TGLT

4Q'19 EARNINGS RELEASE

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Buenos Aires, March 10, 2020 – TGLT S.A. (Buenos Aires Stock Exchange: TGLT; USOTC: TGLTY) reported on **March 10, 2020** financial results for the fiscal period ended on December 31, 2019. Except otherwise stated, the financial and operating information herein are presented in accordance with International Financial Reporting Standards, in practice in Argentina, and are denominated in inflation-adjusted Argentine Pesos, stated at period end values.

Highlights:

- **Successful implementation of the recapitalization plan**

  With date December 11, 2019, TGLT announced the successful execution of its three-part recapitalization plan, aimed at rebuilding its capital structure and providing long-term financial sustainability to the Company.

  As a part of this plan, the Company issued (i) new Preferred Stock Class A for USD 39.0M, subscribed in cash, in kind and through the capitalization of the Company's debt; and (ii) new Preferred Stock Class B for USD 140.8M, subscribed by the exchange of the Convertible Subordinated Notes due 2027 (including the deferred and accrued interests) and existing common stock.

  On the other hand, TGLT signed support letters with certain holders of more than 80% of the outstanding amount of the USD 25M Series XV Notes due March 2020, who agreed to exchange these notes for a new series to be issued by the Company, with the purpose of improving TGLT's financial profile through the extension of its debt maturity terms (see below final terms of the new series).

  Lastly, a series of agreements were executed by TGLT and Banco Itaú (including Argentina and Uruguay branches), pursuant to which Itaú agreed to extend to TGLT (i) new credit facilities for the equivalent in Pesos of USD 15.6M in Argentina; (ii) a USD 5M credit facility in Uruguay (to our subsidiary in that country); and (iii) a USD 7M Stand-by letter of credit to allow TGLT to seek additional financing. All these facilities were used to cover a substantial portion of the outstanding amount of Caputo acquisition, due January 2020 for USD 27.6M, and were focused on minimizing TGLT's cash payments during 2020 and 2021.

  Please refer to December 11, 2019 press releases and to our Financial Statements for further information.

- **Recomposition of our capital structure**

  By means of this recapitalization plan, TGLT has bolstered its credit profile and rebuilt its net worth in a sustainable manner. As such, the Company's Shareholders' equity has gone from negative ARS 3,327M in 3Q'19 (prior to the recapitalization) to positive ARS 4,443M in 4Q'19.

  TGLT expects that its recapitalization plan will enable the Company to have a capital structure that will provide flexibility for its operations and will allow for more efficient allocation of TGLT's resources, which is in line with its growth plan and the development of its businesses.

- **Issuance of Series XVI and XVII Notes**

  With date February 11, 2020, and as a part of the recapitalization plan mentioned above, TGLT exchanged a total USD 21.7M of its USD 25M Series XV Notes (87% of its principal outstanding amount) for two new series, XVI and XVII, which terms are described below.

Series XVI in particular was rated "BBB-" by FIX SCR (affiliate of Fitch Ratings), vis-à-vis the previous rating of "B-" for Series XV, representing a material improvement to the Company's credit assessment.

	Series XVI	Series XVII
Issue date	February 11, 2020	February 11, 2020
Amount	USD 20,305,100	USD 1,444,230
Currency	USD	USD
Interest Rate	(i) 7.95% for Year 1; (ii) 9% for Year 2; and (iii) 10% for Year 3.	Flat 7.95%
Maturity date	February 11, 2023 (3 years)	February 11, 2023 (3 years)
Amortization	(i) 33.33% on February 11, 2022 and (ii) the outstanding amount on the maturity date.	(i) 15% on April 8, 2020; (ii) 28.3% on Feb 11, 2021; (iii) 28.3% on Feb 11, 2022; and (iv) the outstanding amount on maturity date.
Interest Payment	Quarterly	Quarterly
Issue Price	At par	At par
Risk Rating	BBB- by FIX SCR S.A. Risk Rating Agent	

The Series XV outstanding amount of USD 3.25M will be paid on its maturity date (March 20, 2020) with proceeds from an additional Peso credit facility from Banco Itaú.

Please refer to the supplemental prospectus dated on February 3, 2020, and the Allotment Results Release for further information.

