TGLT

REPORTING SUMMARY, CONDENSED CONSOLIDATED AND SEPARATED FINANCIAL STATEMENTS, INDEPENDIENT AUDITORS' AND SUPERVISORY COMMITTEE'S REPORT

TGLT S.A.

AS OF JUNE 30, 2019

(PRESENTED COMPARATIVELY)

Manuel Moreno

Grant Thornton

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REPORTING SUMMARY

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REPORTING SUMMARY

PERIOD ENDED JUNE 30, 2019

The information herein contained is not covered by the auditor´s report

I. BRIEF COMMENT ON THE COMPANY'S ACTIVITIES FOR THE PERIOD ENDED JUNE 30, 2019

I.1. Significant events occurred during the period

I.1.1 Execution of agreements for the Company's recapitalization:

On January 25, 2019, the Company executed agreements with a substantial majority of subordinated notes convertible into shares, denominated in US dollars, issued by the Company on August 3, 2017 in the total amount of USD 150 M (the "Convertible Corporate Notes").

The economic and financial crisis that hit Argentina in 2018, which included, among other events, a significant peso devaluation, a deep economic recession, the restriction of access to financing by Argentine companies, and a marked decline in the Argentine real estate market, negatively affected the Company's cash flows and shareholders' equity.

In this sense, the Company had been analyzing and working on various alternatives to implement a recapitalization plan enabling it to reverse the negative shareholders' equity timely considered by the Shareholders of TGLT at the Annual and Extraordinary Shareholders' Meeting held on November 2, 2018. In this context, TGLT initiated negotiations with the holders of Convertible Corporate Notes, who had duly executed confidentiality agreements, in order to jointly analyze the alternatives available for the restoration of the Company's capital (which is extremely important to obtain competitive financing conditions, and essential to participate in tenders, bids and projects in which the Company is interested), while reducing its financial liabilities, thus allowing TGLT to concentrate its financial resources in the Company's productive activities for the benefit of interested parties.

As a consequence of such negotiations, on January 25, 2009, the Company and certain holders of Convertible Corporate Notes (the "ADI Holders") executed an agreement whereby ADI Holders accepted to defer the collection of coupon rates on Convertible Corporate Notes maturing on February 15, 2019, as of May 30, 2019 (the "Interest Deferral Agreement" -ADI for its Spanish acronym). At the same time, also on January 25, 2009, the Company and some holders of Convertible Corporate Notes (the "AR Holders") executed a recapitalization agreement ("AR" for its Spanish acronym), which provided for a plan for the recapitalization of TGLT through the voluntary swap of Convertible Corporate Notes for preferred shares to be issued by the Company (the "Recapitalization Agreement", and together with the Interest Deferral Agreement, the "Agreements").

Subsequently, on May 30, 2019, it was informed that the Company had exercised the right set forth in the Interest Deferral Agreement in relation to the extension of the Maturity Date for the payment of deferred interest under that agreement for 30 additional calendar days, i.e. until June 30, 2019. Moreover, the Company also exercised the right to extend the effective term of the Recapitalization Agreement, as established in section 4 (a) (i) thereof, for 30 additional calendar days, i.e. until June 30, 2019.

Then, on June 27, 2019, the Company informed that it was working on an improvement in its Recapitalization Plan which, supplementing the alternative set forth by the Recapitalization Agreement (still in force), would enable it to strengthen the Company's capital structure and, at the same time, reduce its financial debt. Consequently, acknowledging the Company's efforts to improve the Recapitalization Plan, and in order to enable its advancement, the Holders of the majority of the Convertible Corporate Notes Obligations and signatories of the Agreements, informed the Company about their intention to extend their effective term until July 29, 2019, so that the Company may have enough time to properly implement the optimized Recapitalization Plan; and then, on that date, extend them again until August 9, 2019.

Finally, on August 8, 2019, the Company and certain Holders signed new agreements in order to implement the Optimized Recapitalization Plan. For more information, please refer to "Execution of New Agreements. Optimization of the Recapitalization Plan of the Company ", under the "Subsequent events" section.

I.1.2 Agreement for Partial Annulment and Sale of Real Property located in Rosario, Province of Santa Fe

On March 21, 2019, the Company completed the sale of four (4) plots of land located in the City of Rosario, Province of Santa Fe: Plots 2, 3, 4 and 5, according to survey plan No. 193466/66, registered on May 24, 2016 (the "Survey Plan"). The sales price of Plot 2 was US$ 3,200,000 (three million two hundred thousand United States dollars). Additionally, there is a variable compensation, that might result in a price increase of US$ 600,000 (six hundred thousand United States dollars) in favor of the Company. On the other hand, Plot 3, Plot 4 and Plot 5 were sold in the amount of US$ 3,300,000 (US dollars three million three hundred thousand). Plots 3, 4, and 5 have been sold at a price of US$ 3,300,000 (three million three hundred thousand United States dollars).

Furthermore, on that same date and simultaneously, the Company executed an agreement to revert property to the former owner company, which had sold all the plots of land of the master plan of the Company in the City of Rosario to TGLT under a partial annulment of the barter deed dated December 10, 2013, whereby TGLT had acquired the pieces of real property: Plots 1, 6, 7, 8, 9, 10, 11, 12, 13, and 14, according to the Survey Plan. As a result of this transaction, and considering the return of such plots and the obligations assumed by the parties, the Company will receive the amount of US$ 4,520,800 (four million five hundred twenty thousand eight hundred United States dollars). In addition, the parties agreed to release the mortgages on the aforementioned plots, except for the mortgage on Plot 15 (commercially known as "Plot L"), which is the plot of land in which the Company developed stage 1 of the real property development called Metra Puerto Norte, and in which stage 2 of such development is being carried out.

I.1.3 Information on the status of legal proceedings

The Company and Constructora Sudamericana S.A. ("COSUD") signed a settlement agreement under which - for settlement purposes and without recognizing any facts or rights - they put an end, totally, definitively and unconditionally, to all their differences related to the Forum Puerto Norte and Forum Alcorta Complexes. Consequently, and after making the corresponding filings in the proceedings (i) CANFOT S.A. C/ CONSTRUCTORA SUDAMERICANA S.A. s/ Ordinario, Case File No. 18427/16, heard by the National Court of Original Jurisdiction in Commercial Matters No. 27, Clerk's Office No. 53, under the care of María Virginia Villarroel, and (ii) CANFOT S.A. C/ CONSTRUCTORA SUDAMERICANA S.A. s/ Ordinario, Case File No. 18426/16, heard by the National Court of Original Jurisdiction in Commercial Matters No. 17, Clerk's Office No. 34, under the care of Dr. Federico Guerri, the Company has been notified of the judicial decisions, which took into account the abandonment of the actions and of the remedy sought in the complaints (and the counterclaim filed by COSUD in the second case), each party bearing its own costs (except in relation to the court fees, paid by each party).

I.1.4 Approval of merger

On May 9, 2019, based on resolution No. RESFC-2019-20222-APN-DIR # CNV dated May 8, 2019, the Argentine Securities Commission resolved to approve the merger decided at the shareholders' meetings of TGT and Caputo S.A.I.C. y F. ("Caputo" or the "Merged Company") on November 2, 2018, and the submission of the corresponding documentation for registration purposes to the Supervisory Board of Companies.

Furthermore, on May 30, 2019, it was informed that by virtue of the merger between Caputo S.A.I.C. y F. and TGLT, and having the relevant authorizations been obtained from the Argentine Securities Commission and BYMA, all the shares of Caputo not owned by TGLT would be subject to a swap. The shareholders involved in the swap were those who were registered as holders of Caputo shares in Caja de Valores S.A. the business day prior to the date on which the swap was made (not including TGLT).

The swap ratio was 1.77 common registered shares of TGLT, with a nominal value of $1 each and granting one vote per share per each common registered shares of Caputo, with a nominal value of $1 each and granting one vote per share.

On June 7, 2019, it was informed that as a consequence of the merger between Caputo S.A.I.C. y F. and TGLT, approved by the related shareholders' meetings of the surviving company and the merged company held on November 2, 2018, pursuant to the description made in the Merger Memorandum dated October 22, 2018, and having the merger been registered with the Supervisory Board of Companies on May 23, 2019, all the shares of Caputo were swapped for new shares of TGLT and it was requested that the shares of Caputo be delisted from the stock exchange.

As a result of such swap, the capital stock of TGLT increased from 71,993,485 shares to 80,655,424 shares, i.e. by $8,661,939 (pesos eight million six hundred sixty-one thousand nine hundred thirty-nine), through the issuance of 8,661,939 common registered shares with a nominal value $ 1 and entitled to 1 vote per share.

I.2. Subsequent events

I.2.1 Execution of new agreements. Optimization of the Recapitalization Plan of the Company

On August 8, 2019, in relation to the relevant facts ID No. 4-2430609-D, ID No. 4-2437411-D, ID No. 4-2438165-D, No. 4-2482468- D, No. 4-2491678-D and No. 4-2502039-D, each published by the Company on the CNV Financial Information Highway dated January 25, 2019, February 12, 2019, February 14, 2019, May 30, 2019, June 27, 2019 and July 29, 2019, respectively, TGLT informed that the Company had signed a recapitalization agreement (the "Initial RSA") and an interest deferral agreement in relation to interest payable as of February 15, 2019 (the "Initial IDA" and, together with the RSA, the "Initial Agreements") with a substantial majority of the holders of the subordinated notes convertible into shares, denominated in dollars, issued by the Company on August 3, 2017 for a total amount of US$ 150,000,000 (the "Convertible Notes" and governed by the trust agreement signed between Bank of New York Mellon, Banco Santander Río S.A. and the Company dated August 3, 2017, as amended on April 20, 2018 (jointly, the "Indenture"), aimed at implementing a recapitalization plan with the holders of Convertible Notes wishing to participate in such plan (the "Participating Holders"), which would allow the Company to reverse its negative shareholders' equity and reduce its liabilities in foreign currency ("Original Recapitalization Plan"). The effective term of these Initial Agreements had been extended on various occasions due to an agreement between the Company and the Participating Holders.

The Company had analyzed a capitalization proposal supplementary to that established in the Initial RSA, in order to optimize and supplement its Original Recapitalization Plan, further strengthening its equity restoration and obtaining a capital structure more in line with the size of its transactions (the "Optimized Recapitalization Plan"). Through the Optimized Recapitalization Plan, the Company intends to (i) obtain a significant reduction in financial liabilities in foreign currency, which will imply a considerable decrease in its exposure to the risk of exchange rate fluctuations, and will significantly increase its assets; (ii) rebuild its equity in a sustainable manner over time, making it stronger; (iii) consolidate a more robust capital structure; and (iv) have greater resources of own capital to develop productive activities. In addition, the Company wishes to raise the involvement of holders of Convertible Notes in the recapitalization process.

As a consequence of the development of such Optimized Recapitalization Plan, on August 8, 2019, the Company signed, together with a substantial majority of the holders of the Convertible Notes (the "Accepting Holders"), a new recapitalization agreement (the "New RSA"), through which the Company undertook to:

a) make a public offering for the subscription of new Class A preferred shares of the Company (the "Class A Public Offering" and the "Class A Preferred Shares", respectively), which may be subscribed in cash and/or in kind and/or by capitalization of debts of the Company, at a subscription price per Class A Preferred Share of US$ 1 (or its equivalent in Pesos);

b) make a public offering of new Class B preferred shares of the Company (the "Class B Preferred Shares"), which may be subscribed through (i) the swap for common shares of the Company (the "Swap Offer for Common Shares "), at a swap ratio of one Class B Preferred Share for every 6.94 common share of the Company; and/or (ii) the swap for Convertible Notes (the "Swap Offer for Convertible Notes" and, together with the Swap Offer for Common Shares, the "Class B Public Offering"), at a swap ratio of one Class B Preferred Share for every US$ 1 of Convertible Notes (including interest accrued and not paid under Convertible Notes); complementing this offer with a request for conformity from these Accepting Holders to modify certain provisions of the Indenture; and

c) the granting of an option (the "Option") to Accepting Holders to subscribe new Class C preferred shares of the Company (the "Class C Preferred Shares" and, together with Class A Preferred Shares and Class B Preferred Shares, the "Preferred Shares") in a public subscription offer in cash (the "Class C Public Offering" and, together with the Class A Public Offering and the Class B Public Offering, the "Public Offering") to be carried out if: (a) the Class A Public Offering and the Class B Public Offering have taken place; and (b) a certain number of holders of the Option have exercised that option; at a subscription price per Class C Preferred Share of US$ 1 (or its equivalent in Pesos).

Preferred Shares issued by the Company under the Public Offering Regime shall have a preferred claim on the collection of dividends and liquidation proceeds (for a value of US$ 1) over all other current or future classes of common and preferred shares of the Company, and shall be subordinated to any current or future debt of the Company. In addition, each Preferred Share shall be entitled to one vote, and it is expressly stated that in the election of the members of TGLT's Board of Directors and Supervisory Committee, the shareholder having more than 30% of the Company's total voting stock cannot vote in excess of such 30%. Furthermore, preferred and cumulative dividends shall be calculated at an annual rate equivalent to 10% of the liquidation preference, which rate shall be increased by 1% annually if preferred dividends are not approved and paid in full each year and until the Company settles all accumulated preferred dividends, after which, the accrual rate will again be 10% per year. In addition, Preferred Shares are to be convertible into common shares of TGLT, either voluntarily or mandatorily under certain conditions described in the New Agreements. For the purposes of such conversion, the conversion ratio shall be (a) US$ 0.11 in the case of Class A Preferred Shares (b) US$ 0.33 in the case of Class B Preferred Shares; and © US$ 0.50 in the case of Class C Preferred Shares (or 90% of the weighted average price by volume of the common share of TGLT in the market during a five-day term, but never below US$0.15). The aforementioned conversion ratios shall be subject to adjustments based on ordinary anti-dilution formulas for this type of securities, all in accordance with the resolutions adopted by the shareholders' meeting, the Company's sovereign body in the matter.

It is further stated that: (a) Class A Public Offering and Class B Public Offering shall take place jointly; (b) in each Public Offering, the holders of ordinary shares may exercise their rights of first refusal, in the terms provided by the Company's bylaws and the Capital Markets Law; and (c) the swap ratios and subscription prices provided for in the New RSA are subject to the resolutions adopted by the shareholders' meeting, the Company's sovereign body in the matter.

To allow and facilitate the implementation of the Optimized Recapitalization Plan, on August 8, 2019, the Company also signed, with a substantial majority of the holders of Convertible Notes (the "IDA Holders"), an agreement to defer payment of interest payable as of February 15, 2019 and August 15, 2019 until November 8, 2019 (the "New IDA" and, together with the New RSA, the "New Agreements"). It is expressly stated that the deferral of interest will apply only and exclusively to the IDA Holders who voluntarily decide to sign the New IDA, so the interest payable on August 15, 2019 (and February 15, 2019, if applicable) relating to holders of the Convertible Notes who have not signed the New IDA as of that date will not be deferred.

TGLT continues working, within the conditions permitted by the applicable law, to obtain the support of the holders of Convertible Corporate Notes who, so far, have not signed the New Agreements in order to expand the number of accepting holders.

In support of the Optimized Recapitalization Plan, IRSA Propiedades Comerciales S.A. ("IRSA") and PointArgentum Master Fund LP ("PointArgentum"), in their capacity as Accepting Holders, signed with the Company on August 8, 2019 two share subscription commitments, through which IRSA, on the one hand, and PointArgentum, on the other hand, undertook to make capital contributions to the Company (in cash and/or in kind and/or through the capitalization of certain claims against the Company, as applicable) for a total amount of US$ 39,000,000, through the subscription of Class A Preferred Shares under Class A Public Offering (the "Subscription Commitments").

Likewise, the Company signed on August 8, 2019, together with the Accepting Holders, the Option contract for the subscription of the Class C Preferred Shares (the "Option Contract"), granting to the holders of Convertible Notes who are parties, or become parties, to the New Agreements up to a certain date, the right to exercise a subscription option for Class C Preferred Shares, whose offer will be contingent upon the provisions of the Option Contract and the New RSA.

Also, as evidence of the Accepting Holders' trust in the Company's capacity of creating value through the generation of new investment projects, within the framework of the operation described, it was agreed that those Accepting Holders that hold Class B Preferred Shares will have a right of co-investment with the Company in future projects that TGLT (or a company wholly owned by TGLT) develops in Argentina or Uruguay, in which TGLT considers it necessary to have a partner that makes a capital contribution for its development in an amount equal to or greater than US$ 25,000,000.

The New Agreements establish certain milestones to be fulfilled in the process of implementing the Optimized Recapitalization Plan in the near future, including: (i) approval of the issuance of Preferred Shares and Public Offerings by the shareholders' meeting of TGLT; (ii) launching of the Swap Offer for Convertible Notes; (iii) launching of the Class A Public Offering; (iv) materialization of the Class A

Public Offering and the Class B Public Offering; and (v) exercise of the Option; all this in order to complete the implementation of the Optimized Recapitalization Plan as soon as possible.

In that scenario, and within the framework of the New Agreements, TGLT has assumed, among others, and subject to certain conditions, the obligation to continue doing business as usual, not to extend guarantees, dispose of assets, or conduct transactions with related parties (except in those cases in which this is expressly allowed), and not to pay dividends or make capital distributions.

It is expressly stated that the terms and conditions of the Agreements have been construed to be reasonable by the Company's Audit Committee under normal and regular market conditions.

On August 9, 2019, through the relevant fact with ID 4-2506073-D, it was reported that the Board of Directors' Meeting of August 8, 2019 resolved, among other issues, to convene the Ordinary General Meeting of Shareholders to be held on September 10, 2019 at 10:00 a.m., on first call, and at 11:00 a.m., on second call, at the Company's premises located at Miñones 2177, Ground Floor "C", City of Buenos Aires, to discuss the following items in the Agenda:

"1) Appointment of Shareholders to approve and sign the Minutes of the Meeting.

2) Consideration of the issue of (a) up to eighty million (80,000,000) Class A preferred registered shares of the Company, with a nominal value of one peso (AR$ 1), to be paid in kind and/or in cash and/or through a credit capitalization; (b) up to two hundred fifty million (250,000,000) of Class B preferred registered shares of the Company, with a nominal value of one peso (AR$ 1), to be paid in kind and/or in cash and/or through a credit capitalization; and (c) up to thirty million (30,000,000) Class C preferred registered shares of the Company, with a nominal value of one peso (AR$ 1), to be paid in kind and/or in cash and/or through a credit capitalization. Establishment of the terms and conditions of each class of preferred shares and of the terms and limits within which the Board of Directors shall establish the final subscription price, swap ratio and additional paid-in capital, and decide the issue of each class of new preferred shares.

3°) Authorization granted to the Board of Directors to issue additional of any of the classes of preferred shares of TGLT S.A. in case the requests for the subscription of new preferred shares in TGLT S.A. exceed the amount of new preferred shares originally issued, up to 15% of the issue approved. Delegation on the Company's Board of Directors of the power to determine all the other terms and conditions on the issue and offer of new preferred shares, the call for a public offering and the list of new preferred shares. Delegation on the Company's Board of Directors of the powers to subdelegate such powers on one or more directors and/or managers of the Company appointed in compliance with section 270 of Law No. 19,550.

4°) Consideration of the creation of a new American Depositary Receipts ("ADRs") Program for each of the classes of new preferred shares mentioned in item two. Delegation on the Company's Board of Directors, with powers to subdelegate on one or more directors and/or managers of the Company, of the power to determine all the terms and conditions of such Program.

5°) Consideration of the issue of purchase options for up to 5.5% of the shares to be issued as a result of the capital increase approved as part of point 2 of the agenda of this Shareholders' Meeting in favor of some executives and employees of the Company, with the simultaneous and implicit decision to increase capital in the proportion necessary to meet outstanding purchase options. Delegation to the Board of Directors of the authority to establish the issue terms and conditions and the rights to be granted.

6) Confirmation of the acts of the Supervisory Committee, according to section 258 of Law No. 19550, regarding the appointment of two (2) titular directors and one (1) alternate director of the Company, which was made on May 10, 2019. Extension of the term of office.

7) Authorizations required to complete the proceedings and filings necessary to obtain the applicable registrations."

For more information on the Offer, please refer to the Relevant Events section, "Execution of New Agreements. Optimization of the Company's Recapitalization Plan", and "Call for Annual Meeting", available to any interested party at the Company's office, located at Miñones N°2177, ground floor C, City of Buenos Aires, and on the Company's web page: www.tglt.com. They are also available on the CNV's web page (www.cnv.gob.ar) in the "Relevant Events" section, published under ID 4-2506073-D on August 8, 2019, and ID 4-2506073-D on August 9, 2019.

I.3. Major landmarks in our construction business during the period

Concepción Live Art Work – La Manzana

- In January 2018, Trust "Concepción 2931" accepted our offer to build the "Edificio Concepción Arenal 2931" located in Colegiales, City of Buenos Aires. It involves five purchase orders for each one of the stages: 1) Construction work organization and concrete quality control in the mount of $ 144.7M; 2) Earthmoving, groundwater drilling, shoring, demolitions, structure up to ground floor in the amount of $222.4M; 3) Reinforced concrete structures from slab on first floor to roof and complementary items in the amount of $ 240.7M; 4) Masonry, concrete partitions, parameters of gypsum rock, insulation, ventilation ducts, internal and external plasters and others in the amount of $ 150.8M; and 5) Ceiling, subfloors, folder, floors, baseboards, coatings, plaster, provisions and installation in the amount of $ 126.4M. The total amount of the contract is $ 885M plus VAT, at values of May 2017, and the execution term is of 48 months. The work is under full development, and the level of progress as of June 30, 2019 is 45.8%.

OM Botánico

- In May 2018, Los Azabaches S.A. accepted our offer to implement the first stage of a building for multiple purposes (housing and business) located in Barrio Norte, City of Buenos Aires. Works during this first stage involve excavations, earthmoving, and reinforced concrete structure up to the slab on the first underground inclusive. The amount of the contract, including the preliminary stage, is $68.1M plus VAT, and to the date of this report, the demolition stage has been completed. As of June 30, 2019, the level of progress of this first stage of the work is 96.4%. The selling department is currently working on the budget for the execution of the rest of the work.

Oceana Puerto Madero

- In June 2018, Consultatio Argentina A.A.U. accepted our offer to build the Oceana Building at Puerto Madero. Such works involve the construction of a concrete structure, and the performance of masonry and other related works on a piece of real property owned by the Principal, which is located at Dique 2, Puerto Madero, City of Buenos Aires. The housing complex will be composed of two nine-story buildings with a salable surface of 26,000 m2. The amount of the offer is$ 694.1M plus VAT at values of May 2017. The execution term is of 26 months, and the level of progress as of June 30, 2019 is 25.8%.

Clinica Nordelta - Swiss Medical

- In June 2018, Swiss Medical S.A. accepted and extended our offer to build the first stage of a 20,000 m^2 building in Nordelta (gated community in the Province of Buenos Aires) where a clinic would operate. The first stage comprises the completion of the foundations of a reinforced concrete structure, including piles and groundwater drilling. The amount of the contract is $122.9M plus VAT, and the new execution term has been extended to August 2019 for reasons associated with municipal permits to be obtained by the Principal, which delayed the start of the works. in turn, pile-related works were resumed in March 2019. The selling department is currently working on the presentation of offers for the following stages. As of June 30, 2019, the level of progress of the work is 35.3%.

New Departures Terminal at the Ezeiza Airport

- In August 2018, Aeropuertos Argentina 2000 S.A. accepted our proposal for the New Departures Terminal at the International Airport "Ministro Pistarini", in Ezeiza, Province of Buenos Aires. The works to be performed are identified as Group A and involve civil works and signaling tasks, installing sanitary and gas systems, fire detection and fire-fighting systems, external sewage systems and storm drains, and completing the thermo-mechanical installation at Group C. The price for these works totals $877 million plus VAT, as of July 2018, and they will be completed in 12 months. As of June 30, 2019, the level of progress of the work is 51.2%.

Papelera del Plata

- - In October 2018, La Papelera del Plata S.A accepted our proposal for the work associated with Maquina Papelera Building No. 4 for the manufacturing of Tissue paper at La Papelera del Plata's plant, located at the Zarate industrial area. The works include civil works, architecture, lighting, roads, sanitary and hydraulic works for the Papper Machine Building, the main control room, laboratory, and office and outdoor floors. For the execution of the work, a company named Cinter S.A. was hired as Subcontractor. This company is in charge of building the metallic structures that will represent 40% of the work to be performed. The price for these works totals $ 361.2 million plus VAT, as of July 2018, and they will be completed in 8 months. As of June 30, 2019, the level of progress of the work is 57.3%.

L'Avenue Libertador

- In February 2019, the Trust FIDEICOMISO EDIFICIO AVENIDA DEL LIBERTADOR 3858 C.A.B.A, as owner of the plot of land located at Avenida del Libertador 3858, City of Buenos Aires, formally accepted our proposal regarding the joint venture UT CRIK S.R.L. - CAPUTO S.A.I.C. y F. will develop, as Primary Contractor, the building project called 'L'Avenue Libertador'. The agreement allocates full responsibility for the works, including supervision of the Direct Contractors retained by Principal. The price of the WORK (involving items included in the lump sum system and compensation for managing contracts) amounts to $ 862.4 million plus VAT, as of June 2018, and the work must be completed in 49 months counted as from March 1, 2018. As of June 30, 2019, the level of progress of the work is 13.1%.

OM Recoleta

- In May 2019, AMERICA PAVILION S.A., as owner of the plot of land located at Marcelo T de Alvear 1743/1753/1763, Callao 1057 and Callao 1061, City of Buenos Aires, where the real estate development project "OM RECOLETA" will be completed, has formally accepted our proposal to extend the construction contract. Thus, we are now completing the concrete structure and conducting masonry works in our capacity as Main Contractor. According to such extension, we will perform "electrical installations, weak currents, sanitary, gas, fire-proof and thermo-mechanical installations, as well as metal carpentry" tasks as Main Contractor. The price of the work added to such extension amounts to $ 394.8M plus turnover tax, tax on bank account debits and credits, and VAT at values as of December 2018, and the term to complete those works is 18-months, which must be added to the term of the initial project. This new contract is additional to the previous stages already agreed upon in January 2017 for the "Demolition, transitory structures, and underground support anchors" in the amount of $17.5M plus VAT in November 2016, and to the "Obra Húmeda" contract in August 2017, which includes excavations, earthmoving, concrete structure, masonry work, subfloors and plasters, coatings, placement of frames and preframes, forge works and ventilation ducts in the amount of $ 474.1M plus VAT. As of June 30, 2019, the level of progress of the work is 40.5%.

III.4. Major landmarks in our real estate business during the period

These are the major landmarks in our real estate business during the period:

Venice

- Units continue to be delivered in the 5 buildings completed (Goletas I, Cruceros I, Balandras I y Balandras II); and by June 2019, a total of 119 units have already been successfully delivered.
- The slab on the 11th floor at the Goletas II building is being completed. It is estimated that the reinforced concrete structure will be completed by mid-September. Masonry works have advanced up to the 8th floor.
- The Club-House building is still under construction, and the reinforced concrete structure has been completed, except for the underground entrance ramp and swimming pool.
- The Access building and the vehicular access basins under the eave have been completed, and the interior of the building is being equipped for use.
- Sheet piling tasks during stage 1 of the channel are about to be completed, and they will be ended in around 60 days. Excavations will start in the following months.
- Landscaping, irrigation and outdoor lighting works are about to be completed. Urban equipment started to be placed: trash cans, bike parking racks, benches and exterior signaling.

Forum Puerto del Buceo

- Stage 2 features the last construction phase of some apartments and of the pedestrian access to area F.
- In addition, as of June 2019, 111 units of areas F, G, H, I and J have been delivered during Stage 2, which jointly with Stage 1 and 3 add up 266 units (79% of total units).
- All utilities are ready to be used by unit owners.

Astor San Telmo

- Court restrictions on the height of the buildings continue in force.
- The construction has moved on considering the height limit set by the court. Over 80% of the earthmoving, foundations, submuration and reinforced concrete related tasks have been completed at undergrounds.
- Construction works continued up to the slab level of the third floor on the front of Bolivar street (limit set by the injunction) We have estimated that by early August 2019, we will reach that same level in the Stage 2 building.
- Earthmoving and submuration tasks of Stage 3 continue.
- Masonry tasks in buildings 1 and 2 have moved forward, as well as the electrical installation embedded in the slab and the one left at sight at the undergrounds. The sanitary installation of pluvial and sewage systems using upright columns and suspended on subsoil slabs has also continued.
- We have concluded the bidding process to award the installation of lifts and metal carpentry, but have decided to leave the hiring process on stand-by.

Metra Puerto Norte

- As of July 2019, 37 apartments have been handed over in the first building, several of which are already occupied by their owners.
- Construction works continue on the second tower, where the reinforced concrete structure is advancing on the fifteenth floor. We have completed the external networks for services, and continue conducting masonry works as well as sanitary, electrical and thermo-mechanical installations.

III.5. Major landmarks in our investments in companies during the period

Logística Ambiental Mediterránea S.A

- On June 22, 2018, a new company named Logística Ambiental Mediterránea S.A., Argentine Branch, was incorporated. Vega Engenharia Ambiental S.A., Argentine Branch, holds 49% of the latter's capital stock, while Caputo S.A.I.C. Y F. holds the remaining 51%. The company's exclusive purpose will be providing urban hygiene and waste management services, including the collection of urban, household and other solid waste, their transport, streets sweeping, and cleaning of public roads and public spaces, related to the service contract to be entered into with the Municipality of Córdoba. The company started doing business in December 1, 2018, under a contract effective until November 30, 2026, with the possibility of being extended for 18 additional months. The company's capital stock amounts to twenty-eight million Argentine pesos ($28,000,000), represented into 280,000 non-endorsable, registered, common shares, with a nominal value of $ 100 each and one vote per share. On December 19, 2018, Caputo S.A.I.C. Y F. transferred all its shareholdings in Logística Ambiental Mediterránea S.A. to TGLT S.A. This transfer was recorded in the Company's Registry of Shareholders.

Newbery 3431 S.A.

- On September 25, 2017, a new company was incorporated jointly with Northbaires S.A. The company's name is "Newbery 3431 S.A". The Shareholders are: TGLT S.A. holding 50% of the capital and voting stock; and Northbaires S.A. holding 50% of the capital and voting stock. On November 24, 2017, a title deed was executed stating as total purchase price the amount of US$ 8,500,000; US$ 1,275,000 of which were paid when executing the title deed, and the outstanding balance was paid in April 2018.

II. STATISTICAL DATA

Production volume and sales in the local market (covered m2)

	Jun 30, 2019	Jun 30, 2018	Jun 30, 2017	Jun 30, 2016	Jun 30, 2015
Residential M2 delivered (1)	5,488	3,315	16,667	8,302	14,163
Certified m2 of work and construction (2)	77,188	62,993	70,884	44,793	53,096

(1) Square meters delivered. It does not include the square meters delivered in our Venice project, as we hold 49.99% of the share in Marina Río Lujan, the company developing the project. The requirements laid down by IFRS 10 in relation to the "control" principle have not been met; therefore, the Company's share in María Río Luján S.A. is disclosed in line "Investments in Companies".

(2) In order to provide information on activity levels and considering the differences between the works performed by the Company, certified amounts are stated based on the cost of the covered square meter prevailing at each year-end.

III. BALANCE SHEET STRUCTURE

(amounts stated in thousands of Argentine pesos)

	Jun 30, 2019	Dec 31, 2018
Non-current assets	6,844,768	8,075,843
Current assets	4,472,062	6,913,655
Total assets	**11,316,830**	**14,989,498**
Non-current liabilities	5,545,123	7,998,395
Current liabilities	7,210,742	8,583,382
Total liabilities	**12,755,865**	**16,581,777**
Attributable to parent company's owners	(1,439,035)	(1,592,279)
Attributable to the holders of non-controlling interest	-	-
Total shareholders' equity	**(1,439,035)**	**(1,592,279)**
Total liabilities and shareholders' equity	**11,316,830**	**14,989,498**

IV. PROFIT AND LOSS STRUCTURE

(amounts stated in thousands of Argentine pesos)

	Jun 30, 2019	Jun 30, 2018
Operating income/loss	**240,051**	**568,763**
Gain/loss on investments in companies	217,834	263,940
Financial results		
Exchange gains/losses	(733,616)	(1,757,945)
Financial income	99,961	64,335
Financial costs	(641,505)	(428,618)
Gains/losses from the exposure to changes in the currency purchasing power	1,132,391	(671,792)
Income/(loss) before income tax	**315,116**	**(1,961,317)**
Spread rate	-	-
Income tax	(136,535)	715,918
Income/loss for the year	**178,581**	**(1,245,399)**
Other comprehensive profit or loss	(24,363)	(68,956)
Total comprehensive income/loss for the year	**154,218**	**(1,314,355)**

V. CASH FLOW STRUCTURE

(amounts stated in thousands of Argentine pesos)

	Jun 30, 2019	Jun 30, 2018
Cash (used in) provided by operating activities	300,921	(460,381)
Cash (used in) provided by investing activities	(699,908)	(1,913,362)
Cash (used in) provided by financing activities	(446,397)	780,233
Total cash (used in) provided during the period	**187,469**	**(1,593,510)**

VI. MAIN INDICATORS, RATIOS OR INDEXES

Ratios	Formula	Jun 30, 2019	Dec 31, 2018
Liquidity	Current assets / Current liabilities	0.61	0.81
Solvency	Shareholder's equity / Liabilities	(0.12)	(0.10)
Fixed asset-to-equity capital ratio	(Non-current assets/total assets)	0.61	0.54

VII. PERSPECTIVES

Once the implementation of the Optimized Recapitalization Plan is completed, which initiated when signing the relevant agreements on August 8, 2019, the Company expects to restore its equity and build a capital structure that may stand over time, to help them support the volume of operations with greater strength and a higher number of its own resources allocated to productive activities.

By merging with Caputo, we aim to continue improving the construction capacity of our real estate projects, by streamlining the cost structure and capturing the construction margin in all such projects. Likewise, this merger allows us to incorporate a relevant backlog of works for third parties, while placing the merged company in an optimal position to capitalize on the opportunities that the construction sector in Argentina has to offer, being able to participate in major private and public projects, even in investments in Public-Private Participation (PPP) projects.

