TGLT

3Q'19 EARNINGS RELEASE

IR Contact

Manuel Moreno
CFO and IR Officer

inversores@tglt.com
(+54 11) 5246 8800

IR Website
www.tglt.com/ir

Buenos Aires, November 13, 2019 – TGLT S.A. (Buenos Aires Stock Exchange: TGLT; USOTC: TGLTY) reported on November 11, 2019 financial results for the period ended September 30, 2019. Except otherwise stated, the financial and operating information is presented in accordance with International Financial Reporting Standards, in practice in Argentina, and is denominated in inflation-adjusted Argentine Pesos, stated at period end values.

Highlights:

- **TGLT's recapitalization process**

  As informed in our previous releases, TGLT announced an agreement with a substantial majority of the USD 150M Convertible Notes holders with the objective of reconstituting the Company's capital structure (an element of utmost importance to obtain competitive financing conditions and essential to participate in construction bids, offers and projects in which we are interested) and, at the same time, reducing our financial liabilities, allowing us to allocate our financial resources to the business cycle.

  As of the date of this release, and as a result of these conversations, a large majority of holders of the Convertible Notes agreed to defer the interest payments due on February and August 2019 up to December 9, 2019. We also entered into a Recapitalization Agreement, in which the Company committed to the accepting Holders to: launch a public offering of new Class A preferred shares (to be subscribed in cash, kind, or by capitalization of the company´s debt); launch a public offering of new Class B preferred shares (to be subscribed by capitalization of the company´s debt or preemptive rights of Company´s Common Shares, or Company´s common Shares.); and grant an option to subscribe new Class C preferred shares of the company (to be subscribed by capitalization of the company´s debt or preemptive rights of Company´s Common Shares, only if the first two options have been consummated).

  This Recapitalization Agreement would establish certain milestones to be fulfilled, including: (i) the approval of the issuance of Preferred Shares and Public Offers by the shareholders' meeting of TGLT (which happened on September 10, 2019); (ii) the launch of the Exchange Offer for Convertible Negotiable Obligations (which occurred on November 4, 2019); (iii) the launch of the Class A Public Offer; (iv) the consummation of the Class A Public Offer and the Class B Public Offer; and (v) the exercise of the Option of the Class C Preferred Shares.

  In addition, in support of the Optimized Recapitalization Plan, IRSA and PointArgentum entered into certain share subscription commitments with the Company and have jointly committed to subscribe capital contributions to the Company for a total amount of USD 39M, through the subscription of Class A Preferred Shares under the Class A Public Offering.

  Likewise, as evidence of the Accepting Holders confidence in the Company, it was agreed that those Accepting Holders who hold Class B Preferred Shares will have co-investment rights with the Company future projects to be developed by TGLT in Argentina or Uruguay, in which the Company considers necessary to have a partner that subscribe capital contributions in favor of the potential development equal or greater than USD 25M.

- **Construction business**

  During this year we signed new contracts, such as the ARS 650M construction contract of L'Avenue project, a 33-story, upscale residential building in the

Palermo neighborhood, the ARS 543M contract from the third stage of American Pavilion, and the ARS 650M contract from the second stage of OM Botánico. Including these, our backlog is now at ARS 6.4B, which is over 0.97x last twelve months revenue in real terms, while posting the highest revenue in the last five years.

Gross profit from Construction was ARS 931M in the 9M'19, up 79% vs same period last year. Gross margin was 19%, improving 550bps vs 2018.

- **Real Estate business**

  We continue to deliver apartments in the first five buildings of the *Las Rías* phase of Venice, our masterplan in the city of Tigre, and reached a total of 144 units so far. We note that these deliveries are not part of the Gross Profit and are shown in *Net Income from Subsidiaries*, as figures from this project are not consolidated since our share in such project is 50%. Importantly, we also continue working on general infrastructure and some of the masterplan's key features, such as the navigable canal that connects the project to the river.

  During the 4Q'19, in addition to delivering the remainder of Venice's finished units, we will continue delivering units in the first building of Metra Puerto Norte, our project in the city of Rosario, and the last phase of Forum Puerto del Buceo (in Montevideo, Uruguay), that has now delivered 82% of total units.

- **Selling and Administrative expenses**

  Selling and administrative expenses (excluding variable taxes and one-off charges) were ARS 422M in the nine-month period (20.4% lower compared to last year), which is 6.7% of total revenues, improving 453bps vs 2018, mainly driven by the operational synergies from the merge with Caputo.