- **Mandatory conversion of Convertible Notes and Preferred Shares**

As mentioned above, on December 11, 2019, the Company issued Class A Preferred Shares for a total amount of USD 39,033,842; and Class B Preferred Shares for a total amount of USD 140,796,732; representing a total amount of USD 179,830,574 in new Preferred Shares.

In this context, given that the total amount of the securities representing the Company's capital stock issued cumulatively under the Offers (which were computed for the Qualified Public Offering Threshold, as set forth in several statements of the Offering Memorandum dated as of November 1, 2019) exceeded the aggregate principal amount of USD 100,000,000, the Board of Directors of the Company determined, on date February 10, 2020, that the Qualified Public Offering Threshold had been met, resulting in the mandatory conversion into common stock of the Company, with immediate effect as of such date, of (a) the Convertible Subordinated Notes; and (b) the Preferred Shares Class A and B.

Consequently, the Company: (a) converted the Convertible Notes into common shares of the Company, at the conversion price of USD 0.50 per share of common stock, resulting in the issuance of 49,800,000 common shares; (b) converted the Class A Preferred Shares, at a conversion price of USD 0.11 per share of common stock, resulting in the issuance of 360,767,338 common shares; and (c) converted the Class B Preferred Shares at a conversion price of USD 0.33 per share of common stock, resulting in the issuance of 433,767,845 common shares.

As a result of these mandatory conversions, as of February 10, 2020, the capital stock of TGLT consists of 924,990,607 common shares (including the

9,752,054 common shares surrendered by the Company before the *Comisión Nacional de Valores* for cancellation).

In addition, the Company paid to the holders of record of the Convertible Notes on February 1, 2020 the accrued and unpaid interest until February 15, 2020.

Please refer to the correspondent press release issued on date February 10, 2020 for further information.

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Financial Information per business line

As per indication of the relevant international and domestic authorities following IAS 29 guidance, our Financial Statements are presented using Inflation Accounting. Therefore, information for 2019 and 2018 has been restated at December 2019 values and, as such, comparative analysis between the two fiscal years is presented on a like-for-like basis.

Operating Income and EBITDA

Total gross profit reached ARS 1,274M in 2019 (up 6.4% vs 2018 in real terms), driven by the Construction business line, which revenues grew ARS 327M vs 2018 (5.2%), and posted a margin of 21.6% (+190bps vs 2018). The main sources of revenue were the projects New terminal in Ezeiza airport, Concepción Live Art Work and Oceana Puerto Madero (both residential buildings), which accounted for over 45% of total. Real Estate gross profit was particularly affected by a one-off non-monetary impairment in the project Metra Puerto Norte for ARS 277M, related to an adjustment in the criteria for inflation adjustment on inventories.

EBITDA in 2019 was ARS 127.7M, improving from negative ARS 132.6M in 2018, driven by the increase in gross profit mentioned above and a ARS 213M reduction (22.5% in real terms) in SG&A expenses, resulting from the Company's effort to adjust its structure to the current macro context and business volume. The SG&A expenses include one-off charges for ARS 73M in 2019, derived from the recapitalization process and the downsizing of our operating structure. Importantly, these efforts were carried out throughout the year and as such the economic impact is not reflected in full in 2019 Financial Statements.

	CONST.	RE	2019	CONST.	RE	2018	DIFF
Revenue	6,565.4	2,029.7	8,595.1	6,238.0	2,175.9	8,413.9	181.2
Cost of goods sold	(5,145.3)	(2,175.9)	(7,321.2)	(5,008.0)	(2,209.0)	(7,217.0)	(104.3)
Gross Profit	**1,420.1**	**(146.1)**	**1,273.9**	**1,230.0**	**(33.1)**	**1,197.0**	**77.0**
Gross Margin	***21.6%***	***(7.2%)***	***14.8%***	***19.7%***	***(1.5%)***	***14.2%***	***0.6%***
S&A expenses (net of taxes)	(547.1)	(188.0)	(735.1)	(394.8)	(553.3)	(948.1)	213.0
Taxes in S&A	(217.3)	(67.2)	(284.5)	(183.9)	(114.4)	(298.4)	13.9
Other operating charges (1)	70.6	(254.4)	(183.8)	(51.6)	(95.2)	(146.8)	(37.0)
Operating Income	**726.3**	**(655.7)**	**70.6**	**599.7**	**(796.0)**	**(196.3)**	**266.9**
(+) D&A | Goodwill impairment	26.0	31.1	57.1	24.9	38.8	63.7	(6.6)
EBITDA	**752.3**	**(624.6)**	**127.7**	**624.5**	**(757.2)**	**(132.6)**	**260.3**