As of June 30, 2019, the Company's portfolio of works hired amounts to $ 6,273 million, most of which are to be developed in the private sector (83% of total income). Thus, the Company is expected to show a sustained activity level.

In the Services area, our subsidiary SES S.A. continues to operate primarily focused on providing maintenance services for public spaces in the City of Buenos Aires, while Limp Ar Rosario S.A. provides urban hygiene and waste management services in the northern area of the city of Rosario. In 2018, Logística Ambiental Mediterránea S.A. was incorporated in Córdoba for the purposes of providing urban hygiene and waste management services in that city.

In addition, and after the already mentioned merger with Caputo, the Company continues strengthening its human resources processes, systems and structure, so as to streamline their current operations as well as the management and/or development of new projects.

VIII. ACKNOWLEDGMENT

We wish to express our gratitude to suppliers, clients, banking institutions, professionals, advisors and personnel for all the support provided.

City of Buenos Aires, August 9, 2019.

THE CHAIRMAN

TGLT

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TGLT S.A.

AS OF JUNE 30, 2019

(For the six-month period)

FISCAL YEAR NO. 15 BEGINNING JANUARY 1, 2019

FINANCIAL STATEMENTS AS OF JUNE 30, 2019

OF TGLT GROUP, PRESENTED COMPARATIVELY

(amounts stated in Argentine pesos)

Company's main business Management of real property projects and undertakings, urban developments; planning, evaluation, scheduling, formulation, development, implementation, administration, coordination, supervision, management, organization, direction and performance in real property businesses; exploitation of trademarks, patents, methods, formulae, licenses, technologies, know-how, models and designs; any type of commercialization; study, planning, projection, advice and/or execution of any kind of public and/or private, national, provincial and/or municipal works, in rural real property, urban housing, offices, premises, neighborhoods, roads, engineering and/or architectural works in general and their administration, plan and project drawing, participation in biddings of public or private works, and taking over of works already started; import and export of construction machinery, tools and materials; acting as a non-financial trustee.

Date of registration with Superintendence of Corporations (Inspección General de Justicia – IGJ):

- Bylaws: June 13, 2005

- Last amendment: December 12, 2018

Registration number with the IGJ: 1754929

Bylaws expiration date: June 12, 2104

Taxpayer Identification Number: 30-70928253-7

Information on subsidiaries See Note 4.2 to the consolidated financial statements.

Information on parent companies: See Note 20 to the consolidated financial statements.

Capital Structure

(Figures in pesos, whole numbers)

Shares	Issued, subscribed and paid in	Registered
Common, registered shares, one vote per share at a nominal value of $ 1 (V.N)	80,655,424	80,655,424
	80,655,424	80,655,424

TGLT

TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF JUNE 30, 2019, AND DECEMBER 31, 2018

(amounts stated in thousands of Argentine pesos)

	Notes	Jun 30, 2019	Dec 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	5	106,076	111,998
Intangible assets	6	36,307	50,647
Investment property	35	33,810	421,672
Investments in companies	45	2,620,052	2,512,831
Goodwill	7	876,604	876,604
Inventories	8	2,243,076	2,794,319
Deferred tax assets	9	650,788	813,296
Other receivables	10	95,912	414,451
Receivables from related parties	29	139,273	39,390
Accounts receivable from sales	11	42,870	40,635
Total Non-current assets		6,844,768	8,075,843
Current assets			
Contract assets		3,199	2,913
Inventories	8	1,064,773	1,226,850
Other assets		-	984,738
Assets held for sale		-	175,787
Other receivables	10	1,245,798	1,461,549
Receivables from related parties	29	453,005	434,646
Accounts receivable from sales	11	1,517,818	1,590,992
Other financial assets		-	3,327
Cash and cash equivalents	12	187,469	1,032,853
Total Current assets		4,472,062	6,913,655
Total Assets		**11,316,830**	**14,989,498**
SHAREHOLDERS' EQUITY			
Attributable to parent company's owners		(1,439,035)	(1,592,279)
Total shareholders' equity		**(1,439,035)**	**(1,592,279)**
LIABILITIES			
Non-current liabilities			
Payables to related parties	29	7,941	8,494
Other accounts payable	13	-	1,169,476
Contract liabilities	14	1,278,407	1,480,684
Loans	15	4,253,347	5,328,709
Other tax burden	16	5,428	11,032
Total non-current liabilities		5,545,123	7,998,395
Current liabilities			
Provisions and allowances	18	94,537	192,811
Other accounts payable	13	1,207,080	2,595,006
Contract liabilities	14	1,877,678	2,434,790
Payables to related parties	29	54,820	30,079
Loans	15	2,284,109	1,654,168
Other tax burden	16	93,344	140,898
Payroll and social security contributions	17	182,389	167,020
Accounts payable	19	1,416,785	1,368,610
Total current liabilities		7,210,742	8,583,382
Total liabilities		**12,755,865**	**16,581,777**
Total shareholders' equity and liabilities		**11,316,830**	**14,989,498**

The accompanying notes are an integral part of these financial statements.

TGLT

TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE PROFIT OR LOSS

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2019 AND 2018

(amounts stated in thousands of Argentine pesos)

	Notes	SIX MONTHS		THREE MONTHS	
		Jun 30, 2019	Jun 30, 2018	**Jun 30, 2019**	Jun 30, 2018
Income from ordinary activities	22	3,733,164	2,525,888	1,883,229	1,306,931
Cost of ordinary activities	23	(3,128,206)	(2,267,734)	(1,522,028)	(1,263,433)
Gross profit		**604,958**	**258,154**	**361,201**	**43,498**
Selling expenses	24	(152,635)	(150,431)	(60,345)	(88,679)
Administrative expenses	25	(214,797)	(295,862)	(97,497)	(151,142)
Other operating costs		(56,664)	(773,238)	122,779	(758,678)
Amortization of intangible assets		(14,333)	(13,060)	(7,156)	(5,811)
Investment property appraisal at fair value	35	4,240	1,421,319	(710)	1,421,319
Income from sale of investment property	35	(95,541)	-	680	-
Other income and expenses, net	27	164,823	121,881	(28,967)	113,073
Operating loss		**240,051**	**568,763**	**289,985**	**573,580**
Gain/loss on investments in companies	45	217,834	263,940	63,963	196,512
Financial results		-	-	-	-
Exchange gains/losses	26	(733,616)	(1,757,945)	145,998	(1,627,510)
Financial income	26	99,961	64,335	83,925	11,108
Financial costs	26	(641,505)	(428,618)	(340,124)	(249,108)
Gains/losses from the exposure to changes in the currency purchasing power		1,132,391	(671,792)	991,991	(671,397)
Income/(loss) for the period before income tax		**315,116**	**(1,961,317)**	**1,235,738**	**(1,766,815)**
Income tax	28	(136,535)	715,918	(504,720)	631,841
Income/loss for the period		**178,581**	**(1,245,399)**	**731,018**	**(1,134,974)**
Other comprehensive profit or loss to be reclassified as profit or loss					
Exchange gain/loss from a net investment abroad		(24,363)	(68,956)	383	(59,680)
Total other comprehensive income/loss		(24,363)	(68,956)	383	(59,680)
Total comprehensive income/loss for the period		**154,218**	**(1,314,355)**	**731,401**	**(1,194,654)**
Income/loss for the period attributable to:					
Controlling interest		178,581	(1,344,351)	731,018	(1,212,347)
Non-controlling interest		-	98,952	-	77,373
Total for the period		**178,581**	**(1,245,399)**	**731,018**	**(1,134,974)**
Income/loss per share attributable to parent company's owners					
Basic	37	**1.91**	**(18.26)**	-	-
Diluted	37	**6.57**	**(4.54)**	-	-
Total comprehensive loss for the period attributable to:					
Controlling interest		154,218	(1,413,307)	731,401	(1,272,027)
Non-controlling interest		-	98,952	-	77,373
Total income/loss for the period		**154,218**	**(1,314,355)**	**731,401**	**(1,194,654)**

The accompanying notes are an integral part of these financial statements.

TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

(amounts stated in Argentine pesos)

	Capital								Reserves			Income/loss	Shareholders' equity attributable to		Total
	Capital stock	Capital adjustment	Stock premium	Buyback premium	Shares to be issued	Capital contribution	Total	Transactions between shareholders	Legal reserve	Optional reserve	Foreign currency translation reserve	Unappropriated retained income/loss	Controlling interest	Non-controlling interest	
Adjusted balances as of January 1, 2019	71,993	518,964	2,333,659	(195)	71,336	691,191	3,686,946	(45,276)	494	9,392	(258,532)	(4,985,303)	(1,592,279)	-	(1,592,279)
Acquisition of companies	-	-	-	-	(357)	-	(357)	(617)	-	-	-	-	(974)	-	(974)
Swap of shares	8,662	1,953	60,364	-	(70,979)	-	-	-	-	-	-	-	-	-	-
Income/loss for the period	-	-	-	-	-	-	-	-	-	-	-	178,581	178,581	-	178,581
Other comprehensive loss for the period, net of income tax	-	-	-	-	-	-	-	-	-	-	(24,363)	-	(24,363)	-	(24,363)
Income/loss for the period	-	-	-	-	-	-	-		-	-	(24,363)	178,581	154,218	-	154,218
Balances as of June 30, 2019	**80,655**	**520,915**	**2,394,023**	**(195)**	**-**	**691,191**	**3,686,589**	**(45,893)**	**494**	**9,392**	**(282,895)**	**(4,806,722)**	**(1,439,035)**	**-**	**(1,439,035)**

(1) See Note 33.2

The accompanying notes are an integral part of these financial statements.

TGLT S.A.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

(amounts stated in Argentine pesos)

	Capital							Reserves			Income/loss	Shareholders' equity attributable to		Total
	Capital stock	Capital adjustment	Stock premium	Buyback premium	Capital contribution	Total	Transactions between shareholders	Legal reserve	Optional reserve	Foreign currency translation reserve	Unappropriated retained income/loss	Controlling interest	Non-controlling interest	
Balance as of January 1, 2018	70,349	307,276	1,482,190	125	842,895	2,702,835	(28,673)	317	6,030	(81,027)	(1,947,959)	651,523	-	651,523
Translation of shares	1,644	152	16,122	-	(4,894)	13,024	-	-	-	-	-	13,024	-	13,024
Acquisition of companies	-	-	-	-	-	-	-	-	-	-	-		426,042	426,042
Income/loss for the period	-	-	-	-	-	-	-	-	-	-	(1,344,351)	(1,344,351)	98,952	(1,245,399)
Other comprehensive loss for the period, net of income tax	-	-	-	-	-	-	-	-	-	(68,956)	-	(68,956)	-	(68,956)
Comprehensive loss for the period	-	-	-	-	-	-	-	-	-	(68,956)	(1,344,351)	(1,413,307)	98,952	(1,314,355)
Balance as of June 30, 2018	**71,993**	**307,428**	**1,498,312**	**125**	**838,001**	**2,715,859**	**(28,673)**	**317**	**6,030**	**(149,983)**	**(3,292,310)**	**(748,760)**	**524,994**	**(223,766)**

The accompanying notes are an integral part of these financial statements.

TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019 AND 2018

(amounts stated in thousands of Argentine pesos)

Operating activities	Jun 30, 2019	Jun 30, 2018
Income/loss for the period	154,218	(1,314,355)
Adjustments to obtain cash flows from operating activities		
Income tax	136,535	(715,918)
Depreciation of property, plant and equipment	14,192	8,222
Depreciation of investment property for rent	-	732
Amortization of intangible assets	14,333	13,044
Gain/loss on investments in companies	(217,834)	(263,940)
Investment property appraisal at fair value	(4,240)	(1,421,319)
Gain/loss on sale of investment property	95,541	-
Loss from sale of other assets	-	(158,777)
Gain/loss at fair value	-	(24,777)
Effect of financial statements conversion	(24,363)	(68,956)
Effect of conversion on cash flows	-	(198)
Exchange gains/losses and accrued interest	1,275,160	1,415,787
Present value of assets and liabilities	48,478	-
Gains/losses from the exposure to changes in the currency purchasing power	(1,132,391)	671,792
Changes in operating assets and liabilities		
Accounts receivable from sales	70,939	(1,711,908)
Other receivables	534,290	(1,006,945)
Receivables from related parties	(118,242)	(344,214)
Other assets	984,738	48,892
Other financial assets	3,327	351
Assets held for sale	(44,869)	244,014
Inventories	713,320	250,269
Contract assets	(286)	509,941
Deferred tax assets	162,508	180,209
Accounts payable	48,175	784,120
Payroll and social security contributions	15,369	49,017
Other tax burden	(189,693)	111,798
Payables to related parties	24,188	77,351
Contract liabilities	(759,389)	1,695,702
Provisions	(98,274)	148,201
Deferred tax liabilities	-	(318,214)
Other accounts payable	(1,404,809)	280,199
Net cash flows provided by/ (used in) operating activities	**300,921**	**(859,880)**
Investment activities		
Investments not considered as cash	-	(3,184)
Payments for purchase of property, plant and equipment	(8,293)	(25,417)
Payments for purchases of shares in companies	(1,239,956)	(2,081,644)
Payments for purchase of investment property	-	(1,695)
Payments for purchase of intangible assets	-	(550)
Collections from sale of assets	220,656	212,471
Collections from sale of investment property	296,561	-
Dividends from associates	33,283	35,325
Contributions in associates	(2,159)	(312)
Increase in interest in non-controlling interests	-	156,073
Net cash flow (used in) investment activities	**(699,908)**	**(1,708,933)**
Financing activities		
Loans	(445,423)	686,536
Transactions between shareholders	(974)	-
Net cash flows (used in) / provided by financing activities	**(446,397)**	**686,536**
(Decrease) in cash and cash equivalents	(845,384)	(1,882,277)
Cash and cash equivalents at beginning of the period	1,032,853	3,267,597
Cash and cash equivalents at period-end (See Note 12)	**187,469**	**1,385,320**

The accompanying notes are an integral part of these financial statements.

Note 1. Corporate information

1.1 Business model

TGLT was founded in 2005 by Federico Weil. In April 2015, PointArgentum Master Fund LP became a shareholder. TGLT is a leader developer in the Argentine residential market and expects to get the same position in Uruguay. TGLT is focused on the development of residential housing and commercial offices in Argentina and Uruguay.

TGLT's business model is based on its ability to identify the best plots of land and build residential projects for medium income social segments, high quality offices and residential housing supported by a team of first-rate professionals, standardization of processes, and management tools which enable the Company to launch new projects on an on-going basis and to operate a large number of projects simultaneously.

TGLT participates exclusively or substantially in each of the projects it develops, and is committed to each project aligning with the interests of its shareholders.

TGLT's team controls and is involved in all tasks related to real property development, from the search and acquisition of land to product design, marketing, sales, construction management, purchase of supplies, post-sale services and financial planning, with the advice of specialized firms in each development stage. Although TGLT decides on and supervises each and every task, some of them, such as architecture and construction, are delegated to specialized companies, which are closely supervised by TGLT. This business model allows the Company to ensure production excellence for each location and segment, efficient working capital management at all times and to choose the best partner for each phase of development, while maintaining an organizational size able to face changes according to volume of business.

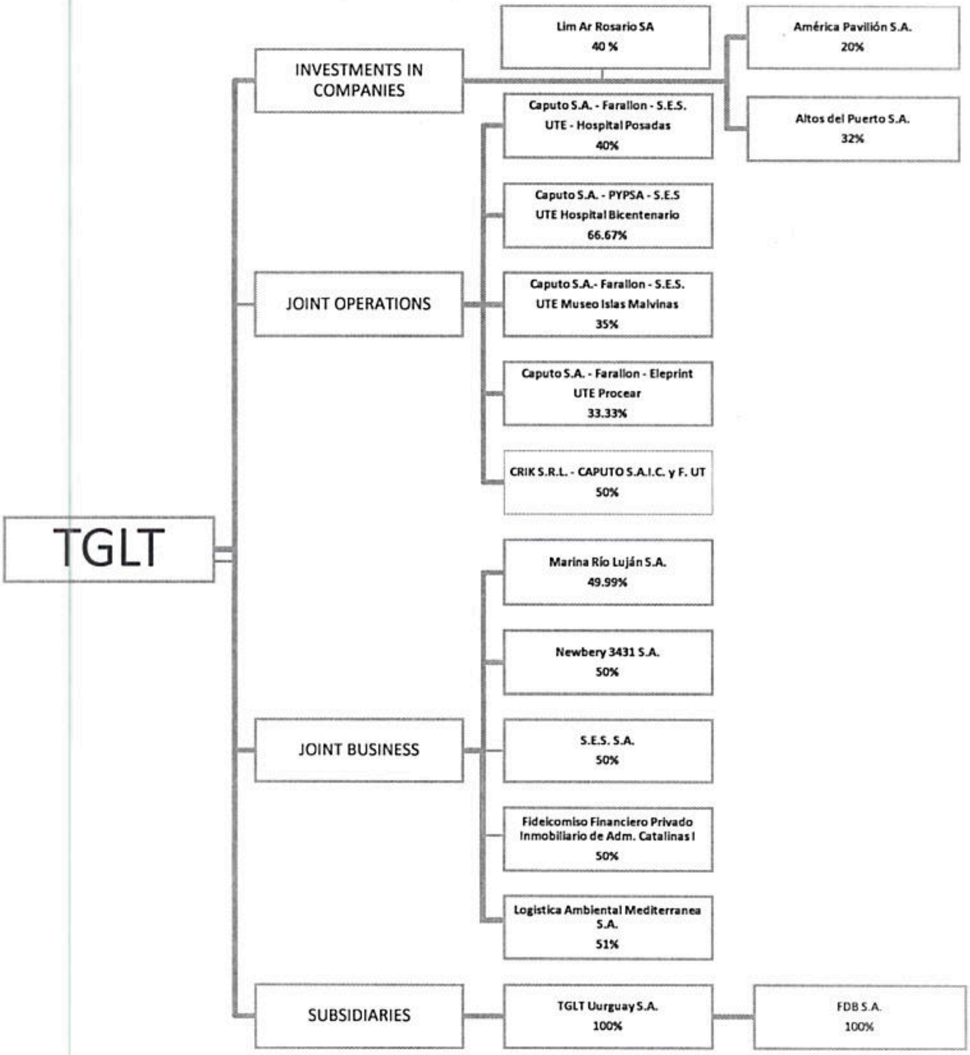
In order to expand the Company's activities to the construction business, on January 19, 2018 the Company acquired 82.32% of the shares in Caputo Sociedad Anónima Industrial, Comercial y Financiera (hereinafter "Caputo"), one of the most active and well-known construction companies in the country, which has carried out more than 500 works in 80 years, and is listed on the Buenos Aires Stock Exchange since 1955. Moreover, after the OPA (Public Offering) made on September 12, 2018, TGLT acquired 14.72% additional share, totaling 97.04% of the capital stock. As of December 31, 2018, both companies are merged. On June 7, 2018, the final swap of shares was made and, therefore, the ownership of 100% of the shares in Caputo was completed (see Note 33.2).

The objective of this acquisition is to improve the construction capacity of projects, streamlining the cost structure and giving the possibility of capturing the construction margin given the significant expansion of the industry. Furthermore, it enables us to achieve an optimal position to capitalize the opportunities posed by the construction sector growth in Argentina, both in real property segments and in large infrastructure works, including public-private projects.

Note 1. Corporate information (cont.)

1.2 Corporate structure

As of June 30, 2019, the structure of the business group TGLT (hereinafter "the Group") is as follows:



The Group carries out the development of its real property projects through TGLT S.A. or its subsidiaries. TGLT Uruguay S.A. is an investment company in Uruguay acting as a holding company for our projects in that country. FDB S.A. is a company domiciled in Montevideo, Uruguay.

Note 2. Statement of compliance with IFRS

These condensed consolidated financial statements of the Group have been prepared in accordance with the International Financing Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The Company has exercised the option established by International Accounting Standard (IAS) 34, and has prepared condensed financial statements.

Note 3. Basis for the presentation of the condensed consolidated financial statements

3.1 Accounting standards

The company prepares its condensed consolidated financial statements in accordance with the provisions of the CNV described in Chapter III, Title IV of the CNV Standards (N.T. 2013 and amendments). As per such standards, issuing companies must present its condensed consolidated financial statements in accordance with Technical Resolution 26 issued by the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE"), which provide for the application of the IFRS issued by the IASB, their amendments, and any IFRS Notices of Implementation issued by the FACPCE as provided for by that Technical Resolution.

As of June 30, 2019, and December 31, 2018, all conditions have been met so that the Company's condensed consolidated financial statements for the fiscal year then ended may include the inflation adjustment provided for by IAS 29 "Financial reporting in hyperinflationary economies". These condensed consolidated financial statements meet all IFRS requirements.

3.2 Reporting currency

The financial statements as of June 30, 2019 and December 31, 2018, including figures for the prior fiscal year, have been restated to consider changes in the purchasing power of the Company's functional currency (the Argentine peso) pursuant to IAS 29 and General Resolution No. 777/2018 of the CNV. Accordingly, the financial statements are stated in terms of the measuring unit current at the end of the reporting period.

In accordance with IAS 29, the financial statements of an entity with a functional currency that is hyperinflationary must be restated. Under IAS 29, hyperinflation is established by following non-exclusive guidelines, as follows: (i) analyze the behavior of population, prices, interest rates and wages upon the changes in price indexes and the purchasing power loss, and (ii) as a quantitative factor, that is the condition mainly considered in practice, verify whether the cumulative inflation rate over three years is approaching or exceeds 100%.

Even though in recent years an important growth was recorded in the general level of prices, the 3-year accumulated inflation in Argentina had remained below the accumulated 100%. However, due to various macroeconomic factors, the 3-year inflation rate in 2018 was over that percentage and, according to Government goals and other available projects, this trend would not reverse in the short term.

To evaluate this quantitative condition and to restate the financial statements, the CNV has established certain indexes to be used in the application of IAS 29 as determined by the Argentine Federation of Professional Councils of Economic Sciences. These indexes combine the Consumer Price Index (IPC) published by the National Institute of Statistics and Census (INDEC) as from January 2017 (base month: December 2016) and the Wholesale Price Index (IPIM) published by the INDEC to date, by computing for the months of November and December 2015, on which no INDEC information is available on changes in the IPIM, the IPC variation in the City of Buenos Aires.

Considering such index, inflation amounted to 22% and 16% in the six-month period ended in 2019 and 2018, respectively. Inflation for the period 2018 totaled 47.64%.

Note 3. Basis for the presentation of the condensed consolidated financial statements (cont.)

3.2 Reporting currency (cont.)

A summary of the effects of applying IAS 29 is as follows:

Restatement of the statement of financial position

(i) Monetary items (those with a fixed nominal value in local currency) are not restated as they are already stated in terms of the measuring unit current at the end of the reporting period. In an inflationary period, maintaining monetary assets generates a purchasing power loss and maintaining monetary liabilities generates a purchasing power gain, provided those items are not subject to an adjustment system somehow offsetting those effects. The monetary income or loss is included in the income/loss for the reporting period.

(ii) Assets and liabilities subject to changes based on specific agreements are adjusted based on such agreements.

(iii) Non-monetary items stated in current value at the end of the reporting period are not restated for presentation in the statement of financial position, but the adjustment process must be completed to determine in terms of constant measuring unit the income/loss on the holding of non-monetary items.

(Iv) Non-monetary items stated at historical cost or at a current value for a date prior to the end of the reporting period are restated by using indexation rates reflecting the variation in the general level of prices from the acquisition or revaluation date to period-end, and then the restated amounts of assets are compared with the corresponding recoverable values. The depreciation of property, plant and equipment and amortization of intangible assets charged to P&L, as well as any use of non-monetary assets shall be determined based on the new restated amounts.

As of June 30, 2019, and December 31, 2018, the items subject to this restatement process have been those relating to Property, plant and equipment, Intangible assets and goodwill, Investments in subsidiaries, associates and joint operations, Other non-financial receivables and Inventories.

(v) When borrowing costs are capitalized in non-monetary assets pursuant to IAS 23, the part of borrowing costs that compensates the creditor for inflation is not capitalized.

(vi) The restatement of non-monetary assets in terms of the measuring unit current at the end of the reporting period without an equivalent adjustment for tax purposes gives rise to a taxable temporary difference and to the recognition of deferred tax liabilities with a contra-account in P&L.

When in addition to the restatement there is a revaluation of non-monetary assets, then the deferred tax related to the restatement is recognized in P&L and the deferred tax related to the revaluation (excess of revaluation amount over restatement amount) is recognized in other comprehensive income.

Restatement of statement of comprehensive profit or loss

(i) Expenses and revenues are restated from the date of registration, except for P&L items reflecting or including in their determination the use of assets stated in a purchasing power currency for a registration date prior to that of the registration of the use, restated by taking as a basis the acquisition date of the assets to which the item relates (such as depreciation, impairment and other use of assets stated at historical value); and also except for P&L derived from comparing two measurements stated in a purchasing power currency of different dates, for which the compared amounts shall be identified, compared, restated separately and compared again, but with already restated amounts.

(Ii) The net loss and/or net income from maintaining monetary assets and liabilities is presented in a separate item of P&L for the year.

Note 3. Basis for the presentation of the condensed consolidated financial statements (cont.)

3.2 Reporting currency (cont.)

Restatement of statement of changes in shareholders' equity

(i) To the transition date (beginning of comparative year), the Company has applied the following specific standards:

a) Shareholders' equity items, except for retained earnings, unappropriated retained income/loss and other shareholders' equity items, were restated as from the date of contribution or from the time at which they were generated by any other means.

b) Retained earnings and other shareholders' equity items were maintained at nominal value to transition date (non-restated legal amount).

c) Restated unappropriated retained income/loss were determined as a difference between the restated net assets to the transition date and the remaining shareholders' equity items stated as mentioned above.

(ii) After the restatement to the transition date mentioned in (i) above, all shareholders' equity items are restated by applying the general price index from the beginning of the fiscal year, and each variation in these items is restated from the date of contribution or from the time at which they were generated by any other means.

Other comprehensive profit or loss generated after the transition date are presented in real terms.

Restatement of statement of cash flows

IAS 29 requires that all cash flow items be restated in terms of the measuring unit current at the end of the reporting period.

Monetary income/loss generated by cash and cash equivalents is presented in the statement of cash flows separately from cash flows from operating, investment and financing activities as a specific item of the reconciliation between cash and cash equivalents at the beginning and at the end of the year.

3.3 Newly Issued Standards and Interpretations - Issued Standards and Interpretations

IFRS 16 Leases (applicable to fiscal years beginning on or after January 1, 2019).

IFRS 16 Leases was issued in January 2016 and is applicable to fiscal years beginning on or after January 1, 2019. IFRS 16 eliminates the current dual accounting model for leases, which makes a distinction between on-balance sheet finance leases and off-balance sheet operating leases where there is no recognition of future lease payments. Instead, it adopts a single on-balance sheet model, similar to the current finance lease model. The Company is evaluating the impact of such standard on its financial statements.

Note 4. Summary of the main accounting policies applied

4.1 Applicable accounting standards

These condensed consolidated financial statements have been prepared by using the specific IFRS measurements for each type of asset, liability, income and expense. Consolidated and separate reporting hereto attached is presented in pesos, legal tender in Argentina, based on the accounting records of TGLT S.A. and its subsidiaries. The Board of Directors of the Company is responsible for the preparation of financial reporting which requires to make certain accounting estimates and decide on the application of certain accounting standards.

4.2 Consolidation criteria

The consolidated financial statements of TGLT include the Company's financial information and the information related to TGLT Uruguay S.A., consolidated with its subsidiary FDB S.A. As of June 30, 2018, TGLT's information was also consolidated with Caputo S.A.Y.C.yF.

The assets and liabilities of TGLT Uruguay S.A. and its subsidiary FDB S.A. were converted to Argentine pesos at the exchange rates prevailing to the date of those financial statements. Income statement accounts were converted to Argentine pesos at the exchange rates prevailing to the dates of those transactions.

Note 4. Summary of the main accounting policies applied (cont.)

4.2 Consolidation criteria (cont.)

Receivables and payables and transactions among entities of the consolidated group were eliminated during consolidation. Profit or loss resulting from transactions among members of the consolidated group not disclosed to third parties and recorded in the final asset balances have been fully eliminated.

Non-controlling interests, presented as part of shareholder's equity, represent the portion of profits or losses and net assets of a subsidiary not owned by TGLT. The Company's Board of Directors records total profit or loss and other comprehensive profit or loss of subsidiaries among the owners of the subsidiary and the non-controlling interests based on their respective interests.

Control is achieved when the investor has exposure or rights to variable returns from its interest in the investee and has the ability to use its power to affect its return. Specifically, the investor controls an investee any if and only if the investor has:

- Power over the investee (i.e. existing rights that give the investor the current ability to direct the relevant activities of the investee,
- Exposure, or rights, to variable returns from its interest in the investee,
- The ability to use its power over the investee to affect its return significantly.

When the investor has less than the majority of the voting or similar rights of an investee, the investor considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- Contractual agreements between the investor and other holders of voting rights of the investee.
- Rights arising from other contractual agreements.
- The investee's voting rights, potential voting rights or a combination of both.

The investor will re-assess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three criteria of control described above. The consolidation of a subsidiary begins when the parent company obtains control over the subsidiary and ceases when the parent company loses control over the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the parent company gains control of the subsidiary until the date the parent company ceases to control the subsidiary.

Profit or loss and each item of other comprehensive profit or loss are attributed to the owners of the parent company and to non-controlling interests, even if the non-controlling interests result in a loss. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, the following steps apply:

- Derecognition of the assets (including goodwill) and liabilities of the subsidiary,
- Derecognition of the carrying amount of any non-controlling interests,
- Derecognition of accumulated exchange gains/losses, recorded in shareholders' equity,
- Recognition of the fair value of the consideration received,
- Recognition of the fair value of any residual investment retained,
- Recognition of any positive or negative balance as profit or loss, and
- Reclassification to P&L or accumulated gains/losses, as applicable, of the parent company's interest in components previously recognized in OCI, as would be required if the parent company had directly disposed of the related assets or liabilities.

4.3 Functional currency

For the purposes of these condensed consolidated financial statements, the Company's profit and loss and financial position are stated in Argentine pesos (legal tender in the Republic of Argentina). The functional currency of TGLT S.A. Uruguay and its subsidiary FDB S.A., located in Uruguay, is the American dollar.

When preparing the stand-alone financial statements, transactions in currencies other than the entity's functional currency (foreign currency) were recorded using the exchange rates prevailing at the dates when the transactions were performed. At the end of each fiscal year/period, the monetary items stated in foreign currency were converted by applying the exchange rates prevailing at that date.

