TGLT S.A.

CHIEF FINANCIAL OFFICER

CERTIFICATE

The undersigned Chief Financial Officer of TGLT S.A. (the "Company") hereby certificates that the Company is in compliance with all the obligations set forth in the indenture executed by and among the Company, The Bank Of New York Mellon, as trustee, co-registrar, principal paying agent, and transfer agent, and Banco Santander Río S.A., as registrar, Argentine paying agent, Argentine transfer agent and representative of the trustee in Argentina, dated as of August 3, 2017.

IN WITNESS WHEREOF, I have hereunto stamped by signature the 22nd day of March, 2018.

TGLT S.A.

By: ______________________

Name: Alberto López Gaffney
Title: CFO

TGLT

ANNUAL REPORT, CONSOLIDATED AND INDIVIDUAL FINANCIAL STATEMENTS, REPORT BY INDEPENDENT AUDITORS AND SUPERVISORY COMMITTEE

TGLT S.A.

AS OF DECEMBER 31, 2017

(PRESENTED COMPARATIVELY)

Alberto López Gaffney

Grant Thornton

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TGLT

ANNUAL REPORT

TGLT S.A.

AS OF DECEMBER 31, 2017

I. CORPORATE PROFILE

We are an integrated real estate company based in Argentina. Since it was founded in 2005, we have focused on the development of residential properties, and we are currently expanding into the business of acquiring, developing, building and operating commercial real estate in the office and logistics sectors.

Through our business model we identify attractive real estate opportunities, land purchases, designs, developments, constructions and projects in the real estate market, and provide specialized value-added services that maintain or increase the value of both our and our client's value of the real estate properties. Despite the economic challenges Argentina is facing, since our creation in 2005 we have achieved a significant growth, with total contracted sales that have increased from $ 161.5 million for the year ended December 31, 2010, the year previous to our initial public offering in the Buenos Aires Stock Market (the "MERVAL"), to $ 1,067 million for the year ended December 31, 2017.

We have been and continue to be supported by important institutional investors as strategic shareholders, including PointArgentum and Bienville Argentina Opportunity Fund, which each currently own 13.6% of the common shares. Our senior management has wide experience in creating successful real estate companies, having founded some of the most outstanding real estate companies in Argentina, such as Adecoagro and Creaurban. Our frontline management has been with us for more than 10 years and has developed more than 600,000 square meters in 12 large projects.

On October 29, 2010, we completed our initial public offering and its quotation in the MERVAL, where we are currently listed under the "TGLT" symbol. A portion of the shares is sold abroad in the form of global certificates of deposit, or GDRs, which was subsequently updated to a sponsored Level 1 program of American Depositary Receipts, which are currently traded in the US over-the-counter market.

Our integrated business model consists of two business lines:

- *Residential:* Since our creation in 2005, we have developed multifamily residences and mixed-use projects for sale in Buenos Aires and Rosario, Argentina, and in Montevideo, Uruguay, targeting medium-high-income segments. We currently have 12 large residential projects under development, consisting of 95 buildings and more than 600,000 square meters, and have identified several Premium sites whose purchase and development is currently under evaluation process.
- *Commercial:* We intend to strategically develop and acquire Premium office buildings for rent and first quality logistics centers in the metropolitan area of Buenos Aires.

We have developed high quality brands that boost the demand of our properties and have allowed us to increase the profitability of our projects. In the residential sector, our brands include:

- *Forum:* Forum is our top brand through which we market our luxury projects. The sites that carry the Forum brand are usually more than 30,000 square meters with units typically ranging in size from 120 to 350 square meters, suitable for high-income families. Our developments under the Forum brand are emblematic projects, including Forum Puerto Madero, Forum Puerto Norte, Forum Alcorta and Forum Puerto del Buceo.
- *Astor:* Astor is the brand through which we focus on top quality projects in the medium-high income segment, including projects ranging from 10,000 to 25,000 square meters and units usually ranging from 50 to 120 square meters. Astor units are usually sought by small families, couples and real estate investors. Astor projects include Astor Palermo, Astor Núñez and Astor San Telmo.
- *Metra:* Through our Metra brand we focus on the average revenue segment of the market, with units ranging in size from 40 to 90 square meters. Buyers of properties in our Metra developments can participate in a cooperative financing scheme that allows them to pay their units in affordable installments for periods of up to 10 years, including post-delivery financing.

In addition to our Forum, Astor and Metra projects, we also currently develop mixed-use projects, which include our Venice and Brisario developments, with 252,680 and 133,779 square meters of total saleable potential area, respectively, which include residential spaces, offices and commercial premises, marketed to different market segments.

With the strategic objective of expanding the Company's operations to the construction business, on January 19, 2018 we acquired 82.32% of the shares of CAPUTO SAICyF, one of the most active and prestigious construction companies in the country, with more than 500 works completed in its 80-year history and listed in the Buenos Aires Stock Exchange since 1955. Also, and in compliance with the provisions of the Capital Markets Law and regulations of the Argentine Securities and Exchange Commission (CNV), TGLT will make in a timely manner a public offering of compulsory acquisition and voluntary exchange of shares addressed to the holders of the remaining CAPUTO common shares, in order to acquire 100% of that company's share capital. This acquisition aims, on one hand, to improve the construction capacity of our projects, making the cost structure more efficient, and at the same time giving us the possibility of capturing the construction margin in a context of significant industry expansion. On the other hand, it allows us to position ourselves in an optimal position to capitalize on the opportunities presented by the growth of the construction sector in Argentina, both in the real estate segments and in the large infrastructure projects, including PPP investments (Public-Private Partnership projects).

TGLT Business Model

Since our creation in 2005, we have developed multifamily and mixed-use residential sales projects in Buenos Aires and Rosario, Argentina and Montevideo, Uruguay, focusing on medium to high-income segments. We currently have 10 large residential projects under development, consisting of 95 buildings and more than 600,000 square meters, and have identified several additional first-class sites and specific actions that are in the evaluation process for purchase and development.

Our residential business model is based on our experience in the identification and development of top quality land plots and the construction of high quality housing projects. We have a highly qualified team in all key areas of real estate development and management, including, among others, the identification and purchase of land plots, building permits, project management, marketing and sales. The recent acquisition of CAPUTO will allow us to strengthen the development process in a key phase, through the integration of the construction process to our company. Our experienced team, together with the standardization of our processes and our sophisticated management tools allows us to constantly launch new projects, as well as successfully carry out a large number of them simultaneously.

We participate in our projects, either independently or with strategic partners, who in all cases are fully committed to each project, in line with the objectives of our shareholders. By jointly investing, we select our co-investment partners based on their experience in investment, management and development of similar properties, and we keep control of the properties.

We manage and participate in all aspects of our real estate developments, from the search and purchase of the land, to the design of products, marketing, sales, construction, purchase of supplies, after-sales services, and financial planning, with the assistance of specialized companies in each stage of development. Although the Company keeps the responsibility of making decisions and controlling these functions, the execution of certain tasks that require greater specialization, such as architectural design, may be derived to specialized companies under our close supervision.