(1) Includes Results from Investment Properties, Other operating expenses and Other incomes & expenses

Balance Sheet

As previously mentioned, our Financial Statements have been drastically improved by the implementation of the recapitalization plan and, as such, the Shareholders' equity has gone from negative ARS 2,001M in 2018 (and negative ARS 3,327M in 3Q'19, prior to the recapitalization) to positive ARS 4,443M in 2019.

Consequently, our financial liabilities in foreign currency, which were the main source of losses in the Income Statement following the sustained depreciation of the Peso, have been significantly reduced following the capitalization of USD 139.3M of Convertible Notes (including the deferred and accrued interests). At the same time, we have been able to extend maturities in remaining debt instruments, such as the local USD 25M bond and the Caputo acquisition debt, for which we have secured credit facilities with Banco Itaú (see Highlights for further detail), transactions that will be fully reflected in our next Financial Statements.

	CONST.	RE	2019	CONST.	RE	2018
ASSETS						
Non-current assets	2,994.6	6,465.8	**9,460.3**	2,506.0	7,643.3	**10,149.3**
Current assets	1,995.5	3,275.8	**5,271.3**	2,839.9	5,848.8	**8,688.7**
Total Assets	**4,990.0**	**9,741.6**	**14,731.6**	**5,346.0**	**13,492.1**	**18,838.1**
LIABILITIES						
Non-current liabilities	15.0	5,218.4	**5,233.4**	11.9	10,040.1	**10,052.0**
Current liabilities	1,866.0	3,198.6	**5,064.6**	2,329.8	8,457.4	**10,787.2**
Total Liabilities	**1,881.1**	**8,417.0**	**10,298.1**	**2,341.7**	**18,497.5**	**20,839.2**
NET EQUITY						
Total Shareholders' equity	**3,109.0**	**1,324.6**	**4,433.5**	**3,004.2**	**(5,005.3)**	**(2,001.1)**