The non-monetary items recorded at fair value, stated in foreign currency, were reconverted at the exchange rates prevailing at the date when the fair value was determined. Non-monetary items calculated in terms of historical costs in foreign currency were not reconverted. The profit or loss charged to Other comprehensive profit or loss related to foreign exchange gains/losses generated by investments in associates with a functional currency other than the peso and by the conversion of the financial statements to the presentation currency (pesos), has no effect on the income tax nor the deferred tax since at the time it was generated such transactions had no impact on the accounting or taxable profit.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2019, PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 5. Property, Plant and Equipment

	Furniture and fixtures	Hardware	Machinery and equipment	Improvements in third-party property	Vehicles	Forklift	Showroom	Formwork	Total
Original value									
Balance as of 1/1/2019	8,218	11,460	98,765	43,679	17,324	723	10,652	12,632	203,453
Acquisitions	-	10	3,899	3,048	11	962	-	363	8,293
Conversion adjustment	72	114	-	298	-	-	973	-	1,457
Total	8,290	11,584	102,664	47,025	17,335	1,685	11,625	12,995	213,203
Balance as of 1/1/2019	(5,710)	(10,199)	(22,731)	(29,922)	(7,221)	(656)	(10,648)	(4,368)	(91,455)
Depreciation	(263)	(332)	(4,894)	(5,999)	(1,623)	(67)	-	(1,014)	(14,192)
Conversion adjustment	(82)	(114)	-	(307)	-	-	(977)	-	(1,480)
Total	(6,055)	(10,645)	(27,625)	(36,228)	(8,844)	(723)	(11,625)	(5,382)	(107,127)
Residual value as of Jun 30, 2019	**2,235**	**939**	**75,039**	**10,797**	**8,491**	**962**	**-**	**7,613**	**106,076**

	Furniture and fixtures	Hardware	Machinery and equipment	Improvements in third-party property	Vehicles	Forklift	Showroom	Formwork	Total
Original value									
Balance as of 1/1/2018	6,779	8,978	-	9,139	-	-	56,546	-	81,442
Acquisitions	452	1,305	42,757	11,346	6,388	-	-	9,278	71,526
Conversion adjustment	453	614	-	1,519	-	-	4,758	-	7,344
Acquisition of companies	702	1,581	56,465	21,675	13,287	723	-	3,354	97,787
Decreases	(168)	(1,018)	(457)	-	(2,351)	-	(50,652)	-	(54,646)
Total	**8,218**	**11,460**	**98,765**	**43,679**	**17,324**	**723**	**10,652**	**12,632**	**203,453**
Balance as of 1/1/2018	(4,711)	(8,383)	-	(8,698)	-	-	(54,757)	-	(76,549)
Depreciation	(495)	(896)	(6,792)	(5,026)	(2,643)	(144)	(1,785)	(1,706)	(19,487)
Conversion adjustment	(392)	(535)	-	(1,519)	-	-	(4,758)	-	(7,204)
Acquisition of companies	(277)	(1,406)	(16,394)	(14,679)	(6,634)	(512)	-	(2,662)	(42,564)
Decreases	165	1,021	455	-	2,056	-	50,652	-	54,349
Total	**(5,710)**	**(10,199)**	**(22,731)**	**(29,922)**	**(7,221)**	**(656)**	**(10,648)**	**(4,368)**	**(91,455)**
Residual value as of Dec 31, 2018	**2,508**	**1,261**	**76,034**	**13,757**	**10,103**	**67**	**4**	**8,264**	**111,998**

(amounts stated in thousands of Argentine pesos)

Note 6. Intangible assets

	Software	Software development	Trademarks	Contractual rights	Total
Original value					
Balance as of January 1, 2019	9,035	13,729	174	77,341	100,279
Conversion adjustment	141	-	6	-	147
Total	9,176	13,729	180	77,341	100,426
Amortization and impairment					
Balance as of January 1, 2019	(7,617)	(13,854)	(37)	(28,124)	(49,632)
Amortization	(26)	(241)	(5)	(14,061)	(14,333)
Conversion adjustment	(148)	-	(6)	-	(154)
Total	(7,791)	(14,095)	(48)	(42,185)	(64,119)
Residual value as of Jun 30, 2019	**1,385**	**(366)**	**132**	**35,156**	**36,307**

	Software	Software development	Trademarks	Contractual rights	Total
Original value					
Balance as of January 1, 2018	2,827	13,140	143	-	16,110
Acquisitions	431	589	-	-	1,020
Acquisition of companies	6,503	-	-	77,341	83,844
Conversion adjustment	778	-	31	-	809
Decreases	(1,504)	-	-	-	(1,504)
Total	**9,035**	**13,729**	**174**	**77,341**	**100,279**
Amortization and impairment					
Balance as of January 1, 2018	(2,377)	(12,304)	2	-	(14,679)
Amortization	(1,474)	(1,550)	(9)	(28,124)	(31,157)
Acquisition of companies	(4,627)	-	-	-	(4,627)
Conversion adjustment	(643)	-	(30)	-	(673)
Decreases	1,504	-	-	-	1,504
Total	**(7,617)**	**(13,854)**	**(37)**	**(28,124)**	**(49,632)**
Residual value as of Dec 31, 2018	**1,418**	**(125)**	**137**	**49,217**	**50,647**

(amounts stated in thousands of Argentine pesos)

TGLT

Note 7. Goodwill

	Caputo S.A.I.C. y F.	Total
Original value		
Balance as of January 1, 2019	1,271,914	1,271,914
Total	**1,271,914**	**1,271,914**
Impairment		
Balance as of January 1, 2019	(395,310)	(395,310)
Impairment loss	-	-
Total	(395,310)	(395,310)
Residual value as of Jun 30, 2019	**876,604**	**876,604**

	Caputo S.A.I.C. y F.	Total
Original value		
Balance as of January 1, 2018	1,271,914	1,271,914
Total	**1,271,914**	**1,271,914**
Impairment		
Balance as of January 1, 2018		
Impairment loss	(395,310)	(395,310)
Total	(395,310)	(395,310)
Residual value as of Dec 31, 2018	**876,604**	**876,604**

Note 8. Inventories

Non-current	Notes	**Jun 30, 2019**	Dec 31, 2018
Projects under construction			
Astor San Telmo	31.1.1	1,041,150	890,741
Metra Puerto Norte	31.1.2	227,256	284,827
Forum Puerto del Buceo	31.1.3	1,017,938	1,618,751
Impairment			
Metra Puerto Norte		(43,268)	-
Total inventory – Non-current		**2,243,076**	**2,794,319**
Current			
Projects under construction			
Forum Puerto del Buceo	31.1.3	767,918	971,951
Other inventory		125	124
Projects completed			
Astor Núñez		8,743	5,370
Astor Palermo	31.1.4	20,838	10,554
Forum Alcorta		43,435	38,684
Metra Puerto Norte	31.1.2	291,807	200,167
Impairment			
Forum Alcorta		(24,990)	-
Metra Puerto Norte		(43,103)	-
Total inventory - Current		**1,064,773**	**1,226,850**
Total inventory		**3,307,849**	**4,021,169**

Note 9. Deferred tax assets

		Jun 30, 2019	Dec 31, 2018
Minimum presumed income tax		54,752	67,019
Income tax		64,101	51,197
Minimum presumed income tax credit	42	-	22,240
Deferred tax	28	531,935	672,840
Total tax assets		**650,788**	**813,296**

(amounts stated in thousands of Argentine pesos)

Note 10. Other receivables

Non-current	Notes	Jun 30, 2019	Dec 31, 2018
Advance payments to work suppliers		58,747	71,909
Receivables from the sale of investment property	35 and 39	32,695	-
Accounts receivable from exchanges		-	335,779
Security deposits in local currency		255	-
Security deposits in foreign currency	39	4,215	6,763
Subtotal other receivables – non-current		**95,912**	**414,451**
Current			
Value added tax in local currency		80,635	66,674
Value added tax in foreign currency	39	169,531	238,021
Turnover tax		33,975	30,817
Wealth tax in foreign currency	39	9,264	10,064
Advance payments to work suppliers in local currency		397,807	321,891
Advance payments to work suppliers in foreign currency	39	222,050	194,084
Security deposits in local currency		72	400
Security deposits in foreign currency	39	26	72,378
Insurance to be accrued in local currency		2	2
Insurance to be accrued in foreign currency	39	3,514	2,906
Loan granted		427	43,450
Expenses to be rendered in local currency		217	94,697
Expenses to be rendered in foreign currency	39	4,124	3,855
Expenses to be recovered		2,455	14,635
Maintenance fees to be recovered in local currency		34,730	34,600
Maintenance fees to be recovered in foreign currency	39	11	-
Receivables from the sale of assets held for sale	39	73,960	-
Receivables from the sale of investment property	35 and 39	66,960	5,435
Receivable from a judgment	32	1,994	2,550
Accounts receivable from exchanges		162,604	197,548
Sundry receivables UTES		7,371	5,845
Tax credits UTES		3,509	5,629
Collectible equipment fund in local currency		1	1
Collectible equipment fund in foreign currency	39	888	2,686
Collectible operative fund in local currency		98	125
Collectible operative fund in foreign currency	39	11	12
Miscellaneous		10,431	149,938
Allowance for doubtful receivables		(40,868)	(36,694)
Subtotal other receivables – Current		**1,245,799**	**1,461,549**
Total other receivables		**1,341,711**	**1,876,000**

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AS OF JUNE 30, 2019, PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 11. Accounts receivable from sales

Non-current	Notes	Jun 30, 2019	Dec 31, 2018
Receivables from sale of units		42,870	40,635
Subtotal accounts receivable from sales - Non-current		**42,870**	**40,635**
Current			
Accounts receivable from sales of units in local currency		38,845	16,133
Accounts receivable from sales of units in foreign currency	39	24,709	60,928
Accounts receivable from services rendered in local currency		1,449,497	1,500,985
Accounts receivable from services rendered in foreign currency	39	241	138
Accounts receivable from services rendered in local currency UTES		13,350	20,796
Allowance for bad debts in local currency		(2,798)	(3,425)
Allowance for bad debts in foreign currency	39	(6,026)	(4,563)
Subtotal accounts receivable from sales - current		**1,517,818**	**1,590,992**
Total accounts receivable from sales		**1,560,688**	**1,631,627**

Maturity of accounts receivable from sales is the following:

Receivables / Accounts receivable from sales	Jun 30, 2019	Dec 31, 2018
To become due		
Up to 3 months	1,477,682	1,577,144
From 3 to 6 months	2,489	2,162
From 6 to 9 months	1,857	-
From 9 to 12 months	2,527	-
Over 12 months	42,870	40,635
Overdue		
Up to 3 months	5,692	6,792
From 3 to 6 months	15,326	-
From 6 to 9 months	3,749	-
From 9 to 12 months	1,422	-
Over 12 months	7,074	4,894
	1,560,688	**1,631,627**

Note 12. Cash and cash equivalents

	Notes	Jun 30, 2019	Dec 31, 2018
Cash in local currency		897	1,300
Cash in foreign currency	39	1,643	1,688
Banks in local currency		18,016	11,430
Banks in foreign currency	39	81,537	994,889
Checks to be deposited in local currency		426	1,561
Checks to be deposited in foreign currency	39	-	10,508
Mutual funds in local currency		74,383	-
Mutual funds in foreign currency	39	10,567	11,477
Total cash and cash equivalents		**187,469**	**1,032,853**

(amounts stated in thousands of Argentine pesos)

Note 13. Other accounts payable

Non-current	Notes	Jun 30, 2019	Dec 31, 2018
Payable for purchase of shares	33.2 and 39	-	1,169,476
Subtotal other accounts payable – Non-current		**-**	**1,169,476**
Current			
Sundry creditors in foreign currency	39	19,621	23,305
Payable for purchase of shares	33.2 and 39	1,119,401	1,351,604
Security deposits in local currency		30	37
Security deposits in foreign currency	39	7,371	8,009
Dividends to be paid in cash		295	361
Contributions to be subscribed		14	9
Provision for directors' fees		4,746	7,884
Deferred income		8,556	10,473
Other payables		8,246	1,145,709
Other payables - UTES		38,800	47,615
Subtotal other accounts payable – current		**1,207,080**	**2,595,006**
Total other accounts payable		**1,207,080**	**3,764,482**

Note 14. Contract liabilities

Non-current	Jun 30, 2019	Dec 31, 2018
Advanced collections	1,354,025	1,556,207
Equipment fund	150	184
Operative fund	2	2
Other contract liabilities	18,604	20,808
Value added tax	(94,374)	(96,517)
Total contract liabilities - Non-current	**1,278,407**	**1,480,684**
Current		
Advanced collections	1,857,913	2,406,337
Equipment fund in local currency	16,990	22,895
Operative fund in local currency	5,919	10,078
Value added tax	(3,144)	(4,520)
Total contract liabilities - Current	**1,877,678**	**2,434,790**
Total contract liabilities	**3,156,085**	**3,915,474**

Note 15. Loans

Non-current	Notes	Jun 30, 2019	Dec 31, 2018
Corporate notes	15.2 and 39	4,250,404	5,326,469
Loans borrowed		2,154	-
Financial lease in local currency	15.3	547	1,819
Financial lease in foreign currency	15.3 and 39	242	421
Subtotal loans – Non-current		**4,253,347**	**5,328,709**

(amounts stated in thousands of Argentine pesos)

Note 15. Loans (cont.)

Current	Notes	Jun 30, 2019	Dec 31, 2018
Loans borrowed	15.1.1	7,626	24,158
Mortgage backed banking loans	15.1.2 and 39	534,405	793,715
Bank overdrafts in local currency		86,677	179,395
Bank overdrafts in foreign currency	39	17,766	-
Other financial liabilities	39	12,551	-
Corporate notes	15.1.2 and 39	1,620,821	650,174
Financial lease in local currency	15.3	4,011	6,484
Financial lease in foreign currency	15.3 and 39	252	242
Subtotal loans – Current		**2,284,109**	**1,654,168**
Total Loans		**6,537,456**	**6,982,877**

The following is a breakdown of loans:

FOR THE PERIOD	SIX MONTHS	TWELVE MONTHS
	Jun 30, 2019	Dec 31, 2018
Balance at beginning of year	6,982,877	4,189,737
Restatement of balances in constant currency	(1,317,744)	(1,358,836)
Balances from acquisition of companies	-	71,346
New disbursements under existing loans	630,576	5,381,460
Accrued interest	446,842	540,437
Effects of exchange rate variation	619,707	2,183,597
Bank overdrafts	(2,624)	139,669
Payment of principal	(823,754)	(4,275,544)
Payment of interest	(80,565)	(254,073)
Conversion of corporate notes	-	(12,952)
Effect of financial statements conversion	82,141	378,036
Balance at period-end	**6,537,456**	**6,982,877**

1. **Loans borrowed**

The main characteristics of the loans taken out from Banks and third parties by TGLT and/or its subsidiaries are summarized below:

1.1 Loans borrowed

						Amount pending settlement			
						Jun 30, 2019		Dec 31, 2018	
Entity	Loans	Maturity	Disbursement	Repayment	Annual rate	Non-current	Current	Non-current	Current
BBVA	20,000	8/22/2020	20,000	(8,540)	21.82%	2,154	7,626	-	15,998
Provincia	20,000	4/5/2019	20,000	(18,333)	28.07%	-	-	-	8,160
Total in local currency						**2,154**	**7,626**		**24,158**

1.2 Mortgage backed banking loans

					Amount pending settlement			
					Jun 30, 2019		Dec 31, 2018	
Bank	Loan amount	Maturity	Disburseme nt	Repayment	Non-current	Current	Non-current	Current
BBVA	16,000	(a)	14,121	(6,885)	-	264,112	-	396,561
Itaú	14,000	(a)	14,121	(7,011)	-	270,294	-	397,154
Total in foreign currency						**534,405**		**793,715**

(amounts stated in thousands of Argentine pesos)

Note 15. Loans (cont.)

a) FDB S.A. arranged for two credit lines under the following conditions:

Date of execution of the agreement	12/18/2015	1/24/2017
Banks	Banco Bilbao Vizcaya Argentaria Uruguay S.A (BBVA) and Banco Itaú Uruguay S.A.	
Maximum amount of loan	US$ 16,000	US$ 14,000
Amount disbursed by each Bank	US$ 8,000 each	US$ 7,000 each
Interest rate	90-day Libor at the close of bank business day prior to each payment date, plus 3 percentage points, effective annually, with a minimum annual effective rate of 5%.	
Disbursements	According to the construction progress	
Amortization of principal and interest	Through partial payments according to the effective delivery of units to buyers, and for the amount necessary for the cancellation (or novation) of the mortgage of any unit sold.	
First mortgages in favor of Banks:	Up to US$ 16,000, on all the units comprising Stages I and III of Forum Puerto del Buceo project.	Up to US$ 14,000 on all the units comprising Stage II of the Forum Puerto del Buceo project.
Assignment	As collateral for each Bank's share in the Credit Line, of the outstanding amounts of the Purchase and Sale agreements of all the mortgaged units.	

According to TGLT S.A.'s Minutes of the Board of Directors' Meeting, dated December 15, 2015, the Board of Directors approved the posting of a bond in the amount of US$ 3,000 in favor of BBVA as security for the loans granted to FDB S.A.

1.2 Other financial assets and liabilities

In TGLT Uruguay S.A., investments are made in different banks, which secure the disbursement of loans granted to FDB S.A. For the purposes of disclosure in the financial statements, such transactions are offset by recording their net position. As of June 30, 2019, the net position is broken down as follows:

Bank	Type	Maturity	Rate	Principal plus interest in US$	Jun 30, 2019
BBVA	TB USA	12/5/2019	2.32%	10,549	446,887
BBVA	BTB	12/5/2019	3.07%	(10,720)	(454,122)
ITAU	TB London	1/21/2020	3.88%	3,172	134,298
ITAU	BTB	1/21/2020	4.38%	(628)	(26,611)
ITAU	BTB	1/21/2020	4.38%	(2,428)	(102,878)
ITAU	BTB	1/21/2020	4.38%	(209)	(8,872)
ITAU	BTB	4/21/2020	4.07%	(522)	(22,116)
ITAU	BTB	7/5/2020	3.45%	(312)	(13,222)
ITAU	TB London	10/24/2019	3.67%	3,948	167,249
ITAU	BTB	10/24/2019	4.54%	(3,966)	(168,029)
ITAU	TB London	2/24/2020	3.57%	518	21,944
ITAU	TB London	6/5/2020	2.95%	305	12,921
		Total financial liabilities			**(12,551)**

(*) These loans were renewed as of the date of these financial statements.

2. Corporate notes

On December 20, 2011, the Shareholders Meeting approved the creation of a global program for the issuance of corporate notes pursuant to Law No. 23,576, as amended (the "ONs") for a maximum amount of up to fifty million United States dollars (US$ 50,000,000), or its equivalent in other currencies at any time

On November 10, 2017, the Shareholders' Meeting approved (i) the update of the prospectus relating to the global program for the issuance of corporate notes; and (ii) the issuance of corporate notes under the program for a nominal value of up to US$ 50,000 in one or more classes and/or series, as timely determined in the related price supplement.

Different classes and/or series denominated in US Dollars or other currencies may be issued, and the successive classes and/or series repaid may be re-issued (the "Program"). The Program shall be in effect until April 20, 2022 pursuant to the approval of the Annual and Extraordinary Shareholders' Meeting held on April 20, 2017.

(amounts stated in thousands of Argentine pesos)

Note 15. Loans (cont.)

3. Corporate notes (cont.)

The following is a summary of the main characteristics of the of the Company's issue, effective as from the approval of the Program until June 30, 2019.

Class	XV
Issue date	3/20/2018
Amount issued	US$ 25,000.
Outstanding principal amount	US$ 25,000.
Payment currency	US dollars
Interest rate	7.95%
Maturity	3/20/2020
Amortization	One-off payment 24 months from the issue and settlement date
Payment of interest	Quarterly coupon
Payment of principal	At par
Rating	BBB by FIX SCR S.A. Risk Rating Agent

On April 20, 2017, the Annual and Extraordinary Shareholders' Meeting approved the issuance of corporate notes convertible into book-entry, common shares, of $ 1 of nominal value, carrying one vote each, and entitled to collect dividends under the same conditions as the common shares currently outstanding as from the fiscal year in which the conversion right is executed, for up to a total amount of US$ 150,000.

The main features of such instrument are as follows:

- **Total amount offered:** US$ 150,000.
- **Issue currency:** United States Dollars.
- **Subscription and payment currency:** United States Dollars.
- **Right of first refusal:** According to Section 11 of the Corporate Notes Law, shareholders with rights of first refusal or accretion in the subscription of new common shares, may have exercised such rights when subscribing Convertible Corporate Notes between July 15 and July 25, 2017.
- **Voluntary conversion:** At the holder's option, the Convertible Corporate Notes may be converted into new common shares at any time as from the date of issuance, but always before the maturity date, and for an amount not lower than a minimum denomination equal to US$ 1, in full or in part.
- **Mandatory Conversion:** Should the Company make an initial public offering ("IPO") in a U.S. stock exchange or market, convertible corporate notes shall be automatically converted into new common shares or into ADRs (at the holder's option), at the conversion price, adjusted as necessary at the IPO's closing date.
- **Conversion price:** The conversion price will be US$ 0.50, i.e. 2,000 new common shares will be received for every US$ 1,000 in convertible corporate notes.

After assessing the features of convertible corporate notes, the Company applied the mechanisms provided for in IAS 32 and IAS 39 for the recognition and recording of the liability and equity components of this instrument.

For purposes of its initial recognition, the Company classified each of the parts making up the instrument in accordance with the economic nature of the instrument, and with the definitions of financial liabilities and equity instruments, which are set forth in IAS 32 Financial Instruments. Namely:

- The liability component (loan) meets the definition of financial liability as it creates a contractual obligation of the Company to deliver cash to other parties.

- The equity component (option to convert into shares) meets the definition of equity, as:
  - It is an instrument that can be settled with equity instruments owned by the Company.
  - It is a derivative which represents for its holder an option to acquire a specific number of equity instruments owned by the Company for a fixed amount in any currency
  - The Company offered the rights arising from the implied options pro rata to all its existing shareholders, in accordance with the rights of first refusal and of accession, as defined by the Companies Law and the regulatory framework of the CNV.

(amounts stated in thousands of Argentine pesos)

TGLT

Note 15. Loans (cont.)

2. Corporate notes (cont.)

Once the value of both components was determined as above mentioned, the liability component was recorded according to the guidelines of IAS 39 in "Loans" (Note 15) in a total amount of US$ 93,930 (net of related expenses), which are equivalent to $ 1,659,734. The equity component was recorded in line "Capital Contribution" for the total amount of US$ 54,159 (net of related expenses), following the guidelines of IAS 32, as set forth by IAS 39 for this type of components, and in accordance with the provisions of the Regulatory framework of the CNV. This amount is disclosed in the Statement of Changes in Shareholder's Equity, net of the deferred tax effect arising from the application of IAS 12. In addition, as of December 31, 2017, the Company disclosed, in the Statement of Changes in Shareholders' Equity, the impact of the amendments introduced by the Tax Reform Law No. 27430. As per such amendments, the income tax rate applicable to fiscal years beginning as from January 1, 2018, and up to December 31, 2019, was reduced from 35% to 30%, and to 25% as from 2020. Such reduced tax rate affected the net deferred tax related to corporate notes as of December 31, 2017, which was included in line "Tax Reform Law No. 27,430", as per IAS 12 "Income Tax" and SIC-25 — "Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders".

During 2018, convertible corporate notes worth US$ 822 have been converted into 1,644 shares of stock. As a result of said conversion, the Company's capital stock has increased by 1,644 common, registered shares of nominal value $ 1 each. Therefore, as from such conversion, TGLT's capital stock rose to $ 71,993 from the previous $ 70,349. The conversion was made in accordance with the terms and conditions established in the Offering Memorandum of the convertible corporate notes.

The amounts for that registration are as follows:

Component	Amount in US$
Liabilities (Loan in foreign currency)	US$ 93,930
Capital contribution	US$ 54,159

	Jun 30, 2019		Dec 31, 2018	
Class	Non-current	Current	Non-current	Current
XV		1,055	1,078,875	67,306
Convertible ON	4,250,404	1,619,766	4,247,594	582,868
Total in foreign currency	**4,250,404**	**1,620,821**	**5,326,469**	**650,174**

3. Finance leases

The Company maintains three finance leases for the acquisition of:
- A power unit installed the Astor Núñez project. The agreement was signed with Banco Supervielle. It is repayable in 5 years, in 60 consecutive and monthly installments. The rate set is Badlar for 30 to 35-day term deposits of over one million pesos paid by private banks, adjusted by 3 basis points, with an annual minimum base rate of 27.19%. Under the terms of the agreement, no contingent rentals are payable.

- 60 rooms to be installed in Axion Campana project, signed with Banco Comafi. The value of the asset acquired was US$ 1,772. It is repayable in 49 years, in 49 consecutive and monthly installments. The rate set is Badlar for term deposits of over one million pesos, daily series adjusted by 4.8 basis points, with an annual minimum base rate of 26.89%.

- A backhoe to be used in CNEA-Reactor Ezeiza project, signed with BBVA Frances bank. It is repayable in 4 years, in 48 consecutive and monthly installments. The annual nominal rate amounts to 27%.

The following table shows the future minimum payments to be made:

	Jun 30, 2019	Dec 31, 2018
Up to 1 year	4,869	8,058
Over 1 year and up to 5 years	984	3,081
	5,854	11,139
Future finance charges	(801)	(2,173)
Present value of finance lease liabilities	**5,052**	**8,966**

The fair value of finance lease liabilities is as follows:

	Jun 30, 2019	Dec 31, 2018
Up to 1 year	4,263	6,726
Over 1 year and up to 5 years	789	2,240
Fair value of finance lease liabilities	**5,052**	**8,966**

(amounts stated in thousands of Argentine pesos)

Note 16. Other tax burden

	Notes	Jun 30, 2019	Dec 31, 2018
Non-current			
National tax payment plan		5,428	11,012
Municipal tax payment plan		-	20
Subtotal other tax burden - Non-current		**5,428**	**11,032**
Current			
Turnover tax		18,006	8,777
Wealth tax		883	-
Provincial taxes		17,025	20,857
Municipal taxes		-	4
Stamp tax		3,352	2,861
National tax payment plan		5,013	37,157
Provincial tax payment plan		13	23
Municipal tax payment plan		120	237
National tax provision		20,844	14,741
Withholdings and collections to be deposited in local currency		26,751	54,334
Withholdings and collections to be deposited in foreign currency	39	818	1,220
Other tax burden UTES		519	687
Subtotal other tax burden - Current		**93,344**	**140,898**
Total other tax burdens		**98,772**	**151,930**

Note 17. Payroll and social security contributions

	Notes	Jun 30, 2019	Dec 31, 2018
Salaries payable in local currency		12,138	81,870
Salaries payable in foreign currency	39	3,870	10,571
Social security contributions payable in local currency		93,813	27,018
Social security contributions payable in foreign currency	39	629	705
Provision for thirteenth month salary and vacation pay in local currency		70,160	45,879
Provision for thirteenth month salary and vacation pay in foreign currency	39	1,923	1,151
Trade payables - UTES		55	70
Advances to personnel		(199)	(244)
Total payroll and social security contributions		**182,389**	**167,020**

Note 18. Provisions and allowances

	Notes	Legal claims	Onerous contracts (I)	Jun 30, 2019	Dec 31, 2018
In local currency					
Balance as of January 1, 2019		192,811	-	157,519	57,418
Exposure to changes in the currency purchasing power		(35,592)	-	-	-
Balances from acquisition of companies		-	-	-	155,062
Additions (II)		861	-	861	6,030
Recoveries (II)		(63,843)	-	(63,843)	-
Used during the fiscal period/year		-	-	-	(25,699)
Provisions in local currency		**94,537**	-	**94,537**	**192,811**
In foreign currency					
Balance as of January 1, 2019		-	-	-	457
Used during the fiscal period/year		-	-	-	(1,010)
Effects of exchange rate variation		-	-	-	553
Provisions in foreign currency		-	-	-	-
Total provisions		**94,537**	-	**94,537**	**192,811**

(I) They relate to provisions for liabilities under contractual obligations.

(II) Additions and recoveries are included in the statement of profit or loss, under Contractual agreements, in Operating expenses.

(amounts stated in thousands of Argentine pesos)

Note 19. Accounts payable

	Notes	Jun 30, 2019	Dec 31, 2018
Suppliers in local currency		455,491	314,423
Suppliers in foreign currency	39	109,819	136,050
Deferred checks in local currency		-	171,179
Deferred checks in foreign currency	39	15	9
Provision for expenses in local currency		80,470	127,592
Provision for expenses in foreign currency	39	9,141	50,169
Provision for works in local currency		545,760	425,375
Provision for works in foreign currency	39	5,263	36,020
Insurance payable in local currency		4	5
Insurance payable in foreign currency	39	867	1,043
Contingency fund in local currency		67,000	83,889
Contingency fund in foreign currency	39	63,094	755
Trade payables UTES		79,861	22,101
Total trade payables		**1,416,785**	**1,368,610**

Note 20. Capital stock

The Company's capital stock is distributed as follows (whole numbers):

Shareholders	Jun 30, 2019 Shares	Jun 30, 2019 Ownership interest	Dec 31, 2018 Shares	Dec 31, 2018 Ownership interest
Federico Nicolás Weil	13,806,745	17.1%	13,806,745	19.2%
The Bank of New York Mellon ADRS (1)				
PointArgentum Master Fund LP	10,160,820	12.6%	10,160,820	14.1%
Other holders of ADRS	16,987,040	21.1%	18,556,400	25.8%
Bienville Argentina Opportunities Master Fund LP	9,003,913	11.2%	9,003,913	12.5%
IRSA Propiedades Comerciales S.A.	3,003,990	3.7%	3,003,990	4.2%
Other holders of common shares	27,692,916	34.3%	17,461,617	24.2%
Total share capital	**80,655,424**	**100%**	**71,993,485**	**100%**

(1) US deposit certificates representative of common shares under the custody of The Bank of New York Mellon.

Due to the expansion potential and financing needs to meet future challenges, the Company issued a convertible bond for US$ 150 million in 2017; thus, a change in the shareholding composition may occur in the future. See Note 49

Note 21. Reserves, accumulated income and dividends

- **Restriction on the payment of dividends**

In order to safeguard the interests of financial creditors who hold corporate notes, the Company may not declare or perform, nor agree to perform, whether directly or indirectly, any payment of dividends prior to any scheduled full payment of principal of its corporate notes.

- **Restriction on the distribution of unappropriated retained income/loss**

As provided by section 8 of the CNV's rules, whenever the net balance of other accumulated comprehensive income (difference of conversion of net investments abroad) at the end of a fiscal year or period is negative, distribution of unappropriated retained income/loss shall be restricted in the same amount.

Note 22. Income from ordinary activities

	SIX MONTHS		THREE MONTHS	
	Jun 30, 2019	Jun 30, 2018	Jun 30, 2019	Jun 30, 2018
Income from the delivery of units	791,446	333,893	254,050	147,936
Receivables from sale of units	262,064	20,694	72,552	20,694
Income from services rendered	2,679,654	2,171,301	1,556,627	1,138,301
Total income from ordinary activities	**3,733,164**	2,525,888	**1,883,229**	**1,306,931**

(amounts stated in thousands of Argentine pesos)

Note 23. Cost of ordinary activities

	SIX MONTHS		THREE MONTHS	
	Jun 30, 2019	Jun 30, 2018	**Jun 30, 2019**	Jun 30, 2018
Costs of delivery of units	715,144	476,730	203,382	312,192
Cost of sale of units	246,613	-	48,584	-
Cost of services rendered	2,166,449	1,791,004	1,270,062	951,241
Total cost of ordinary activities	**3,128,206**	2,267,734	**1,522,028**	**1,263,433**

Note 24. Selling expenses

	SIX MONTHS		THREE MONTHS	
	Jun 30, 2019	Jun 30, 2018	**Jun 30, 2019**	Jun 30, 2018
Payroll and social security contributions	61,334	40,978	23,630	24,746
Other payroll expenses	3,125	234	1,151	130
Rentals and common charges	7,940	843	4,474	443
Professional fees	561	8,395	413	1,970
Taxes, rates and contributions	70,970	80,458	27,800	48,696
Transport and per diem	467	2,593	105	2,313
Information technology and services expenses	1,914	1,129	990	857
Equipment maintenance expenses	-	125	-	60
Depreciation of property, plant and equipment	-	587	-	347
Office expenses	2,761	377	1,372	59
Insurance	-	63	-	36
Advertising expenses	4,050	6,003	1,123	4,563
Sales expenses	401	3,227	175	979
Bidding related expenses	-	1,550	-	1,254
Post sales expenses	-	3,914	-	2,541
General expenses	-	380	-	110
Total selling expenses	**152,635**	**150,431**	**60,345**	**88,679**

Note 25. Administrative expenses

	SIX MONTHS		THREE MONTHS	
	Jun 30, 2019	Jun 30, 2018	**Jun 30, 2019**	Jun 30, 2018
Payroll and social security contributions	98,115	165,706	43,011	95,639
Other payroll expenses	4,073	1,519	908	687
Rentals and common charges	10,450	12,030	4,059	4,061
Professional fees	37,505	32,375	13,988	17,419
Directors' fees	1,358	5,847	669	1,617
Supervisory Audit Committee's fees	1,432	1,252	681	547
Public offering expenses	-	1,841	-	911
Taxes, rates and contributions	2,434	8,336	1,404	(2,243)
Transport and per diem	261	1,203	116	647
Information technology and services expenses	4,534	4,255	2,338	1,989
Depreciation of property, plant and equipment	14,192	7,635	8,226	4,436
Office expenses	5,243	3,974	2,264	2,063
Equipment maintenance expenses	446	432	252	153
Tax on bank account debits and credits	29,366	37,270	16,278	15,497
Insurance	2,094	4,789	110	3,438
General expenses	3,294	7,398	3,193	3,741
Total administrative expenses	**214,797**	**295,862**	**97,497**	**151,142**

(amounts stated in thousands of Argentine pesos)

Note 26. Financial results

	Profit/(Loss)			
	SIX MONTHS		THREE MONTHS	
	Jun 30, 2019	Jun 30, 2018	**Jun 30, 2019**	Jun 30, 2018
Exchange gains/losses				
Exchange gains	166,712	1,029,392	(44,158)	778,925
Exchange losses	(900,328)	(2,787,337)	190,156	(2,406,435)
Total exchange gains/losses	**(733,616)**	**(1,757,945)**	**145,998**	**(1,627,510)**
Financial income				
Interest	87,363	42,405	76,751	2,139
Gain from holding of cash equivalents	-	16,499	-	5,685
Gain from sales of cash equivalents	1,637	3,868	(321)	2,575
Adjustment to indexes	9,664	-	7,545	(142)
Present value	1,297	1,563	(50)	851
Total financial income	**99,961**	**64,335**	**83,925**	**11,108**
Financial costs				
Interest	(593,027)	(352,354)	(315,459)	(174,066)
Subtotal interest	**(593,027)**	(352,354)	**(315,459)**	**(174,066)**
Other financial costs				
Gain from sales of cash equivalents	-	(3,031)	-	(1,920)
Present value	(48,478)	(73,233)	(24,665)	(73,122)
Subtotal other financial costs	**(48,478)**	**(76,264)**	**(24,665)**	**(75,042)**
Total financial costs	**(641,505)**	**(428,618)**	**(340,124)**	**(249,108)**

Note 27. Other income and expenses, net

	Profit/(Loss)			
	SIX MONTHS		THREE MONTHS	
	Jun 30, 2019	Jun 30, 2018	**Jun 30, 2019**	Jun 30, 2018
Rental income	-	86	(10)	(1,182)
Debt forgiveness	-	(2,218)	-	(2,218)
Contract termination	56,917	752	(5,411)	(2,305)
Contract compliance guarantee	-	(44,771)	-	(44,771)
Expense recovery	1,219	10,747	(43)	9,446
Recovery of provision for expenses	-	3,034	-	(996)
Sale of property, plant and equipment	570	424	85	115
Depreciation of investment property	-	(732)	-	(713)
Sale of other assets	129,589	158,777	-	158,777
Lawsuits and other contingencies	(32,436)	(277)	(32,436)	(272)
Donations	(75)	-	(75)	-
Miscellaneous	9,039	(3,941)	8,923	(2,808)
Total other income and expenses, net	**164,823**	**121,881**	**(28,967)**	**113,073**

(amounts stated in thousands of Argentine pesos)

Note 28. Income tax and deferred tax

Income tax assessed in accordance with IAS 12, which is included in the statement of profit or loss as of June 30, 2019 and 2018, is broken down as follows:

	Jun 30, 2019	Jun 30, 2018
Income tax	34,089	1,005,668
Deferred tax	(170,624)	(289,750)
Total Income tax	**(136,535)**	**715,918**

Deferred tax as of fiscal period-end has been determined on the basis of the temporary differences between accounting and tax-related measurements. Deferred tax assets and liabilities at each period-end are broken down as follows:

Deferred tax assets	Jun 30, 2019	Dec 31, 2018
Tax loss from national source income	932,447	942,358
Tax loss from foreign source income	43,454	63,317
Provision for sundry expenses	197,111	298,376
Property, plant and equipment	(526)	(6,042)
Finance lease valuation	(414)	(126)
Bonuses	(2,570)	22,339
Deferred income	64,907	95,974
Subtotal deferred tax assets	**1,234,409**	**1,416,196**
Deferred tax liabilities		
Bad debts	7,890	4,754
Valuation of intangible assets	(15,991)	(14,387)
Valuation in foreign currency	32,015	137,713
Inventory valuation	(384,740)	(338,870)
Valuation of short-term investments	11	78
Valuation of investment property	105,462	130,409
Convertible corporate notes	(567,484)	(579,087)
Financial costs capitalized to inventories	(30,437)	(40,531)
Income/loss from UTEs	(162)	(198)
Contract liabilities	150,962	-
Other receivables	-	(43,237)
Subtotal deferred tax liabilities	**(702,474)**	**(743,356)**
Net position of deferred tax assets/(liabilities)	**531,935**	**672,840**

The Company estimates its taxable income to determine the use of its deferred tax assets within five years, in accordance with Argentine and Uruguayan Income Tax laws, which represent the basis for the recognition of our deferred tax assets. The assumptions, among other factors, that the Company's Board of Directors considered in the preparation of these projections include the completion of the commercialization of units of the Forum Puerto del Buceo project, completing all deliveries of the Astor Núñez project during this period, and starting deliveries of the Metra Puerto Norte and Venice project. The recoverability of the remaining losses and of the credit recorded as minimum presumed income tax and value added tax will depend on the due and timely compliance with the delivery of units under the other projects, and on compliance with business projection allowing for their recoverability. TGLT complies with the provisions of paragraph 34 of IAS 12, which states that tax losses from tax returns expected to be offset against future tax profits are presented as the amount of taxes expected to be recovered with tax losses for the period, in accordance with paragraph 54 (n) of IAS 1, classified in accordance with IAS 12.