  On the other hand, 50.5% of One-off charges in SG&A are related to our recapitalization process.

- **EBITDA**

  EBITDA for the nine-month period was ARS 228M (-68%), compared to ARS 717M in 2018, driven by the mark-to-market of a portion of our land bank, that generated a net positive impact during 2018 Operating Income of ARS 1,217M (always in real terms).

  When adjusting for the interest capitalized in COGS and the inclusion of Net income from our subsidiaries, EBITDA rises to ARS 377M, compared to ARS 1,467.1M in 2018.

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Consolidated Operating and Financial Information

Operating Income and EBITDA

Total gross profit reached ARS 960M in the nine-month period (up 228% vs 2018), due to an improvement in Real Estate gross profit, which was affected in 2018 by an impairment in Metra Puerto Norte residential project. Gross profit for the construction business line was ARS 931M (+79% vs 2018), resulting in a gross margin of 19.3%.

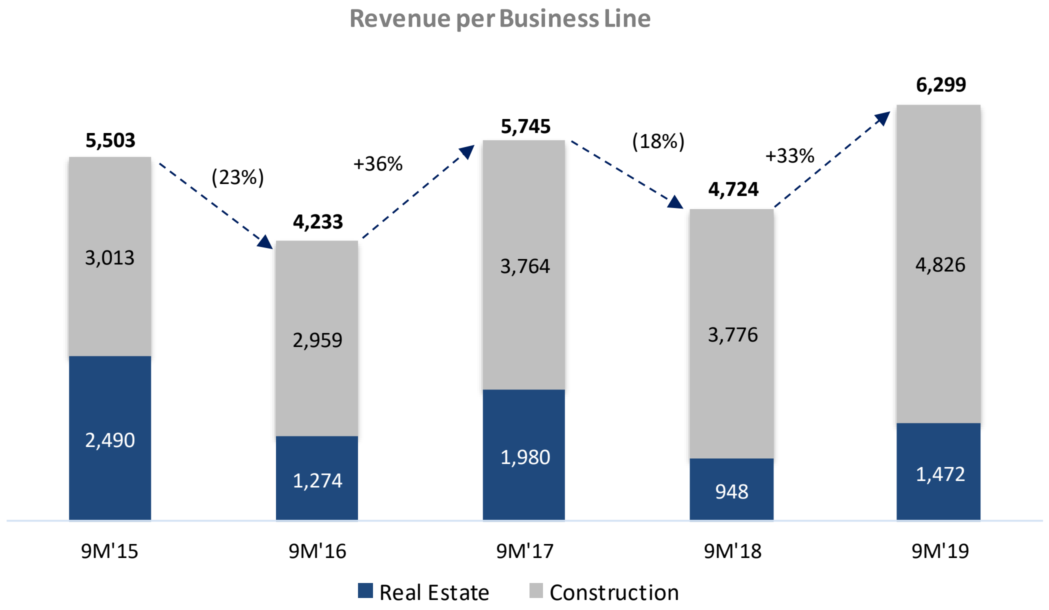
EBITDA for the nine-month period was ARS 228M (-68%), compared to ARS 717M in 2018, driven by the mark-to-market of a portion of our land bank, that generated a net positive impact on 2018 Operating Income of ARS 1,217M (always in real terms).

When adjusting for the interest capitalized in COGS and the inclusion of Net income from our subsidiaries, EBITDA rises to ARS 377M, compared to ARS 1,467.1M in 2018.