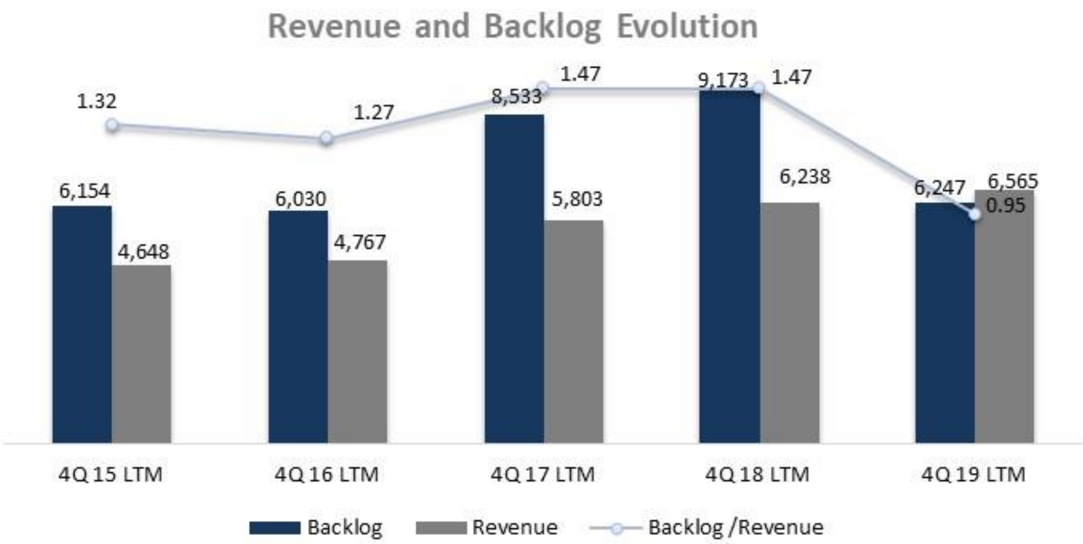
Construction business line

Revenues and Backlog Evolution

Construction revenues reached ARS 6.6B in 2019, up 5.2% vs 2018 in real terms and posting the highest revenue in the last 5 years (22.4% above the average of the previous 4 years), growing at an average rate of 9% since 2015. Following this, the Company has now ARS 6.2B in backlog, which is 0.95x trailing last twelve months revenue in real terms and, despite being below historical levels, it provides almost 1-year visibility to our cash flows.

During this year we signed 3 new contracts that account for almost 30% of total backlog, such as L'Avenue, a 33-story upscale residential building in the Palermo neighborhood, the 3rd stage of OM Recoleta, a 12-story residential and commercial building in Recoleta neighborhood, and the 2nd stage of OM Botánico, a 23-story residential and commercial building in Palermo neighborhood. Importantly, our backlog continues to show a moderate concentration, as it is composed by 12 projects, with none of them accounting for more than 20% of total.

All figures in ARS Mns (at Dec'19 values)



Backlog Split

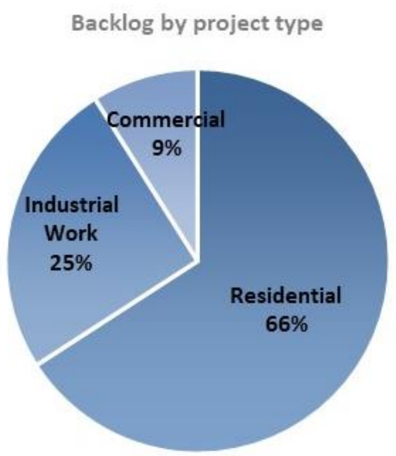
Construction backlog is mostly concentrated in private real estate projects, both residential and commercial, which account for 75% of total. Such projects include, among others, *OM Recoleta, Concepción Live Art Work, OM Botánico*, *Oceana Puerto Madero, Ezeiza Airport Terminal* and *L'Avenue*.

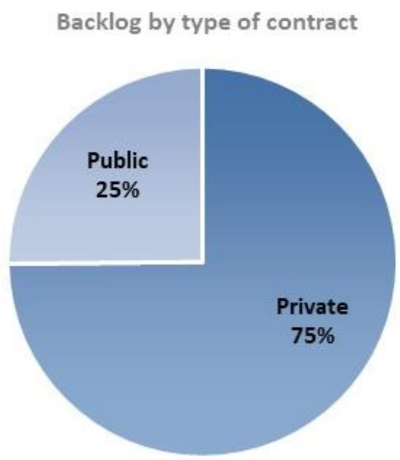
PROJECT	COMITENT	TYPE	ARS M	PROGRESS
CNEA Reactor	Public	Industrial Work	1,253.5	50.3%
OM Recoleta (1)	Private	Residential	1,103.4	33.5%
Concepción Live Art Work	Private	Residential	888.8	53.7%
OM Botánico (1)	Private	Residential	799.0	25.9%
Oceana Puerto Madero	Private	Residential	652.1	45.0%
L' Avenue (1)	Private	Residential	614.8	19.5%
Sanatorio Itoiz	Private	Commercial	320.5	69.9%
Nucleoeléctrica Argentina (N.A.S.A) (2)	Public	Industrial Work	317.0	77.6%
Ezeiza airport terminal	Private	Commercial	220.7	87.1%
The Link Towers	Private	Residential	41.0	95.5%
Papelera del Plata	Private	Commercial	19.7	95.4%
Hotel IQ - SLS Lux	Private	Residential	16.4	99.3%
TOTAL			**6,246.8**	

All contracts are periodically adjusted by the evolution of relevant inflation indexes. As such, figures are quoted at period-end values.

(1) Contracts signed during 2019.