(amounts stated in thousands of Argentine pesos)

Note 28. Income tax and deferred tax (cont.)

The reconciliation between the income tax expense for the period and that resulting from applying the prevailing tax rate to income before tax is as follows:

	Jun 30, 2019	Jun 30, 2018
Income tax calculated at the tax rate prevailing in each country:	51,094	50,372
Understated provision for income tax	-	34
Directors' fees	(388)	(463)
Presumed interest	(782)	(183)
Intangible assets	1,979	-
Donations	(23)	-
Non-deductible expenses	1,568	-
Effect of the conversion of financial statements	(44,239)	(804)
Investment property	(105,405)	48
Sale of assets	(38,501)	-
Allowances	(20,111)	-
Adjustment Tax Reform Law No. 27,430	(19,001)	6,961
Inventories	-	1,083
Miscellaneous	37,274	19,730
Income tax	**(136,535)**	**76,778**

Tax losses from national and foreign-source income accumulated as of June 30, 2019 may be used up to the dates indicated below:

	Pesos
Year	2019
2019	69,939
2020	56,422
2021	11,281
2022	174,122
2023	501,561
2024	162,576
Total	975,901

(amounts stated in thousands of Argentine pesos)

Note 29. Related parties

As of June 30, 2019, and December 31, 2018, the balances with Companies under section 33 - Law No. 19,550 and other related parties, classified according to the nature of the transaction, are as follows:

RECEIVABLES FROM RELATED PARTIES – Non-current	Notes	Jun 30, 2019	Dec 31, 2018
Inversiones y Representaciones S.A.		36,267	39,390
Newbery 3431 S.A.		103,006	-
Total receivables from related parties – Non-current		**139,273**	39,390
Receivables from related parties – Current			
ACCOUNTS RECEIVABLE FROM SALES			
Marina Rio Luján S.A.		-	228
OTHER RECEIVABLES			
Marina Río Luján S.A.		9,575	104,532
Marina Río Lujan S.A. in foreign currency	39	379,348	255,693
Individual shareholders		2,374	3,066
Other shareholders		3,528	4,318
GFDI S.A - CAPUTO S.A.- SES S.A UTE		8,529	10,440
SES. S.A.		8,738	1,983
Limp Ar Rosario S.A.		-	1,537
Altos del puerto S.A.		-	14,538
Logística Ambiental Mediterránea S.A.		8,877	16,285
CAPUTO S.A - PYPSA S.A - SES S.A UTE		13,298	21,518
GFDI S.A - CAPUTO S.A.- ELEPRINT S.A UTE		18,323	508
Eleprint S.A.		415	-
Total receivables from related parties – Current		**453,005**	**434,418**
Total receivables from related parties		**453,005**	**434,646**
PAYABLES TO RELATED PARTIES – Non-current			
América Pavilion S.A.		7,941	7,219
Altos del Puerto S.A.		-	1,275
Total payables to related parties – Non-current		**7,941**	**8,494**
PAYABLES TO RELATED PARTIES – Current			
Marina Río Lujan S.A.		8,054	351
CRIK S.R.L. - CAPUTO S.A.I.C. y F. UT		41,216	2,449
CAPUTO S.A.- GFDI S.A - SES S.A UTE		3,142	3,903
Limp Ar Rosario S.A.		2,408	23,376
Total payables to related parties – Current		**54,820**	**30,079**
Total payables to related parties		**62,761**	**38,573**

(amounts stated in thousands of Argentine pesos)

Note 29. Related parties (cont.)

b) As of June 30, 2019, and 2018, the main transactions with Companies under section 33 - Law No. 19,550 and other related parties, classified according to the nature of the transaction, are as follows:

- Transactions and their effects on cash flow

Name of related party		Jun 30, 2019	Jun 30, 2018
Marina Rio Luján S.A.	Loans granted	77,000	119,929
Newbery 3431 S.A.	Loans granted	-	112,249
Logística Ambiental Mediterránea S.A.	Loans granted	-	5,560
Marina Rio Luján S.A.	Collections received	(184)	(103)
AGL S.A.	Collections received	-	(3,599)
América Pavilion S.A.	Collections received	(40,055)	-
Limp Ar Rosario S.A	Collections received	-	(1,254)
AGL S.A.	Payments made	-	459
Marina Rio Luján S.A.	Payments made	7,766	-
Altos del Puerto S.A.	Financial contributions	129	-
Altos del Puerto S.A.	Loans borrowed	-	(6,856)
Logística Ambiental Mediterránea S.A.	Financial contributions	3,000	-
CAPUTO S.A - PYPSA S.A - SES S.A UTE	Financial contributions	5	431
GFDI S.A - CAPUTO S.A.- ELEPRINT S.A UTE	Financial contributions	744	422
CRIK S.R.L. - CAPUTO S.A.I.C. y F. UT	Financial contributions	2,500	-
CRIK S.R.L. - CAPUTO S.A.I.C. y F. UT	Collections received	36,716	-
UTE Posadas	Financial contributions	46	-
Limp Ar Rosario S.A.	Dividends	(13,880)	(9,890)
SES S.A.	Dividends	-	(11,965)
Fideicomiso Nuevo Quilmes	Dividends	-	(1,025)
Limp Ar Rosario S.A.	Offsetting	(14,363)	-
Altos del Puerto S.A.	Offsetting	1,385	-
Marina Rio Luján S.A.	Write-off due to capitalization	-	(297,581)
Total		**60,809**	**(93,223)**

- Transactions and their effect on profit/loss

		Profit/(Loss)	
Name of related party	**Transaction**	**Jun 30, 2019**	**Jun 30, 2018**
Limp Ar Rosario S.A	Services provided	983	1,223
AGL S.A	Financial results	24,630	109,191
Marina Río Luján S.A.	Services provided	75	-
SES S.A.	Income/loss on dividends	8,744	23,646
Directors	Professional fees	-	(889)
AGL S.A.	Services provided	-	1,107
América Pavilion S.A.	Income/loss on higher value	(131,258)	-
Limp Ar Rosario S.A	Financial results	13,880	10,653
Newbery S.A.	Financial results	-	65,163
Altos del Puerto S.A.	Financial results	-	(78)
AGL S.A.	Financial results	-	(156)
Limp Ar Rosario S.A	Structure expenses	-	(1,084)
Total		**(82,946)**	**208,776**

c) As of June 30, 2019, and December 31, 2018, transactions with key personnel are as follows:
On December 13, 2011, the Company's Board of Directors established that senior management, under the provisions of section 270 of the Companies Law, are the following: General Management; Administrative and Financial Management; Operations Management; Business Support Management; Legal Management.

(amounts stated in thousands of Argentine pesos)

Note 30. Receivables, tax assets and payables broken down by maturity and interest rates

a) Receivables, tax assets and payables broken down by maturity:

Receivables/Tax assets	**Jun 30, 2019**	Dec 31, 2018
To become due		
Up to 3 months	1,100,763	2,104,711
From 3 to 6 months	99,665	94,931
From 6 to 9 months	188,288	187,141
From 9 to 12 months	1,190,106	386,682
Over 12 months	961,538	1,324,326
Without any established term	571,849	682,524
Overdue		
Up to 3 months	5,692	8,409
From 3 to 6 months	15,326	-
From 6 to 9 months	3,749	245
From 9 to 12 months	1,422	-
Over 12 months	7,069	5,990
	4,145,467	**4,794,959**

Payables (except for contract liabilities)	**Jun 30, 2019**	Dec 31, 2018
To become due		
Up to 3 months	2,849,262	4,529,857
From 3 to 6 months	489,106	889,842
From 6 to 9 months	1,769,495	81,065
From 9 to 12 months	4,540	316,864
Over 12 months	4,266,716	6,517,717
Without any established term	220,661	330,958
	9,599,780	**12,666,303**

b) Interest and non-interest-bearing receivable, tax asset and payable balances are detailed below:

Receivables/Tax assets	**Jun 30, 2019**	Dec 31, 2018
Interest bearing	309,793	258,296
Non-interest bearing	3,835,674	4,536,663
	4,145,467	**4,794,959**
Annual nominal average rate:	**2%**	**19%**

Payables (except for customer advances)	**Jun 30, 2019**	Dec 31, 2018
Interest bearing	5,622,091	7,099,969
Non-interest bearing	3,977,689	5,566,334
	9,599,780	**12,666,303**
Annual nominal average rate:	**12%**	**30%**

Note 31. Restricted assets, guarantees issued and received

31.1 Restricted assets

1. As collateral for the obligations assumed by the Company as a result of the acquisition of the real property where the Astor San Telmo project was being developed, the Company created a first mortgage on the property in favor of the former owners. The amount of the mortgage is US$ 12,400.
2. As collateral for the obligations assumed by the Company as a result of the acquisition of the real property where the Bisario project was being developed, composed by Proa and Metra Puerto Norte, the Company created a first mortgage on the property in favor of Servicios Portuarios S.A. The amount of the mortgage is US$ 6,000,000. As a result of purchase and sale transactions and the agreement of annulment between the Company and Servicios Portuarios, and as TGLT currently owns 2 plots of land on the total premises, the parties agreed to reduce the mortgage in the amount of US$ 8,000 on one of the plots.
3. As a result of the financing obtained by FDB S.A. by means of the Construction Project Financing Agreement with a mortgage executed with Banco Bilbao Vizcaya Argentaria Uruguay S.A (BBVA) and Banco ITAU Uruguay S.A., the Company created a first mortgage on a piece of property of its own.
4. As collateral for the obligations assumed by the Company as a result of the acquisition of the real property where the Astor Palermo project was developed, the Company created a first mortgage in favor of Alto Palermo S.A. on the aforementioned property. The amount of the mortgage is US$ 8,143.

31.2 Guarantees issued and received

1. Machinery, equipment and vehicles acquired through finance leases are disclosed in Property, plant and equipment. The related liabilities are disclosed in Loans. See Note 15.3
2. In October 2016, the Company agreed to act as surety in favor of Nación Leasing S.A. to guarantee the transactions to be undertaken by Limp Ar Rosario S.A., a related company, in the amount of up to $ 37,340 as a result of the execution of four lease agreements.
3. On October 4, 2017, América Pavilion S.A. (AP) and Fundación Universidad de San Andrés (FUDESA) signed an offer letter in connection with a sales transaction, by which the Company guaranteed all payment obligations owed by AP to FUDESA up to a maximum amount equivalent to its ownership in AP´s capital, equivalent to US$ 909.
4. In February 2018, the Company agreed to act as surety in favor of Nación Leasing S.A. to guarantee the transactions to be undertaken by Limp Ar Rosario S.A., a related company, in the amount of up to $ 25,231 as a result of the execution of two lease agreements. In March 2018, the surety bond was executed.
5. On April 12, 2018, the Company's Board of Directors approved the execution of an agreement for the transfer as collateral of the proceeds of certain construction contracts in favor of the banks (Banco Itaú Argentina S.A. and Itaú Unibanco S.A. Nassau Branch) that, in turn, will issue one or several standby letters of credit in favor of the shareholders selling their non-endorsable, registered, common shares with a nominal value of $ 1 each and granting 1 vote per share, representative of 82.32% of Caputo S.A.I.C. Y F's capital stock in order to secure the payment by TGLT S.A. of the price balance pursuant to the related agreements for the acquisition of shares, which were duly executed by and between the shareholders, as sellers, and TGLT, as buyer.
6. In May 2018, the Company became surety and primary obligor of the liabilities arising from a transaction for the acquisition of a piece of real property conducted between América Pavilion and Silvia María Rosa Mayorga, Laura María Eugenia Mayorga, Armando Pedro José Mayorga, Ofelia Teresita Bellati, Félix Javier Bellati, and María Bellati ("GRUPO FAMILIA") up to the maximum amount of their ownership interest percentage in such company's capital.

Note 32. Claims

No other events have occurred from the date of presentation of the financial statements issued on December 31, 2018.

Note 33. Ownership interests in other companies – Acquisitions and transfers

33.1 Acquisition of Sitia S.A.'s shares by TGLT and subsequent liquidation of Sitia S.A.

On June 29, 2017, TGLT exercised its purchase option to acquire all the shares and interests that two individuals had on Sitia S.A. Therefore, the shareholders sold, assigned and transferred to TGLT all their shareholdings, i.e. 5,000 non-endorsable, registered, common shares, with a nominal value of $ 1 each and one vote per share, representing 5% of the total capital stock and voting rights. On December 26, 2017, the Extraordinary General Shareholder's Meeting unanimously approved the final balance sheet for liquidation purposes for the fiscal year ended November 30, 2017.

To the date of issuance, the liquidation of Sitia is pending approval from the competent authorities.

33.2 Acquisition of Caputo S.A.I.C. y F.'s shares by TGLT

On January 19, 2018, the Company acquired from certain shareholders of Caputo Sociedad Industrial, Comercial y Financiera ("Caputo") shares representing 82.32% of the capital stock and voting rights. The price of the transaction amounted to US$ 110,473. The amount of US$ 53,509 was paid at the transaction date, the amount of US$ 28,634 was paid on January 21, 2019 and the remaining balance, i.e. US$ 28,330 must be paid on January 19, 2020.

As of June 30, 2019, the outstanding balance amounts to $1,119,401. As of December 31, 2018, the outstanding balance amounted to $ 2,304,333, out of which the amount of $ 1,169,476 is disclosed as current liabilities, and $ 1,351,604 is disclosed as non-current liabilities in "Other accounts payable".

On July 24, 2018, the CNV approved the Public Offering for the acquisition of shares aimed at all the holders of registered, common shares, with a nominal value of $ 1 each, one vote per share. The Offering began on August 8, 2018 and ended on September 12, 2018. 24,719,128 shares of Caputo were offered. The price was US$ 0.799 per share and totaled US$ 19,751, which was paid on September 18, 2018. As a result of that transaction, TGLT acquired 97.04% of the capital stock and voting rights of Caputo.

On November 2, 2018, the Annual and Extraordinary Shareholders' Meeting was held, which considered and approved the merger between TGLT S.A., as surviving company, and Caputo S.A., as merged company, as well as the Company's special-purpose separate financial statements as of June 30, 2018 and the special-purpose consolidated financial statements as of June 30, 2018.

In addition, on May 8, 2019 the CNV approved the dissolution of Caputo and on May 23, 2019, the IGJ approved the registration.

On June 7, 2019, it was informed that as a consequence of the merger between Caputo S.A.I.C. y F. and TGLT, approved by the related shareholders' meetings of the surviving company and the merged company held on November 2, 2018, pursuant to the description made in the Merger Memorandum dated October 22, 2018, and having the merger been registered with the Supervisory Board of Companies on May 23, 2019, all the shares of Caputo were swapped for new shares of TGLT and it was requested that the shares of Caputo be delisted from the stock exchange.

As a result of such swap, the capital stock of TGLT increased from 71,993,485 shares to 80,655,424 shares, i.e. by $8,661,939 (pesos eight million six hundred sixty-one thousand nine hundred thirty-nine), through the issuance of 8,661,939 common registered shares with a nominal value $ 1 and entitled to 1 vote per share.

Note 34. Risks - Financial risk management

The Company is exposed to market and financial risks inherent to the nature of the business, as well as to the financial instruments used for the financing of the real estate projects developed by it. The Company's Board of Directors analyzes these risks on a regular basis, reports them to the Board of Directors and designs mitigation strategies and policies. In addition, it verifies that the practices adopted throughout the organization comply with the relevant strategies and policies. Furthermore, it monitors the current policies and adapts or changes them based on market changes and on the needs of the organization.

Note 34. Risks - Financial risk management (cont.)

34.1 Market risks

Our activities are exposed to different risks inherent to the real estate development and construction industry both in Argentina and in Uruguay. These risks include, among others:

Risk of increase in construction costs

Most of our costs are linked to the effects of inflation on the costs of construction materials and labor. However, the Company operatively covers this risk by adjusting sales agreements, and the lists of prices by the CAC index (construction cost index) on a monthly basis.

In addition, the Company contracts private works with third parties following the lump sum system or the cost-plus system. Lump-sum contracts include clauses for adjusting the basic sale price using various polynomial formulas. In any of these cases, the formulas are adequate to compensate for the increases in the price of inputs that make up the cost so as to maintain at all times the profit margin on sales in constant currency.

In cost plus contracts, the risk of losses is limited only to management, given that the costs are borne by the principal.

In the case of public works, there are national and provincial laws that provide for adjustments to the sale price when a certain cap is exceeded.

Irrespective of the above, during the budgeting stage, the Company carefully studies and analyzes the possible economic effects of inflation on the contracts and conducts hedge transactions if deemed necessary.

Risk associated with the demand for our products

The demand for our products depends on several external factors, such as the macroeconomy and market conditions. In the real estate segment in particular, we are continuously controlling the speed of our sales and adjusting our marketing strategy, including price and discount policies, in order to optimize the performance of our projects. In addition, we have sometimes adjusted the design of our products in light of data resulting from changes in the market.

Risk of contractors' non-performance

To date, the construction of our real estate projects is carried out by independent contractors. We thoroughly assess the creditworthiness and capacity of our contractors both before and during contract execution to minimize the risk of non-performance. In addition, we require that they purchase insurance against these risks.

34.2. Financial risks

Risk of access to financing

We have access to the capital markets and credit facilities to obtain external financing for our projects and also to refinance existing debt, when necessary. Access to these markets has been lately restricted due to situations outside the Company's control, such as the negative shareholders' equity recorded in the present financial statements, which made it difficult to obtain financing and/or refinancing. In this sense, the Company has been analyzing and working on various alternatives to implement a recapitalization plan enabling it to reverse the negative shareholders' equity. In January 2019, we subscribed a recapitalization agreement with the holders of Convertible Corporate Notes, which provides for a voluntary swap of Convertible Corporate Notes for preferred actions ,which, to date has an adherence of 65.6%. Notwithstanding the foregoing, TGLT continues working, within the conditions permitted by the applicable law, to obtain the support of the holders who did not participate in the previous conversations, in order to expand the number of participating holders.

Exchange rate risks

TGLT develops and sells real estate projects in Argentina and Uruguay and, therefore, we are exposed to foreign exchange rate fluctuations.

To the date of issuance of these financial statements, the Company recorded payables denominated in US dollars in Argentina totaling 165.8 million, mainly made up of the newly issued series XV corporate notes in the amount of US$ 25 million and the Corporate Notes issued during the third quarter of 2017 in the amount of US$ 150 million, out of which US$ 54 million were recorded in shareholders' equity. In addition, the Company has been granted a loan for the construction of the Forum Puerto del Buceo Project, developed in Montevideo, Uruguay, which amounted to US$ 12.6 million. To minimize the risks related to exchange rate fluctuations affecting our financial liabilities, the Company might enter into a forex hedge transaction in relation to the local currency and the US dollar. The company does not conduct hedge or financial derivative transactions for speculative purposes. We believe that, in the event a hypothetical depreciation of 1 peso per dollar occurred between the Argentine peso and the U.S. dollar, the difference between our assets and liabilities in foreign currency would result in a loss of about $ 148.2 million, which would be charged to income/loss for the fiscal period ended June 30, 2019.

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Note 34. Risks - Financial risk management (cont.)

Interest rate risks

The group is slightly exposed to interest rate volatility as around $ 120.1 million out of a total of $ 6,537 million, 1.84% of our financial liabilities, are subject to a variable reference rate such as the Private BADLAR or overdraft interest rates. We believe that should the rate increase by 100 basis points, a loss of $1.2 million would be recorded.

Credit risks

The Company's exposure to credit risk is closely linked to the financial capacity of its customers (considering advances) and suppliers, to which the Company makes advance payments, to meet its contractual commitments. The Company thoroughly analysis the financial capacity of its counter parties so as to be hedged against this type of risks.

Our real estate purchase and sale agreements include a payment plan beginning on the date of execution of the agreement and ending upon delivery of the finished product, with installments along the building process. These agreements provide for high penalties for clients in default. As a result, we do not register high levels of uncollectibilty or default in payments. Some specific agreements provide for the collection of outstanding balances after the transfer of possession of units. Allowances for bad debts are set up based on such agreements in the total amount of $8.8 million.

Credit risks related to the investment of cash surplus are managed directly by the Treasury Department. We are conservative in our financial investment policies and choose to maintain deposits in first line financial institutions. The Company actively controls the credit rating of its short-term financial instruments as well as the risk of its counterparties inherent to derivatives and insurance in order to minimize credit risks.

Liquidity risk

Our financial strategy is aimed at preserving sufficient financing resources and access to additional liquidity.

Management keeps enough cash and cash equivalents to finance the ordinary business volume to honor its financial debt. We think recapitalization is essential to gain adequate access to the banking and capital markets to finance short-term working capital needs and also generate the necessary tools to issue long-term debt.

Note 35. Investment property

As of June 30, 2019 and 2018, changes in investment property were as follows:

	Capital appreciation (1)	Construction (2)	Rent (3)	Total
As of January 1, 2019	421,672	-	-	421,672
Adjustment due to exposure to changes in the currency purchasing power	(296,561)	-	-	(296,561)
Fair value adjustments	4,240	-	-	4,240
Sales for the year	(95,541)	-	-	(95,541)
Total as of June 30, 2019	**33,810**	-	-	**33,810**

	Capital appreciation (1)	Construction (2)	Rent (3)	Total
As of January 1, 2018	-	28,605	-	28,605
Acquisitions for the year	-	5,733	-	5,733
Transfer from Inventory	-	156,646	-	156,646
Addition of Caputo	533,282	(111,590)	48,272	469,964
Fair value adjustments	351,704	1,127,670	-	1,479,374
Depreciation of property for rent	-	-	(864)	(864)
Transfer to Inventory	-	(8,486)	-	(8,486)
Transfer to assets held for sale and other assets	-	(813,628)	-	(813,628)
Transfers	384,950	(384,950)	-	-
Sales for the fiscal year	(848,264)	-	(47,408)	(895,672)
Total as of December 31, 2018	**421,672**	-	-	**421,672**

Note 35. Investment property (cont.)

The Company maintains as investment property the following items:

1- Investment property for capital appreciation:

In June 2018, the Company's Board of Directors decided a strategic change in the use of assets called Brisario, which consisted in reducing the saleable area affected to the urban development project by 49.65% and maintaining the remaining 50.35% as a reserve to increase its value. As a consequence of the aforementioned change, the proportional portion included in inventories was transferred to the Investment Property line item.

On June 26, 2018, the Company reclassified certain fractions of land from "Inventory" to "Investment property" and made a reliable measurement of the fair value of this property based on an appraisal carried out by an independent expert with recognized professional capacity and expertise in this type of properties. The investment property was adjusted at fair value, in compliance with IFRS requirements, which resulted in income as disclosed in Investment property stated at fair value in fiscal year 2018. This measurement did not exceed its recoverable value.

On March 21, 2019, the Company sold to Servicios Portuarios (Sepor) two plots of land located in Rosario, which were classified as held for capital appreciation. The sales value was agreed at US$ 6,034, payable as follows: a) US$ 2,200 within 15 working days from the date of execution; b) US$ 773 on August 11, 2019 or on the date on which TGLT has completed 35% of the public infrastructure work as agreed by the parties; c) US$ 773 on December 11, 2019 or on the date on which TGLT has completed100% of the public work and regulatory fencing; d) US$ 773 on April 30, 2020 or upon the handing over of possession of all apartments held by Servicios Portuarios in the Metra Puerto Norte project; in addition the following amounts have been discounted: a) US$ 613 as settlement of apartments of the Metra Puerto Noerte Project (tower two), and b) US$ 900 as payment of 30% of the value allocated to PLOT I committed to Servicios Portuarios. To the date of these financial statements, the Company has received payment of the first instalment.

As of June 30, 2019, the transaction resulted in a loss of $ 95,541, including related expenses, which is disclosed in Sale of investment property. In addition, the receivables amount to $ 99,655 disclosed in other receivables as follows: $ 66,960 under other current receivables, and $ 32,695 under other non-current receivables

Furthermore, on that date, the Company executed an agreement of annulment with Sepor, whereby it returned the plots of land that, as of December 31, 2018, were classified as other assets. As a consequence of such transaction, the Company has complied with the obligation towards Sepor associated with the delivery of apartments as payment for the plots of land returned, which as of December 31, 2018 were classified as other payables under Other accounts payable.

Also, on March 21, 2019, the Company sold four plots of land of the Brisario project, located in the City of Rosario, Province of Santa Fe. The sales price of Plot 2 was US$ 3,200, which has been collected in full as of the date of issuance of these financial statements. Plots 3, 4, and 5 have been sold at a price of US$ 3,300. Twenty four hours after execution, the Company received payment of US$ 1,800, and the remaining balance of US$ 1,500 must be paid as follows: a) US$ 450 upon completion of 35% of the public work, and 35% of service work; b) US$ 675 against certification of 90% of the public work, which will be evidenced by the related level of progress certificate, and upon the certification of 90% of the service work, evidenced by the related original level of progress certificate issued by the construction company hired by TGLT; c) US$ 225 upon the issuance of the temporary certificate of receipt of the public work by the Municipality of Rosario; and d) US$ 150 upon the issuance of the final certificate by the Municipality of Rosario.

As of June 30, 2019, receivables in the amount of $ 73,960 are disclosed in receivables from the sale of assets under Other receivables.

Note 36. Segment information

The Company has adopted IFRS 8—Operating segments, which requires operating segments be identified on the basis of internal reports about components of the entity that are regularly reviewed by the Board of Directors, the chief operating decision-maker, in order to allocate resources to the segment and assess performance.

As a result of the acquisition of Caputo, the Company has redefined the identified business segments in the following manner: (i) Construction and services, and (ii) Real estate development.

Gain/loss on investments in SES S.A., Limp Ar Rosario S.A., and Logística Ambiental Mediterránea S.A. was disclosed under the Construction and services segment. Other gain/loss on investments in companies was disclosed under the Real estate development segment.

The measurement criteria used for the measurement profits or losses, assets and liabilities presented by the segments is the same as the criteria used for the preparation of the consolidated financial statements.

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(amounts stated in thousands of Argentine pesos)

Note 36. Segment information (cont.)

The following information summarizes revenue, profit/loss and other information grouped by business segment. Amounts are stated in thousands of Argentine pesos

STATEMENT OF PROFIT OR LOSS	Construction and services	Real estate development	Jun 30, 2019	Construction and services	Real estate development	Jun 30, 2018
Income from ordinary activities	2,678,656	1,054,508	**3,733,164**	2,171,691	354,197	**2,525,888**
Cost of ordinary activities	(2,166,450)	(961,756)	**(3,128,206)**	(1,748,560)	(519,174)	**(2,267,734)**
Gross profit	**512,206**	**92,752**	**604,958**	**423,131**	**(164,977)**	**258,154**
Administrative and selling expenses (excluding amortization and depreciation)	(237,194)	(116,046)	**(353,240)**	(224,541)	(214,094)	**(438,635)**
Other operating expenses	(25,259)	(31,405)	**(56,664)**	(29,392)	(743,846)	**(773,238)**
Depreciation	(14,192)	-	**(14,192)**	(6,743)	(915)	**(7,658)**
Amortization	(14,333)	-	**(14,333)**	-	(13,060)	**(13,060)**
Investment property appraisal at fair value	-	4,240	**4,240**	-	1,421,319	**1,421,319**
Income from sale of investment property	-	(95,541)	**(95,541)**	-	-	-
Other income and expenses, net	80,446	84,377	**164,823**	6,055	115,826	**121,881**
Operating income/loss	**301,674**	**(61,623)**	**240,051**	**168,510**	**400,253**	**568,763**
Gain/loss on investments in companies	127,259	90,575	**217,834**	80,659	183,281	**263,940**
Total	**428,933**	**28,952**	**457,885**	**249,169**	**583,534**	**832,703**

The figures included in each line of the total columns match the figures of the consolidated financial statements, so there is no reconciliation between the total figures by segments to the figures of those financial statements.

Geographical information on the Company and its subsidiaries is included below:

	Argentina	Uruguay	Jun 30, 2019	Argentina	Uruguay	Jun 30, 2018
Income from ordinary activities	2,982,326	750,838	**3,733,164**	2,496,193	29,695	**2,525,888**

	Argentina	Uruguay	Jun 30, 2019	Argentina	Uruguay	Dec 31, 2018
Inventories	1,225,138	1,017,938	**2,243,076**	1,471,861	1,322,458	**2,794,319**
Accounts receivable from sales	42,870	-	**42,870**	40,635	-	**40,635**
Other receivables	95,912	-	**95,912**	414,451	-	**414,451**
Investment property	33,810	-	**33,810**	421,672	-	**421,672**
Property, plant and equipment	105,905	171	**106,076**	111,811	187	**111,998**
Intangible assets	36,227	80	**36,307**	50,553	94	**50,647**
Tax assets	640,424	10,364	**650,788**	767,014	46,282	**813,296**
Investments in associates	2,620,052	-	**2,620,052**	2,512,831	-	**2,512,831**
Goodwill	876,604	-	**876,604**	876,604	-	**876,604**
Receivables from related parties	139,273	-	**139,273**	39,390	-	**39,390**
NON-CURRENT ASSETS	**5,816,215**	**1,028,553**	**6,844,768**	**6,706,822**	**1,369,021**	**8,075,843**

(amounts stated in thousands of Argentine pesos)

Note 37. Earnings per share

Basic and diluted earnings per share

Basic earnings per share are calculated by dividing the income/loss of the year attributable to the holders of common shares by the weighted average number of outstanding common shares during the year. Diluted earnings per share are calculated by dividing the adjusted net income/loss attributable to holders of common shares, by the weighted average number of outstanding common shares during the year plus the weighted average of potential common shares with dilutive effects on common shares.

Net income/loss is adjusted by the number of dividends and interest, after taxes, recorded during the year regarding the potential common shares with dilutive effects. The following table includes the results and the data on the shares used for calculating the basic and diluted earnings per share:

	Jun 30, 2019	Jun 30, 2018
Result used for calculating earnings per share		
Result used for calculating basic earnings per share	154,218	(1,314,355)
Financial results of potential common shares with dilutive effects	1,884,368	159,600
Result used in the calculation of diluted earnings per share	2,038,586	(1,154,755)
Weighted average of ordinary shares		
For earnings per basic share purposes	80,655	71,993
Potential shares	300,000	300,000
Weighted average since issue date	0.77	0.61
Weighted potential shares	229,528	182,418
For diluted earnings per share purposes	**310,183**	**254,411**
Basic earnings/(losses) per share	**1.91**	**(18.26)**
Earnings per diluted share	**6.57**	**(4.54)**

As of June 30, 2019, the diluted weighted average of shares was 229,528, as a result of the issuance of convertible corporate notes dated August 3, 2017. (See Note 15.2)

There have been no other transactions with common shares or potential common between the closing date of these financial statements and the date of presentation thereof, except as mentioned in Note 15.

Note 38. CNV General Resolution No. 622

In order to comply with the provisions of section 1, Title IV, Chapter III of General Resolution No. 622 of the CNV, the notes to the Consolidated Financial Statements describe the information requested by that Resolution in the form of Exhibits.

Exhibit A - Property, plant and equipment	Note 5
Exhibit B -Intangible assets	Note 6
Exhibit C - Investments in shares	Not applicable
Exhibit D - Other investments	Not applicable
Exhibit E - Allowances and provisions	Notes 18 and 32
Exhibit F - Cost of goods sold	Note 23
Exhibit G - Assets and liabilities in foreign currency	Note 39
Exhibit H - Ordinary selling, administrative and financing expenses	Notes 24, 25 and 26

(amounts stated in thousands of Argentine pesos)

Note 39. Assets and liabilities in foreign currency

	Jun 30, 2019				Dec 31, 2018
	Type and amount of foreign currency		Prevailing exchange rate	Amount recorded in pesos	Amount recorded in pesos
ASSETS					
Non-current assets					
Other receivables:					
Receivables from the sale of investment property	US$	780	42.263	32,965	-
Security deposit	US$	100	42.263	4,215	6,763
Receivables from related parties:					
Other receivables	US$	858	42.263	36,267	39,390
Total non-current assets				**73,447**	**46,153**
Current assets					
Other receivables:					
Value added tax	U$	141,276	1.20	169,531	238,021
Net worth tax	U$	7,694	1.20	9,264	10,064
Advance payments to work suppliers	US$	4,831	42.263	204,168	172,750
	U$	14,852	1.20	17,882	21,334
				222,050	194,084
Security deposit	U$	22	1.20	26	28
	US$			-	72,350
				26	72,378
Prepaid insurance policies	US$	83	42.263	3,489	2,906
	US$	21	1.20	25	-
				3,514	2,906
Expenses to be rendered	US$	98	42.263	4,124	86
	U$			-	3,769
				4,124	3,855
Maintenance fees to be recovered	U$	11	1.20	11	-
Receivables from the sale of assets held for sale	US$	1,742	42.263	73,960	-
Receivables from the sale of investment property	US$	1,584	42.263	66,960	5,435
Equipment fund receivable	US$	21	42.263	888	2,686
Collectible operative fund	US$	0.26	42.263	11	12
Receivables from related parties:					
Other receivables	US$	8,931	42.263	379,348	255,693
Accounts receivable from sales:					
Receivables from sale of units	US$	585	42.263	24,709	60,928
Receivables for services rendered	US$	6	42.263	241	138
Allowance for bad debts	US$	(155)	42.263	(6,026)	(4,563)
				18,924	56,503
Other financial assets					
Other financial assets	US$	-	42.263	-	3,327
Cash and cash equivalents					
Cash	US$	36	42.263	1,542	1,586
	U$	84	1.20	101	102
				1,643	1,688
Banks	US$	1,913	42.263	80,854	989,100
	U$	567	1.20	683	5,789
				81,537	994,889
Checks to be deposited	US$	-	42.263	-	10,508
Mutual funds	US$	250	42.263	10,567	11,477
Total Current assets				**1,041,830**	**1,859,757**
Total Assets				**1,115,277**	**1,905,910**

(amounts stated in thousands of Argentine pesos)

Note 39. Assets and liabilities in foreign currency (cont.)