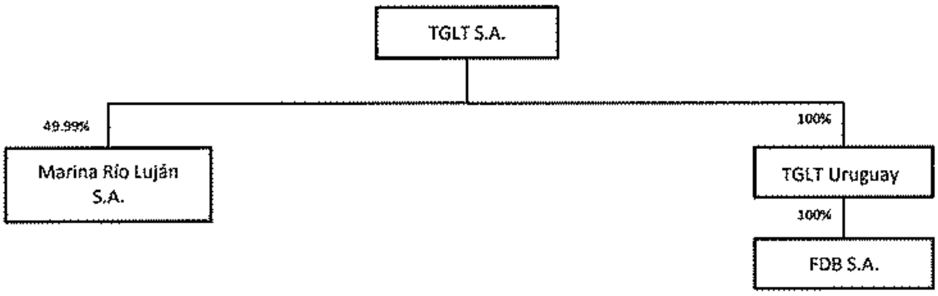
This business model allows us to achieve excellence in production for each location and segment, to ensure effective management of working capital, and to choose the best possible partner for each aspect of the development, while maintaining an organizational structure capable of adapting to the changes in the volume of business. Our business model offers fast management of earthworks. Upon the purchase of a land plot, we try to initiate the project stages within three to six months. However, if the scale and characteristics of the property and the project allow so, project is carried out in stages for several years, which allows certain land portions to be maintained in order to generate profits as a result of its appreciation.

The table below presents the different phases of the development of our residential projects, and our strategy regarding each of them:

Stages	Vision	Land Acquisition	Product Design	Marketing and Sales	Construction	Post Construction
Functions	Market analysis	Land research	Comparables and market research	Marketing strategy	Pre-construction	Quality control
	Zoning analysis	Feasibility analysis	Preliminary project	Sales strategy	Hiring strategy	Product adaptions
	Land bank strategy	Negotiation and structuring	Executive project	Sales transaction	Construction bidding	Customer service
Strategy	Risks Management	Obtain the best land in each submarket	Design the best products for each category	Maximize sales speed and value	Construct with the best quality for each product category	Own a satisfied and loyal client base
	Big-sized projects					
	Large scale projects	Maintain price discipline	Value engineering from the beginning of the design process	Develop a portfolio of well-known valued brands	Cost control discipline	Address all customer needs during acquisition
	Unique locations	Focus in big cities				
		Consolidate a land bank for next 3 year of development, minimizing capital immobilization through swaps		Own sales platform	Develop long-term relationship with suppliers	
				Avoid channel conflicts		
				Avoide price reduction		

Corporate Structure

As of December 31, 2017 the structure of TGLT economic group (hereinafter "the Group") is the following:



The Company carries out the development of its real estate projects through TGLT S.A. or its subsidiaries. Marina Río Luján S.A. is the owner of the land plot where Venice project is being carried out. TGLT Uruguay S.A. is an investment company in Uruguay, which acts as a holding company for our projects in that country. FDB S.A. is a business company domiciled in Montevideo, Uruguay carrying out the Forum Puerto del Buceo real estate project in the city of Montevideo, Uruguay. All the other projects are carried out directly by TGLT S.A.

As detailed in Section IV Other Relevant Transactions, on October 13, 2016, the Board of Directors approved the merger of Canfot and TGLT, effective as of October 1, 2016.

On January 19, 2018, the Company acquired 82.32% of the shares of CAPUTO SAICyF and, pursuant to the provisions of the Capital Markets Law and regulations of the CNV, will make a public offering in due time for the compulsory acquisition and voluntary exchange of shares addressed to the holders of remaining common shares, in order to acquire 100% of that company's share capital.

Shareholders

Shareholders

The Company's issued, subscribed and paid-in capital as of the date of this Report amounts to $ 70,349,485. As of that date, the capital registered before the *Inspección General de Justicia* (IGJ – Superintendence of Corporations) amounts to $ 70,349,485 and is distributed among the shareholders according to the following table:

	Dec 31, 2017		Dec 31, 2016	
Shareholders	Shares	Interest	Shares	Interest
Mr. Federico Nicolás Weil	13,806,745	19.6%	13,806,745	19.6%
Bienville Argentina Opportunities Master Fund LP	9,560,830	13.6%	9,560,830	13.6%
PointArgentum Master Fund LP	9,560,830	13.6%	9,560,830	13.6%
Mr. Michael Tennenbaum	7,270,318	10.3%	7,270,318	10.3%
IRSA Propiedades Comerciales S.A.	5,310,237	7.5%	6,671,712	9.5%
Serengeti Asset Management	5,008,883	7.1%	5,008,883	7.1%
Other holders of American Depositary Receipts representing Common Shares (ADRs)	12,920,782	18.4%	15,035,907	21.4%
TGLT S.A.	-	-	10,000	0.01%
Other holders of Common Shares	6,910,860	9.9%	3,424,260	4.9%
Total Share Capital	70,349,485	100%	70,349,485	100%

Due to the potential for expansion and financing needs to meet future challenges, the Company issued a convertible note for USD 150 million, which brought about the possibility of a future change in the capital structure.

II. ECONOMIC CONTEXT

International Context

At global level, growth was strengthened during 2017. According to OECD estimates, the global gross product grew by 3.7%, a significant improvement if compared to the 3.1% of 2016. No less important is the fact that this growth was presented simultaneously in almost all countries, with the G20 group growing on average 2.93% and with growth projections for 2018. However, this generalized impulse is mainly supported by monetary and fiscal stimuli, while the recovery of private investment is still modest, and growth of wages and productivity continue moderate.

Within the financial markets, the vulnerabilities appear from different fronts, low interest rates and low volatility in markets have stimulated risk taking. Corporate and individual indebtedness levels are high and keep growing, which generates fragility at the time of facing possible economic disturbances.

2017 was also challenging from the political point of view. Early in 2016 Donald Trump won the elections, followed by the Brexit. The nationalist currents seemed to gain momentum in 2017 with the partial victories of Marine Le Pen in France and Geert Wilders in the Netherlands. Among the most important events was the escalation of tension between the United States and North Korea and probably 2018 will also be a key year, with China gaining power and intervening to avoid a conflict in the region. The legislative elections in the United States and the presidential elections in some of the largest economies in Latin America such as Brazil, Mexico and Colombia will undoubtedly define part of the year's agenda.

As for the largest trading partners of our country, 2017 was varied. China continued the trend of moderate growth reduction, with 6.8% for 2017 according to Euromonitor International. The Government of Xi Jinping is increasingly focusing its efforts to reduce inequality, prioritizing consumption and decreasing the relative importance of showing high growth rates within the next five years. This change, together with an improvement in life quality of millions of Chinese, keeps that country as the most attractive consumer market in the world. Likewise, Brazil started a slow recovery process in 2017 after experiencing a drop in its product during eight consecutive quarters. Low inflation, even below the objectives of the Brazilian Central Bank, would justify a more flexible monetary policy, which should contribute to consolidate the improvement in activity, which is already revealing itself beyond the agricultural sector, as it was in the beginning. After an increase in retail sales, including durable goods, automobiles and construction materials, the focus - and hopes - are set on improving investment. Unemployment reached its top and is already one point below the peak of 14% reached at the beginning of the year. OECD projections for 2018 indicate that China could grow by 6.3%, in line with the aforementioned moderation of growth and Brazil would consolidate the recovery with an advance of its GDP of around 1.9%.