	RE	CONST.	9M'19	RE	CONST.	9M'18	DIFF
Revenue	1,472.2	4,826.4	6,298.6	948.1	3,775.6	4,723.7	1,574.9
Cost of Goods Sold	(1,442.9)	(3,895.7)	(5,338.6)	(1,176.0)	(3,255.5)	(4,431.5)	(907.1)
Gross Profit	**29.4**	**930.7**	**960.0**	**(227.9)**	**520.2**	**292.3**	**667.8**
Gross Margin	***2.0%***	***19.3%***	***15.2%***	***(24.0%)***	***13.8%***	***6.2%***	***9.1%***
S&A expenses (net of taxes & one-offs)	(143.7)	(278.3)	(422.0)	(288.3)	(242.2)	(530.5)	108.5
One-off charges in S&A	(12.1)	(39.6)	(51.7)	(40.4)	-	(40.4)	(11.3)
Taxes in S&A	(52.9)	(173.5)	(226.5)	(63.2)	(136.4)	(199.6)	(26.9)
Other expenses	(53.7)	(120.8)	(174.4)	(973.6)	(68.2)	(1,041.8)	867.4
Other I&E | Results from Inv. Prop.	16.5	80.4	97.0	2,190.6	13.5	2,204.1	(2,107.2)
Operating Income	**(216.5)**	**398.9**	**182.4**	**597.2**	**86.9**	**684.0**	**(501.7)**
(+) D&A | Goodwill impairment	9.0	36.6	45.6	6.6	26.5	33.1	12.5
EBITDA	**(207.5)**	**435.5**	**228.0**	**603.8**	**113.4**	**717.1**	**(489.2)**
(+) Net income from subsidiaries	(15.4)	123.2	107.7	549.3	138.7	688.0	(580.3)
(+) Interest in COGS	41.3	-	41.3	62.0	-	62.0	(20.7)
Adjusted EBITDA	**(181.6)**	**558.7**	**377.0**	**1,215.0**	**252.1**	**1,467.1**	**(1,090.1)**

Split by Business Line

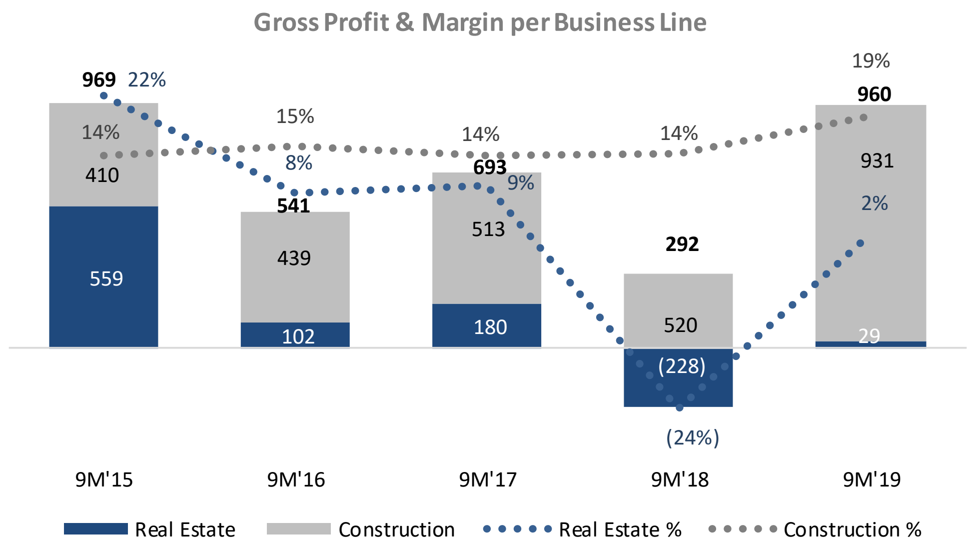
Revenues in the nine-month period reached ARS 6.3B, up 33% vs the same period of 2018 in real terms and 25% higher than the average of the 2015-2018 period. Revenues from Construction in particular grew 28% compared to 2018, or 43% when compared to the average of 2015-2018 (always in real terms).



Note: *all figures at September 2019 values. Figures from 2017 rearwards adjusted by inflation on a pro forma basis, as they were not calculated in our Financial Statements.*

Gross profit at a consolidated level reached ARS 960M, which is up 228% vs 2018 or 54% vs the average of the 2015-2018 period.

As for Construction gross profit in particular, which contributed with the vast majority of total, it reached ARS 931M, which was up 79% vs the same period of 2018, and was the highest in the last 5 years (+98% vs average of previous years). Total Gross margin grew up 905bps when compared to 2018, due to an improvement in Real Estate gross margin, which was affected in 2018 by an impairment in Metra Puerto Norte residential project.