	Jun 30, 2019				Dec 31, 2018
	Type and amount in foreign currency		Prevailing exchange rate	Amount recorded in pesos	Amount recorded in pesos
LIABILITIES					
Non-current liabilities					
Other accounts payable					
Payable for purchase of shares	US$	-	42.463	-	1,169,476
Loans:					
Corporate notes	US$	100,097	42.463	4,250,404	5,326,469
Finance lease	US$	6	42.463	242	421
Total non-current liabilities				4,250,646	6,496,366
Current liabilities					
Other accounts payable:					
Sundry creditors	US$	462	42.463	19,621	23,305
Payable for purchase of shares	US$	26,362	42.463	1,119,401	1,351,604
Security deposit	US$	174	42.463	7,371	8,009
Loans:					
Mortgage-backed bank loans	US$	12,585	42.463	534,405	793,715
Bank overdraft	US$	418	42.463	17,766	-
Other financial liabilities	US$	296	42.463	12,551	-
Corporate notes	US$	38,170	42.463	1,620,821	650,174
Finance lease	US$	6	42.463	252	242
Other tax burdens:					
Withholdings and collections to be deposited	US$	19	42.463	818	1,220
Payroll and social security contributions:					
Salaries payable	U$	3,214	1.20	3,870	10,571
Social security contributions payable:	U$	522	1.20	629	705
Provision for thirteenth month salary and vacations	U$	1,597	1.20	1,923	1,151
Accounts payable:					
Suppliers	US$	779	42.463	33,062	53,038
	U$	63,752	1.20	76,757	83,012
Deferred checks	U$	12	1.20	15	9
Provision for expenses	US$	212	42.463	9,011	50,026
	U$	108	1.20	130	143
				9,141	50,169
Provision for works	US$	3	42.463	114	1,251
	U$	4,277	1.20	5,149	34,769
				5,263	36,020
Insurance payable	US$	20	42.463	867	1,043
Contingency fund	US$	1,486	42.463	63,094	755
Total current liabilities				3,527,627	3,064,742
Total Liabilities				7,778,273	9,561,108

(amounts stated in thousands of Argentine pesos)

Note 40. Determination of fair value

A. Financial instruments by category

The following are financial assets and liabilities per financial instrument category and a reconciliation with the appropriate line shown in the consolidated statement of financial position, where applicable.

The financial assets and liabilities as of June 30, 2019 and December 31, 2018 were as follows:

Item	Financial assets at fair value through profit or loss	Amortized cost	Investments held to maturity	Total
FINANCIAL ASSETS				
Cash and cash equivalents	84,950	102,519	-	187,469
Accounts receivable from sales	-	1,560,688	-	1,560,688
Other receivables	-	1,341,711	-	1,341,711
Receivables from related parties	-	592,278	-	592,278
Total assets as of June 30, 2019	**84,950**	**3,597,196**	**-**	**3,682,146**

Item	Financial liabilities at their fair value with changes through profit or loss	Financial liabilities at amortized cost	Total
FINANCIAL LIABILITIES			
Accounts payable	-	1,416,785	1,416,785
Loans (not including finance leases)	-	(8,685,941)	(8,685,941)
Other accounts payable	-	1,207,080	1,207,080
Payables to related parties		62,761	62,761
Total liabilities June 30, 2019	**-**	**(5,999,315)**	**(5,999,315)**

Item	Financial assets at their fair value with changes through profit or loss	Amortized cost	Investments held to maturity	Total
FINANCIAL ASSETS				
Cash and cash equivalents	11,477	1,021,376	-	1,032,853
Other financial assets	-	3,327	-	3,327
Accounts receivable from sales	-	1,631,627	-	1,631,627
Other receivables	-	1,876,000	-	1,876,000
Receivables from related parties	-	474,036	-	474,036
Total assets as of December 31, 2018	**11,477**	**5,006,366**	**-**	**5,017,843**

(amounts stated in thousands of Argentine pesos)

Note 40. Determination of fair value (cont.)

Account	Financial liabilities at their fair value with changes through profit or loss	Financial liabilities at amortized cost	Total
FINANCIAL LIABILITIES			
Accounts payable	-	1,368,610	1,368,610
Loans (not including finance leases)	-	5,636,934	5,636,934
Other accounts payable	-	3,764,482	3,764,482
Payables to related parties	-	30,079	30,079
Total liabilities December 31, 2018	**-**	**10,800,105**	**10,800,105**

A. Financial instruments by category

In the case of accounts receivable from sales, other receivables and receivables from related parties, the book value approximates the fair value as such receivables are substantially short-term.

In the case of accounts payable, loans, other accounts payable and payables with related parties, the book value is considered to approximate the market value.

B. Determination of fair value

The Company has classified assets and liabilities measured at their fair value after their initial recognition in three levels of fair values, based on the relevance of the information used for their determination:

- Level 1: measurement of fair values is derived from appraisal (not adjusted) in active markets for identical assets or liabilities.
- Level 2: information used to determine fair values includes: market prices of similar instruments in active markets, market price of similar or identical instruments in inactive markets, or valuation models using information derived from market data or that may be observed with market data.
- Level 3: information used to determine fair values cannot be observed and is significant to determine such values. This information requires significant judgment and estimates of Company's Board of Directors.

The assets and liabilities measured at their fair value as of June 30, 2019 and December 31, 2018 are shown below:

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	84,950	-	-	84,950
Status as of June 30, 2019	**84,950**	**-**	**-**	**84,950**

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	84,950	-	-	84,950
Total as of December 31, 2018	**84,950**	**-**	**-**	**84,950**

(amounts stated in thousands of Argentine pesos)

Note 41. Information on revenue from contracts

IFRS 15 Revenue from contracts with clients

IFRS 15 Revenue from contracts with clients was issued in May 2014 and is applicable to fiscal years beginning on or after January 1, 2018. This standard specifies how and when revenue should be recognized, as well as the additional information that the Company must present in its financial statements.

The Company has adopted this standard by adapting their accounting policy on revenue recognition. There are no changes as to the time of revenue recognition, the client continues acquiring control over the assets at the time of possession. Nevertheless, there were changes in the recognition of the contract assets and liabilities that must be maintained, and the related revenue or expense shall be recognized when recognizing the income derived from the contract.

41.1 Breakdown of income

Business segment: Real estate development

The tables below show a breakdown of income per geographical distribution and trademark. This information shows the key factors estimated by the Company's Management when understanding the variables affecting revenue recognition:

Trademarks	**Jun 30, 2019**	Jun 30, 2018
Forum	754,524	99,370
Astor	1,270	201,883
Metra	36,193	29,771
Other	262,521	23,173
Total income per trademark - Real estate development segment	**1,054,508**	**354,197**

Geographic distribution	**Jun 30, 2019**	Jun 30, 2018
Argentina		
City of Buenos Aires	267,477	275,731
Rosario	36,193	30,930
Uruguay (Montevideo)	750,838	47,535
Total income per geographic distribution - Real estate development segment	**1,054,508**	**354,197**

Business segment: Construction and services

The tables below show a breakdown of income per type of project, clients and contracts. This information shows the key factors estimated by the Company's Management when understanding the variables affecting revenue recognition:

Type of project	**Jun 30, 2019**	Jun 30, 2018
Housing	1,062,354	1,177,359
Industrial	535,436	794,796
Business	1,080,865	199,536
Total income per project - Construction and services segment	**2,678,656**	**2,171,691**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2019, PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 41. Issued Standards and Interpretations (cont.)

41.1 Breakdown of income (cont.)

Business segment: Construction and services segment (cont.)

Type of client	Jun 30, 2019	Jun 30, 2018
Private	2,323,613	1,579,934
Public	355,043	591,757
Total income per client - Construction and services segment	**2,678,656**	**2,171,691**

Type of contract	Jun 30, 2019	Jun 30, 2018
Costs formula	205,864	701,753
CAC ratio	1,241,902	1,165,339
Other	1,230,890	304,599
Total income per contract - Construction and services segment	**2,678,656**	**2,171,691**

41.2 Status of Contracts

	Dec 31, 2018	(+) New contracts	(-) Income	(+) Contract adjustments	Jun 30, 2019
Construction	5,926,300	1,444,447	(2,678,656)	1,580,419	6,272,509
Real estate development (1)	5,019,568	170,981	(1,054,508)	1,400,434	5,536,476
Contracts balances	**10,945,868**	**1,615,428**	**(3,733,164)**	**2,980,853**	**11,808,985**

(1) It relates to the purchase-sale agreements of units not yet handed over, stated at historic cost.

Note 42. Refund of Minimum Presumed Income Tax credit

On November 4, 2016, the Federal Administration of Public Revenue ("AFIP") sustained the action for refund the Company had filed on July 23, 2014, thus confirming the refund of the credits maintained for the payment of the Minimum Presumed Income Tax for the 2011, 2012, and 2013 periods, for a total amount of $ 14,750, plus the settlement of interest. On February 18, 2019, the AFIP paid the amount of $ 14,735, plus interest totaling $ 4,043, considering the proceedings completed.

During 2016, actions for refund for the taxes paid in the 2014 and 2015 periods for $ 15,668 were filed. In April 2018, the AFIP started a tax audit.

It should be noted that on December 28, 2012, Maltería del Puerto SA (a company merged with Canfot SA and then with TGLT SA) filed a declaratory action of unconstitutionality, requesting the refund of the tax paid. As of the date of these financial statements, the tax credit balance claimed for fiscal years 2008 to 2014 amounts to $ 11,697, plus interest calculated as of collection date. On December 1, 2017, the Court with jurisdiction over Administrative Matters No. 3 passed judgment in favor of the Company.

Furthermore, on December 29, 2017, an administrative complaint was filed with AFIP for the tax refund of the 2012 and 2013 fiscal years, amounting to $ 3,018 and $ 2,141, respectively. In March 2018, the AFIP started a tax audit.

Since the income tax provision and the accounting records of TGLT S.A. for fiscal years 2016, 2017, and 2018 reflected the existence of tax losses and accounting losses, the case law of the Argentine Supreme Court of Justice regarding the inappropriateness of the payment of that tax is applicable, according to the recent ruling on "Diario Perfil S.A. vs. AFIP DGI on Dirección General Impositiva [General Tax Office]". Based on the foregoing, the Company did not set up any income tax provision in those fiscal years. Consequently, the financial statements as of December 31, 2016 to date do not include such liabilities, as the annual tax returns filed by the Company included no balance in favor of the Tax Authorities. The Company expects to offset the remaining balance not subject to refund based on its business revenue projections for the next fiscal years.

Note 43. Resolutions at Shareholders' Meetings

Execution of agreements for the Company's recapitalization:

The economic and financial crisis that hit Argentina in 2018, which included, among other events, a significant peso devaluation, a deep economic recession, the restriction of access to financing by Argentine companies, and a marked decline in the Argentine real estate market, negatively affected the Company's cash flows and shareholders' equity. In this sense, the Company has been analyzing and working on various alternatives to implement a recapitalization plan enabling it to reverse the negative shareholders' equity.

TGLT

Note 43. Resolutions at shareholders' meetings (cont.)

On January 25, 2019, the Company and certain holders (the "ADI Holders") executed an agreement for the deferral of interest payment, whereby ADI Holders accepted to defer the collection of coupon rates on Convertible Corporate Notes maturing on February 15, 2019 until May 30, 2019. Furthermore, the Company and certain holders (the "AR holders") signed an agreement providing for a recapitalization plan by means of the voluntary swap of Convertible Corporate Notes for convertible preferred shares to be issued by the Company.

It is worth noting that on January 25, 2019, the ADI Holders held 75.6% of Convertible Corporate Notes, and that AR Holders held 65.6% of Convertible Corporate Notes. On February 14, 2019, TGLT highlighted that as a result of the negotiations conducted by the Company holders of 94.8% of Convertible Corporate Notes had accepted to defer the collection of coupon rates maturing on February 15, 2019.

Under the terms and conditions of the Swap Offer, as agreed upon with the AR Holders, the holders of Convertible Corporate Notes shall be entitled to exchange them by preferred shares, at a ratio of 1 preferred share per US$ 1 of Convertible Corporate Notes (including interest accrued and not paid) and per US$ 1 of deferred interest. In addition, the effectiveness of the Swap Offer shall be contingent, among other circumstances, upon the acceptance of the holders of, at least, 95% of the principal of Convertible Corporate Notes (or such other percentage as may be subsequently agreed-upon by the Company and AR Holders).

Preferred shares shall have a preferred claim on the collection of dividends and liquidation proceeds over all other current or future classes of common and preferred shares of the Company, and shall be subordinated to any current or future debt of the Company.

In addition, each preferred share shall be entitled to one vote, and it is expressly stated that in the election of the members of TGLT's Board of Directors and Supervisory Committee, the vote of each shareholder (of either common or preferred shares) shall be subject to a maximum limit of 30% of the total voting stock of the Company. Furthermore, preferred and cumulative dividends shall be calculated at an annual rate equivalent to 10% of the liquidation preference, which rate shall be increased by 1% annually if preferred dividends are not approved and paid in full each and until the Company settles all accumulated preferred dividends, after which, the accrual rate will again be 10% per year. In addition, preferred shares are to be convertible into common shares of TGLT, either voluntarily or mandatorily in the event the Company issues capital placed by a public offering in the United States or in Argentina. For the purposes of such conversion, the conversion ratio shall be the greater of (a) 5.5556 common shares of TGLT per each Preferred Share or (b) a certain number of common shares of TGLT resulting from a calculation based on the weighted average price by volume of the common share of TGLT in the market during the ten trading days after the start of the Swap Offer. In addition, the AR Holders that hold the Preferred Shares will have a right of co-investment with the Company in those projects that TGLT (or a company wholly owned by TGLT) developed in Argentina or Uruguay, in which TGLT consider it necessary to have a partner that makes a capital contribution for its development in an amount equal to or greater than US$ 25,000,000.

In order that all TGLT shareholders also have the opportunity to cooperate with the Company in strengthening its capital structure and in the restructuring of its capital stock, the holders of common shares of TGLT will have the opportunity to exchange their common shares for preferred shares through a swap offer concomitant to the Swap Offer, and, likewise, they will be granted the right of preference to subscribe, on a pro rata share basis, the new Preferred Shares to be issued by the Company under both swap offers so that they may maintain their shareholdings.

(amounts stated in thousands of Argentine pesos)

Note 43. Resolutions at Shareholders' Meetings (cont.)

Approval of the Company's capital increase

At the Annual General Shareholders' Meeting held on March 7, 2019, the Company approved, among other issues: (a) an increase in its capital stock up to $ 300,000, through the issue of up to 300,000,000 new preferred shares of the Company, with a nominal value of one peso each, convertible into common shares of the Company, registered, and granting one vote per share, entitled to preferred and cumulative dividends, accrued under the same conditions applicable to the shares of the Company which are currently outstanding to be placed through a public offering in the country and/or abroad, and to be paid (i) in cash by those common shareholders of the Company who make use of their right of preference; (ii) in kind, through the exchange for common shares of the Company; and (iii) in kind, through the exchange for Convertible Notes; (b) an additional paid-in capital between a minimum of AR$ 30 (thirty Argentine pesos) and a maximum of AR$ 60 (sixty Argentine pesos) per each new preferred share, as determined by the Company's Board of Directors; and (c) the delegation to the Board of Directors, for a term of two (2) years the power to establish the terms and conditions for the issue and placement of the new preferred shares (including the power to decide an additional capital increase of up to 15 % of the number of shares previously authorized), in the event the number of 300,000,000 new preferred shares were not sufficient to meet any excess demand or option over the subscription of shares.

In addition, at such Meeting, the Company approved: (i) the creation of a new American Depositary Receipts Program, whose underlying securities are the new preferred shares; and (ii) the issue of purchase options on the shares to be issued by the Company in an amount of up to 5.5% of the new preferred shares in favor of certain executives and employees of the Company.

Note 44. Suspension of the Astor San Telmo works

On September 7, 2018, the Company was notified by the General Bureau of Works Supervision and Control of the City of Buenos Aires that all works related to the Astor San Telmo project had to be stopped, in compliance with the instructions received by the Government of the City of Buenos Aires from the Court with jurisdiction over Administrative and Tax Matters No. 3, Clerk's Office No. 5, of the City of Buenos Aires in case "Asociación Civil Basta de Demoler c/ GCBA s/ Amparo".

The Company considers that all feasibility and environmental impact studies required by the applicable regulations have been performed, and that all necessary approvals from the Government of the City of Buenos Aires have been obtained assuring the project's technical, environmental and legal feasibility.

The Company has filed several pleas in the records of the case in order to object to the resolution that gave rise to the preliminary injunction. On October 12, 2018, the court hearing the case decided to modify the scope of the preliminary injunction applied and ordered the partial suspension of the effects of the administrative acts that authorized the construction of the Astor San Telmo building with respect to any construction that may exceed certain maximum heights. This situation enabled the Company to continue with the construction of such real property development, up to the authorized height limit.

Note 45. Information on investments in companies

45.1 Investment in associates

The Company holds direct ownership interests in the following associates:

Company name	Capital and voting stock
Limp Ar Rosario S.A.	40%
America Pavilion S.A.	20%
Altos del Puerto S.A.	32%

Limp Ar Rosario S.A. is engaged in the provision of urban hygiene and waste management services for the city of Rosario, Northern Area. On February 18, 2013, a contract was entered into between the Municipality of Rosario and Limp AR Rosario S.A.

The concession involves:

a) Collection of household waste, voluminous shanty towns, and garbage dumps.
b) Manual, mechanical, pedestrian and shopping centers sweeping and weeding.
c) Cleaning of housing buildings Costanera Norte y Parque de las Colectividades of the Fondo Nacional de Vivienda (FO.NA.VI.).
d) Reception center
e) Central claims reporting service

(amounts stated in thousands of Argentine pesos)

Note 45. Information on investments in companies (cont.)

45.1 Investment in associates (cont.)

The concession was granted for eighty-four months counted as from May 27, 2013 (date on which the minutes on the beginning of works were signed). The Municipality may exercise its right to extend such concession term for up to an additional term of twelve months.

The Company formally initiated the provision of the urban hygiene and waste management service in the northern area of the city of Rosario in the aforementioned date. It is to note that Limp AR Rosario S.A. is not responsible for the treatment, nor the final disposal of the waste collected by it. Once collected, urban waste is taken to transfer areas, which are the responsibility of the Municipality, and then they are sent for treatment and/or final disposal. Industrial, commercial or hazardous waste are not included in this objective. As from September 17, 2013, the provision of SEPARE program services was awarded to Limp AR Rosario S.A. by the Municipality of Rosario. Such service consists in the separation of waste in its two modes of collection: door to door and in reception centers.

America Pavilion S.A. is a real estate company that on June 19, 2015, acquired the items of real property owned by Cencosud S.A. and located at Av. Callao 1057, and at Marcelo T. de Alvear 1743, 1753 and 1763, both of them in the City of Buenos Aires. América Pavilion S.A. has used such property to build some office and family housing buildings with parking spots.

	Limp Ar Rosario S.A.	America Pavilion S.A.
Non-current assets	168,109	2,295,546
Current assets	315,821	57,575
Non-current liabilities	244,340	2,241,716
Current liabilities	56,024	142,068
Shareholder's equity	**183,566**	**(30,663)**

	Profit/(Loss)	
Income from ordinary activities	486,545	-
Cost of sales	(399,464)	-
Administrative expenses	(28,640)	-
Financial results, net	(38,147)	26,092
Other income/loss	(227)	(27,793)
Income/(loss) before income tax	20,067	(1,701)
Income tax	(12,209)	(12,935)
Income/loss for the period	**7,858**	**(14,636)**

Altos del Puerto S.A. was incorporated on June 28, 2007 and is primarily engaged in the real estate development known as "Hospital Ferroviario", which is located at Avenida Ramón S. Castillo 350 and Comodoro Pedro Zanni. Such development was completely sold during the fiscal year ended October 31, 2017. Considering that the main business activity of the company has been discontinued, the shareholders have resolved the company's early dissolution. The company prepared the balance sheet for liquidation purposes on October 31, 2018. To the date of issuance of these financial statements, liabilities have been settled and assets have been liquidated. In February 2019, the Shareholders' Meeting approved the balance sheet and appointed a liquidator. The company is currently analyzing the administrative processes to register the company's dissolution with the IGJ.

45.2 Joint operations

The Company takes part in joint operations instrumented by means of a Temporary Union of Enterprises (UTE, after its Spanish acronym).

As of June 30, 2019, the joint agreements entered into by the Company are as follows:

Company name	Capital and voting stock
Caputo S.A.I.C. y F. – Farallon S.A. – S.E.S S.A. UTE ("Hospital Posadas")	40.00%
Caputo S.A.I.C. y F – PYPSA S.A. – S.E.S. S.A. – UTE ("Hospital del Bicentenario")	66.67%
Grupo Farallon Desarrollos Inmobiliarios S.A. – Caputo S.A.I.C. y F. – S.E.S. S.A. U.T.E. ("Museo Islas Malvinas")	35.00%
Grupo Farallon Desarrollos Inmobiliarios S.A. – Caputo S.A.I.C. y F. – Eleprint S.A. - U.T.E. ("Procrear")	33.33%
CRIK S.R.L. - CAPUTO S.A.I.C. y F. UT	50.00%

(amounts stated in thousands of Argentine pesos)

Note 45. Information on investments in companies (cont.)

45.2 Joint operations (cont.)

On November 17, 2009, a temporary union of enterprises was formed by Caputo S.A.I.C. y F., Farallon S.A., and SES S.A., the main purpose of which is to set up rules that may govern the implementation of project "Construcción y Equipamiento de la Primera Etapa del Plan Director del Hospital Nacional Profesor Dr. Alejandro Posadas - El Palomar - Morón - Provincia de Buenos Aires" (construction and equipment provisioning of the first stage of the Director Plan of national hospital Profesor Dr. Alejandro Posadas - El Palomar - Morón - Province of Buenos Aires).

As of June 30, 2019, the UTE conducted no activities and the only activity left is the settlement of debts, which was disclosed net of contributions, in line "Other accounts payable" under current liabilities.

On January 25, 2011, a temporary union of enterprises (UTE) was formed by Caputo S.A.I.C. y F., PYPSA S.A. and SES S.A., the main purpose of which is to set up rules that may govern the implementation of project "Construcción y Equipamiento del Hospital del Bicentenario de Esteban Echeverría" (construction and equipment provisioning of hospital "Hospital del Bicentenario de Esteban Echeverría").

On July 19, 2012, a temporary union of enterprises (UTE) was formed by Grupo Farallon Desarrollos Inmobiliarios S.A. – Caputo S.A.I.C. y F. - S.E.S. S.A. U.T.E., the main purpose of which is to set up rules that may govern the implementation of project "Construcción de Edificio y Entorno Museo y Memorial Islas Malvinas" (construction of a museum and memorial of the Falkland Islands). The UTE shows no activities and only receivables are yet to be recovered. The applicable balance has been disclosed in a line net of contributions.

On May 12, 2014, a temporary union of enterprises (UTE) was formed by Grupo Farallon Desarrollos Inmobiliarios S.A. - Caputo S.A.I.C. y F. And Eleprint S.A., the main purpose of which is the performance of the works needed (design, executive project, labor, and provision of materials and equipment) to complete the work "Concurso para la elaboración de proyecto, precio y plazo para la construcción de viviendas, en el predio Estación Sáenz, Ciudad Autónoma de Buenos Aires" (Bidding for the preparation of a project, price, and term for the construction of residential dwellings in Estación Sáenz, City of Buenos Aires).

As of June 30, 2019, the net assets added by these joint operations are as follows:

	Hospital Posadas	Hospital del Bicentenario	Museo Islas Malvinas	Procrear
Current assets	7,108	21,804	20,800	38,651
Non-current liabilities	-	-	-	-
Current liabilities	2,406	32,909	20,330	37,812
Shareholder's equity	**4,702**	**(11,105)**	**470**	**839**
Income/loss for the year	**3,692**	**1,866**	**439**	**389**

(amounts stated in thousands of Argentine pesos)

Note 45. Information on investments in companies (cont.)

45.3 Investment in joint operations

Company name	Ownership Interest
Newbery 3431 S.A.	50.00%
Marina Río Lujan S.A.	49.99%
S.E.S. S.A.	50.00%
Fideicomiso Financiero Privado Inmobiliario de Administración Catalinas I	50.00%
Logística Ambiental Mediterránea S.A.	50.00%

Newbery 3431 S.A. was incorporated in October 2017 and is primarily engaged in the construction, real estate and financial business. The Company has three pieces of real property located in the City of Buenos Aires.

Marina Río Luján S.A. is primarily engaged in constructing and selling all types of real property. The urban project under development is called "Venie", and the plot of land where it is located is in the Municipality of Tigre, province of Buenos Aires. It will include single-family housing dwellings, housing and office buildings as well as some common entertainment and transit areas will be built.

S.E.S. S.A. was founded in 1991 as a construction company and has carried out some important works throughout the country. Currently, the company's business is primarily related to the construction of buildings and the performance of works, as well as the provision of services to third parties. It develops its business plan directly by itself and by taking part in other companies and temporary unions of enterprises.

Fideicomiso Financiero Privado Inmobiliario de Administración Catalinas I was created on March 13, 2018, and is focused on the development of a real estate project on the "Catalinas Norte" plot of land.

Logística Ambiental Mediterránea S.A. was created in June 22, 2018 for the purposes of providing non-hazardous urban solid waste collection and transportation in the city of Córdoba from December 1, 2018 to November 30, 2026, with the possibility of extension for 18 additional months.

The financial information of the companies is as follows:

	Newbery 3431 S.A. (*)	Marina Río Luján S.A. (*)	SES S.A. (*)	Fideico Catalinas I (*)	LAM S.A. (*)
Non-current assets	359,932	2,549,719	48,163	1,482,943	348,639
Current assets	275	792,800	965,757	1,185	131,017
Non-current liabilities	356,687	745,454	32,322	145,780	217,638
Current liabilities	3,294	1,227,142	382,814	21,261	200,706
Shareholder's equity	**226**	**1,369,923**	**598,784**	**1,317,087**	**61,312**
Income from ordinary activities	-	213,957	900,473	-	272,184
Cost of sales	-	(201,818)	(628,759)	-	(165,095)
Gain/loss on appraisal of investment property at fair value	-	13,322	-	-	-
Selling expenses	-	(12,470)	(403)	-	(8,512)
Administrative expenses	-	(22,590)	(37,413)	(3,296)	(18,509)
Financial results, net	147	(31,861)	(68,492)	17,208	(39,654)
Other income/loss	(278)	185,084	1,356		76
Income/(loss) before income tax	(131)	143,624	166,762	13,912	40,488
Income tax	(49)	(65,199)	(77,719)	(65,909)	(14,142)
Income/loss for the period	**(180)**	**78,425**	**89,043**	**(51,997)**	**26,346**

(*) Financial statements prepared under Argentine accounting standards. Except for Maria Río Lujan S.A., which is prepared under IFRS.

(amounts stated in thousands of Argentine pesos)

Note 45. Information on investments in companies (cont.)

45.4 Summary of balances per Company

	Notes	Jun 30, 2019	Dec 31, 2018
Fideicomiso Financiero Privado Inmobiliario de Administración Catalinas I		643,936	722,993
Marina Río Luján S.A.		761,433	882,019
SES. S.A.		1,084,611	798,020
Limp Ar S.A.		96,644	89,256
Newbery 3431 S.A.		113	203
Logística Ambiental Mediterránea		31,269	17,833
UTE Hospital Nacional Posadas		1,881	2,304
UTE Museo Malvinas		165	203
Total Investments in companies		**2,620,052**	**2,512,831**

Note 46. Negative shareholders' equity, negative working capital and business plans

During the prior fiscal years, TGLT has incurred in significant losses which have resulted in a negative equity. As of June 30, 2019, the Company is subject to the mandatory termination provisions of such law, which must be addressed at the forthcoming Shareholders' Meeting. The Company's Management believes that TGLT's recapitalization by voluntarily swapping convertible corporate notes into convertible preferred shares, jointly with the business plan to be applied since 2019 will enable to revert such negative scenario.

Note 47. Financial statements approval

These condensed consolidated interim financial statements as of June 30, 2019, as well as the separate financial statements as of that date, were approved by the Company's Board of Directors at their meeting held on Friday, August 9, 2019.

Note 48. Subsequent events

On August 8, 2019, the Company signed, together with a substantial majority of the holders of the Convertible Notes (the "Accepting Holders"), a new recapitalization agreement (the "New RSA"), through which the Company undertook to: (i) make a public offering for the subscription of new Class A preferred shares of the Company (the "Class A Public Offering" and the "Class A Preferred Shares", respectively), which may be subscribed in cash and/or in kind and/or by capitalization of debts of the Company, at a subscription price per Class A Preferred Share of US$ 1 (or its equivalent in Pesos); (ii) make a public offering of new Class B preferred shares of the Company (the "Class B Preferred Shares"), which may be subscribed through (i) the swap for common shares of the Company (the "Swap Offer for Common Shares "), at a swap ratio of one Class B Preferred Share for every 6.94 common share of the Company; and/or (ii) the swap for Convertible Notes (the "Swap Offer for Convertible Notes" and, together with the Swap Offer for Common Shares, the "Class B Public Offering"), at a swap ratio of one Class B Preferred Share for every US$ 1 of Convertible Notes (including interest accrued and not paid under Convertible Notes); complementing this offer with a request for conformity from these Accepting Holders to modify certain provisions of the Indenture; and (iii) the granting of an option (the "Option") to Accepting Holders to subscribe new Class C preferred shares of the Company (the "Class C Preferred Shares" and, together with Class A Preferred Shares and Class B Preferred Shares, the "Preferred Shares") in a public subscription offer in cash (the "Class C Public Offering" and, together with the Class A Public Offering and the Class B Public Offering, the "Public Offering") to be carried out if: (a) the Class A Public Offering and the Class B Public Offering have taken place; and (b) a certain number of holders of the Option have exercised that option; at a subscription price per Class C Preferred Share of US$ 1 (or its equivalent in Pesos). The preferences that these preferred shares will have, in terms of the collection of dividends, liquidation share and voting rights, are also established.

In addition, Preferred Shares are to be convertible into common shares of TGLT, either voluntarily or mandatorily under certain conditions described in the New Agreements. It is further stated that: (a) Class A Public Offering and Class B Public Offering shall take place jointly; (b) in each Public Offering, the holders of ordinary shares may exercise their rights of first refusal, in the terms provided by the Company's bylaws and the Capital Markets Law; and (c) the swap ratios and subscription prices provided for in the New RSA are subject to the resolutions adopted by the shareholders' meeting, the Company's sovereign body in the matter.

Note 48. Subsequent events (cont.)

To allow and facilitate the implementation of the Optimized Recapitalization Plan, on August 8, 2019, the Company also signed, with a substantial majority of the holders of Convertible Notes (the "IDA Holders"), an agreement to defer payment of interest payable as of February 15, 2019 and August 15, 2019 until November 8, 2019 (the "New IDA" and, together with the New RSA, the "New Agreements"). It is expressly stated that the deferral of interest will apply only and exclusively to the IDA Holders who voluntarily decide to sign the New IDA, so the interest payable on August 15, 2019 (and February 15, 2019, if applicable) relating to holders of the Convertible Notes who have not signed the New IDA as of that date will not be deferred. The Company continues working to obtain the support of the holders of Convertible Corporate Notes who, so far, have not signed the New Agreements in order to expand the number of accepting holders.

In support of the Optimized Recapitalization Plan, IRSA Propiedades Comerciales S.A. ("IRSA") and PointArgentum Master Fund LP ("PointArgentum"), in their capacity as Accepting Holders, signed with the Company on August 8, 2019 two share subscription commitments, through which IRSA, on the one hand, and PointArgentum, on the other hand, undertook to make capital contributions to the Company (in cash and/or in kind and/or through the capitalization of certain claims against the Company, as applicable) for a total amount of US$ 39,000,000, through the subscription of Class A Preferred Shares under Class A Public Offering (the "Subscription Commitments").

Likewise, the Company signed on August 8, 2019, together with the Accepting Holders, the Option contract for the subscription of the Class C Preferred Shares (the "Option Contract"), granting to the holders of Convertible Notes who are parties, or become parties, to the New Agreements up to a certain date, the right to exercise a subscription option for Class C Preferred Shares, whose offer will be contingent upon the provisions of the Option Contract and the New RSA.

Also, as evidence of the Accepting Holders' trust in the Company's capacity of creating value through the generation of new investment projects, within the framework of the operation described, it was agreed that those Accepting Holders that hold Class B Preferred Shares will have a right of co-investment with the Company in future projects that TGLT (or a company wholly owned by TGLT) develops in Argentina or Uruguay, in which TGLT considers it necessary to have a partner that makes a capital contribution for its development in an amount equal to or greater than US$ 25,000,000.

The New Agreements establish certain milestones to be fulfilled in the process of implementing the Optimized Recapitalization Plan in the near future, including: (i) approval of the issuance of Preferred Shares and Public Offerings by the shareholders' meeting of TGLT; (ii) launching of the Swap Offer for Convertible Notes; (iii) launching of the Class A Public Offering; (iv) materialization of the Class A Public Offering and the Class B Public Offering; and (v) exercise of the Option; all this in order to complete the implementation of the Optimized Recapitalization Plan as soon as possible.