(2) On February 27, 2020, the Company received a formal notification from the client, Núcleo Eléctrica Argentina S.A. ("NASA"), stating that due to different circumstances, they had resolved to unilaterally terminate the contractual relationship. On March 2, 2020, the Company replied rejecting all arguments set forth in the document, emphasizing that only TGLT could legally terminate the contract due to the counterparty's fault based on prior letter exchanges. Both parties have already begun negotiations in order to reach an agreement.





Real Estate business line

Projects under development

FORUM PUERTO DEL BUCEO

- Construction is almost finished, with only some construction details remaining.
- As of December 2019, 135 units from segments F, G, H, I and J have been delivered, adding up to a total of 294 units amongst all phases (87.5% of total units).

ASTOR SAN TELMO

- Legal injunction limiting the construction height is still in force, so construction works are limited to the defined boundaries.
- TGLT acts as the main contractor of the project, having recently ended by mutual agreement the contractual relationship with RIVA, former main contractor of the project.

VENICE

- Having delivered 181 units so far in buildings Goletas I, Cruceros I, Falúas, Balandras I and Balandras II (53% of total), we continue advancing with the construction works in Goletas II, the last of the 6 buildings already launched.
- We also continue working on common spaces, having now finished the concrete structure of the Club House and the access building. Construction works for the navigable canal are also under-way, being carried out by specialized third-party firms.
- TGLT owns 50% of the project through its subsidiary Marina Río Luján.

METRA PUERTO NORTE

- We have delivered 43 units and 1 retail unit in Tower UNO.
- Concrete structure of Tower DOS has already reached the 21st floor. We continue working on masonry, sanitary and electrical installations, exterior carpentry and floor tiling.

Financial Statements

Consolidated Income Statement

	$ M	$ M
(All figures in $ millions, unless otherwise noted)	2019	2018
Revenue	8,595.1	8,413.9
Cost of goods sold	(7,321.2)	(7,217.0)
Gross profit	**1,273.9**	**1,197.0**
Selling expenses	(365.0)	(381.4)
Administrative expenses	(654.6)	(865.1)
Other operating expenses	(227.1)	(1,556.0)
Other expenses	(27.0)	(39.3)
Investment properties mark-to-market	19.8	1,251.6
Gains from sale of investment properties	(120.9)	(2.4)
Other income and expenses, net	171.5	199.2
Operating income	**70.6**	**(196.3)**
Financial result	(5,622.2)	(5,523.9)
Net results from investments in associates and joint ventures	36.6	1,178.3
Inflation adjustment	3,439.1	1,181.0
Income/(Loss) before Income tax	**(2,075.9)**	**(3,361.0)**
Income tax	(161.0)	1,028.5
Net income	**(2,237.0)**	**(2,332.5)**
Transaction effect	(110.2)	(166.3)
Net comprehensive income	**(2,347.2)**	**(2,498.8)**
Net income attributable to:		
Shareholders of the parent	(2,237.0)	(2,452.3)
Minority interests	-	119.8
Net comprehensive income attributable to:		
Shareholders of the parent	(2,347.2)	(2,618.6)
Minority interests	-	119.8

	$	$
Net comprehensive income per share	2019	2018
Basic	(20.19)	(34.71)
Diluted	(0.51)	(2.16)