The Argentine Economy

In a recent publication, the International Monetary Fund released its projections for Argentina, concluding that the economy grew by 2.8% in 2017. As main explanations, the entity pointed out the Government's progress in terms of transparency of the public sector transactions, together with the correction of multiple imbalances. It also explained that there was a strengthening of consumption compared to 2016, thanks to improvements in actual wages and credit availability, and that investment also showed positive signs. Going forward, the authorities of the organization expressed their expectations that growth continue to consolidate along with low inflation. Finally, they stated that, while they expect reductions in primary deficit, the financial deficit for 2018 will be higher than last year's as a result of the debt's interest charges.

Regarding inflation, although the goals proposed for the year were not met since, according to INDEC figures it was 24.8% in its national version, the BCRA team is trying to communicate that core inflation, that which excludes the movement of regulated prices, showed more encouraging signs by indicating a variation of almost four percentage points less. This difference was much clearer in December, where the general index showed an increase of 3.1% versus 1.7% of the core. Towards the end of the year, the Ministries of Economy and Finance and the Central Bank jointly announced a change in inflation goals for the coming years. The officers explained the change from a target-range instrument to a one-time estimate and that the goal of lowering inflation to one digit was delayed by one year. In this way, inflation targets remained at 15%, 10% and 5% for 2018, 2019 and 2020 respectively.

As for the fiscal aspect, the Government had an achievement to show. In a recent conference, the Minister of Economy Nicolás Dujovne reported that the goal was exceeded by 0.3 percentage points of GDP, that is, the deficit as a percentage of GDP was 3.9% when the goal was 4.2%. This is so even considering a strong reduction in the Treasury's revenue due to the tax amnesty plan, which had the most important impact in 2016, while income related to internal activity had a better performance. In this regard, Gross VAT, which contributed $ 765,336 M, 31.2% more than in 2016, and the Income Tax, which registered an increase of + 28.2% year-on-year ($ 555,023 M), were the taxes that recorded higher revenues compared to the previous year.

Regarding external accounts, in the third quarter of 2017, the current account registered a deficit of US $ 8,683 million, as a result of the negative balance of the balance of goods and services of US $ 4,482 million, a net primary income debit of US $ 4,158 million and a secondary income deficit of US $ 44 million. This result is added to the deficits of the first and second quarters, which amounted to US $ 7,158 million and US $ 6,635 million, respectively.

Finally, according to the latest data released by the INDEC (National Statistics and Census Institute), total foreign debt rose to US $ 216,351 million at the end of the third quarter of the year, 14.6% more than registered during the same period last year, when it reached US $ 188,778 million.

The Real Estate Industry

Regional Comparison

Housing deficit in Argentina is approximately of 3.5 million homes and estimations indicate it will increase to 36,000 homes per year. However, the shortage of credit for middle and lower income segments of the population, as well as the limited intervention of the State in the promotion of housing through subsidies in recent years, has generated that a large proportion of this demand remains unsatisfied.

Although Argentina is one of the countries with the highest GDP per capita and the highest proportion of urban population in Latin America, it has one of the highest housing deficits in the region according to the latest available IDB (Inter-American Development Bank) DB surveys.

In Argentina, private savings are an important driver of real estate investment and private housing construction. We believe that real estate is perceived in our country as a higher quality instrument for the preservation of value and / or income than bank deposits or fixed income securities. In addition, they represent protection against inflation and currency depreciation, since real estate has historically maintained its value in US dollars, except for brief periods following economic crises. Consequently, we also believe that the purchase of real estate is one of the most popular investment alternatives among Argentine savers.

Competition in the regional market

The residential development market in Argentina is a highly fragmented market, composed of small and medium- sized entrepreneurs. Most of the developers are small companies, focused on specific geographic markets and products, with limited access to capital and management models strongly focused on their owner. There are few companies that were set up to carry out developments, most of these ventures are run by companies or professionals related to the development business from different perspectives, such as architects, real estate firms, notary publics o building companies. Many of these companies run both their main business and the development activity at the same time.

The number of companies that participate in the markets where TGLT operates with large multi-family developments (of more than 20,000 salable square meters) is small. Out of these, only a small number have access to institutional investors, the most prominent being Consultatio, Creaurban, Monarca, Raghsa and Vizora. There are other developers of large residential projects whose owners have wide experience and good standing in the market such as Chacofi, Dypsa, Kineret and Obras Civiles in Buenos Aires; Aldo Latucca and Fundar in Rosario, and Weiss Sztryk Weiss in Uruguay, among others.

In the construction segment ranging from 10,000 to 20,000 m2, there are about 30 companies operating at the national level, with a continuous structure and constant activity. In the segment of less than 10,000 m2, a much larger number of participants can be found.

In recent years, an increasing number of developments have adopted a real estate trust model (*fideicomiso al costo)*. Some developers - such as Argencons - have specialized in this business model, where financing comes from small investors who are both trustees and beneficiaries.

Perspective and historical trends

The performance of the real estate market is highly influenced by the evolution of macroeconomic variables such as inflation and the variation of the exchange rate, fluctuation of the GDP, the level of actual wages and interest rates. Access to mortgage loan is a key condition for the demand for housing to be adequately satisfied.

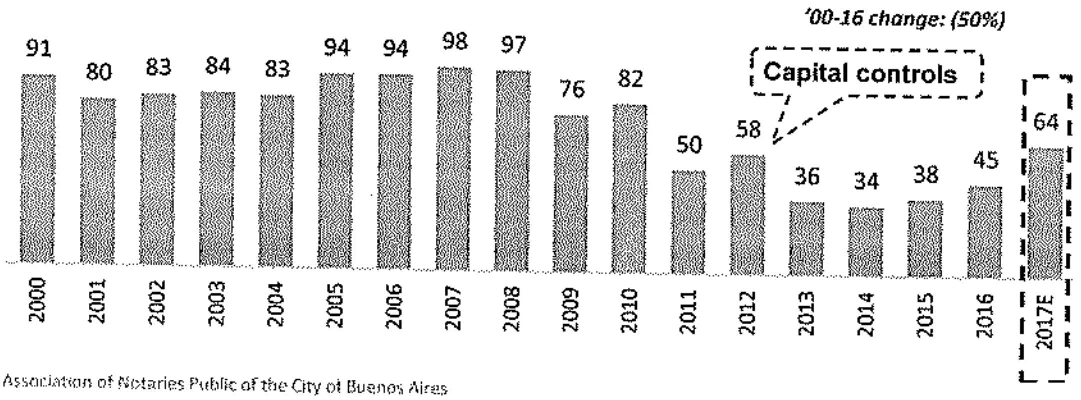
The accelerated rise in the price level and abrupt variations in exchange rate distort relative prices and generate uncertainty, causing declines in economic activity, especially at the investment level. In addition, they result in a loss of purchasing power of actual wages, rise tendency of sale prices due to costs and pressure on the interest rate. In this context, launching of new projects decreases as well as the demand on existing inventory. It should be noted, however, that Argentinean people have gone through periods of high inflation and devaluation many times in recent decades; therefore, they have learned to react skillfully in the face of these instability scenarios that could paralyze the activity in other countries. In fact, between 2003 and 2008, Argentina's GDP grew at an average annual rate of over 8% and the housing market experienced a construction boom even when inflation reached double-digit levels.

