kcal/m³

- Loma Negra

The estimate of hydrocarbon reserves and resources in the Loma Negra area, at December 31, 2018, was audited by the independent auditor, Licenciado Héctor A. López, in compliance with the requirements of ES Resolution 324/06 and having as expiration horizon the month of December 2024, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	MMm ³ ⁽¹⁾	972	6	978	238	-	766
Oil	Mbbl	1,585	327	1,912	50	-	755
	Mm ³	252	52	304	8	-	120

⁽¹⁾ Expressed in 9,300 kcal/m³

Capex owns 37.5% of said reserves

- La Yesera

The estimate of hydrocarbon reserves and resources in the La Yesera area, at December 31, 2018, was audited by the independent auditor, Lic. Héctor Alberto López, in compliance with the requirements of ES Resolution 324/06. The expiration horizon is June 2027, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	MMm ³ ⁽¹⁾	235	26	26	-	-	236
Oil	Mbbl	1,145	365	1,510	-	-	3,007
	Mm ³	181	58	240	-	-	478

⁽¹⁾ Expressed in 9,300 kcal/m³

Capex owns 18.75% of said reserves

- Pampa del Castillo – La Guitarra

The estimate of hydrocarbon reserves and resources in the Pampa del Castillo – La Guitarra area, at December 31, 2018, was audited by the independent auditor, Lic. Ana María Nardone, in compliance with the requirements of ES Resolution 324/06. The expiration horizon is October 2026, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	MMm ³ ⁽¹⁾	26	28	54	5	4	-
Oil	Mbbl	7,246	7,560	14,806	1,365	1,044	-
	Mm ³	1,152	1,202	2,354	217	166	-

⁽¹⁾ Expressed in 9,300 kcal/m³

Capex owns 95% of said reserves

b) Asset structure

	07/31/2019	07/31/2018
(a)		
Current Assets	11,356,795	10,275,155
Non-Current Assets	25,784,551	23,981,040
Total Assets	37,141,346	34,256,195
Current Liabilities	3,372,569	2,376,908
Non-Current Liabilities	18,270,326	17,743,279
Total Liabilities	21,642,895	20,120,187
Shareholders' equity attributable to shareholders	15,403,893	14,068,527
Non-Controlling interest	94,558	67,481
Total Shareholders' Equity	15,498,451	14,136,008
Total Shareholders' Equity and Liabilities	37,141,346	34,256,195

(a) Information consolidated with SEB and Hychico and E G WIND, according to financial information at July 2019 and 2018.

c) Results Structure

	07/31/2019	07/31/2018
(a)		
Operating result	1,186,465	1,211,547
Financial income	84,812	1,924,747
Financial costs	(162,862)	(3,935,454)
Other financial income	7,588	2,653
Other financial results - RECPMAN	231,447	367,759
Result before Income Tax	1,347,450	(428,748)
Income tax	(301,579)	206,931
Net result for the period	1,045,871	(221,817)
Other comprehensive income	(613,034)	1,672,282
Comprehensive result for the period	432,837	1,450,465

(a) Information consolidated with SEB and Hychico and E G WIND, according to financial information as of July 2019 and 2018.

d) Cash flow Structure

	07/31/2019	07/31/2018
	(a)	
Net cash flows provided by / (used in) operating activities	545,015	(915,235)
Net cash flows used in investment activities	(675,051)	(1,565,830)
Net cash flows used in financing activities	(516,881)	(455,986)
Net decrease in cash, cash equivalents and overdrafts	(646,917)	(2,937,051)

(a) Information consolidated with SEB and Hychico and E G WIND, according to financial information at July 2019 and 2018.

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

OIL					
	07/31/2019	07/31/2018	07/31/2017	07/31/2016	07/31/2015
Consolidated Information					
Production in bbl	495,803	100,216	97,538	67,931	67,227
Sales domestic market bbl	156,815	146,615	160,058	112,998	112,983
Sales foreign market bbl	232,117	-	-	-	-
Production in m3 ⁽⁴⁾	78,826	15,933	15,507	10,800	10,688
Sales in the domestic market m3 ⁽¹⁾	24,932	23,310	25,447	17,965	17,963
Sales in the foreign market m3	36,904	-	-	-	-

GAS (thousands of m ³)					
	07/31/2019	07/31/2018	07/31/2017	07/31/2016	07/31/2015
Consolidated information					
Production	145,407	142,377	137,188	140,996	140,213
Redirected by CAMMESA – ES					
Resolution 95/13 /Purchase	181,298	146,561	160,996	143,607	84,576
Sales in the domestic market	8,848	-	18,318	2,319	8,834

ENERGY AGUA DEL CAJON (thousands of MWh)					
	07/31/2019	07/31/2018	07/31/2017	07/31/2016	07/31/2015
Consolidated information					
Production	1,245	1,125	1,119	1,128	822
Sales	1,207	1,079	1,082	1,064	763

RENEWABLE ENERGY (thousands of MWh)					
	07/31/2019	07/31/2018	07/31/2017	07/31/2016	07/31/2015
Consolidated information					
Production	7.2	6.3	7.5	4.2	7.6
Sales	7.2	6.3	7.5	4.2	7.6

ENERGY DIADEMA PLANT (thousands of MWh)					
	07/31/2019	07/31/2018	07/31/2017	07/31/2016	07/31/2015
Consolidated information					
Production	3.0	1.4	2.6	2.5	2.3
Sales	2.7	1.3	2.3	1.9	1.9