Consolidated Balance Sheet

(All figures in $ millions, unless otherwise noted)	Dec 31, 2019	Dec 31, 2018
ASSETS		
Properties, plant & equipments	121.3	140.8
Intangible assets	36.6	63.7
Investment properties	1,482.4	529.9
Investment in associates and joint ventures	3,500.5	3,158.0
Goodwill	1,101.7	1,101.7
Inventory	2,120.8	3,511.8
Tax assets	613.8	1,022.1
Other credits	6.4	520.9
Receivables from related parties	232.9	49.5
Accounts receivables	244.0	51.1
Total non-current assets	**9,460.3**	**10,149.3**
Contract assets	2.0	3.7
Inventory	1,464.2	1,541.8
Other assets	-	1,237.6
Assets held for sale	-	220.9
Other credits	1,104.9	1,836.8
Receivables from related parties	728.4	546.2
Accounts receivables	1,381.7	1,999.5
Other financial assets	-	4.2
Cash and equivalents	590.0	1,298.0
Total current assets	**5,271.3**	**8,688.7**
Total assets	**14,731.6**	**18,838.1**
LIABILITIES		
Other accounts payable	18.1	1,469.7
Payables to related parties	8.4	10.7
Contract liabilities	2,197.2	1,860.9
Long term loans	2,959.2	6,696.9
Other tax burdens	50.5	13.9
Total non-current liabilities	**5,233.4**	**10,052.0**
Taxes payable	0.1	-
Provisions	153.2	242.3
Other accounts payable	1,023.9	3,261.3
Contract liabilities	1,190.8	3,059.9
Debt with related parties	70.2	37.8
Short term loans	960.0	2,078.9
Other tax burdens	99.9	177.1
Wages and social security contributions	197.9	209.9
Accounts payable	1,368.7	1,720.0
Total current liabilities	**5,064.6**	**10,787.2**
Total liabilities	**10,298.1**	**20,839.2**
SHAREHOLDERS' EQUITY		
Shareholders of the parent	4,433.5	(2,001.1)
Minority interests	-	-
Shareholders' equity	**4,433.5**	**(2,001.1)**
Total liabilities and shareholders' equity	**14,731.6**	**18,838.1**

4Q'19 EARNINGS RELEASE

TGLT

Consolidated Cash Flow Statement (Selected lines)

(All figures in $ millions, unless otherwise noted)	$ M	$ M
Cash variations	**2019**	**2018**
Cash at the beginning of period	1,298.0	4,106.6
Inflation effect	454.2	(1,437.1)
Cash at the end of period	590.0	1,298.0
Net cash changes	**(1,162.2)**	**(1,371.5)**

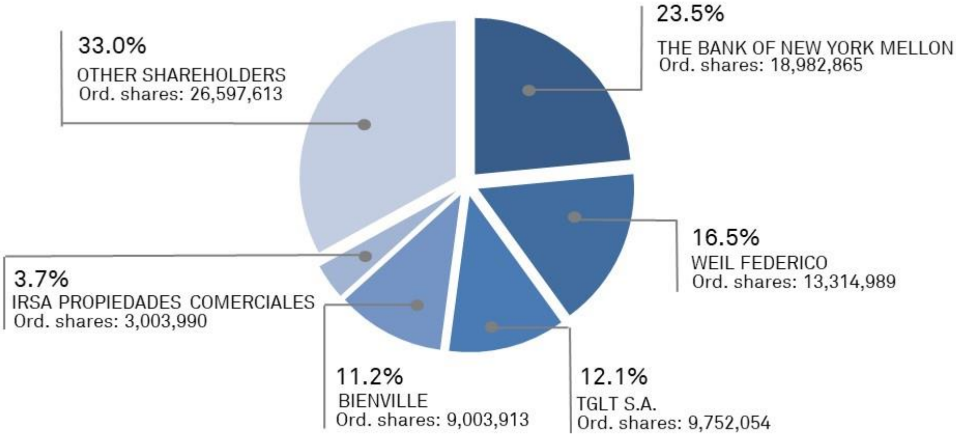
Reasons for cash variations		
Operating activities		
Net income	(2,237.0)	(2,332.5)
Adjustments for arriving to the net cash flow from operating activities		
Income tax	161.0	(1,028.5)
Depreciation of fixed assets	30.1	24.5
Goodwil impairments	-	496.8
Amortization of intangible assets	27.0	39.2
Other expenses	-	1,219.8
Exchange rate differences and accrued interest	5,423.9	3,898.5
Results from investment in associates and joint ventures	(36.6)	1,178.3
Gains from sale of investment properties	(162.9)	(188.6)
Valuation gains from investment properties	(19.8)	(1,859.2)
Collections from sale of PP&E	120.9	(1.5)
Mark-to-market of assets and liabilities	149.4	230.1
Exchange rate differences	(110.2)	166.3
Changes in operating assets and liabilities		
Changes in accounts receivables	424.8	(999.3)
Changes in other credits	1,246.4	(856.9)
Changes in credits with related parties	(365.6)	(220.2)
Changes in other assets	1,237.6	-
Changes in other financials assets	114.4	(3.7)
Changes in inventory	1,645.8	(190.8)
Changes in tax assets	408.3	(7.8)
Changes in assets held for sale	(20.7)	85.7
Changes in accounts payable	(351.3)	864.2
Changes in payroll and social security contributions	(12.0)	108.9
Changes in taxes payable	(201.6)	25.7
Changes in debts with related parties	30.2	34.7
Changes in contract liabilities	(1,611.6)	(324.9)
Changes in provisions	47.4	301.8
Changes in other liabilities	(2,280.1)	1,265.3
Inflation effect	(3,893.3)	256.1
Net cash flow generated/(used) by operational activities	**(233.8)**	**2,179.1**