However, after the 2001 post-crisis recovery and until 2015, there have been two important factors that have deteriorated the performance of the residential market, such as exchange controls and, mainly, a weak mortgage loan market.

In the first place, the foreign exchange controls, known as *"exchange clamp" and* enforced as from 2012, limited the free purchase of foreign currency to companies and individuals for any purpose whatsoever, either to buy a house or for saving. This had a great adverse effect on the real estate market since it was traditionally a dollarized market in which transactions were usually made in dollar bills. From this, the market had to adapt and start thinking in pesos adjusted for inflation, since the measure also prohibited the publication of prices in foreign currency. Adaptation was not easy, especially because of the well-known manipulation of official inflation statistics since 2007 through INDEC, which generated the need to look for an alternative price adjustment index. All these series of measures and bad expectations worsened over time and hindered the operation of the business, since companies were forced to act in a way while the public kept its conception of dollarized prices.

Secondly, short offer of mortgage loans (as discussed below) has slowed down the market. This situation resulted from the careless attention on the part of the State that did not guarantee the macroeconomic conditions necessary for long-term credit to be feasible to banks, mainly by creating a long-term economic plan that could guarantee inflation at one-digit levels. The chart below shows that through one of the periods of higher growth of the Argentine economy in its history, 2003-2008, the number of real estate transactions recorded in 2000 has barely been exceeded.

Transactions in the City of BA (thousands)



Source: Association of Notaries Public of the City of Buenos Aires

With the change of Government, both measures so damaging to the sector were reversed. The exchange rate was raised in the first month of administration and, more recently, the introduction of *UVA* (Purchase Value Unit) instruments has made it possible for people to turn again to mortgage loans in order to acquire a home.

Demand trends

The growth of the Argentine population, the high percentage of young people in relation to the total population, the decrease in the number of inhabitants per household and the preference of Argentineans to be homeowners or to buy real estate as an investment will continue to support the potential of the Argentine real estate market in the coming decades.

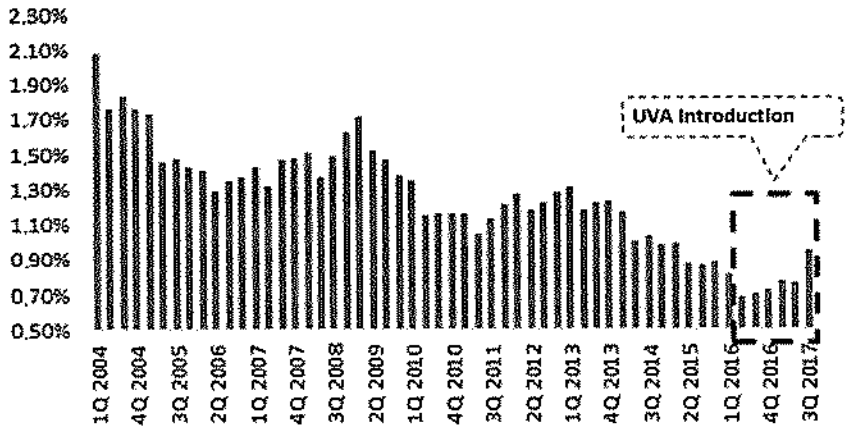
Although population growth rate has been decreasing in line with most of the countries of intermediate development, the Argentine population presented a growth rate of 1.0% in the last decade, which is expected to be maintained by the next few years, according to INDEC. Likewise, the median age of Argentineans is 31 years, well below that of developed countries (Italy 43.3, Spain 41.1, France 39.4, Australia 37.3, United States 36.7), while 60% of the inhabitants are under the age of 35, according to the 2010 census conducted by INDEC. This young population represents a solid source of housing demand for the future.

Mortgage Loan

Until the 2001 crisis, Argentina had been a pioneer country within Latin America, developing a dynamic primary and secondary mortgage market. The first securitizations of mortgages in Latin America were made in Argentina and by the end of the 90s several groups of investors were actively participating in this market of mortgage bonds, including pension funds, insurance companies, professional associations, financial institutions and retail investors. In December 2000, mortgage penetration reached 6% of the gross domestic product, surpassing the current levels of mortgage penetration in countries such as Brazil. However, after the crisis, banks drastically reduced the offer of mortgages in favor of other products with greater profitability and shorter term, such as credit cards or personal loans.

As already mentioned, the current government has begun to take measures specifically designed to encourage the real estate business, and one of the most important is the introduction of mortgage loans adjusted by UVA (Purchase Value Unit). So far, this instrument has been very well received by both offerors and applicants as shown in the graph below:

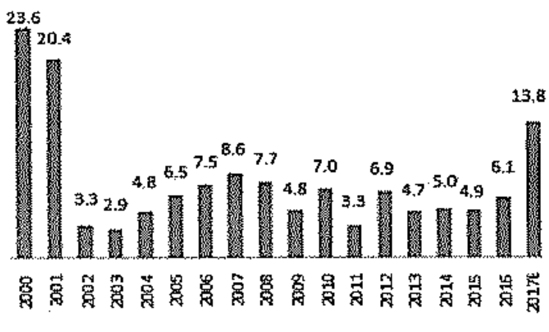
Mortgage Credit as % of GDP



Source: INDEC and BCRA (Central Bank of Argentina)

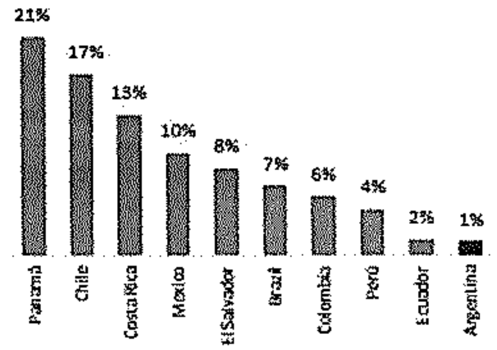
If the penetration of mortgages in Argentina returned to the levels of the year 2000 almost 463 thousand homes could be financed, and if the levels of Mexico or Chile were reached, 748 thousand and 1.3 million homes respectively could be financed per year. This would greatly help reduce the housing deficit of more than 3 million households in Argentina.