Note: *all figures at September 2019 values. Figures from 2017 rearwards adjusted by inflation on a pro forma basis, as they were not calculated in our Financial Statements.*

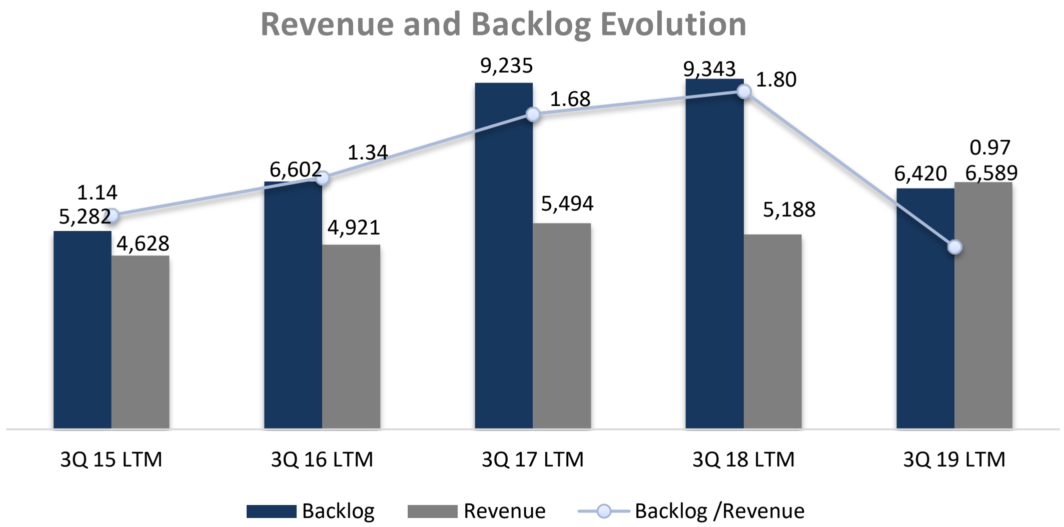
Construction business line

Backlog split

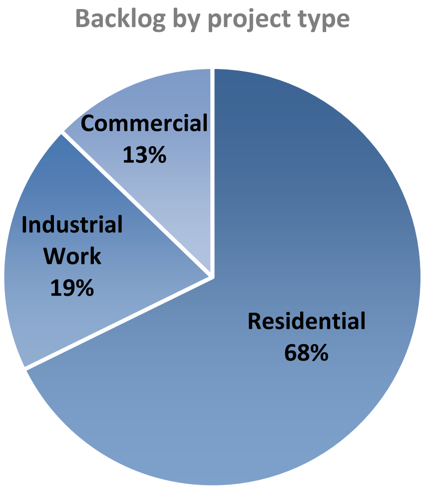
Company has now ARS 6.4B in backlog, which is 0.97x trailing last twelve months revenue in real terms, while having posted an all-time high revenue.

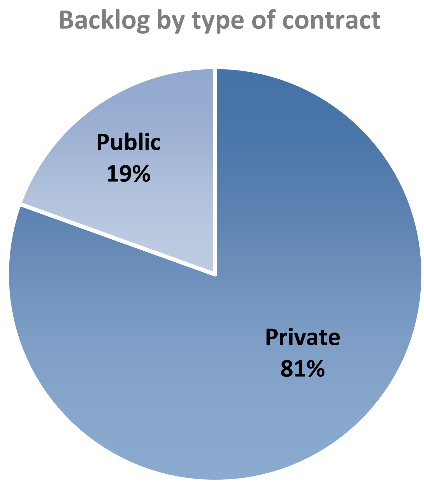
During this year we signed new contracts, such as the ARS 650M construction contract of L'Avenue project, a 33-story, upscale residential building in the Palermo neighborhood, the ARS 543M contract from the third stage of American Pavilion, and the ARS 650M contract from the second stage of OM Botánico. Importantly, our backlog continues to show a reduced concentration, as it is composed by over 13 projects, none of them accounting for more than 18% of total.

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



Construction backlog is mostly concentrated in private real estate projects, both residential and commercial, which account for 81% of total backlog. Such projects include, among others, *Concepción Live Art Work, OM Recoleta, Oceana Puerto Madero, Ezeiza Airport Terminal* and the recently signed L'Avenue. Worth noting that only 19% of total backlog comes from public works, such as *Nucleoeléctrica Argentina* and *CNEA (Comisión Nacional de Energía Atómica)*.