The Board of Directors' Meeting of August 8, 2019 resolved, among other issues, to convene the Annual Meeting of Shareholders to be held on September 10, 2019 at 10:00 a.m., on first call, and at 11:00 a.m., on second call.

No other events or transactions have occurred from period-end to the date of issuance of these financial statements that would have a material effect on the financial position of the Company as of June 30, 2019, or the results of its operations at such period-end.

TGLT

CONDENSED SEPARATE FINANCIAL STATEMENTS

TGLT S.A.

AS OF JUNE 30, 2019

(PRESENTED COMPARATIVELY)

TGLT S.A.

CONDENSED SEPARATE FINANCIAL STATEMENTS

AS OF JUNE 30, 2019, AND DECEMBER 31, 2018
(amounts stated in thousands of Argentine pesos)

	Notes	Jun 30, 2019	Dec 31, 2018
Non-current assets			
Property, plant and equipment	5	105,906	111,769
Intangible assets	6	36,227	50,534
Investment property	7	33,810	421,672
Investments in companies	8	3,496,655	3,389,436
Inventories	11	1,225,138	1,175,568
Receivables from related parties	31	139,273	39,390
Deferred tax assets	12	640,424	759,894
Contract assets		1,421	1,739
Other receivables	13	95,912	414,451
Accounts receivable from sales	14	42,870	40,635
Total non-current assets		**5,817,636**	**6,405,088**
Current assets			
Inventories	11	296,855	254,898
Other assets		-	984,738
Assets held for sale		-	175,787
Other receivables	13	979,861	1,075,209
Receivables from related parties	31	1,283,483	1,317,083
Accounts receivable from sales	14	1,502,186	1,541,205
Cash and cash equivalents	15	119,309	967,700
Total Current assets		**4,181,694**	**6,316,620**
Total Assets		**9,999,330**	**12,721,708**
NET EQUITY		**(1,439,035)**	**(1,592,279)**
LIABILITIES			
Non-current liabilities			
Contract liabilities	17	1,278,407	1,480,684
Other accounts payable	16	-	1,169,476
Payables to related parties	31	207,863	157,000
Loans	18	4,253,347	5,328,709
Other tax burden	19	5,428	11,032
Total non-current liabilities		**5,745,045**	**8,146,901**
Current liabilities			
Provisions and allowances	22	94,537	192,811
Contract liabilities	17	902,874	799,446
Other accounts payable	16	1,199,709	2,587,005
Payables to related parties	31	248,962	241,061
Loans	18	1,737,153	860,454
Other tax burden	19	92,526	139,677
Payroll and social security contributions	20	175,967	154,593
Accounts payable	21	1,241,592	1,192,039
Total current liabilities		**5,693,320**	**6,167,086**
Total Liabilities		**11,438,365**	**14,313,987**
Total Shareholders' equity and liabilities		**9,999,330**	**12,721,708**

The accompanying notes are an integral part of these financial statements.

TGLT S.A.

INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION AND OF OTHER COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2019 AND 2018

(amounts stated in thousands of Argentine pesos)

	Notes	SIX MONTHS		THREE MONTHS	
		Jun 30, 2019	Jun 30, 2018	**Jun 30, 2019**	Jun 30, 2018
Income from ordinary activities	24	2,983,234	290,586	1,637,208	121,428
Cost of ordinary activities	25	(2,432,643)	(435,982)	(1,293,895)	(286,956)
Gross profit		**550,591**	**(145,396)**	**343,313**	**(165,528)**
Selling expenses	26	(147,704)	(60,603)	(58,990)	(41,827)
Administrative expenses	27	(201,299)	(114,034)	(89,134)	(54,097)
Other operating costs		(47,473)	(760,417)	126,097	(748,618)
Amortization of intangible assets		(14,307)	(252)	(7,143)	23
Investment property appraisal at fair value	7	4,240	945,873	(710)	945,873
Income from sale of investment property	7	(95,541)	-	680	-
Other income and expenses, net	29	164,463	121,307	(29,101)	114,450
Operating income/loss		**212,970**	**(13,522)**	**285,012**	**50,276**
Gain/loss on investments in companies		163,599	642,445	42,453	543,832
Financial and holding results, net					
Exchange gains/losses	28	(741,131)	(1,842,959)	130,619	(1,697,342)
Financial income	28	116,158	46,254	89,088	16,688
Financial costs	28	(607,538)	(404,628)	(301,970)	(243,472)
Gains/losses from the exposure to changes in the currency purchasing power		1,132,391	(664,522)	991,991	(664,682)
Income/(loss) for the year before income tax		**276,449**	**(2,236,932)**	**1,237,193**	**(1,994,700)**
Income tax	30	(97,868)	892,581	(506,173)	783,570
Income/loss for the year		**178,581**	**(1,344,351)**	**731,020**	**(1,211,130)**
Other comprehensive income/loss					
Foreign exchange gain (loss) of a net investment abroad		(24,363)	(68,956)	383	(59,680)
Total Other comprehensive income/loss		**(24,363)**	**(68,956)**	**383**	**(59,680)**
Total Comprehensive income/loss for the year		**154,218**	**(1,413,307)**	**731,403**	**(1,270,810)**
Income/loss per share attributable to parent company's owners					
Basic		**1.91**	**(18.26)**	-	-
Diluted		**6.57**	**(4.54)**	-	-

The accompanying notes are an integral part of these financial statements.

TGLT

TGLT S.A.

CONDENSED SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

(amounts stated in thousands of Argentine pesos)

	Capital								Reserves			Income/loss	Totals
	Capital stock	Capital adjustment	Stock premium	Buyback premium	Shares to be issued	Capital contribution	Total	Transactions between shareholders	Legal reserve	Optional reserve	Foreign currency translation reserve	Unappropriated retained income/loss	
Adjusted balances as of January 1, 2019	71,993	518,962	2,333,659	(195)	71,336	691,191	3,686,946	(45,276)	494	9,392	(258,532)	(4,985,303)	(1,592,279)
Shares to be issued	-	-	-	-	(357)	-	(357)	(617)	-	-	-	-	(974)
Swap of shares (1)	8,662	1,953	60,364	-	(70,979)	-	-	-	-	-	-	-	-
Other comprehensive loss for the period, net of income tax	-	-	-	-	-	-	-	-	-	-	(24,363)	-	(24,363)
Income (loss) for the period	-	-	-	-	-	-	-		-	-	-	178,581	178,581
Balances as of June 30, 2019	**80,655**	**520,915**	**2,394,023**	**(195)**	**-**	**691,191**	**3,686,589**	**(45,893)**	**494**	**9,392**	**(282,895)**	**(4,806,722)**	**(1,439,035)**

(1) See Note 33.2 to the consolidated financial statements.

The accompanying notes are an integral part of these financial statements.

TGLT

TGLT S.A.

CONDENSED SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2018

(amounts stated in thousands of Argentine pesos)

	Capital							Reserves			Income/loss	Totals
	Capital stock	Capital adjustment	Stock premium	Buyback premium	Capital contribution	Total	Transactions between shareholders	Legal reserve	Optional reserve	Foreign currency translation reserve	Unappropriated retained income/loss	
Balance as of January 1, 2018	70,349	307,276	1,482,190	125	842,895	2,702,835	(28,673)	317	6,030	(81,027)	(1,947,959)	651,523
Translation of shares	1,644	152	16,122	-	(4,894)	13,024	-	-	-	-	-	13,024
Acquisition of companies	-	-	-	-	-	-	-	-	-	-	-	-
Income/loss for the period	-	-	-	-	-	-	-	-	-	-	(1,314,351)	(1,314,351)
Other comprehensive loss for the period, net of income tax	-	-	-	-	-	-	-	-	-	(68,956)	-	(68,956)
Comprehensive loss for the period	-	-	-	-	-	-	-	-	-	(68,956)	(1,314,351)	(1,413,307)
Balances as of June 30, 2018	**71,993**	**307,428**	**1,498,312**	**125**	**838,001**	**2,715,859**	**(28,673)**	**317**	**6,030**	**(149,983)**	**(3,292,310)**	**(748,760)**

TGLT S.A.

CONDENSED SEPARATESTATEMENT OF CASH FLOWS

FOR THE FISCAL PERIODS ENDED JUNE 30, 2019 AND JUNE 30, 2018

(amounts stated in thousands of Argentine pesos)

	Jun 30, 2019	Jun 30, 2018
Operating activities		
Income/loss for the period	154,218	(1,413,307)
Adjustments to obtain cash flows from operating activities		
Income tax	97,868	(892,581)
Depreciation of property, plant and equipment	14,144	1,882
Sale of property, plant and equipment	-	(137)
Exchange gains/losses and accrued interest	1,232,512	2,637,188
Amortization of intangible assets	14,307	237
Investments in companies	(163,599)	(642,445)
Translation gain/loss	24,363	68,956
Investment property appraisal at fair value	(4,240)	(945,873)
Present value of assets and liabilities	48,478	-
Sale of investment property	95,541	-
Loss from sale of other assets	(129,589)	(158,777)
Gains/losses from the exposure to changes in the currency purchasing power	(1,132,391)	664,522
Changes in operating assets and liabilities		
Receivables from sales	36,784	(20,210)
Other receivables	413,887	30,005
Other assets	1,114,327	33,037
Receivables from related parties	(66,283)	(565,528)
Inventories	(91,527)	(463,003)
Contract assets	318	(935)
Assets held for sale	175,787	89,761
Tax assets and liabilities	119,470	42,638
Accounts payable	49,553	16,469
Fringe benefits	21,374	3,666
Other tax burden	(150,623)	2,484
Payables to related parties	58,764	214,299
Contract liabilities	(98,849)	1,846,620
Other accounts payable	(1,386,169)	222,962
Provisions	(98,274)	(4,906)
Net cash flows provided by operating activities	**350,150**	**629,112**
Investment activities		
Investments not considered as cash	-	(3,184)
Collections from sale of other assets	220,656	212,471
Dividend collection	33,283	-
Collections from sale of property, plant and equipment	-	137
Collections from sale of investment property	296,561	-
Payments for purchase of property, plant and equipment	(8,281)	(751)
Payments for purchase of investment property	-	(1,695)
Payments for purchase of intangible assets	-	(550)
Payable for purchase of shares	(1,239,956)	(2,081,101)
Contributions to other companies	(2,159)	-
Net cash flow used in investing activities	**(699,896)**	**(1,874,673)**
Financing activities		
Loans (Note 18)	(497,671)	246,502
Capital contribution	(974)	-
Net cash flows (used in)/provided by financing activities	**(498,645)**	**246,502**
Net decrease in cash and cash equivalents	(848,391)	(999,059)
Cash and cash equivalents at beginning of the period	967,700	2,122,594
Cash and cash equivalents at period-end (see Note 15)	**119,309**	**1,123,535**

The accompanying notes 1 to 38 are an integral part of these financial statements.

Note 1. Purpose of the financial statements

These separate financial statements (hereinafter the "financial statements") as of June 30, 2019 and 2018, have been prepared by the Company's Board of Directors in order to comply with the requirements of the CNV and the BCRA within the framework of the authorization process for the public offering of its shares, considering the provisions of IAS 34.

Note 2. Statement of compliance with IFRS

The stand-alone financial statements have been prepared in accordance with the International Financing Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Note 3. Company's business

TGLT is engaged in and controls all aspects of the development process of real estate projects. This process starts with land acquisition and construction management tasks, and goes on all through sales and marketing, guaranteeing a professional management of the necessary working capital at all times.

As of the date of submission of these financial statements, the Company is engaged, together with other investors, in several urban projects fully managed by the Company, for which the Company receives fixed as well as variable fees for the tasks developed.

Note 4. Basis for the presentation of the separate financial statements

The separate financial statements include the information requested by current legal and professional accounting standards (Technical Resolution No. 26). However, for an adequate interpretation of the financial position and the evolution of the results of the Company and its controlled companies, the Company's Board of Directors recommends that these separate financial statements be read together with the previous consolidated financial statements.

There are no new developments to report regarding the accounting policies applied to the preparation of the separate financial statements as of June 30, 2019. Therefore, for the preparation of the separate financial statements, the accounting policies that have been followed are those mentioned in the consolidated financial statements. Pursuant to IAS 8, the information of fiscal year ended December 31, 2018 has been comparatively presented.
The separate financial statements have been prepared in accordance with the provisions, issued by the IASB.

These separate financial statements are for the fiscal period beginning January 1, 2019 and ended June 30, 2019. As per IFRS, the financial information is comparatively presented with the most recent fiscal year ended December 31, 2018, and the statements of profit or loss and other comprehensive profit or loss, changes in shareholders' equity and cash flows for the period ended June 30, 2018 are comparatively presented with the same previous period.

The IAS 29 on "Financial reporting in hyperinflationary economies" requires the financial statements of an entity with a functional currency that is hyperinflationary, regardless of whether they are based on the historical cost method or the current cost method, to be stated in terms of the measuring unit current at the statement of financial position date.

(amounts stated in thousands of Argentine pesos)

Note 4. Basis for the presentation of the separate financial statements(cont.)

The company prepares its financial statements in accordance with the provisions of the CNV described in Chapter III, Title IV of the CNV Standards (N.T. 2013 and amendments). As per such standards, issuing companies must present its financial statements in accordance with Technical Resolution 26 issued by the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE"), which provide for the application of the IFRS issued by the IASB, their amendments, and any IFRS Notices of Implementation issued by the FACPCE as provided for by that Technical Resolution.

As of June 30, and December 31, 2018, all conditions have been met so that the Company's financial statements for the fiscal year then ended may include the inflation adjustment provided for by IAS 29 "Financial reporting in hyperinflationary economies". These financial statements meet all IFRS requirements. For more information about the method used to include the inflation adjustment, please refer to note 3.2 to the consolidated financial statements.

These separate financial statements have been approved by the Board of Directors at their meeting held on August 9, 2019.

Note 5. Property, plant and equipment

	Furniture and fixtures	Hardware	Leasehold Improvements	Motor vehicles	Automobile elevators	Machinery	Formwork	Total
Original value								
Balance as of January 1, 2019	7,101	9,946	39,944	17,332	722	98,840	12,629	186,514
Acquisitions	-	-	3,048	11	962	3,897	363	8,281
Total	**7,101**	**9,946**	**42,992**	**17,343**	**1,684**	**102,737**	**12,992**	**194,795**
Depreciation and impairment								
Balance as of January 1, 2019	(4,684)	(8,863)	(26,192)	(7,229)	(584)	(22,824)	(4,369)	(74,745)
Depreciation	(245)	(302)	(5,999)	(1,624)	(67)	(4,893)	(1,014)	(14,144)
Total	(4,929)	(9,165)	(32,191)	(8,853)	(651)	(27,717)	(5,383)	(88,889)
Residual value as of Jun 30, 2019	**2,172**	**781**	**10,801**	**8,490**	**1,033**	**75,020**	**7,609**	**105,906**

(amounts stated in thousands of Argentine pesos)

Note 5. Property, plant and equipment (cont.)

	Furniture and fixtures	Hardware	Leasehold Improveme nts	Showroom	Motor vehicles	Automobile elevators	Machinery	Formwork	Total
Original value									
Balance as of January 1, 2018	6,109	8,097	6,923	50,652	-	-	-	-	71,781
Acquisitions	457	1,290	8,975	-	6,371	-	27,373	9,278	53,744
Acquisition of companies	535	559	24,046	-	10,961	722	71,467	3,351	111,641
Total	**7,101**	**9,946**	**39,944**	**50,652**	**17,332**	**722**	**98,840**	**12,629**	**237,166**
Depreciation and impairment									
Balance as of January 1, 2018	(4,150)	(7,616)	(6,484)	(48,869)	-	-	-	-	(67,119)
Depreciation	(463)	(847)	(5,026)	(1,783)	(2,624)	(72)	(6,696)	(1,708)	(19,219)
Acquisition of companies	(71)	(400)	(14,682)	-	(4,605)	(512)	(16,128)	(2,661)	(39,059)
Total	**(4,684)**	**(8,863)**	**(26,192)**	**(50,652)**	**(7,229)**	**(584)**	**(22,824)**	**(4,369)**	**(125,397)**
Residual value as of Dec 31, 2018	**2,417**	**1,083**	**13,752**	**-**	**10,103**	**138**	**76,016**	**8,260**	**111,769**

(amounts stated in thousands of Argentine pesos)

Note 6. Intangible assets

	Software	Software development	Trademarks	Contractual rights	Total
Original value					
Balance as of January 1, 2019	1,652	18,930	99	77,340	98,021
Total	**1,652**	**18,930**	**99**	**77,340**	**98,021**
Amortization and impairment	-	-	-	-	-
Balance as of January 1, 2019	(1,566)	(17,715)	(82)	(28,124)	(47,487)
Amortization	-	(241)	(5)	(14,061)	(14,307)
Total	**(1,566)**	**(17,956)**	**(87)**	**(42,185)**	**(61,794)**
Residual value as of Jun 30, 2019	**86**	**974**	**12**	**35,155**	**36,227**

	Software	Software development	Trademarks	Contractual rights	Total
Original value					
Balance as of January 1, 2018	1,652	12,911	99	-	14,662
Acquisitions	-	1,021	-	-	1,021
Acquisition of companies	-	4,998	-	77,340	82,338
Total	**1,652**	**18,930**	**99**	**77,340**	**98,021**
Amortization and impairment					
Balance as of January 1, 2018	(1,553)	(12,063)	(73)	-	(13,689)
Acquisition of companies	-	(3,670)	-	-	(3,670)
Amortization	(13)	(1,982)	(9)	(28,124)	(30,128)
Total	**(1,566)**	**(17,715)**	**(82)**	**(28,124)**	**(47,487)**
Residual value as of Dec 31, 2018	**86**	**1,215**	**17**	**49,216**	**50,534**

Note 7. Investment property

As of June 30, 2019, and December 31, 2018, changes in investment property were as follows:

	Capital appreciation (1)	Construction (2)	Rent (3)	Total
As of January 1, 2019	421,672	-	-	421,672
Adjustment due to exposure to changes in the currency purchasing power	(296,561)	-	-	(296,561)
Fair value adjustments	4,240	-	-	4,240
Sales for the year	(95,541)	-	-	(95,541)
Total as of June 30, 2019	**33,810**	-	-	**33,810**

(amounts stated in thousands of Argentine pesos)

Note 7. Investment property (cont.)

	Capital appreciation (1)	Under construction	Under lease	Total
As of January 1, 2018	-	28,605	-	28,605
Acquisitions for the year	-	5,733	-	5,733
Transfer from Inventory	-	156,646	-	156,646
Addition of Caputo	533,282	(111,590)	48,272	469,964
Fair value adjustments	351,704	1,127,670	-	1,479,374
Depreciation of property for rent	-	-	(864)	(864)
Transfer to Inventory	-	(8,486)	-	(8,486)
Transfer to assets held for sale and other assets	-	(813,628)	-	(813,628)
Transfers	384,950	(384,950)	-	-
Sales for the fiscal year	(848,264)	-	(47,408)	(895,672)
Total as of December 31, 2018	**421,672**	**-**	**-**	**421,672**

The Company maintains as investment property the following items:

1- **Investment property for capital appreciation:**

In June 2018, the Company's Board of Directors decided a strategic change in the use of assets called Brisario, which consisted in reducing the saleable area affected to the urban development project by 49.65% and maintaining the remaining 50.35% as a reserve to increase its value. As a consequence of the aforementioned change, the proportional portion included in inventories was transferred to the Investment Property line item.

On June 26, 2018, the Company reclassified certain fractions of land from "Inventory" to "Investment property", and made a reliable measurement of the fair value of this property based on an appraisal carried out by an independent expert with recognized professional capacity and expertise in this type of properties. The investment property was adjusted at fair value, in compliance with IFRS requirements, which resulted in income as disclosed in Investment property stated at fair value. Such measurement does not exceed its recoverable value.

On March 21, 2019, the Company sold to Servicios Portuarios (Sepor) two plots of land located in Rosario, which were classified as held for capital appreciation. The sales value was agreed at US$ 6,034, payable as follows: a) US$ 2,200 within 15 working days from the date of execution; b) US$ 773 on August 11, 2019 or on the date on which TGLT has completed 35% of the public infrastructure work as agreed by the parties; c) US$ 773 on December 11, 2019 or on the date on which TGLT has completed100% of the public work and regulatory fencing; d) US$ 773 on April 30, 2020 or upon the handing over of possession of all apartments held by Servicios Portuarios in the Metra Puerto Norte project; in addition the following amounts have been discounted: a) US$ 613 as settlement of apartments of the Metra Puerto Noerte Project (tower two), and b) US$ 900 as payment of 30% of the value allocated to PLOT I committed to Servicios Portuarios. To the date of these financial statements, the Company has received payment of the first instalment.

As of June 30, 2019, the transaction resulted in a loss of $ 95,541, including related expenses, which is disclosed in Sale of investment property. In addition, the receivables amount to $ 99,655 disclosed in other receivables as follows: $ 66,960 under other current receivables, and $ 32,695 under other non-current receivables

Furthermore, on that date, the Company executed an agreement of annulment with Sepor, whereby it returned the plots of land that, as of December 31, 2018, were classified as other assets. As a consequence of such transaction, the Company has complied with the obligation towards Sepor associated with the delivery of apartments as payment for the plots of land returned, which as of December 31, 2018 were classified as other payables under Other accounts payable.

(amounts stated in thousands of Argentine pesos)

Note 7. Investment property (cont.)

Also, on March 21, 2019, the Company sold four plots of land of the Brisario project, located in the City of Rosario, Province of Santa Fe. The sales price of Plot 2 was US$ 3,200, which has been collected in full as of the date of issuance of these financial statements. Plots 3, 4, and 5 have been sold at a price of US$ 3,300. Twenty four hours after execution, the Company received payment of US$ 1,800, and the remaining balance of US$ 1,500 must be paid as follows: a) US$ 450 upon completion of 35% of the public work, and 35% of service work; b) US$ 675 against certification of 90% of the public work, which will be evidenced by the related level of progress certificate, and upon the certification of 90% of the service work, evidenced by the related original level of progress certificate issued by the construction company hired by TGLT; c) US$ 225 upon the issuance of the temporary certificate of receipt of the public work by the Municipality of Rosario; and d) US$ 150 upon the issuance of the final certificate by the Municipality of Rosario.

As of June 30, 2019, receivables in the amount of $ 73,960 are disclosed in receivables from the sale of assets under Other receivables.

Note 8. Investments in companies

	Notes	Jun 30, 2019	Dec 31, 2018
Fideicomiso Financiero Privado Inmobiliario de Administración Catalinas I	10	643,935	722,993
Marina Río Luján S.A.	10	761,433	882,019
SES. S.A.	10	1,084,611	798,020
Limp Ar S.A.	10	96,644	89,256
Newbery 3431 S.A.	10	113	204
Caputo S.A.C.I.yF.	9	876,604	876,604
Logística Ambiental Mediterránea	10	31,269	17,833
UTE Hospital Nacional Posadas		165	203
UTE Museo Malvinas		1,881	2,304
Total Investments in companies		**3,496,655**	**3,389,436**

As of June 30, 2019, the Company has accounted for liabilities of $ 199,922 and $ 7,941, respectively, with TGLT Uruguay S.A., América Pavilion S.A, while as of December 31, 2018 it has a balance of $ 157,000. It is disclosed in "Balances with related parties" within non-current liabilities (Note 31).

Note 9. Goodwill

	Caputo S.A.I.C .y F.	Total
Original value		
Balance as of January 1, 2019	1,271,914	1,271,914
Total	**1,271,914**	**1,271,914**
Impairment		
Balance as of January 1, 2019		
Impairment loss	(395,310)	(395,310)
Total	**(395,310)**	**(395,310)**
Residual value as of June 30, 2019	**876,604**	**876,604**

(amounts stated in thousands of Argentine pesos)

Note 9. Goodwill (cont.)

	Caputo S.A.I.C .y F.	Total
Original value		
Balance as of January 1, 2018	1,271,914	1,271,914
Total	**1,271,914**	**1,271,914**
Impairment		
Balance as of January 1, 2018		
Impairment loss	(395,310)	(395,310)
Total	**(395,310)**	**(395,310)**
Residual value as of December 31, 2018	**876,604**	**876,604**

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

AS OF JUNE 30, 2019, PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 10. Information on investments in companies

				Information on the issuer						
				As per the last financial statement issued						
Name of issuer and description of securities	Nominal value	Jun 30 2019	Dec 31 2018	Main business	Address	Closing date	Capital stock	Income/loss for the year	Equity	Ownership Interest
Fideicomiso Financiero Privado Inmobiliario de Administración Catalinas I		643,935	722,993	Real estate development	San Martin 674 1°A - City of Buenos Aires – Republic of Argentina	12/31/2018	879,334	(51,997)	1,317,087	50
Marina Río Luján S.A. (1)(5)	$100 with 1 vote each	761,433	882,019	Construction and sale of real property	Enrique Butty 220 - 11th floor - Suite A - City of Buenos Aires – Repeblic of Argentina	12/31/2018	384,539	78,424	1,369,923	49.99
TGLT Uruguay S.A (2) and (3)	$U with 1 vote each (4)	(199,922)	(149,781)	Investor	Plaza Independencia 811 P.B. – Montevideo – Uruguay	12/31/2018	18,778	(78,625)	(206,777)	100
SES S.A. (1)	$U with 1 vote each	1,084,611	798,020	Building company	Cerrito 1070 – 9th floor – City of Buenos Aires	31/12/2018	750	89,044	598,784	50
Limp Ar Rosario S.A (1)	$U with 1 vote each	96,644	89,256	Urban hygiene and waste management services	Rua Clodomiro Amazonas N° 249. Floor 1 City of Sao Paulo. Brazil	12/31/2018	5,680	7,858	183,566	40
América Pavilion S.A. (1)	$U with 1 vote each	(7,941)	(7,219)	Real estate investments, exploitation and development	Martin Coronado 3260. Floor 3 Suite 318, City of Buenos Aires	5/31/2019	400	(14,636)	(30,663)	20
Newbery 3431 S.A. (1)	$U with 1 vote each	113	203	Real estate investments, exploitation and development	Martin Coronado 3260. Floor 3 Suite 318, City of Buenos Aires	12/31/2018	400	(180)	226	50
Logística Ambiental Mediterránea S.A. (1)	$100 with 1 vote each	31,269	17,833	Urban hygiene and waste management services	Arturo M. Bas 327 Ground floor. City of Córdoba Province of Córdoba	12/31/2018	28,000	26,346	61,312	51

(1) Information as per the financial statements prepared without applying Technical Resolution No. 26; (2) Included in "Payables to related parties" within non-current liabilities. (3) Information as per the financial statements prepared under IFRS. (4) $U: Uruguayan pesos. (5) On June 19, 2018, the capitalization of $ 191,061 was approved.

(amounts stated in thousands of Argentine pesos)

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Note 11. Inventories

Non-current	Jun 30, 2019	Dec 31, 2018
Projects under construction		
Astor San Telmo	1,041,150	890,741
Metra Puerto Norte	227,256	399,141
Impairment		
Metra Puerto Norte	(43,268)	(114,314)
Subtotal inventories – non-current	1,225,138	**1,175,568**
Current		
Projects completed		
Astor Núñez	8,743	5,369
Astor Palermo	20,838	10,554
Forum Alcorta	43,435	51,842
Metra Puerto Norte	291,807	221,335
Other projects	125	124
Impairment		
Forum Alcorta	(24,990)	(13,159)
Metra Puerto Norte	(43,103)	(21,167)
Subtotal inventories - Current	**296,855**	**254,898**
Total inventories	**1,521,993**	**1,430,466**

Note 12. Deferred tax assets

		Jun 30, 2019	Dec 31, 2018
Income tax		64,101	51,197
Minimum presumed income tax		54,752	67,018
Deferred tax	30	521,571	619,439
Minimum presumed income tax - Refund		-	22,240
Total tax assets		**640,424**	**759,894**

Note 13. Other receivables

Non-current	Notes	Jun 30, 2019	Dec 31, 2018
Security deposits in local currency		255	-
Security deposits in foreign currency	36	4,215	6,763
Receivables from the sale of investment property in foreign currency	36	32,695	-
Advance payments to work suppliers		58,747	71,909
Accounts receivable from swaps		-	335,779
Subtotal other receivables – Non-current		**95,912**	**414,451**

(amounts stated in thousands of Argentine pesos)

Note 13. Other receivables (cont.)

Current	Notes	Jun 30, 2019	Dec 31, 2018
Value added tax		70,097	63,424
Turnover tax		33,975	30,817
Receivables from the sale of investment property	36	66,960	5,435
Receivables from the sale of assets held for sale	36	73,960	-
Insurance to be accrued in local currency		2	2
Insurance to be accrued in foreign currency	36	2,371	2,902
Advance payments to work suppliers in local currency		397,807	321,891
Advance payments to work suppliers in foreign currency	36	150,754	135,323
Expenses to be rendered		217	94,697
Expenses to be rendered in foreign currency	36	-	5
Expenses to be recovered		2,457	14,635
Maintenance fees to be recovered		34,726	34,589
Accounts receivable from swaps		162,604	197,548
Security deposits		72	400
Loans granted		427	43,450
Collectible equipment fund in local currency		1	-
Collectible equipment fund in foreign currency	36	888	2,686
Collectible operative fund in local currency		98	125
Tax credits UTES		3,509	5,629
Sundry receivables UTES		7,371	5,845
Collectible operative fund in foreign currency	36	11	12
Receivables under litigation proceedings		1,994	2,550
Miscellaneous		10,428	149,938
Allowance for doubtful receivables		(40,868)	(36,694)
Subtotal other receivables – Current		**979,861**	**1,075,209**
Total other receivables		**1,075,773**	**1,489,660**

Note 14. Accounts receivable from sales

Non-current	Notes	Jun 30, 2019	Dec 31, 2018
Accounts receivable from sales of units in local currency		42,870	40,635
Subtotal accounts receivable from sales - Non-current		**42,870**	**40,635**
Accounts receivable from services rendered in local currency		1,449,497	1,500,985
Accounts receivable from services rendered in foreign currency	36	66	32
Receivables for services rendered UTE MN		13,350	20,795
Accounts receivable from sales of units in local currency		38,845	16,132
Accounts receivable from sales of units in foreign currency	36	3,226	6,686
Allowance for bad debts		(2,798)	(3,425)
Subtotal accounts receivable from sales - current		**1,502,186**	**1,541,205**
Total accounts receivable from sales		**1,545,056**	**1,581,840**

(amounts stated in thousands of Argentine pesos)

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Note 14. Accounts receivable from sales (cont.)

The maturity of accounts receivable from sales is the following:

Accounts receivable from sales	Jun 30, 2019	Dec 31, 2018
To become due		
Up to 3 months	1,462,050	1,518,403
From 3 to 6 months	2,489	4,765
From 6 to 9 months	1,857	1,540
From 9 to 12 months	2,527	2,193
Over 12 months	42,870	40,635
Overdue		
Up to 3 months	5,692	8,314
From 3 to 6 months	15,326	-
From 6 to 9 months	3,749	-
From 9 to 12 months	1,422	-
Over 12 months	7,074	5,990
	1,545,056	**1,581,840**

Note 15. Cash and cash equivalents

	Notes	Jun 30, 2019	Dec 31, 2018
Cash in local currency		897	1,300
Cash in foreign currency	36	1,502	1,556
Banks in local currency		18,012	11,430
Banks in foreign currency	36	13,522	940,376
Checks to be deposited		426	1,561
Mutual funds in local currency		74,383	-
Mutual funds in foreign currency	36	10,567	11,477
Total cash and cash equivalents		**119,309**	**967,700**

Note 16. Other accounts payable

Non-current	Notes	Jun 30, 2019	Dec 31, 2018
Purchase of shares in foreign currency	36	-	1,169,476
Subtotal other accounts payable – Non-current		-	**1,169,476**
Current			
Purchase of shares in foreign currency	36	1,119,401	1,351,604
Sundry creditors in foreign currency	36	19,621	23,305
Provision for directors' fees		4,746	7,884
Dividends to be paid in cash		295	361
Contributions to be subscribed		14	9
Security deposit in local currency		30	37
Other liabilities		8,246	1,145,717
Other liabilities– UTES		38,800	47,615
Deferred income		8,556	10,473
Subtotal other accounts payable – Current		**1,199,709**	**2,587,005**
Total other accounts payable		**1,199,709**	**3,756,473**

(amounts stated in thousands of Argentine pesos)

Note 17. Contract liabilities

Non-current	Jun 30, 2019	Dec 31, 2018
Advanced collections	1,354,025	1,556,207
Equipment fund	150	184
Operative fund	2	2
Other contract liabilities	18,604	20,808
Value added tax	(94,374)	(96,517)
Subtotal contract liabilities - Non-current	**1,278,407**	**1,480,684**
Current		
Advanced collections	884,505	778,760
Equipment fund	16,214	18,927
Operative fund	5,299	6,279
Value added tax	(3,144)	(4,520)
Subtotal contract liabilities - Current	**902,874**	**799,446**
Total contract liabilities	**2,181,281**	**2,280,130**

Note 18. Loans

Non-current	Notes	Jun 30, 2019	Dec 31, 2018
Loans received in local currency		2,154	-
Corporate notes in foreign currency	36	4,250,404	5,326,469
Financial lease in local currency		547	1,819
Financial lease in foreign currency	36	242	421
Subtotal loans – Non-current		**4,253,347**	**5,328,709**
Current			
Overdraft on checking account in local currency		86,677	179,821
Overdraft on checking account in foreign currency	36	17,766	-
Loans received in local currency		7,626	23,734
Corporate notes in foreign currency	36	1,620,821	650,173
Financial lease in local currency		4,011	6,484
Financial lease in foreign currency	36	252	242
Subtotal loans – Current		**1,737,153**	**860,454**
Total loans		**5,990,500**	**6,189,163**

(amounts stated in thousands of Argentine pesos)

Note 18. Loans (cont.)