Total of mortgages in the city of Buenos Aires (in thousands of mortgages)



Source: Argentina Real Estate Chamber

Mortgage Loans Market (as a percentage of the GDP)



Source: Inter-American Development Bank

Main Trends

- **Reduce travel time to your workplace.** The explosive growth that the development of gated neighborhoods has had during the last two decades has not been accompanied by road infrastructure or public transportation to reduce vehicular traffic. Consequently, commute time from and to work centers has increased considerably, posing a dilemma for those who have migrated to the suburbs: space and greenness versus commute time.
- **Security as a central element in the decision to purchase a home.** Since the early 90s, the segment with the highest purchasing power has privileged homes that offer security. In recent years, the trend has also been reflected within the cities, where prices of housing complexes that offer perimeter security and permanent surveillance are higher than other products with similar characteristics but without security.
- **Amenities have become an essential part of the supply of high-end homes.** Multifamily developments are increasingly offering complementary services, amenities, that typically include spaces for sports or recreational activities and hotel services. The new high-end buildings usually offer within their amenities: gym with changing rooms, sauna, multipurpose room, swimming pool, private gardens and 24-hour security
- **Riverside cities in Argentina have reverted their tendency to grow with their back to the river.** Historically, coastal strips in Argentine were not used for residential purposes; their main uses were urban, generally ports and industries. Since the beginning of the 90s coastal cities of Argentina have rescued and integrated their coastal areas for residential and recreational use, reassessing the coast of the rivers over the inland areas. Cities like Buenos Aires (Puerto Madero, Olivos coast, Tigre coast), Rosario (Puerto Norte) and Neuquén have seen new urban areas flourish with a great real estate success.

Our vision

Over the past two decades, the development of housing in Latin American markets has grown exponentially, as a consequence of government housing finance programs, the professionalization of real estate development companies and their access to capital markets. Brazil, Mexico and Chile experienced a boom in their respective real estate markets during the same period. These countries have created the necessary conditions for private sector parties to respond to housing deficit. Mexico has an estimated deficit of 7.5 million households, while in Brazil the deficit is 18.9 million. These figures have been gradually decreasing in recent years, mostly due to the creation and growth of large residential development companies.

This transformation has been driven because developers and buyers were given the possibility to have access to bank financing. In these markets, governments have been successful in boosting the real estate business by creating accessible housing credit programs for all socioeconomic levels, managed by government agencies (Infonavit in Mexico or Caixa Econômica Federal in Brazil). On the other hand, private sector companies that already had access to capital markets have been able to meet this new demand.

We believe that the new economic scenario started at the beginning of 2016, with greater availability of credits, stability and commercial openness, will result in greater opportunities for the real estate industry. Also, with an improvement in the mortgage loan market, more people will be able to access both their first house and a new and better home, thus boosting prices upwards.

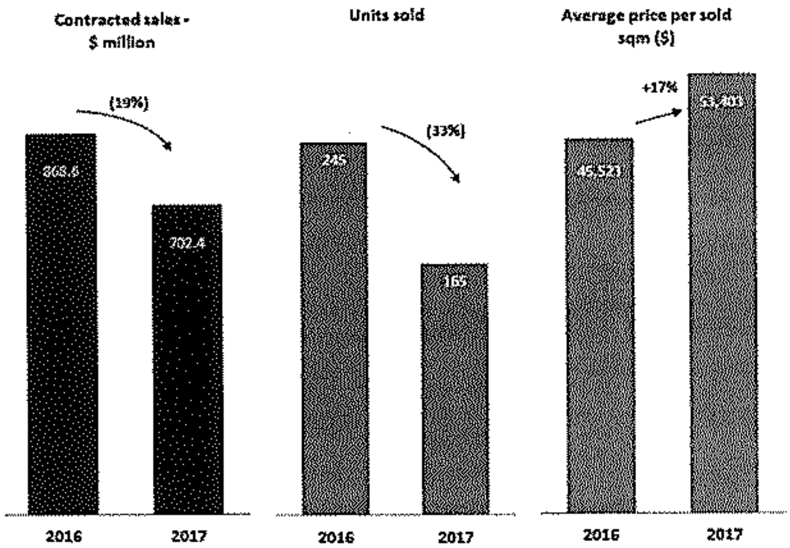
Due to the expansion potential and financing needs to meet future challenges, the Company issued a convertible note for US $ 150 million. In accordance with the accounting policies, the conversion option was recognized as an equity instrument of the Company, strengthening its capital base. One of the objectives of the use of these funds is the possibility of strengthening its position in the residential market and enter the commercial property market through the acquisition and development of a profitable office portfolio. So, we are actively managing the acquisition of land for new projects in the metropolitan area of Buenos Aires, with the intention of launching new projects in the near future. In this regard, the recent acquisition of a land plot in Catalinas for US $ 40.5 million is another step in the way of taking advantage of business opportunities in areas with high commercial potential.

Inside, the Company continues to strengthen the processes, systems and human resources structure to streamline its current operation and the management of new projects insofar as the market offers opportunities for further growth.

III. DESCRIPTION OF TRANSACTIONS

Contracted Sales

In a year marked by the issuance of the Convertible Note for US $ 150 million at the beginning of the third quarter, which allowed us to adjust our commercial strategy and increase prices between 15% and 20% in most of the projects in order to maximize the creation of value of our current portfolio and expand our margins, contracted sales reached $ 702.4 million, 19% below the sales level of 2016, mainly explained by the lower inventory of units, having practically sold out the Forum Alcorta, Astor Palermo and Astor Núñez projects, and driven by the solid performances of Forum Puerto del Buceo and, mainly, Astor San Telmo.



Summary of our real estate developments

FORUM:

Project	Forum Puerto Norte	Forum Alcorta	Forum Puerto del Buceo
Location	Rosario, Santa Fe	Bajo Belgrano, City of Buenos Aires	Montevideo, Uruguay
Segment	High/Medium-High	High	High
Type	Urban Complex	Urban Complex	Urban Complex
Features	Coastal	Park	Coastal
Year of acquisition	2008	2008	2011
Land Plot (m2)	43,000	13,000	10,765
Saleable area (m2)	52,639	39,763	48,281
Saleable units	452	154	337
Other saleable units	Parking spaces: 526 Nautical garages: 88	Parking spaces: 390	Parking spaces: 406
Total estimated Potential Sales Value (millions of $)	431.5	1,128.1	US$ 143.5
Potential Sales Value launched (millions of $)	431.5	1,128.1	US$ 143.5
Sold area as of 12/31/17 (m2)	52,639	39,763	38,206
% of total launched	*100%*	*100%*	*79%*
Units sold as of 12/31/17	452	154	269
% of total launched	*100%*	*100%*	*80%*
Other Units sold as of 12/31/17	Parking spaces: 526 Nautical garages: 88	Parking spaces: 370	Parking spaces: 320
Contracted Sales as of 12/31/17 (millions of $)	431,5	1,108.3	US$ 99.9
% of total launched	*100%*	*98%*	*70%*
Contracted Sales in 2017 (millions of $)	-	8.7	US$ 17.1
Construction progress as of 12/31/17 (execution of capital budget, excluding Land)	100%	99%	77%
Construction progress as of 12/31/17 (execution of capital budget, including Land)	100%	99%	74%
Stage	Delivery	Delivery	Under construction Stage 2