Projects under development

PROJECT	COMITENT	TYPE	ARS M	PROGRESS
OM Recoleta (1)	Private	Residential	1,168.1	27.1%
CNEA - Reactor	Public	Industrial Work	917.3	69.2%
Concepción Live Art Work	Private	Residential	908.9	50.4%
OM Botánico (1)	Private	Residential	812.0	19.7%
Oceana Puerto Madero	Private	Residential	705.6	36.0%
L' avenue (1)	Private	Residential	649.6	14.4%
Sanatorio Itoiz	Private	Commercial	436.9	55.0%
Nucleoeléctrica Argentina (N.A.S.A)	Public	Industrial Work	332.8	74.4%
Terminal Ezeiza - AA2000	Private	Commercial	300.3	80.5%
Papelera del Plata	Private	Commercial	73.2	83.4%
The Link Towers	Private	Residential	56.9	93.0%
Hotel IQ - SLS Lux	Private	Residential	47.8	97.8%
Swiss Medical Nordelta	Private	Commercial	8.4	94.5%
Others	n/a	n/a	1.7	n/a
TOTAL			**6,419.7**	

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

(1) Contracts signed during 2019.

Real Estate business line

Projects under development

Forum Puerto del Buceo

- Construction of phase 2 is almost finished, with deliveries taking place since August 2018 and are expected to continue throughout 4Q’19.
- As of September 2019, 122 units from segments F, G, H, I and J (phase 2) have been delivered. Adding up to phases 1 and 3, we have now delivered 278 units (82% of total units).

Astor San Telmo

- Legal injunction limiting the construction height is still in force, so works continue within its boundaries. Building 2 reached the height of Building 1, reaching the limit allowed by the precautionary measure. In addition, TGLT will contract other companies for the execution of soil movements, anchors, foundations and other reinforced concrete structures of phase 3.

Venice

- We began delivering units in Goletas I, Cruceros I, Falúas, Balandras I and Balandras II buildings, having delivered 144 units so far.
- In Goletas II we are working on the crowning beam and on the rooftop engine room. Concrete structure is soon to be finished, and we continue with masonry works, reaching the 10th floor.
- We are finishing the Access building, vehicular access to the docks, and concrete structure of the Club House. Stage 1 of the canal piling is finished, and excavation will begin in the coming months. The landscaping, irrigation and lighting works are finished and the urban equipment have already been installed.

Metra Puerto Norte

- We have delivered 43 units and 1 commercial venue in Tower UNO.
- Concrete structure of Tower DOS has already reached the 19th floor. We keep working on masonry, sanitary and electrical installations, exterior carpentry, gypsum plasters and porcelain floor tile.

Other joint venture projects

In addition to the above mentioned residential developments, the Company participates in other real estate projects through joint ventures with strategic partners.

OM Recoleta

Is a premium residential development, in which the Company has a 20% stake and also acts as main contractor, consisting of a 12-story building of 25,792 sellable sqm, and located in Recoleta, one of the most upscale neighborhoods in Buenos Aires. It features units from 1 to 4 bedrooms, as well as 511 parking units.

Newbery (ex Pol-Ka Producciones)

Is our co-investment with Northbaires S.A. (50% ownership each). The plot was acquired in late 2017 and is located in the former studios of Pol-Ka Production Company. Acquisition price was US$ 8.5M and was fully paid as of April 2018. Both companies are now assessing the best commercial strategy for this project.

Financial Statements

Consolidated Income Statement

	$ M	$ M
(All figures in $ millions, unless otherwise noted)	9M'19	9M'18
Revenue	6,298.6	4,723.7
Cost	(5,338.6)	(4,431.5)
Gross profit	**960.0**	**292.3**
Selling expenses	(306.2)	(239.9)
Administrative expenses	(394.0)	(528.3)
Other operating expenses	(150.3)	(1,024)
Other expenses	(24.2)	(20.4)
Investment property fair value	15.9	2,062.1
Gains from sale of investment properties	(107.5)	-
Other income and expenses, net	188.5	142.0
Operating income	**182.4**	**684.0**
Financial Result	(3,833.9)	(5,303.5)
Investment in Associate and Joint Venture	107.7	688.0
Inflation Adjustment	2,113.4	(394.5)
Income/(Loss) before Income tax	**(1,430.3)**	**(4,325.9)**
Income tax	(7.6)	1,286.0
Net income	**(1,437.9)**	**(3,039.9)**
Transaction effect	(97.0)	(165.8)
Net comprehensive income	**(1,534.9)**	**(3,205.7)**
Net income attributable to:		
Shareholders of the parent	(1,437.9)	(3,159.4)
Minority interests	-	119.6
Net comprehensive income attributable to:		
Shareholders of the parent	(1,534.9)	(3,325.3)
Minority interests	-	119.6