The following is a breakdown of loans and financing:

FOR THE PERIOD	Jun 30, 2019	Dec 31, 2018
Balance at beginning of period	6,189,163	2,460,864
Restatement of balances in constant currency	(1,172,901)	-
Addition due to acquisition	-	71,346
New loans and financing arrangements	-	1,286,179
Accrued interest	429,555	477,013
Effects of exchange rate variation	620,108	2,183,597
Bank overdrafts	(2,624)	139,668
Payment of principal	(12,357)	(223,083)
Payment of interest	(60,444)	(193,470)
Conversion of corporate notes	-	(12,952)
Balances at period-end	**5,990,500**	**6,189,163**

A breakdown of loans is included in Note 15 to the condensed consolidated financial statements.

Note 19. Other tax burdens

Non-current	Jun 30, 2019	Dec 31, 2018
Municipal tax payment plan	-	20
Federal tax payment plan	5,428	11,012
Subtotal other tax burdens – Non-current	**5,428**	**11,032**
Current		
Withholdings and collections to be deposited	26,751	54,334
Wealth tax	883	-
Turnover tax	18,006	8,776
Stamp tax	3,352	2,861
Provincial taxes	17,025	20,857
Municipal taxes	-	4
Federal tax payment plan	5,013	37,157
Provincial tax payment plan	13	23
Municipal tax payment plan	120	237
Other tax burden UTES	519	687
Provision for federal taxes	20,844	14,741
Subtotal other tax burdens – Current	**92,526**	**139,677**
Total other tax burdens	**97,954**	**150,709**

Note 20. Payroll and social security contributions

	Jun 30, 2019	Dec 31, 2018
Salaries payable	12,138	81,870
Social security contributions payable:	93,813	27,018
Social security contributions payable - UTES	55	70
Provision for vacations	70,160	45,879
Advances to personnel	(199)	(244)
Total payroll and social security contributions	**175,967**	**154,593**

(amounts stated in thousands of Argentine pesos)

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Note 21. Accounts payable

Current	Notes	Jun 30, 2019	Dec 31, 2018
Suppliers in local currency		455,487	314,417
Suppliers in foreign currency	36	7,879	4,150
Deferred checks		-	171,179
Provision for expenses in local currency		80,470	127,592
Provision for expenses in foreign currency	36	3,822	41,532
Provision for works in local currency		545,760	425,375
Provision for works in foreign currency	36	1	1
Insurance payable in local currency		4	5
Insurance payable in foreign currency	36	852	1,043
Trade payables - – UTES		79,861	22,101
Contingency fund in local currency		67,000	83,889
Contingency fund in foreign currency	36	456	755
Subtotal trade payables - Current		**1,241,592**	**1,192,039**
Total trade payables		**1,241,592**	**1,192,039**

Note 22. Provisions and allowances

	Notes	Legal claims	Onerous contracts (I)	Jun 30, 2019	Dec 31, 2018
In local currency					
Balances as of January 1, 2019		192,811	-	157,519	57,418
Exposure to changes in the currency purchasing power		(35,592)	-	-	-
Balances from acquisition of companies		-	-	-	155,062
Additions (II)		861	-	861	6,030
Recoveries (II)		(63,843)	-	(63,843)	-
Used during the fiscal period/year		-	-	-	(25,699)
Provisions in local currency		**94,537**	-	**94,537**	**192,811**
In foreign currency					
Balances as of January 1, 2019		-	-	-	457
Used during the fiscal period/year		-	-	-	(1,010)
Effects of exchange rate variation		-	-	-	553
Provisions in foreign currency		-	-	-	-
Total provisions		**94,537**	-	**94,537**	**192,811**

(III) They relate to provisions for judicial proceedings.
(IV)Additions and recoveries are included in the statement of profit or loss in line "Other operating expenses".

(amounts stated in thousands of Argentine pesos)

Note 23. Capital stock

The Company's issued, subscribed and paid-in capital is structured as follows:

	Jun 30, 2019	Dec 31,2018
Fully paid-in common shares	80,655,424	71,993,485
Total fully paid-in common shares	**80,655,424**	**71,993,485**

The distribution of the Company's capital stock is detailed in Note 20 to the condensed consolidated financial statements.

Note 24. Income from ordinary activities

	SIX MONTHS		THREE MONTHS	
	Jun 30, 2019	Jun 30, 2018	**Jun 30. 2019**	Jun 30, 2018
Income from the delivery of units	41,149	288,358	7,069	119,296
Income from the sale of units	262,064	-	72,552	-
Income from services rendered	2,680,021	2,228	1,557,587	2,132
Total income from ordinary activities	2,983,234	290,586	1,637,208	121,428

Note 25. Cost of ordinary activities

	SIX MONTHS		THREE MONTHS	
	Jun 30, 2019	Jun 30, 2018	**Jun 30, 2019**	Jun 30, 2018
Costs from the delivery of units	19,580	-	2,708	-
Costs from the sale of units	246,613	435,982	21,124	286,956
Cost of services rendered	2,166,449	-	1,270,063	-
Total cost of ordinary activities	2,432,643	435,982	1,293,895	286,956

Note 26. Selling expenses

	SIX MONTHS		THREE MONTHS	
	Jun 30, 2019	Jun 30, 2018	**Jun 30, 2019**	Jun 30, 2018
Payroll and social security contributions	57,961	13,396	22,646	10,033
Other payroll expenses	3,121	232	1,145	117
Rentals and common charges	7,052	660	3,586	360
Professional fees	523	6,476	432	1,227
Taxes, rates and contributions	70,839	23,522	27,813	18,013
Depreciation of property, plant and equipment	-	586	-	346
Travel and per diem expenses	202	2,156	108	2,101
Information technology and services expenses	1,914	1,098	990	851
Selling expenses	74	4,542	62	3,144
Advertising expenses	3,257	3,749	836	2,690
Office expenses	2,761	246	1,372	110
Post sales expenses	-	3,914	-	2,809
General expenses	-	26	-	26
Total selling expenses	**147,704**	**60,603**	**58,990**	**41,827**

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

AS OF JUNE 30, 2019, PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 27. Administrative expenses

	SIX MONTHS		THREE MONTHS	
	Jun 30, 2019	Jun 30, 2018	**Jun 30, 2019**	Jun 30, 2018
Payroll and social security contributions	92,702	57,024	40,386	25,976
Other payroll expenses	4,064	1,357	906	629
Rentals and common charges	10,450	5,243	4,059	2,744
Professional fees	34,597	18,326	11,382	12,329
Directors' fees	1,358	1,121	669	(756)
Supervisory audit committee's fees	1,432	1,252	681	546
Taxes, rates and contributions	1,105	1,154	80	599
Public offering expenses	-	1,841	-	911
Depreciation of property, plant and equipment	14,144	1,296	8,203	1,317
Travel and per diem expenses	261	698	116	443
Information technology and services expenses	4,441	3,071	2,245	1,297
Office expenses	4,842	2,962	1,948	1,857
Equipment maintenance expenses	446	-	252	-
General expenses	3,294	-	3,191	-
Tax on bank account debits and credits	26,069	14,543	14,906	3,050
Insurance	2,094	4,146	110	3,155
Total administrative expenses	**201,299**	**114,034**	**89,134**	**54,097**

Note 28. Financial results

	Loss			
	SIX MONTHS		THREE MONTHS	
	Jun 30, 2019	Jun 30, 2018	**Jun 30, 2019**	Jun 30, 2018
Exchange gains/losses				
Exchange gains	150,292	892,312	(50,646)	664,139
Exchange losses	(891,423)	(2,735,271)	181,265	(2,361,481)
Total exchange gains/losses	**(741,131)**	**(1,842,959)**	**130,619**	**(1,697,342)**
Financial income				
Interest - financial income	103,560	35,885	81,914	10,973
Income/loss from sales	1,637	-	(321)	(37)
Holding gains/losses	-	8,805	-	5,042
Present value of receivables	1,297	871	(50)	853
Index adjustment	9,664	693	7,545	(143)
Total financial income	**116,158**	**46,254**	**89,088**	**16,688**
Financial costs				
Interest - financial costs	(559,060)	(328,362)	(277,306)	(168,468)
Subtotal interest	**(559,060)**	**(328,362)**	**(277,306)**	**(168,468)**
Other financial costs				
Income/loss from sales	-	(3,031)	-	(1,882)
Present value of receivables	(48,478)	(73,235)	(24,664)	(73,122)
Subtotal other financial costs	**(48,478)**	**(76,266)**	**(24,664)**	**(75,004)**
Total financial costs	**(607,538)**	**(404,628)**	**(301,970)**	**(243,472)**

(amounts stated in thousands of Argentine pesos)

Note 29. Other income and expenses, net

	SIX MONTHS		THREE MONTHS	
	Jun 30, 2019	Jun 30, 2018	Jun 30, 2019	Jun 30, 2018
Sale of property. plant and equipment	570	139	85	139
Lawsuits and other contingencies	(32,436)	(277)	(32,436)	(274)
Expense recovery	1,224	10,747	(47)	9,447
Recovery of provision for expenses	-	3,034	-	(725)
Sale of other assets	129,589	158,777	-	158,777
Contract termination	56,917	(49,749)	(5,411)	(52,759)
Debt forgiveness	-	(123)	-	(123)
Donations	(75)	-	(75)	-
Sundry	8,675	(1,241)	8,783	(32)
Total other income and expenses, net	**164,463**	**121,307**	**(29,101)**	**114,450**

Note 30. Income tax and deferred tax

Income tax assessed in accordance with IAS 12, which is included in the statement of profit or loss as of June 30, 2019 and 2018, is broken down as follows:

	Jun 30, 2019	Jun 30, 2018
Income tax	(3,614)	1,077,207
Deferred tax from temporary differences	(94,254)	184,626
Total income tax	**(97,868)**	**892,581**

Deferred tax as of each fiscal year-end has been determined on the basis of the temporary differences between accounting and tax-related measurements. Deferred tax assets and liabilities at each fiscal year-end are broken down as follows:

Deferred tax assets (liabilities)	Jun 30, 2019	Dec 31, 2018
National source tax loss	932,447	942,357
Valuation of short-term investments	11	78
Financial costs	(30,437)	(40,531)
Property, plant and equipment	(614)	(6,235)
Intangible assets	(15,991)	(14,387)
Lease	(414)	(126)
Bad debts	7,890	4,754
Valuation of investment property	105,462	130,409
Inventory valuation	(294,795)	(258,279)
Valuation in foreign currency	32,015	39,188
Convertible corporate notes	(567,484)	(579,090)
Other receivables	-	(43,237)
Income/loss from UTEs	(162)	(198)
Bonuses	(2,570)	22,339
Contract liabilities	150,962	114,636
Sundry provisions	197,111	298,376
Deferred income	8,140	9,385
Net position of deferred tax assets	**521,571**	**619,439**

(amounts stated in thousands of Argentine pesos)

Note 30. Income tax and deferred tax (cont.)

The reconciliation between the income tax expense and that resulting from applying the prevailing tax rate to income before tax is as follows:

	Jun 30, 2019	Jun 30, 2018
Income tax calculated at the prevailing tax rate on income before taxes	5,424	665,086
Adjustment Tax Reform Law No. 27430	19,001	25,569
Depreciation of vehicles	109	-
Non-deductible expenses	105	7,096
Directors' fees	388	238
Intangible assets	(1,979)	-
Interest	(782)	405
Inventory valuation	-	12,350
Permanent investments	(41,771)	193,296
Temporary investments	(1,795)	-
Other	(35,323)	19
Property, plant and equipment	265	-
Provisions and allowances	20,111	-
Donations	23	-
Sale of assets	143,906	-
Income tax	**(97,868)**	**892,581**

Tax losses resulting from national source income, and accumulated as of June 30, 2019, may be used up to the dates indicated below:

	Pesos
Year	2019
2019	69,939
2020	56,422
2021	11,281
2022	163,768
2023	468,461
2024	162,576
Total	**932,447**

The Company estimates its taxable income to determine the use of its deferred tax assets within five years, in accordance with Argentine Income Tax laws, which represent the basis for the recognition of deferred tax assets, tax losses, and minimum presumed income tax and value added tax credit balances. Recoverability thereof will depend on due and timely compliance with the delivery of any remaining project units and business prospects. TGLT complies with the provisions of paragraph 34 of IAS 12, which states that tax losses from tax returns expected to be offset against future tax profits are presented in accordance with IAS 12.

(amounts stated in thousands of Argentine pesos)

Note 31. Related parties

a) The balances with Companies under section 33 - Law No. 19550 and other related parties, classified according to the nature of the transaction, are as follows:

Other non-current receivables	Notes	Jun 30, 2019	Dec 31, 2018
In foreign currency			
Inversiones y Representaciones S.A.	36	36,267	39,390
Newbery 3431 S.A.		103,006	-
Total receivables from related parties – Non-current		**139,273**	**39,390**
RECEIVABLES FROM RELATED PARTIES – Current			
ACCOUNTS RECEIVABLE FROM SALES			
Marina Río Luján S.A.		92	228
FDB S.A. in local currency		2,461	3,012
FDB S.A. in foreign currency	36	2,410	2,517
Subtotal		**4,963**	**5,757**
OTHER RECEIVABLES			
Individual shareholders		2,374	3,066
Other shareholders		3,528	4,318
FDB S.A. in local currency		816	999
FDB S.A. in foreign currency	1 and 36	145,385	154,505
Marina Río Lujan S.A. in local currency		9,575	104,535
Marina Río Lujan S.A. in foreign currency	1 and 36	379,256	255,694
TGLT Uruguay S.A. in foreign currency	1 and 36	679,406	721,401
UTE HEE		13,298	16,283
Eleprint S.A.		415	508
Logística Ambiental Mediterránea		8,877	14,538
UTE Procrear		18,323	21,518
UTE Malvinas		8,529	10,441
Limp AR		-	3,520
S.E.S S.A.		8,738	-
Subtotal		**1,278,520**	**1,311,326**
Total receivables from related parties – Current		**1,283,483**	**1,317,083**
Total receivables from related parties		**1,422,762**	**1,356,472**

PAYABLES TO RELATED PARTIES – Non-current	Notes	Jun 30 2019	Dec 31 2018
OTHER ACCOUNTS PAYABLE – INVESTMENTS IN COMPANIES			
TGLT Uruguay S.A.		199,922	149,781
América Pavilion S.A.		7,941	7,219
Subtotal		**207,863**	**157,000**
Total payables to related parties – Non-current		**207,863**	**157,000**

(amounts stated in thousands of Argentine pesos)

Note 31. Related parties (cont.)

PAYABLES TO RELATED PARTIES – Current		Jun 30, 2019	Dec 31, 2018
OTHER ACCOUNTS PAYABLE			
Marina Río Luján S.A.		8,053	351
FDB S.A. in foreign currency	36	194,142	210,983
UTE Posadas		3,142	3,903
UT Crik		41,216	2,448
Limp Ar RosarioS.A.		2,408	23,376
Subtotal		**248,962**	**241,061**
Total payables to related parties – Current		**248,962**	**241,061**
Total payables to related parties		**428,630**	**398,061**

b) The most significant transactions with Companies under section 33 - Law No. 19,550 and other related parties were as follows:

- Transactions and their effects on cash flow

Name of related party	Transaction	Jun 30, 2019	Jun 30, 2018
Marina Río Luján S.A.	Loans granted	(77,000)	(142,201)
TGLT Uruguay S.A	Loans granted	-	(21,204)
UT Crik	Collections received	36,716	-
América Pavilion S.A.	Collections received	40,055	-
Marina Rio Luján S.A.	Collections received	184	-
TGLT Uruguay S.A	Collections received	1,031	-
AGL Capital S.A.	Collections received	-	3,599
Marina Río Luján S.A.	Collections received	-	103
FDB S.A	Collections received	-	294
TGLT Uruguay S.A	Collections received	-	1,293
FDB S.A	Payments made	-	(40,235)
AGL Capital S.A.	Payments made	-	(459)
Marina Rio Luján S.A.	Payments made	7,766	-
Caputo S.A.I.C y F.	Payments made	-	(7,154)
UTE Hospital Esteban Echeverría	Financial contributions	5	-
Altos del Puerto S.A.	Financial contributions	(129)	-
UTE PRO.CRE.AR	Financial contributions	(744)	-
UT Crik	Financial contributions	2,500	-
UTE Posadas	Financial contributions	(46)	-
Limp Ar Rosario S.A.	Dividends	13,880	-
Limp Ar Rosario S.A.	Compensations	(14,363)	-
Altos del Puerto S.A.	Compensations	1,385	-
Marina Río Luján S.A.	Write-off due to capitalization	-	297,581
Totals		**11,240**	**91,617**

(amounts stated in thousands of Argentine pesos)

Note 31. Related parties (cont.)

- Transactions and their effects on profit/loss

		Income	
Name of company	**Transaction**	**Jun 30, 2019**	Jun 30, 2018
AGL Capital S.A.	Services provided	-	1,107
FDB S.A.	Services provided	10	207
Marina Río Luján S.A.	Services provided	75	2
Caputo S.A.I.C y F.	Services provided	-	(4,288)
Caputo S.A.I.C y F.	Commissions	-	(5,729)
Limp Ar Rosario S.A.	Services provided	983	-
FDB S.A.	Financial results	(2,272)	(22,857)
Marina Río Luján S.A.	Financial results	24,630	109,191
TGLT Uruguay S.A.	Financial results	91,080	243,267
AGL Capital S.A.	Financial results	-	(156)
Senior Directors and Managers	Income from units delivered	-	-
Limp Ar Rosario S.A.	Income/loss on dividends	13,880	-
SES S.A.	Income/loss on dividends	8,744	-
America Pavilion S.A.	Income/loss on higher value	(131,258)	-
Directors	Professional fees	-	(889)
Total		**5,872**	**319,855**

1. **Loans granted**

On April 1, 2018, the Company capitalized seventy per cent (70%) of the principal balances (excluding interest) of Offer Letters 1/16, 1/ 17, 2/ 17, 3/17 and 4/17, whereby the credit line agreements entered into with Marina Rio Lujan, for a total amount of US$15,000, were documented to finance works at the Venice Project. Such balances amount to $ 191,061. The interest rate applicable to credit lines was reduced to an annual rate of 0.05%.

On July 17, 2018, the Company allocated the balance of Offer Letters 3/17 and 4/17 to offset the purchase of a bunch of units from the Venice Project, such offset amounted to US$ 2,739,000, equivalent to $ 75,876.

		Balances in foreign currency					**Jun 30,2019**		**Dec 31, 2018**	
Entity	**Credit line**	**Capital US$**	**Maturity**	**Capitalization/ Compensation**	**Disburseme nt US$**	**Rate**	**Current**	**Non-current**	**Current**	**Non-current**
FDB S.A. (1)	01-2016	20,000	12/31/2019	-	2,948	5.36%	145,385	-	126,225	-
TGLT Uruguay (1)	01-2015	20,000	12/31/2019	-	14,310	5.36%	679,406	-	589,356	-
MRL (2)	01-2016	2,000	12/12/2019	(2,000)	2,000	0.05%	514	-	456	-
MRL	01-2017	1,000	12/12/2019	(974)	974	0.05%	10	-	9	-
MRL	02-2017	2,000	12/12/2019	(2,000)	2,000	0.05%	35	-	31	-
MRL	03-2017	5,000	12/12/2019	(4,508)	4,885	0.05%	39	-	35	-
MRL	04-2017	5,000	12/12/2019	-	4,913	0.05%	107,900	-	95,715	-
MRL	01-2018	5,000	12/12/2019	-	4,779	0.05%	202,024	-	112,646	-
							1,135,313	-	**924,473**	-

(1) Monthly variable rate set by the Central Bank of Uruguay

(2) Annual fixed rate

(amounts stated in thousands of Argentine pesos)

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Note 32. Receivables, tax assets and payables broken down by maturity and interest rates

a) Receivables, tax assets and payables broken down by maturity:

Receivables/tax assets	**Jun 30, 2019**	Dec 31, 2018
Due within		
Up to 3 months	2,012,239	2,948,490
From 3 to 6 months	120,187	155,959
From 6 to 9 months	188,280	187,140
From 9 to 12 months	1,222,793	386,681
Over 12 months	918,479	1,270,924
Without any established term	188,768	224,026
Past due		
Up to 3 months	5,692	8,409
From 3 to 6 months	15,326	245
From 6 to 9 months	3,749	-
From 9 to 12 months	1,422	-
Over 12 months	7,074	5,993
	4,684,009	**5,187,867**

a) Receivables, tax assets and payables broken down by maturity (cont.):

Payables (except for customer advances to third and related parties)	**Jun 30, 2019**	Dec 31, 2018
Due within		
Up to 3 months	2,183,162	2,756,482
From 3 to 6 months	426,469	1,724,380
From 6 to 9 months	1,761,550	37,369
From 9 to 12 months	4,540	316,864
Over 12 months	4,466,638	6,666,218
Without any established term	414,725	532,536
	9,257,084	**12,033,849**

b)Interest and non-interest-bearing receivables, tax assets and payable balances are detailed below:

Receivables/Tax assets	**Jun 30, 2019**	Dec 31, 2018
Interest bearing	1,039,150	1,047,122
Non-interest bearing	3,644,859	4,140,745
	4,684,009	**5,187,867**
Annual nominal average rate:		
Payables (except for customer advances to third and related parties)		**4%**
Interest bearing	5,075,515	6,301,891
Non-interest bearing	4,181,569	5,731,958
	9,257,084	**12,033,849**
Annual nominal average rate:	**17%**	**18%**

(amounts stated in thousands of Argentine pesos)

Note 33. Negative shareholders' equity and business plans

TGLT has incurred in significant losses during prior years, which has resulted in a Negative shareholders' equity; therefore, as of June 30, 2019, the Company is subject to the mandatory termination provisions of the law. Such circumstances must be addressed at the forthcoming Shareholders' Meeting. The Company's Management believes that TGLT's recapitalization by voluntarily swapping convertible corporate notes into convertible preferred shares, jointly with the business plan, will allow to revert such negative scenario.

Note 34. CNV General Resolution No. 622

In order to comply with the provisions of section 1, Title IV, Chapter III of General Resolution No. 622 of the CNV, the notes to the Separate Financial Statements describe the information requested by that Resolution in the form of Exhibits.

Exhibit A - Property, plant and equipment	Note 5
Exhibit B - Intangible assets	Note 6
Exhibit C - Investments in shares	Note 8
Exhibit D - Other investments	Not applicable
Exhibit E - Allowances and provisions	Note 23
Exhibit F - Cost of services provided	Note 26
Exhibit G - Assets and liabilities in foreign currency	Note 37
Exhibit H - Ordinary selling, administrative and financing expenses	Notes 27, 28 and 29

Note 35. Lawsuits

See Note 32 of the consolidated financial statements.

(amounts stated in thousands of Argentine pesos)

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Note 36. Assets and liabilities in foreign currency

Item	Jun 30 2019 Type and amount of foreign currency		Prevailing exchange rate	Recorded amount in pesos	Dec 31 2018 Recorded amount in pesos
ASSETS					
Non-current assets					
Other receivables:					
Receivables from the sale of investment property	US$	774	42.263	32,695	-
Security deposits	US$	100	42.263	4,215	6,763
Receivables from related parties					
Other receivables	US$	858	42.263	36,267	39,390
Total non-current assets		**1,731**		**73,177**	**46,153**
Current assets					
Other receivables:					
Receivables from the sale of investment property	US$	1,510	42.263	66,960	5,435
Receivables from the sale of assets	US$	1,750	42.263	73,960	-
Prepaid insurance	US$	56	42.263	2,371	2,902
Expenses to be rendered	US$	-	42.263	-	5
Collectible operative fund	US$	-	42.263	11	12
Advances to suppliers	US $	3,567	42.263	150,754	135,323
Equipment fund receivable	US$	21	42.263	888	2,686
Receivables from related parties:					
Receivables from sales	US$	57	42.263	2,410	2,517
Other receivables	US$	26,937	42.263	1,204,047	1,131,600
Accounts receivable from sales:					
Receivables for services rendered	US$	2	42.263	66	32
Receivables from sale of units	US$	76	42.263	3,226	6,686
Cash and cash equivalents					
Cash	US$	36	42.263	1,502	1,556
Banks	US$	320	42.263	13,522	940,376
Mutual funds	US$	250	42.263	10,567	11,477
Total Current assets		**34,582**		**1,530,284**	**2,240,607**
Total assets		**36,314**		**1,603,461**	**2,286,760**

(amounts stated in thousands of Argentine pesos)

Note 36. Assets and liabilities in foreign currency (cont.)

Item		Jun 30 2019			Dec 31 2018
		Type and amount of foreign currency	Prevailing exchange rate	Recorded amount in pesos	Recorded amount in pesos
LIABILITIES					
Non-current liabilities					
Other accounts payable:					
Payable for purchase of shares	US$	-	42.463	-	1,169,476
Loans:					
Corporate notes	US$	100,097	42.463	4,250,404	5,326,469
Finance leases	US$	6	42.463	242	421
Total non-current liabilities		100,102		**4,250,646**	**6,496,366**
Current liabilities					
Other accounts payable:					
Payable for purchase of shares	US$	26,362	42.463	1,119,401	1,351,604
Sundry creditors	US$	462	42.463	19,621	23,305
Payables with related parties:					
Other accounts payable	US$	4,572	42.463	194,142	210,983
Loans:					
Bank overdrafts	US$	418	42.463	17,766	-
Corporate notes	US$	38,17	42.463	1,620,821	650,173
Finance leases	US$	6	42.463	252	242
Accounts payable:					
Suppliers	US$	186	42.463	7,879	4,150
Expense provision	US$	90	42.463	3,822	41,532
Provision for works	US$	0	42.463	1	1
Insurance to be paid	US$	20	42.463	852	1,043
Contingency fund	US$	11	42.463	456	755
Total current liabilities		70,297		**2,985,013**	**2,283,788**
Total liabilities		170,399		**7,235,659**	**8,780,154**

Note 37. Risks - Financial risk management

The Company is exposed to market and financial risks inherent to the nature of the business, as well as to the financial instruments used for the financing of the real estate projects developed by it. The Company's Board of Directors analyzes these risks on a regular basis, reports them to the Board of Directors and designs mitigation strategies and policies. In addition, it verifies that the practices adopted throughout the organization comply with the relevant strategies and policies. Furthermore, it monitors the current policies and adapts or changes them based on market changes and on the needs of the organization.

37.1 Market risks

Our activities are exposed to different risks inherent to the real estate development and construction industry both in Argentina and in Uruguay. These risks include, among others:

Note 37. Risks - Financial risk management (cont.)

Risk of increase in construction costs

Most of our costs are linked to the effects of inflation on the costs of construction materials and labor. However, the Company operatively covers this risk by adjusting sales agreements, and the lists of prices by the CAC index (construction cost index) on a monthly basis.

In addition, the Company contracts private works with third parties following the lump sum system or the cost-plus system. Lump-sum contracts include clauses for adjusting the basic sale price using various polynomial formulas. In any of these cases, the formulas are adequate to compensate for the increases in the price of inputs that make up the cost so as to maintain at all times the profit margin on sales in constant currency.

In cost plus contracts, the risk of losses is limited only to management, given that the costs are borne by the principal.

In the case of public works, there are national and provincial laws that provide for adjustments to the sale price when a certain cap is exceeded.

Irrespective of the above, during the budgeting stage, the Company carefully studies and analyzes the possible economic effects of inflation on the contracts, and conducts hedge transactions if deemed necessary.

Risk associated with the demand for our products

The demand for our products depends on several external factors, such as the macroeconomy and market conditions. In the real estate segment in particular, we are continuously controlling the speed of our sales and adjusting our marketing strategy, including price and discount policies, in order to optimize the performance of our projects. In addition, we have sometimes adjusted the design of our products in light of data resulting from changes in the market.

Risk of contractors' non-performance

To date, the construction of our real estate projects is carried out by independent contractors. We thoroughly assess the creditworthiness and capacity of our contractors both before and during contract execution to minimize the risk of non-performance. In addition, we require that they purchase insurance against these risks.

37.2. Financial risks

Risk of access to financing

We have access to the capital markets and credit facilities to obtain external financing for our projects and to refinance existing debt, where necessary. Access to these markets has been lately restricted due to situations outside the Company's control, such as the negative shareholders' equity recorded in the present financial statements, which made it difficult to obtain financing and/or refinancing. In this sense, the Company has been analyzing and working on various alternatives to implement a recapitalization plan enabling us to reverse the negative shareholders' equity and improve our access to the banking and capital markets. In January 2019, we subscribed a recapitalization agreement with the holders of Convertible Corporate Notes, which provides for a voluntary swap of Convertible Corporate Notes for preferred actions ,which, to date has an adherence of 65.6%. Notwithstanding the foregoing, TGLT continues working, within the conditions permitted by the applicable law, to obtain the support of the holders who did not participate in the previous conversations, in order to expand the number of participating holders.

Exchange rate risks

TGLT develops and sells real estate projects in Argentina and Uruguay and, therefore, we are exposed to foreign exchange rate fluctuations.

To the date of issuance of these financial statements, the Company recorded payables denominated in US dollars in Argentina amounting to $165.8 million, mainly made up of the newly issued series XV corporate notes in the amount of US$ 25 million and the corporate notes issued during the third quarter of 2017 in the amount of US$ 150 million, out of which US$ 54 million were registered in shareholders' equity. To minimize the risks related to exchange rate fluctuations affecting our financial liabilities, the Company might enter into a forex hedge transaction in relation to the local currency and the US dollar. The company does not conduct hedge or financial derivative transactions for speculative purposes. We believe that, in the event a hypothetical depreciation of the Argentine peso as against the U.S. dollar, the difference between our assets and liabilities in foreign currency would result in a loss of around$ 148.2 million, which would be charged to income/loss for the fiscal period ended March 31, 2019.

Note 37. Risks - Financial risk management (cont.)

Interest rate risks

The group is slightly exposed to interest rate volatility as around $ 107.5 million out of a total of $ 5,990 million, 1.79% of our financial liabilities, are subject to a variable reference rate such as the Private BADLAR or overdraft interest rates. We believe that should the rate increase by 100 basis points, a loss of $1.1 million would be recorded.

Credit risks

The Company's exposure to credit risk is closely linked to the financial capacity of its customers and suppliers, to which the Company makes advance payments, to meet its contractual commitments. The Company thoroughly analyzes the financial capacity of its counter parties so as to be hedged against this type of risks.

Our real estate purchase and sale agreements include a payment plan beginning on the date of execution of the agreement and ending upon delivery of the finished product, with installments along the building process. These agreements provide for high penalties for clients in default. As a result, we do not register high levels of uncollectibilty or default in payments. Some specific agreements provide for the collection of outstanding balances after the transfer of possession of units. Allowances for bad debts are set up based on such agreements in the total amount of $ 2.8 million.

Credit risks related to the investment of cash surplus are managed directly by the Treasury Department. We are conservative in our financial investment policies, and choose to maintain deposits in first line financial institutions. The Company actively controls the credit rating of its short-term financial instruments, as well as the risk of its counterparties inherent to derivatives and insurance in order to minimize credit risks.

Liquidity risk

Our financial strategy is aimed at preserving sufficient financing resources and access to additional liquidity.

Management keeps enough cash and cash equivalents to finance the ordinary business volume to honor its financial debt. We think recapitalization is essential to gain adequate access to the banking and capital markets to finance short-term working capital needs and also generate the necessary tools to issue long-term debt.

Note 38. Subsequent events

On August 8, 2019, the Company signed, together with a substantial majority of the holders of the Convertible Notes (the "Accepting Holders"), a new recapitalization agreement (the "New RSA"), through which the Company undertook to: (i) make a public offering for the subscription of new Class A preferred shares of the Company (the "Class A Public Offering" and the "Class A Preferred Shares", respectively), which may be subscribed in cash and/or in kind and/or by capitalization of debts of the Company, at a subscription price per Class A Preferred Share of US$ 1 (or its equivalent in Pesos); (ii) make a public offering of new Class B preferred shares of the Company (the "Class B Preferred Shares"), which may be subscribed through (i) the swap for common shares of the Company (the "Swap Offer for Common Shares "), at a swap ratio of one Class B Preferred Share for every 6.94 common share of the Company; and/or (ii) the swap for Convertible Notes (the "Swap Offer for Convertible Notes" and, together with the Swap Offer for Common Shares, the "Class B Public Offering"), at a swap ratio of one Class B Preferred Share for every US$ 1 of Convertible Notes (including interest accrued and not paid under Convertible Notes); complementing this offer with a request for conformity from these Accepting Holders to modify certain provisions of the Indenture; and (iii) the granting of an option (the "Option") to Accepting Holders to subscribe new Class C preferred shares of the Company (the "Class C Preferred Shares" and, together with Class A Preferred Shares and Class B Preferred Shares, the "Preferred Shares") in a public subscription offer in cash (the "Class C Public Offering" and, together with the Class A Public Offering and the Class B Public Offering, the "Public Offering") to be carried out if: (a) the Class A Public Offering and the Class B Public Offering have taken place; and (b) a certain number of holders of the Option have exercised that option; at a subscription price per Class C Preferred Share of US$ 1 (or its equivalent in Pesos). The preferences that these preferred shares will have, in terms of the collection of dividends, liquidation share and voting rights, are also established.

In addition, Preferred Shares are to be convertible into common shares of TGLT, either voluntarily or mandatorily under certain conditions described in the New Agreements. It is further stated that: (a) Class A Public Offering and Class B Public Offering shall take place jointly; (b) in each Public Offering, the holders of ordinary shares may exercise their rights of first refusal, in the terms provided by the Company's bylaws and the Capital Markets Law; and (c) the swap ratios and subscription prices provided for in the New RSA are subject to the resolutions adopted by the shareholders' meeting, the Company's sovereign body in the matter.

Note 38. Subsequent events (cont.)

To allow and facilitate the implementation of the Optimized Recapitalization Plan, on August 8, 2019, the Company also signed, with a substantial majority of the holders of Convertible Notes (the "IDA Holders"), an agreement to defer payment of interest payable as of February 15, 2019 and August 15, 2019 until November 8, 2019 (the "New IDA" and, together with the New RSA, the "New Agreements"). It is expressly stated that the deferral of interest will apply only and exclusively to the IDA Holders who voluntarily decide to sign the New IDA, so the interest payable on August 15, 2019 (and February 15, 2019, if applicable) relating to holders of the Convertible Notes who have not signed the New IDA as of that date will not be deferred. The Company continues working to obtain the support of the holders of Convertible Corporate Notes who, so far, have not signed the New Agreements in order to expand the number of accepting holders.