ASTOR:

Project	Astor Palermo	Astor Núñez	Astor San Telmo
Location	Palermo, Ciudad de Buenos Aires	Núñez, Ciudad de Buenos Aires	San Telmo, Ciudad de Buenos Aires
Segment	Medium-High	Medium-High	Medium
Type	Multifamily	Multifamily	Multifamily
Features	Urban	Urban	Urban
Year of acquisition	2010	2011	2016
Land (m2)	3,208	4,759	6,110
Saleable Area (m2)	14,763	20,368	28,997
Saleable Units	210	298	435
Other saleable units	Residential Parking Lots: 188 Commercial Parking Lots: 171	Residential Parking Lots: 273 Commercial Parking Lots: 22	Parking Lots: 309
Total estimated Potential Sales Value (PSV) (millions of $)	394.0	586.0	1,449.8
PSV launched (millions of $)	394.0	586.0	1.449.8
Sold area as of 12/31/17 (m2)	14,763	20,291	14,492
% of total launched	*100%*	*100%*	*50%*
Units sold as of 12/31/17	210	297	238
% of total launched	*100%*	*100%*	*55%*
Other Units Sold as of 12/31/17	Residential Parking Lots: 186 Commercial Parking Lots: 171	Residential Parking Lots: 246 Commercial Parking Lots: 22	Parking Lots: 182
Contracted sales as of 12/31/17 (millions of $)	392.3	573.6	640.8
% of total launched	*100%*	*98%*	*44%*
Contracted sales in 2017 (millions of $)	31.8	21.3	268.9
Construction progress as of 12/31/17 (execution of capital budget, excluding Land)	98%	96%	-
Construction progress as of 12/31/17 (execution of capital budget, including Land)	99%	97%	-
Stage	Delivery	Delivery	Under construction

URBAN COMPLEXES AND METRA:

Project	Metra Puerto Norte	Proa	Venice (1)
Location	Rosario, Santa Fe	Rosario, Santa Fe	Tigre, Buenos Aires
Segment	Medium	High/Medium-High	High/Medium-High
Type	Urban Complex	Urban Complex	Urbanization
Features	Coastal	Coastal	Coastal
Year of acquisition	2011	2011	2007
Land (m2)	46,173	37,827	320,000
Saleable Area (m2)	68,613	65,166	53,053
Saleable Units	1299	510	639
Other saleable units	Parking Lots: 881	Parking Lots: 691	Parking Lots: 527 Nautical garages and marinas: 38
Total estimated Potential Sales Value (PSV) (millions of $)	3,380.9	4,064.5	2,586.4
PSV launched (millions of $)	1,087.4	-	1,328.6
Sold area as of 12/31/17 (m2)	13,796	-	21,924
% of total launched	*61%*	*0%*	*64%*
Units sold as of 12/31/17	266	-	320
% of total launched	*62%*	*0%*	*68%*
Other Units Sold as of 12/31/17	Parking Lots: 169	-	Parking Lots: 294 Nautical garages and marinas: 18
Contracted sales as of 12/31/17 (millions of $)	666.0	-	613.8
% of total launched	*61%*	*0%*	*46%*
Contracted sales in 2017 (millions of $)	32,7	-	21,1
Construction progress as of 12/31/17 (execution of capital budget, excluding Land)	22%	-	51%
Construction progress as of 12/31/17 (execution of capital budget, including Land)	25%	-	51%
Stage	**Under Construction Stage 1**	**Design and Permits**	**Under construction Stage 1**

(1) Information related to Venice is disclosed at 100%. In this chart, Interest of TGLT S.A. in Marina Río Luján, the company that carries out the development of the Project, is 50%.

OTHER RELEVANT TRANSACTIONS

Acquisition of shares of Caputo S.A.I.C. y F.

On January 19, 2018 the Company acquired from certain shareholders of Caputo Sociedad Industrial, Comercial y Financiera (the "Sellers" and "Caputo", respectively) a total of 138,267,489 common book-entry shares, with a par value of $ 1 and one vote each, representing both 82.32% of the share capital and the votes of Caputo (the "Shares"), in accordance with the provisions of the agreements of purchase and sale of shares that govern the aforementioned transaction (the "Documents of the Transaction" and the "Transaction", respectively). Consequently, pursuant to the Transaction, the Company has become a direct controller of Caputo.

The price agreed was US $ 0.7914 per Share (equivalent to $ 15,116 per Share), which represents a total value of US $ 109,424,891 (equivalent to $ 2,090,051,363.7) for the Shares. 48.90% of the Price has been paid on the day the transaction was completed, while the remaining balance will be paid as follows: (a) 25.92% of the Price, on January 19, 2019; and (b) the remaining 25.18% of the Price on January 19, 2020. The Price is subject to possible further adjustments, according to the terms stated in the Transaction Documents.

As a security for the payment of the remaining balance of the Price, the Company has granted the Sellers a first ranking and preferential pledge over the Shares and, subsequently, a bank guarantee on first demand or standby letter of credit will be established in their favor.

In accordance with the provisions of Capital Markets Law No. 26,831 and applicable regulations of the CNV, on January 26, 2018 TGLT promoted a Mandatory Public Offering in cash and a Public Offer for Voluntary Exchange of shares (both offers, jointly referred to as the "Offer") addressed to all holders of common book-entry shares, with a par value of $ 1 each bearing one vote per share.

The Offer consists of (i) a mandatory public offering for the acquisition of the Shares at a price per Share that would be paid in cash (the "Mandatory Public Offering "), and (ii) a voluntary public offering to exchange the Shares for common shares of TGLT, to the exchange ratio to be determined (the "Voluntary Exchange Offer").

Shareholders may opt to participate in the Mandatory Public Offering and/or in the Public Offer for Voluntary Exchange and/or maintain their shareholding.

The Mandatory Public Offering shall not be subject to a minimum or maximum number of shares to be purchased and any number of acceptances received will be maintained. The Public Offer for Voluntary Exchange shall be for up to any number of shares necessary to meet all the applications filed under Public Offer for Voluntary Exchange, even in case all shareholders opt for the Voluntary Exchange of shares. To such purpose, the Shareholders' Meeting may decide that the pre-emptive right must not be applicable with respect to the shares of TGLT being offered under the Public Offer for Voluntary Exchange.

The Offer will be regarded as a voluntary acceptance by the shareholders of Caputo.

1) Price of the Mandatory Public Offering

As single consideration and in accordance with the guidelines established by the Capital Market Law and the CNV regulations, the Offeror offers to pay the holders who decide to participate in the Mandatory Public Offering a fixed price of US $0.7914 per Share (the "Price") which shall be paid in Argentine Pesos by conversion to the retail seller foreign-exchange rate published by Banco de la Nación Argentina at the closing of the business day immediately preceding the launching of the Offer (which will take place as soon as the Offer is authorized by the CNV). The price may be modified, provided, however, it is allowed by the rules and regulations in force, and shall be timely informed both in the prospectus and the Offer documents.