PROPANE (tn)					
	07/31/2019	07/31/2018	07/31/2017	07/31/2016	07/31/2015
Consolidated information					
Production	5,092	5,137	5,696	5,254	4,975
Sales domestic market	4,648	5,273	5,843	5,198	5,095

BUTANE (tn)					
	07/31/2019	07/31/2018	07/31/2017	07/31/2016	07/31/2015
Consolidated information					
Production	3,443	3,408	3,757	3,488	3,651
Sales domestic market	3,422	3,520	3,718	3,527	3,561

GASOLINE (m ³)					
	07/31/2019	07/31/2018	07/31/2017	07/31/2016	07/31/2015
Consolidated information					
Production ⁽²⁾	6,379	6,412	6,747	6,392	6,689

OXYGEN (Nm ³)					
	07/31/2019	07/31/2018	07/31/2017	07/31/2016	07/31/2015
Consolidated information					
Production	9,495	6,945	10,358	7,324	13,501
Sales domestic market ⁽³⁾	32,000	31,500	30,798	29,795	27,673

⁽¹⁾ Includes 6,362 m³, 6,436 m³, 6,753 m³, 6,415 m³ and 6,689 m³ of gasoline at July 31, 2019, 2018, 2017, 2016 and 2015, respectively sold as oil.

⁽²⁾ The gasoline at July 31, 2019, 2018, 2017, 2016 and 2015, was sold as oil.

⁽³⁾ The sales of oxygen at July 31, 2019, 2018, 2017, 2016 and 2015 include take or pay clause.

⁽⁴⁾ At July 31, 2019 includes 9,645 thousands m³ from the Agua del Cajón area and 7,789 thousands m³ from the Loma Negra and La Yesera areas and 61,392 thousands m³ from the Pampa del Castillo – La Guitarra area.

f) Ratios

	07/31/2019	07/31/2018
	(a)	
Liquidity (1)	3.37	4.32
Solvency (2)	0.71	0.70
Capital Immobilization (3)	0.69	0.70

(a) Information consolidated with SEB and Hychico and E G WIND as per financial information at July 31, 2019 and 2018.

(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 the interim condensed consolidated financial statements)

Hydrocarbons

During the fiscal year Capex foresees:

- **in the Agua del Cajón Area**, continue with the development plan called “conventional” that includes an advanced well drilling and development plan for conventional gas and “tight gas sand” and a plan for repairs and optimizations of oil and gas wells.

The Company will continue focusing 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-sand projects. Regarding the development of shale resources (schist of slate rock), work will continue on the technical-economic viability previous to face the development stage.

- **In the area Loma Negra**, drill one advanced well and two development producing oil wells. Additionally, the repair of oil wells and conversion of producing wells into injection wells is expected. Regarding surface works, the Loma de Maria battery will be expanded to increase the gas production capacity to 1 MM m³/d.

- **In the area La Yesera**, drill 1 development well (Side-Track to well LY-1) and install a battery in order to continue the development program of this area. The Consortium will focus on the development of oil reserves in deep targets.

- **In the area Pampa del Castillo**, drill advanced/exploration wells and primary/secondary development producing wells, a repair program for oil producing wells and the adequacy of secondary recovery facilities in batteries and plants.

As part of its strategy, Capex will continue evaluating potential acquisitions of hydrocarbon assets that will increase production levels and reserves. In this sense, Capex has submitted bids for the Bella Vista Oeste area, in the Province of Chubut, and the Parva Negra area, in the Province of Neuquén, which at the date of issuance of these financial statements have not been awarded.

Renewables

Capex, through its subsidiary Hychico will continue to operate its Eolic Diadema Energy Farm and its Hydrogen and Oxygen Plant and evaluate the storage of hydrogen in depleted gas and oil reservoirs, as well as the feasibility of moving forward with the methanation project. Regarding the new Diadema II Wind Farm, all equipment has been mounted and is working under the phase of industrial running. The Company is performing the actions required to obtain the authorization to operate, which may be granted during the second quarter of this fiscal year.

Capex and its subsidiaries long-term objectives as regards renewable energies are focused in supplying future regional and international markets with "green hydrogen" produced from renewable energy, and the development of wind and photovoltaic farms to satisfy the national electricity demand with power plants generating renewable energy free of greenhouse gas emissions.

It is the intention of Capex and its subsidiary Hychico to be active participants in the renewable energy generation market, for which they are carrying out evaluations and feasibility studies to develop projects: i) with industrial clients; ii) self-generation, to the extent that it adds value to the business; and iii) participation in the Renewable Energies bids that the Argentine Government calls as part of RenovAr Program. For this purpose, a portfolio of wind and solar energy projects covering several regions of the country is currently being developed.

Financial

The Group bases its financial strategy in: (i) maintaining its financial liabilities in medium and long-term structures in order to maintain a maturity profile according to the cash generation of its businesses.

In line with this strategy, Capex owns most of its structural financial debt under the issuance of Class 2 Negotiable Obligations for US\$ 300 million completed in May 2017 and whose maturity is fully effective in May 2024, at a nominal annual rate of 6.875%. The funds received from this issuance were used to refinance Class 1 of Negotiable Obligations for US\$ 200 million whose expiration operated in March 2018 at an annual nominal rate of 10% and to increase the liquidity of Capex in order to complete its investment plan and acquisition of new businesses. In this sense, this extra liquidity was partly used to acquire the Loma Negra, La Yesera and Pampa del Castillo – La Guitarra hydrocarbon areas, to face the investments associated with the development of the Diadema Eolic Energy Farm II, awarded within the framework of the RenovAR Ronda 2.0 Program. The Company is evaluating different hydrocarbon assets and thermal and renewable energy projects.