	$	$
Income per common share	9M'19	9M'18
Basic	(19.03)	(44.53)
Diluted	1.10	(11.81)

Consolidated Balance Sheet

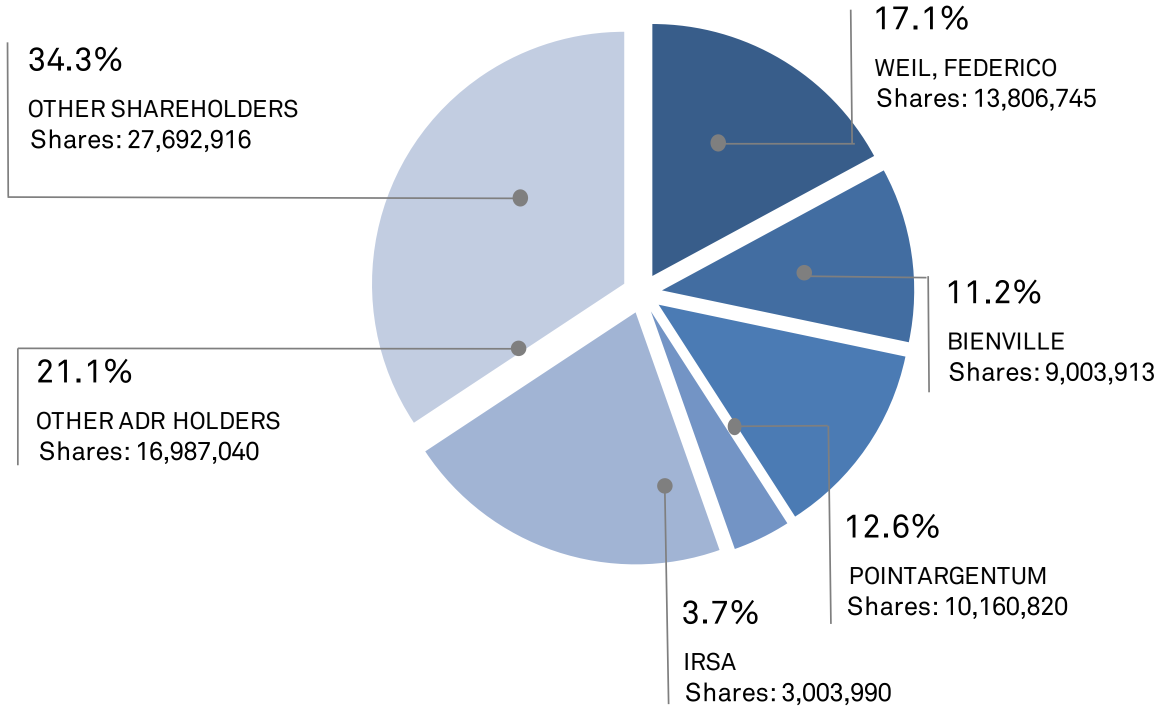
(All figures in $ millions, unless otherwise noted)	Sep 30, 2019	Dic 31, 2018
ASSETS		
Property, plant & equipment	114.1	126.0
Intangible assets	32.8	57.0
Investment property	45.9	474.3
Investment in Associate and Joint Venture	3,124.8	2,826.7
Goodwill	986.1	986.1
Inventory	2,535.4	3,143.4
Tax assets	876.9	914.9
Other credits	5.8	466.2
Receivables from related parties	152.3	44.3
Accounts receivables	41.0	45.7
Total non-current assets	**7,915.1**	**9,084.6**
Contract assets	1.4	3.3
Inventory	1,226.2	1,380.1
Other Assets	-	1,107.7
Assets held for sale	-	197.7
Other credits	1,157.2	1,644.1
Receivables from related parties	549.3	488.9
Accounts receivables	1,984.7	1,789.7
Other financial assets	-	3.7
Cash and equivalents	172.0	1,161.9
Total current assets	**5,090.9**	**7,777.3**
Total assets	**13,005.9**	**16,861.9**
LIABILITIES		
Other accounts payable	-	1,315.6
Payables to related parties	-	9.6
Contract liabilities	546.1	1,665.6
Long term loans	6,036.2	5,994.4
Other taxes	6.6	12.4
Total non-current liabilities	**6,588.8**	**8,997.5**
Provisions	109.7	216.9
Other accounts payable	1,604.9	2,919.2
Contract liabilities	2,929.2	2,738.9
Debt with related parties	70.4	33.8
Short term loans	3,052.0	1,860.8
Other taxes	98.5	158.5
Wages and social security contributions	173.9	187.9
Accounts payable	1,705.6	1,539.6
Total current liabilities	**9,744.1**	**9,655.6**
Total liabilities	**16,333.0**	**18,653.1**
SHAREHOLDERS' EQUITY		
Shareholders of the parent	(3,327.1)	(1,791.2)
Minority interests	-	-
Shareholders' equity	**(3,327.1)**	**(1,791.2)**
Total liabilities and Shareholders' equity	**13,005.9**	**16,861.9**