In compliance with the requirements of Section 98 of the Capital Market Law, the Supervisory Committee and the Company's Audit Committee have issued their opinion on the Price, stating that it is reasonable and equitable.

Furthermore, for the purpose of setting the price, the Offeror had sought the opinion of two independent appraisers, Quantum Finanzas S.A. and Finanzas y Gestión S.A., pursuant to Section 5, Article I, Chapter II, Title III of the applicable CNV Rules. These opinions were submitted to the CNV on January 26th together with the Offer and are available to the public investor on the CNV Financial Information webpage (Autopista de Información Financiera, AIF) and in the usual systems operated by BYMA (including the daily gazette published by the Buenos Aires Stock Exchange) and Mercado Abierto Electrónico.

The Offeror has reported that the price agreed to be paid to the Sellers under the Purchase Agreements, within the framework of the Transaction, was US $ 0.7914 per Caputo share, an amount which converted into the retail seller foreign-exchange rate published by Banco de la Nación Argentina at the closing of business on January 18, 2018 (business day immediately preceding the closing date of the Transaction), was equivalent to ARS 15.116 (fifteen Argentine Pesos with 116 cents) per Caputo share. The Offeror confirms that, in accordance with the provisions of the Capital Markets Law and the CNV Rules, the price to be paid within the framework of the Mandatory Public Offering in Cash shall in no case be less than the price paid by the Sellers under the Purchase Agreements nor than the average price of the Shares during the semester immediately preceding the announcement of the Offer.

2) Public Offer for Voluntary Exchange

As single consideration for the participation of shareholders in the Public Offer for Voluntary Exchange, TGLT will give TGLT shares in exchange of the Shares, at an exchange ratio that will be set forth in due course by TGLT's Board, in accordance with the parameters agreed upon at the Meeting (the "Exchange Ratio").

The Public Offer for Voluntary Exchange is an alternative that the Company will voluntarily propose to holders of Shares. Therefore, the Exchange Ratio proposed by the Offeror will not need the CNV's approval nor may be challenged pursuant to Section 98 in fine of the Capital Markets Law.

3) Offer Conditions

The Offer shall be subject to the following conditions, along with other conditions detailed in the Prospectus:

- One or more of the Purchase Agreements are terminated

- Obtain and keep in force the authorization from the CNV to make the Offer under the terms presented by TGLT

4) Terms and acceptance conditions of the Offer

The term to accept the Offer, the procedure and the remaining final terms and conditions of the Offer shall be informed by notices and by the publication of the Prospectus, which will be all published once the necessary authorizations are obtained and the conditions of the Offer are fulfilled.

5) Other considerations

According to what has been previously informed, and with the intention to provide all the relevant information, the Offeror informs that it is evaluating the possibility, upon the fulfillment of the Mandatory Public Offering and the Public Offer for Voluntary Exchange, to merge Caputo with TGLT, being TGLT the absorbing company, all of which will be, after a thorough analysis, submitted to the consideration of the Boards of Directors and shareholders' meetings of both companies.

Information herein contained is for information purposes only and shall not constitute nor be construed as an offer to purchase or exchange shares of stock, nor an invitation to assign shares (including, without limitation, the Shares). The final terms and conditions of the Offer shall be detailed in the Prospectus and in any other document related to the Offer, once the corresponding approvals and authorizations are obtained

Award of Property under Public Auction

On October 26, TGLT S.A. won public auction No. Nº 33/17 "Catalinas Norte" Project of the Federal Agency for State Owned Property Management (AABE - *Agencia de Administración de Bienes del Estado*), a decentralized agency within the scope of the Head Office of the Cabinet of Ministers for the Argentine National State, for the property located at Avenida Eduardo Madero s/Nº (i.e. no number), between Cecilia Grierson Boulevard and San Martín street, in the City of Buenos Aires (Cadastral Nomenclature: Boundary 21 – Section 97 – Block 38 – Plot 4, identified as CIE: 0200012321) with an approximate surface area of 3,200 square meters (the "Property".)

The Company offered US $ 40,500,000 for the Property. The award of the Property was approved by the Head of the Cabinet of Ministers on February 1, 2018.

The acquisition of the Property entails the obligation to build in such plot a permanent building with a covered surface in compliance with the zoning regulations applicable to the Property. Construction works shall be commenced within 3 years and completed within 5 years, in both cases, counted as from the date of execution of the deed transferring ownership to the company.

Operations with related parties.

On July 7, 2017, the Board of Directors of the Company resolved, within the framework of the issuance of notes convertible into shares of the Company, to approve the execution of a registration agreement ("Registration Rights Agreement") between the Company and its shareholders Federico Nicolás Weil, Bienville Argentina Opportunities Master Fund, LP and PointArgentum Master Fund LP ("PointArgentum"). Pursuant to the provision of this agreement, PointArgentum shall have the right to require the Company to make its best efforts to obtain the public offer (registration), in the United States of America and / or in the Argentine Republic, of the negotiable securities issued by the Company that PointArgentum may determine.

The meeting of the Board of Directors held on July 7, 2017 resolved to approve a framework agreement between the Company and its shareholder PointArgentum Master Fund LP ("PointArgentum") containing the general guidelines for co-investment in real estate projects (the "Co-Investment Agreement"); its enforcement was subject to the subscription by PointArgentum, as a minimum, of a certain amount of the Company's convertible notes, whose issuance had been approved at the Meeting held on April 20, 2017.

Under this Co-Investment Agreement, and only in those cases in which the Company may need, or may consider appropriate, to have a co-investor in a new real estate project in Argentina or Uruguay (the "RE Project"): (a) PointArgentum will have a right of first option to participate as co-investor of the Company in that RE Project; (b) in the event that PointArgentum exercises that option, PointArgentum and the Company will subscribe the particular agreements related to the RE Project and will create a specific purpose company for the development and exploitation of that project; and (c) the Company will be entitled to provide development services and operational services to such RE Project, in exchange for the payment of compensation to be agreed upon by the parties for each RE Project in particular, for which general guidelines are established in the Co-Investment Agreement.

Subscription of the aforementioned convertible notes has already ended and PointArgentum has exceeded the aforementioned minimum; therefore, the agreement has become effective.

Amendments to the Shareholders' Agreement

On July 10, 2017 TGLT S.A. reported that, in accordance with the provisions of section 99, subsection (h) of the Capital Markets Law No. 26,831 and regarding the shareholders' agreement performed through the "Irrevocable Offer of Shareholders Agreement No. 001-2015" dated May 27, 2015; on July 7, 2017, shareholders Federico Nicolás Weil, Bienville Argentina Opportunities Master Fund LP and PointArgentum Master Fund LP (the "Shareholders") signed an amendment to the Agreement.