In support of the Optimized Recapitalization Plan, IRSA Propiedades Comerciales S.A. ("IRSA") and PointArgentum Master Fund LP ("PointArgentum"), in their capacity as Accepting Holders, signed with the Company on August 8, 2019 two share subscription commitments, through which IRSA, on the one hand, and PointArgentum, on the other hand, undertook to make capital contributions to the Company (in cash and/or in kind and/or through the capitalization of certain claims against the Company, as applicable) for a total amount of US$ 39,000,000, through the subscription of Class A Preferred Shares under Class A Public Offering (the "Subscription Commitments").

Likewise, the Company signed on August 8, 2019, together with the Accepting Holders, the Option contract for the subscription of the Class C Preferred Shares (the "Option Contract"), granting to the holders of Convertible Notes who are parties, or become parties, to the New Agreements up to a certain date, the right to exercise a subscription option for Class C Preferred Shares, whose offer will be contingent upon the provisions of the Option Contract and the New RSA.

Also, as evidence of the Accepting Holders' trust in the Company's capacity of creating value through the generation of new investment projects, within the framework of the operation described, it was agreed that those Accepting Holders that hold Class B Preferred Shares will have a right of co-investment with the Company in future projects that TGLT (or a company wholly owned by TGLT) develops in Argentina or Uruguay, in which TGLT considers it necessary to have a partner that makes a capital contribution for its development in an amount equal to or greater than US$ 25,000,000.

The New Agreements establish certain milestones to be fulfilled in the process of implementing the Optimized Recapitalization Plan in the near future, including: (i) approval of the issuance of Preferred Shares and Public Offerings by the shareholders' meeting of TGLT; (ii) launching of the Swap Offer for Convertible Notes; (iii) launching of the Class A Public Offering; (iv) materialization of the Class A Public Offering and the Class B Public Offering; and (v) exercise of the Option; all this in order to complete the implementation of the Optimized Recapitalization Plan as soon as possible.

The Board of Directors' Meeting of August 8, 2019 resolved, among other issues, to convene the Annual Meeting of Shareholders to be held on September 10, 2019 at 10:00 a.m., on first call, and at 11:00 a.m., on second call.

No other events or transactions have occurred from period-end to the date of issuance of these financial statements that would have a material effect on the financial position of the Company as of June 30, 2019, or the results of its operations at such period-end.

TGLT S.A.

ADDITIONAL INFORMATION REQUESTED BY SECTION No. 68 OF THE RULES OF THE BUENOS AIRES STOCK EXCHANGE

(amounts stated in thousands of Argentine pesos)

1. There are no specific and significant legal systems that involve contingent reestablishments or elimination of benefits that may adversely affect the Company.

2. There are no significant changes in the activity of the Company as of June 30, 2019.

3. Regarding the classification of receivables and payables balances by maturity, see Note 32 to the separate financial statements.

4. Regarding the classification of receivable and payable balances on the basis of their financial effects, see Note 32 to the separate financial statements.

a) A breakdown of investments, receivables and payables in foreign currency as of June 30, 2019, is disclosed in Note 36 to the separate financial statements.

b) There are no assets or liabilities subject to any adjustment clause.

5. Breakdown of the percentage of interest held in companies under section 33 of Law N ° 19,550 as of June 30, 2019 (for further information see Note 4.2 to the consolidated financial statements of the Company):

		Interest	
Company	As	% Capital	% Votes
Fideicomiso Financiero Privado Inmobiliario de Administración Catalinas I	Trustor	50%	-
Marina Río Luján S.A.	Shareholder	49.99 %	49.99 %
TGLT Uruguay S.A.	Shareholder	100.00 %	100.00 %
Limp Ar Rosario S.A.	Shareholder	40.00%	40.00%
America Pavilion S.A.	Shareholder	20.00%	20.00%
Newbery 3431 S.A.	Shareholder	50.00%	50.00%
S.E.S. S.A.	Shareholder	50.00%	50.00%
Logística Ambiental Mediterránea S.A.	Shareholder	50.00%	50.00%
Caputo S.A.I.C. y F. – Farallon S.A. – S.E.S S.A. UTE ("Hospital Posadas")	Joint operations	40.00%	40.00%
Caputo S.A.I.C. y F – PYPSA S.A. – S.E.S. S.A. – UTE ("Hospital del Bicentenario")	Joint operations	66.67%	66.67%
Grupo Farallon Desarrollos Inmobiliarios S.A. – Caputo S.A.I.C. y F. – S.E.S. S.A. U.T.E. ("Museo Islas Malvinas")	Joint operations	35.00%	35.00%
Grupo Farallon Desarrollos Inmobiliarios S.A. – Caputo S.A.I.C. y F. – Eleprint S.A. - U.T.E. ("Procrear")	Joint operations	33.33%	33.33%
CRIK S.R.L. - CAPUTO S.A.I.C. y F. UT	Joint operations	50.00%	50.00%

A breakdown of the shares held in the capital of the Company is presented in Note 20 to the consolidated financial statements of TGLT S.A.

6. There are no accounts receivable from sales or loans granted to Directors, members of the Supervisory Committee, and their relatives up to the second degree (included) as of year-end or during the year.

7. As of June 30, 2019, the Company owns four items of real property in the City of Buenos Aires, and two in the City of Rosario, which were included in the "Inventories" item for an amount of $ 1,225,138 as non-current, and $296,855 as current.

No provisions related to the aforementioned properties have been recorded, except for the impairments mentioned in Note 11 to the separate financial statements

TGLT S.A.

ADDITIONAL INFORMATION REQUESTED BY SECTION NO. 68 OF THE RULES OF THE BUENOS AIRES STOCK EXCHANGE

(amounts stated in thousands of Argentine pesos)

8. Regarding the valuation criteria for inventories, property, plant and equipment, and investments, please refer to the consolidated financial statements of the Company as of December 31, 2018. No changes have taken place as from such date up to the date of presentation of these financial statements.

9. There is no reserve for technical revaluation of property, plant and equipment.

10. There are no obsolete property, plant and equipment. The total residual value of property, plant and equipment amounts to $ 105,906.

11. As of June 30, 2019, the Company held investments in companies in the amount of $ 3,496,655. As of that date, the Company had exceeded the limit established by section 31 of Law No. 19,550.

In accordance with the provisions of Section 31 of Law No. 19550 (Companies Law), no company, except those with financial or investment purposes solely, may take or hold an interest in another or other companies for an amount exceeding its freely available reserves and half of its capital and legal reserves. Any interest, units or shares held in excess of said amount must be disposed of within six months following the date of approval of the financial statements, showing that said limit has been exceeded.

In accordance with the provisions of the General Resolution of the CNV, for the purposes of calculating the limit established by Section 31 of Law No. 19550, only interest in companies whose corporate purpose does not complement or include the corporate purpose of the investing company shall be computed at their book value.

As of June 30, 2019, the Company held interest in companies whose corporate purposes complement and/or include the corporate purpose of the Company, so the limit to the percentage interest that may be held in other companies set forth by Section 31 of Law No. 19550 is not applicable, based on what is mentioned in the preceding paragraph.

12. The proportional equity value was used to estimate the recoverable value of investments in companies; while the economic use value was used for inventories at acquisition and/or construction cost, and for property, plant and equipment.

TGLT S.A.
ADDITIONAL INFORMATION REQUESTED BY SECTION No. 68 OF THE RULES OF THE BUENOS AIRES STOCK EXCHANGE

13. Insurance (stated in thousands):

Type of insurance	Insured risk	Amount insured	
		$	US$
Business overhead expense	Fire Astor Núñez building	-	55,000
Business overhead expense	Fire Astor Palermo building	-	62,000
Business overhead expense	Fire Forum Puerto Norte building	85,176	-
General trade	Fire Miñones 2177 offices	-	7,466
Motor vehicle	Vehicles	8,592	-
Technical insurance	Machinery and equipment Pesos	-	4,521
Technical insurance	All risks construction METRA PUERTO NORTE	-	14,000
Technical insurance	All risks construction ASTOR SAN TELMO	-	54,000
Technical insurance	All risk construction CNEA	930,528	-
Technical insurance	All risk construction AMERICAN PAVILION	-	29,245
Technical insurance	All risk construction NASA - ATUCHA 1	878,176	-
Technical insurance	All risk construction UPCN ITOIZ	364,913	-
Technical insurance	All risk construction SWISS MEDICAL	72,811	-
Technical insurance	All risk construction A2000 - EZEIZA	103,573	-
Operations	Liability insurance	-	7,500
Transactions	Liability insurance - Directors and Managers	-	15,000
Transactions	Liability insurance in construction MADERO HARBOUR	-	1,000
Operations	Liability insurance Ariel A2000 - EZEIZA	-	250
Operations	Liability insurance in construction PAPELERA DEL PLATA	-	1,000
Guarantee bond	Contracts enforcement	541,276	4,000
Guarantee bond	Financial advances	679,358	-
Guarantee bond	replacement Contingency fund	433,859	-
Guarantee bond	Rent guarantee	1,573	-

14. Provisions exceeding 2% of the Company's equity were recorded at the criteria of the Company's Board of Directors, based on the opinion of its legal advisors. See Note 21 to the separate financial statements.

15. The Company's Board of Directors believes there is no likelihood of occurrence of any contingent situations other than remote, the effects of which, if significant, have not been accounted for.

16. No irrevocable contributions have been received on account of future subscriptions.

17. The Company's capital stock is represented by shares of common stock only.

18. Pursuant to the Companies Law, the bylaws and General Resolution No. 368/2001 of the CNV, 5% of the profits earned during the fiscal year shall be transferred to a legal reserve until said reserve reaches 20% of the equity restated in constant currency. Furthermore, payment of dividends is restricted as provided for in Note 22 to the consolidated financial statements.

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LIMITED REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS
Free translation from the original report issued in Spanish for local purposes submitted to local regulator: Comision Nacional de Valres - CNV

To the President and Directors of
TGLT S.A.
Taxpayer Identification Number (CUIT): 30-70928253-7
Registered office: Miñones N° 2177, ground floor "C"
City of Buenos Aires

1. REPORT ON THE FINANCIAL STATEMENTS

a) We have performed a limited review of the attached condensed interim stand-alone financial statements of TGLT S.A. (hereinafter, indistinctly, "TGLT S.A." or the "Company") which include (i) the condensed interim statement of financial position as of June 30, 2019, (ii) the condensed interim statement of profit or loss and other comprehensive profit or loss for the six and three-month period then ended, (iii) the condensed interim statements of changes in equity and of changes in cash flows for the six-month period ended as of the above date, and (iv) the supplementary information contained in notes 1 to 38.

b) We have performed a limited review of the attached condensed interim consolidated financial statements of TGLT S.A. with its controlled companies (detailed in Note 4.2 to the interim consolidated financial statements), which include (i) the condensed interim consolidated statement of financial position as of June 30, 2019, (ii) the condensed interim consolidated statement of profit or loss and other comprehensive profit or loss for the six and three-month period then ended, (iii) the condensed interim consolidated statements of changes in equity and of changes in cash flows for the six-month period ended as of the above date, and (iv) the supplementary information contained in notes 1 to 49. The amounts and other information for the fiscal year ended December 31, 2018 and the three and six-month period ended June 30, 2018, are an integral part of the above mentioned condensed interim stand-alone and consolidated financial statements, and are intended to be interpreted exclusively in connection with the current condensed interim consolidated financial statements.

2. RESPONSIBILITY OF THE BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the preparation and fair presentation of:

a) The condensed interim stand-alone financial statements in accordance with the International Financial Reporting Standards (IFRS), which were adopted by the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE") as professional accounting standards and incorporated by the CNV to its regulations, as approved by the International Accounting Standards Board ("IASB"), and, therefore, the Board of Directors is responsible for the fair preparation and presentation of the condensed interim stand-alone financial statements mentioned in section 1.a), according to International Accounting Standard 34, "Interim Financial Reporting" (IAS 34).

b) The condensed interim consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS), which were adopted by the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE") as professional accounting standards and incorporated by the CNV to its regulations, as approved by the International Accounting Standards Board ("IASB"), and, therefore, the Board of Directors is responsible for the fair preparation and presentation of the condensed interim consolidated financial statements mentioned in section 1.b), according to International Accounting Standard 34, "Interim Financial Reporting" (IAS 34).

The Board of Directors is also responsible for the existence of such internal control as it may deem necessary to allow for the preparation of the financial statements free of material misstatements resulting from errors and irregularities.

3. AUDITORS' RESPONSIBILITY

Our responsibility is to issue a limited review report on the condensed interim financial statements mentioned in a) and b) of Section 1 of this Report, based on our review, which was limited to the application of the procedures set forth in the International Standards on Review Engagements ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", which was adopted as review standard in Argentina by FACPCE Technical Resolution No. 33, as approved by the International Assurance and Auditing Standard Board (IAASB.) Such standard requires the auditor to meet the ethical requirements corresponding to the audit of the Company's annual financial statements. A review of interim financial information is limited primarily to inquiries of Company personnel responsible for the preparation of the information included in the condensed interim stand-alone and consolidated financial statements, and to the performance of analytical and other review procedures.

LIMITED REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS – Continued

3. AUDITORS' RESPONSIBILITY - Continued

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed interim financial statements.

4. GROUNDS FOR QUALIFIED OPINION

i) As described in Notes 33 and 46 "Negative shareholders' equity, negative working capital and business plans" to the condensed interim separate and consolidated financial statements, respectively, the Company has incurred in significant losses, which to date have resulted in a negative equity of $ 1,439,035 thousand; thus, representing a ground for dissolution. In addition, the company records a negative working capital in the amounts of $ 1,511,626 thousand and $ 2,738,680 thousand in the interim separate and consolidated financial statements, respectively. In addition, the Company's Management states in Notes 31 and 29 to the separate and consolidated financial statements, respectively, that $ 1,283,483 thousand and $ 453,005 thousand are expected to be collected in the next 12 months as "Receivables from related parties". Therefore, the equity and working capital restoration, as well as the business continuity, will depend on the successful completion of the business plans considered by the Company's Board of Directors, and on the successful conversion of debts into capital, as described in note 42 and 49 to the condensed interim consolidated financial statements. Such significant uncertainty may give rise to substantial doubts, as to the entity's capacity to continue operating as a "going concern" and, therefore, the company might not be able to realize its assets and settle its liabilities within the ordinary course of business. The separate and consolidated financial statements for the fiscal period ended June 30, 2019, fail to disclose such circumstances as well as the Board of Director's strategies and plans to revert them.

ii) As described in notes 30 and 28 "Income tax and deferred tax" to the condensed interim separate and consolidated financial statements, the Company's Management estimates its taxable income to determine the use of its deferred tax assets (including tax losses), the value added tax, and other tax credit balances. Their recoverability will depend on the timely completion of the business projections prepared by Management. We have not been able to obtain any supporting documentation for the calculation of income tax and deferred tax; nor have we been able to obtain any evidence used by Management in the preparation of their projections. In addition, the Company's Management has determined income tax for the period in light of the amendments introduced by Law 27,468; thus, it is estimated that by year-end, all conditions required to apply the tax inflation adjustment may be met. But such impact on these condensed interim separate and consolidated financial statements was not disclosed as it was considered immaterial. We have had no access to the documentation supporting such calculations that may allow us to reach a conclusion on (i) their reasonableness, and (ii) their immateriality. Therefore, we have not been able to determine if the amounts registered for the taxes mentioned above must be adjusted.

iii) The equity method provided for by IAS 28 "Investments in Associates and Joint Ventures" was used to estimate the Company's share in "Investments in companies", a breakdown of which is included in Notes 8 and 45 to the condensed interim separate and consolidated financial statements. However, in order to determine the value of the interest held in SES S.A. in the amount of $ 1,084,611 thousand) and in Limp Ar S.A. $ 96,644 thousands, certain procedures that are applicable to the registration of an investment in an associate were not considered.

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LIMITED REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS – Continued

4. GROUNS FOR QUALIFIED OPINION - Cont.

According to such standards, when measuring the investment or share in its associates' income/loss, the value of allocated assets and liabilities as of the acquisition date must be identified. This way, it will be possible to determine and register the adjustments the associate has failed to recognize in their financial statements.

In this specific case, the Company's interest in SES S.A. was restated as from the first quarter of 2019, but only partially in case of balances prior to such period-end date; thus, the provisions of IAS 29 "Financial reporting in hyperinflationary economies" were not complied with.

As to the value determination of the Company's interest in Marina Rio Lujan S.A., in the amount of $ 761,433 thousand, the Company's Management failed to consider certain adjustments that would have been needed to measure the income/loss and their interest as per the IFRS, such as: the recognition of certain assets and liabilities resulting from contracts entered into with clients.

Finally, the Company failed to consider the impact of the tax inflation adjustment to calculate the Company's investments in associates using the equity method.

We have not been able to obtain valid and sufficient evidence to determine which would have been the value of such investments in companies had the equity method been correctly applied. Therefore, we have not been able to determine if such amounts should be adjusted, and which would be their impact on the income/loss for this period.

IV) As described in notes 4 and 3: "Presentation basis" to the condensed interim separate and consolidated financial statements, respectively, the Company's Management has applied the provisions of IAS 29 "Financial reporting in hyperinflationary economies" to the restatement of the condensed interim separate and consolidated financial statements. Nevertheless, we have not been provided with certain supporting information that may allow us to review how inflation affected the calculation of income and costs related to construction services, among others, or how calculations affected comparative figures as of June 30, 2019.

V) As described in notes 22 and 18 "Provisions and Allowances" to the condensed interim separate and consolidated financial statements, respectively, at the beginning of the period the Company recorded provisions for legal or contractual claims in the amount of $ 140,000 thousand, related to the contingencies resulting from the business combinations involved in the acquisition of Caputo S.A.I.C: y F. Although we received an answer from one of the Company's legal advisors confirming the amounts for which provisions for such contingencies should be set, as of the beginning of the period, we have not been able to obtain the opinion of an independent legal advisor so as to reach a conclusion on the probability of occurrence and the quantification of such contingencies as of such date, and on whether the amount of the provisions recognized in profit or loss during the six-month period was correct.

In addition, as of June 30, 2019, we have not been able to obtain a response from all of the Company's legal advisors; thus, we have not been able to determine if the balance of the provision at the beginning of the period, as described above, and its recognition in profit or loss, or the balance at period-end, should be adjusted.

LIMITED REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS – Continued

4. GROUNS FOR QUALIFIED OPINION - Cont.

v) As described in notes 7 and 35 "Investment property" to the condensed interim separate and consolidated financial statements, the Company's Management assesses investments to appraise capital at reasonable value with changes charged to income/loss. We have not been able to obtain a report from an independent appraiser so as to reach a conclusion on the reasonableness of such valuation at the beginning of the period. Therefore, we have not been able to determine if such amount or the proceeds from the sale of such property during the period should have been adjusted.

vii) During this period, the Company's Management considered that the application of the new accounting standard IFRS 16 "Leases" has no significant impact on the condensed interim separate and consolidated financial statements. Nevertheless, we have not been provided with the working papers supporting such analysis, so as to reach a conclusion on whether the Company's Management should have registered some assets as right-of-use and some liabilities as lease liabilities, as provided for by the previously mentioned accounting standard.

5. CONCLUSION

Based on our review, as indicated in section 3 of this report, and except for the possible effects that might result from non-compliance with the referred standards, the limitations of our scope, and in light of the missing information indicated above, we are in a position to report that:

a) Nothing has come to our attention that causes us to believe that the accompanying condensed interim separate financial statements of TGLT S.A. identified in section 1.a) are not presented fairly, in all material respects, in accordance with IAS 34.

b) Nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements of TGLT S.A. identified in section 1.b) are not presented fairly, in all material respects, in accordance with IAS 34.

6. EMPHASIS ON CERTAIN MATTERS DISCLOSED IN THE FINANCIAL STATEMENTS

Without modifying our conclusion, we wish to highlight:

i) Note 37: "Risks - Financial risk management", relating to financial and market risks and to how the Company's Board of Directors analyzes them, designs strategies and policies for mitigation, and the level of exposure to those risks.

ii) Note 34: "Risks - Financial risk management", relating to financial and market risks and how the Company's Board of Directors analyzes them, designs strategies and policies for mitigation, and the level of exposure to those risks.

GrantThornton

LIMITED REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS – Continued

7. INFORMATION ON COMPLIANCE WITH PROVISIONS IN FORCE

In compliance with the provisions in force, we report that:

a) The separate and consolidated interim financial statements mentioned in Section 1 of this report are pending transcription into the Inventory book, but otherwise comply, in the matters of our competence, with the provisions of the Companies Law and the applicable regulations of the CNV.

b) the figures in the condensed interim separate financial statements of the controlling Company, mentioned in Section 1.a) of this report, arise from the Company's accounting records, which are kept, in all formal aspects, in accordance with the regulations in force; except for the failure to make the relevant transcription into the Inventory book, and the copy of the journal transactions from March to June 2019, which have not been transcribed as of the date hereof, and which are kept in compliance with the security and integrity requirements on which basis they were authorized by the CNV. The figures in the condensed interim consolidated financial statements mentioned in Section 1.b) of this report, arise from the application of the consolidation procedures set forth by the IFRS, based on the condensed interim stand-alone financial statements of the companies member of the economic group, which are detailed in note 4.2 to the condensed interim consolidated financial statements;

c) we have read the additional information in the notes to the condensed interim stand-alone financial statements required by Section 68 of the Regulations of the Buenos Aires Stock Exchange and by Section 12, Chapter III, Title IV of the CNV rules, regarding which we have no remarks as it related to the matters of our competence;

d) as of June 30, 2019, the accrued liability for retirement and pension contributions payable to the Argentine Pension Fund System arising from the accounting records was $ 31,670,480, no amounts being due as of that date.

City of Buenos Aires, August 9, 2019.

Adler, Hasenclever & Asociados S.R.L.
Public Accountants
C.P.C.E.C.A.B.A. T° 1 - F° 68

Christian Martin (Partner)
Public Accountant (U.N.L.Z.)
C.P.C.E.C.A.B.A. T° 271 - F° 80

SUPERVISORY COMMITTEE'S REPORT

To the shareholders of
TGLT S.A.

In our capacity as members of the Supervisory Committee of TGLT S.A., and according to the provisions of paragraph 5, Section 294 of Law No. 19,550, and the Regulations of the Buenos Aires Stock Exchange, we have examined the documents detailed in the following section I. The preparation and presentation of said documents is the responsibility of the Board of Directors in the exercise of its exclusive functions.

I. DOCUMENTS SUBJECT TO EXAMINATION

a) Condensed interim separate statement of financial position as of June 30, 2019.
b) Condensed interim separate statement of profit or loss and other comprehensive profit or loss for the six and three-month period ended June 30, 2019.
c) Condensed separate statement of changes in shareholders' equity for the six-month period ended June 30, 2019.
d) Condensed separate statement of cash flows for the six-month period ended June 30, 2019.
e) Notes to the condensed interim separate financial statements as of June 30, 2019.
f) Condensed interim consolidated statement of financial position as of June 30, 2019.
g) Condensed consolidated statement of profit or loss and other comprehensive profit or loss for the six and three-month period ended June 30, 2019.
h) Condensed consolidated statement of changes in shareholders' equity for the six-month period ended June 30, 2019.
i) Condensed consolidated statement of cash flows for the six-month period ended June 30, 2019.
j) Notes to the condensed interim consolidated financial statements for the six-month period ended June 30, 2019.
k) Additional information required by Section No. 68 of the Buenos Aires Stock Exchange Regulations.
l) Reporting summary required by the CNV.

The amounts and other information for the fiscal year ended December 31, 2018 and the three and six-month periods ended June 30, 2018, are an integral part of the above mentioned condensed interim consolidated and separate financial statements, and are intended to be interpreted exclusively in connection with those financial statements.

II. RESPONSIBILITY OF THE BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards (IFRS), which were adopted by the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE") as professional accounting standards and incorporated by the CNV to its regulations, as approved by the International Accounting Standards Board ("IASB"), and, therefore, the Board of Directors is responsible for the fair preparation and presentation of the attached interim financial statements as provided for by the International Accounting Standard 34, "Interim Financial Reporting" (IAS 34).

The Board of Directors is also responsible for the existence of such internal control as it may deem necessary to allow for the preparation of the financial statements free of material misstatements resulting from errors and irregularities.

III. SCOPE OF THE LIMITED REVIEW REPORT

Our examination was made in compliance with the standards in force governing the Supervisory Committee's duties set forth by Technical Resolution No. 15 (FACPCE). Those standards require that the review of the documents detailed in Section I be performed in accordance with the statutory audit regulations in force for the limited review of interim financial statements, including the verification of the consistency of the documents examined with the information on corporate decisions recorded in the minutes of the Board of Directors, and that such resolutions abide by the applicable laws and the by-laws in its formal and documentary aspects.

It is hereby expressly indicated that Messrs. Ignacio Arrieta and Fernando Sasiain, regular members of these Supervisory Committee, are attorneys and, therefore, they express no opinion on the Company's compliance with the previously mentioned auditing and accounting standards in force, and on whether they are adequate for the documents detailed in Chapter I.

SUPERVISORY COMMITTEE'S REPORT (CONT.)

III. SCOPE OF THE LIMITED REVIEW REPORT (CONT.)

To perform our professional task on the documents listed in Section I, we have reviewed the task performed by TGLT S.A.'s external auditors, Adler, Hasenclever & Asociados S.R.L., who issued their limited review report dated August 9, 2019, in accordance with the International Standards on Review Engagements ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", which was adopted as review standard in Argentina by FACPCE Technical Resolution No. 33, and stated that, except for the possible effects that might result from non-compliance with the previously mentioned standards, the limitations of scope, and in light of the missing information indicated below, nothing had come to their attention that would have made them believe that the condensed interim separate financial statements and the condensed interim consolidated financial statements of TGLT S.A. were not prepared in accordance with International Accounting Standard 34.

A limited review consists primarily in applying analytical procedures to the accounting data, and in inquiring the individuals responsible for their preparation. A limited review is substantially less in scope than an audit of annual financial statements, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Therefore, we issue no such opinion.

We have not evaluated the corporate criteria and decisions related to administration, financing and commercialization, as they are the exclusive responsibility of the Company's Board of Directors.

In addition, the provisions of Section 294 of the Companies Law have been complied with.

IV. GROUNDS FOR QUALIFIED OPINION

i) As described in Notes 33 and 46 "Negative shareholders' equity, negative working capital and business plans" to the condensed interim separate and consolidated financial statements, respectively, the Company has incurred in significant losses, which to date have resulted in a negative equity of $ 1,439,035 thousand; thus, representing a ground for dissolution. In addition, the company records a negative working capital in the amounts of $ 1,511,626 thousand and $ 2,738,680 thousand in the interim separate and consolidated financial statements, respectively. In addition, the Company's Management states in Notes 31 and 29 to the separate and consolidated financial statements, respectively, that $ 1,283,483 thousand and $ 453,005 thousand are expected to be collected in the next 12 months as "Receivables from related parties". Therefore, the equity and working capital restoration, as well as the business continuity, will depend on the successful completion of the business plans considered by the Company's Board of Directors, and on the successful conversion of debts into capital, as described in note 43 and 49 to the condensed interim consolidated financial statements. Such significant uncertainty may give rise to substantial doubts, as to the entity's capacity to continue operating as a "going concern" and, therefore, the company might not be able to realize its assets and settle its liabilities within the ordinary course of business. The separate and consolidated financial statements for the fiscal period ended June 30, 2019, fail to disclose such circumstances as well as the Board of Director's strategies and plans to revert them.

ii) As described in notes 30 and 28 "Income tax and deferred tax" to the interim separate and consolidated financial statements, the Company's Management estimates its taxable income to determine the use of its deferred tax assets (including tax losses), the value added tax, and other tax credit balances. Their recoverability will depend on the timely completion of the business projections prepared by Management. We have not been able to obtain any supporting documentation for the calculation of income tax and deferred tax; nor have we been able to obtain any evidence used by Management in the preparation of their projections. In addition, the Company's Management has determined income tax for the period in light of the amendments introduced by Law 27,468; thus, it is estimated that by year-end, all conditions required to apply the tax inflation adjustment may be met. But such impact on these condensed interim separate and consolidated financial statements was not disclosed as it was considered immaterial. We have had no access to the documentation supporting such calculations that may allow us to reach a conclusion on (i) their reasonableness, and (ii) their immateriality. Therefore, we have not been able to determine if the amounts registered for the taxes mentioned above must be adjusted.

iii) The equity method provided for by IAS 28 "Investments in Associates and Joint Ventures" was used to estimate the Company's share in "Investments in companies", a breakdown of which is included in Notes 8 and 45 o of the condensed interim separate and consolidated financial statements. However, in order to determine the value of the interest held in SES S.A. in the amount of $ 1,084,611 thousand and in Limp Ar S.A. $ 96,644 thousand, certain procedures that are applicable to the registration of an investment in an associate were not considered.
According to such standards, when measuring the investment or share in the results of its associates' operation, the value of assets and liabilities as of the acquisition date must be identified, so as to be able to determine and register the adjustments the associate has failed to recognize in their financial statements.

SUPERVISORY COMMITTEE'S REPORT (CONT.)

IV. GROUNDS FOR QUALIFIED OPINION (CONT.)

In this specific case, the Company's interest in SES S.A. was restated as from the first quarter of 2019, but only partially in case of balances prior to such period-end date; thus, the provisions of IAS 29 "Financial reporting in hyperinflationary economies" were not complied with.
As to the value determination of the Company's interest in Marina Rio Lujan S.A., in the amount of $ 761,433 thousand, the Company's Management failed to consider certain adjustments that would have been needed to measure the income/loss and their interest as per the IFRS, such as: the recognition of certain assets and liabilities resulting from contracts entered into with clients.
Finally, the Company failed to consider the impact of the tax inflation adjustment to calculate the Company's investments in associates using the equity method.
We have not been able to obtain valid and sufficient evidence to determine which would have been the values of such investments in companies had the equity method been correctly applied. Therefore, we have not been able to determine if such amounts should be adjusted, and which would be their impact on the income/loss for this period.

iv) As described in notes 4 and 3: "Presentation basis" to the condensed interim separate and consolidated financial statements, respectively, the Company's Management has applied the provisions of IAS 29 "Financial reporting in hyperinflationary economies" to the restatement of the condensed interim separate and consolidated financial statements. Nevertheless, we have not been provided with certain supporting information that may allow us to review how inflation affected the calculation of income and costs related to construction services, among others, or how calculations affected comparative figures as of June 30, 2019.

v) As described in notes 22 and 18 "Provisions and Allowances" to the condensed interim separate and consolidated financial statements, respectively, at the beginning of the period the Company recorded provisions for legal or contractual claims in the amount of $ 140,000 thousand, related to the contingencies resulting from the business combinations involved in the acquisition of Caputo S.A.I.C: y F. Although we received an answer from one of the Company's legal advisors confirming the amounts for which provisions for such contingencies should be set, as of the beginning of the period, we have not been able to obtain the opinion of an independent legal advisor so as to reach a conclusion on the probability of occurrence and the quantification of such contingencies as of such date, and on whether the amount of the provisions recognized in profit or loss during the six-month period was correct.
In addition, as of June 30, 2019, we have not been able to obtain a response from all of the Company's legal advisors; thus, we have not been able to determine if the balance of the provision at the beginning of the period, as described above, and its recognition in profit or loss, or the balance at period-end, should be adjusted.

vi) As described in note 7 and 35 "Investment property" to the condensed interim separate and consolidated financial statements, the Company's Management assesses investments to appraise capital at reasonable value with changes charged to income/loss. We have not been able to obtain a report from an independent appraiser so as to reach a conclusion on the reasonableness of such valuation at the beginning of the period. Therefore, we have not been able to determine if such amount or the proceeds from the sale of such property during the period should have been adjusted.

vii) During this period, the Company's Management considered that the application of the new accounting standard IFRS 16 "Leases" has no significant impact on the condensed interim separate and consolidated financial statements. Nevertheless, we have not been provided with the working papers supporting such analysis, so as to reach a conclusion on whether the Company's Management should have registered some assets as right-of-use and some liabilities as lease liabilities, as provided for by the previously mentioned accounting standard.

V. CONCLUSION

Based on our review, within the scope detailed in Section III, and except for the possible effects that might result from non-compliance with the referred standards, the limitations of our scope, and in light of the missing information indicated above, we are in a position to report that nothing has come to our attention that would have made us believe that the condensed interim separate financial statements of TGLT S.A. as of June 30, 2019, and its condensed interim consolidated financial statements as of such date, referred to in Section I, were not prepared in accordance with IAS 34.

SUPERVISORY COMMITTEE'S REPORT (CONT.)

VI. EMPHASIS ON CERTAIN MATTERS DISCLOSED IN THE FINANCIAL STATEMENTS

Without modifying our conclusion, we wish to highlight that the information included in notes 37 and 34 "Risks - Financial risk management" to the condensed interim separate and consolidated financial statements, respectively, relating to financial and market risks and to how the Company's Board of Directors analyzes them, designs strategies and policies for mitigation, and determines the level of exposure to those risks.

VII. INFORMATION ON COMPLIANCE WITH PROVISIONS IN FORCE

In compliance with the provisions in force, in respect of TGLT S.A., we report that:

a) The Reporting Summary contains the information required by the CNV, and, in the matters of our competence, we have no remarks in connection therewith.

b) The "Additional Information required by Section 68 of the Regulations of the Buenos Aires Stock Exchange" has been fairly presented, in all significant aspects, with respect to the financial statements mentioned in Section 1, taken as a whole.

c) The separate and consolidated financial statements mentioned in Section I of this report are pending transcription into the Inventory book, but otherwise comply, in the matters of our competence, with the provisions of the Companies Law and the applicable regulations of the CNV.

d) The figures of the interim separate financial statements mentioned in Section I arise from the Company's accounting records, which are kept, in all formal aspects, in accordance with the regulations in force; except for the transcription into the Inventory book and the copy of the journal transactions for the last quarter, which have not been transcribed as of the date hereof.

City of Buenos Aires, August 9, 2019.

Ignacio Arrieta
Supervisory Committee

Manuel Moreno