Investment activities		
Companies acquisitions	1,432.6	-
Collections from sale of other assets	404.5	278.8
Payments for purchase of PP&E	(10.7)	(89.9)
Collections from sale of investment properties	(1,053.6)	-
Payments for purchase of intangible assets	-	(68.3)
Payments for purchase of controlling interest	(1,558.3)	(3,200.6)
Dividends from Associates and Joint Ventures	53.5	59.5
Associates and joint venture contributions	(2.2)	(39.8)
Net cash flow generated/(used) by investment activities	**(734.2)**	**(3,058.2)**

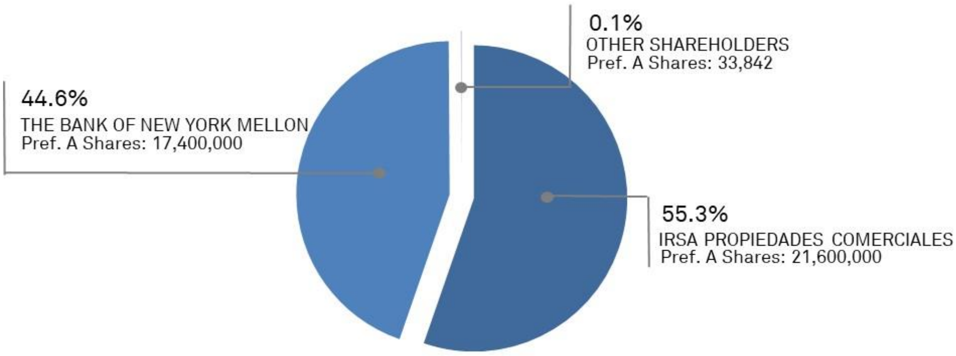
Financing activities		
Increase in loans	(9,239.3)	(459.8)
Increase / reduction in non-controlling interest	-	58.2
Equity issuance	2,380.3	-
Transactions between shareholders	(1.4)	(90.7)
Capitalization of Negotiable Obligations	6,666.2	-
Net cash flow generated by financing activities	**(194.3)**	**(492.3)**

Shareholder's structure

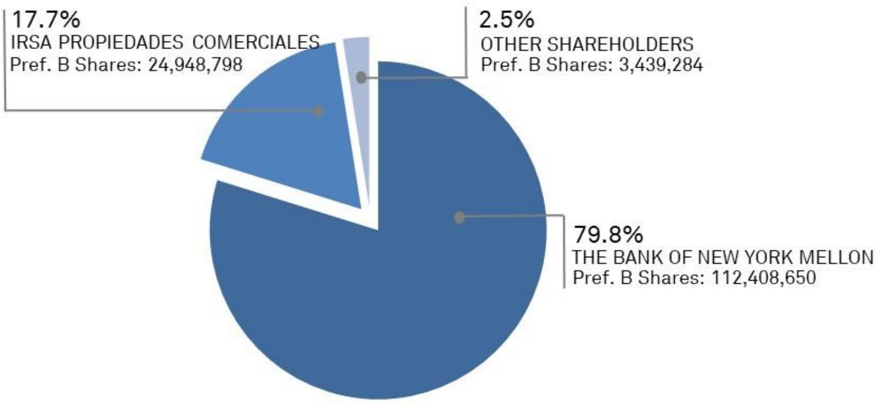
There are 80,655,424 Ordinary shares.



There are 39,033,842 Preferred A shares.



There are 140,796,732 Preferred B shares.



Information as of December 31, 2019. Please note that the shareholder's structure has been modified following the conversion of the Preferred Shares and the Convertible Notes (please refer to Highlights for further information).