Consolidated Cash Flow Statement (Selected lines)

(All figures in $ millions, unless otherwise noted)	$ M	$ M
Cash variations	**9M'19**	**9M'18**
Cash at the beginning of period	1,161.9	3,675.8
Inflation effect	318.1	1,006.3
Cash at the end of period	172.0	325.5
Net cash changes	**(1,308.0)**	**(4,356.5)**
Reasons for cash variations		
Operating activities		
Net income	(1,437.9)	(3,039.9)
Adjustments for arriving to the net cash flow from operating activities		
Income tax	7.6	(1,286.0)
Fixed asset depreciation	21.4	12.7
Amortization of intangible assets	24.2	20.3
Other expenses	-	849.0
Exchange rate differences and accrued interest	3,468.7	5,253.4
Results from Investment in Associate and Joint Venture	(107.7)	(688.0)
Gains from sale of investment properties	(145.8)	(168.8)
Valuation gains from investment properties	(15.9)	(2,062.1)
Collections from sale of PP&E	107.5	(575.6)
Mark-to-market values	83.9	-
Exchange rate differences	(97.0)	(165.8)
Changes in operating assets and liabilities		
Changes in accounts receivable	(190.3)	(739.2)
Changes in other credits	1,044.3	(838.3)
Changes in credits with related parties	(168.3)	(515.7)
Changes in other assets	1,107.7	55.0
Changes in other financials assets	3.7	0.4
Changes in inventory	761.8	(2,035.5)
Changes in tax assets	38.0	195.2
Changes in contract assets	1.9	570.2
Changes in assets held for sale	38.1	274.5
Changes in accounts payable	166.0	506.4
Changes in payroll and social security contributions	(14.0)	19.3
Changes in taxes payable	(73.4)	146.8
Changes in debts with related parties	27.0	19.6
Changes in contract liabilities	(929.2)	1,446.5
Changes in provisions	(107.2)	(37.3)
Change in tax liabilities	-	(408.2)
Changes in other liabilities	(1,318.9)	1,352.8
Inflation effect	(2,431.5)	(611.8)
Net cash flow generated/(used) by operational activities	**(135.3)**	**(2,449.5)**
Investment activities		
Collections from sale of other assets	305.4	209.5
Payments for purchase of PP&E	(9.6)	(32.7)
Collections from sale of investment properties	336.9	-
Payments for purchase of controlling interest	(1,394.8)	(1,520.9)
Dividends from Associates and Joint Ventures	33.3	44.0
Increase / reduction in minority interests	-	153.9
Associates and Joint Venture contributions	(2.2)	(454.1)
Net cash flow generated/(used) by investment activities	**(731.0)**	**(1,602.1)**
Financing activities		
Increase in loans	(440.7)	914.1
Increase / reduction in non-controlling interest	-	(449.1)
Transactions among shareholders	(1.0)	(770.0)
Net cash flow generated by financing activities	**(441.7)**	**(305.0)**

Ownership

There are 80,655,424 shares outstanding, out of which 12.6% owned by PointArgentum.



Total Free Float	87.4%

About TGLT. TGLT S.A. (Buenos Aires Stock Exchange: TGLT, USOTC: TGLTY) TGLT, founded in 2005 and headquartered in Buenos Aires, Argentina, operates as a real estate developer in Argentina and Uruguay. TGLT participates in and controls all aspects of the development process, from land acquisition to construction management, from product design to sales and marketing, ensuring a tight working capital management at every moment. By merging with Caputo S.A.I.C. y F., TGLT incorporated not only a recurrent source of cash flow, but also seeks to improve its construction capabilities and capture construction margins in all its developments. Furthermore, the combined entity is uniquely well-positioned to capitalize the potential opportunities coming from the large infrastructure works segments, including investments in future public-private projects.