The amendments arranged by the Shareholders in the Agreement are related to:

i. First offer rights for assignment of shares.

ii. Rights for the appointment of members and Chairman of the Board

iii. Extension of the scope of the matters requiring approval by the vote of a special majority of the Board members.

iv. Extension of the scope of the matters corresponding to the competence of the shareholders' meeting that must be approved by the unanimous vote of the Shareholders whose interest in the Company is equal to or greater than the Basic Equity Interest.

v. Rights to appoint members of the Supervisory Committee.

vi. Rights for appointment of members of the Compensation Committee.

vii. Appointment of CEO, CFO and COO of the Company.

viii. Appointment of external auditors of the Company.

ix. Minimum equity interest to become a party to the agreement.

x. Amendments to the exclusivity and non-compete clause applicable to Shareholder Federico Nicolás Weil.

Likewise, the Shareholders have committed themselves to amend the Bylaws in such a manner that the restated Bylaws express and state the changes agreed upon in the amendment of the Agreement; therefore, a Special Shareholders Meeting shall be summoned.

Capital Increase

On April 20, 2017, the General Ordinary and Extraordinary Shareholders' Meeting of the Company (the "Shareholders' Meeting") ratified the resolution of the General and Extraordinary Shareholders' Meeting held on April 14, 2016 approving the increase of the share capital by up to the sum of nominal value of Pesos three hundred forty-five million ($ 345,000,000), that is, from the sum of Pesos seventy million three hundred and forty-nine thousand four hundred and eighty-five ($ 70,349,485) to the sum of up to Pesos four hundred fifteen million three hundred forty-nine thousand four hundred and eighty-five ($ 415,349,485), by issuing up to three hundred and forty-five million (345,000,000) common book-entry shares of Peso one ($ 1) par value each and one vote per share, with dividends rights on equal standing as the remaining outstanding shares at the time of issuance.

In the General Ordinary and Extraordinary Shareholders' Meeting held on February 28, 2018, the shareholders of TGLT S.A. approved the following:

I) (a) The increase in the Company's capital by up to a nominal value of Pesos Twenty-five Million ($ 25,000,000), in order to issue up to twenty-five million (25,000,000) of new common shares, on equal terms as currently outstanding shares of the Company, to be placed under the Exchange Offer, and to be paid in kind through the transfer of Caputo shares to the Company; (b) The exchange ratio for the Exchange Offer: TGLT Price / Caputo Price, where (A) the "TGLT Price" shall be (i) the price per share of TGLT S.A. determined by the Board of Directors for the subscription of the shares to be issued; or (ii) in the event that such issuance is not carried out prior to or simultaneously with the issuance of the shares under the Exchange Offer, the weighted average price of the Company's shares during the ten (10) days preceding the opening of the acceptance period for the Exchange Offer; and (B) the "Caputo Price" will be the price per share set for the Mandatory Public Offering; (c) To delegate the definition of the terms and conditions of the issuance of the Shares to be exchanged to the Board of Directors, for a period of two years,; (d) To suspend the preemptive right in the subscription of the Shares for Exchange, under the terms of section 197 of Business Companies Law 19,550 (the "Business Companies Law"), provided, however, that regarding this matter the Meeting is being held as an extraordinary meeting and stating that the Audit Committee of the Company has already issued its opinion on the matter on January 25, 2018 concluding that all legal requirements related to the suspension of the preemptive right, including the provisions of section 197 of the Business Companies Law, are complied with.

ii) (a) ratification of the capital increase approved by the General Ordinary and Extraordinary Meetings held on April 14, 2016 and April 20, 2017, increasing it to a nominal value of Pesos Five Hundred and Fifty Million (AR $ 550,000,000) through the issuance of up to five hundred and fifty million (550,000,000) common shares on equal terms as the rest of the outstanding shares at the time of issuance, to be publicly offered once or more times within the country and / or abroad, to be paid in cash, and with a share premium ranging from a minimum of $ 10 (ten pesos) to a maximum of $ 35 (thirty-five pesos) per New Share, as determined by the Board of Directors of the Company by delegation of this Shareholders' Meeting or by an officer of the company in whom the board will delegate that power (the "New Shares"); (b) ratification of the delegation duly made to the board of directors, for a period of two years and with powers to subdelegate to one or more of its members or one or more first-line managers of the company, for the determination of the terms and conditions of the issuance of the New Shares; and (c) limitation of the preemptive right in the subscription of the new shares to ten (10) days, under the terms of article 194 of the Business Companies Law, provided, however, that regarding this matter the Meeting is being held as an extraordinary meeting and stating that the Audit Committee of the Company has already reported on the matter on January 25, 2018 concluding that the reduction is reasonable.

Authorization to sell treasury shares

The Meeting held on April 20, 2017 approved the sale of the 10,000 Company's treasury shares without the previous preferred offering to shareholders in accordance with the provisions of section 67 of the Capital Markets Law No. 26,831 and under the terms of section 221 of Argentine Business Companies Law No. 19,550, considering that said number of shares represents 0.014% of the Company's share capital.

Issuance of Convertible Notes

On April 20, 2017, the Ordinary and Special Shareholders' Meeting approved the issuance of book-entry notes convertible into common shares, with par value $1 each, with one voting right per share and the right to receive dividends in equal conditions with respect to currently outstanding common shares as from the fiscal year in which the conversion right is exercised, for an aggregate amount of USD 150,000,000 (US Dollars one hundred fifty million) or its equivalent in other currencies, in one or more series.

On this same regard, on July 11 it was reported that TGLT S.A. (the "Issuer") would offer under subscription, during the period beginning on July 15, 2017 and ending on July 25, 2017, the Subordinated Notes Convertible into New Common Shares for an amount of up to US $ 150,000,000 with maturity in 2027, consisting of (i) a local public offering available only to "qualified investors" in Argentina as defined in subsection 12 Section II of Chapter VI of Title II of the Rules of the CNV through the Local Placement Agent; and (ii) an international offer not registered in the United States of America in which the International Placement Agent will act as placement agent for the Company, available to (1) accredited investors in the United States of America, pursuant to the exemption from registration requirements under the US Securities Act based on Regulation D of that law, and (2) non-US persons in transactions outside the United States of America ("offshore transactions"), by virtue of exemption from registration requirements under the US Securities Act based on Regulation S of that law.

Subsequently, on July 11, 2017 TGLT S.A. informed the investors that the Conversion Price of the Convertible Notes would be US $ 0.50, and on July 20, 2017 it was also informed that, according to the provisions of the Prospectus, the Company had decided to extend the Subscription Period until 11 a.m. on July 27, 2017. In turn, on July 25, 2017, the investors were informed of an addendum through which the Company had decided to clarify and amend the provisions of the definition "Compulsory Conversion" and "Conversion Rights", stating that in the event of an IPO in the US, all Convertible Notes shall be automatically converted into New Common shares or ADRs (at the option of the Holder) at the Conversion Price, adjusted at the closing date of the IPO (including this date).

Finally, on July 27, 2017, the ending date of the Subscription Period of the Convertible Notes, investors were informed of the results of the process, which were the following:

1) **Total Amount Offered:** US $ 150,000,000.
2) **Total Nominal Value to Be Issued:** US $ 150,000,000, of which:
   (i) **Nominal Value of Convertible Notes pursuant to the exercise of the Preemptive Right:** US $ 51,546,000.
   (ii) **Nominal Value of Convertible Notes pursuant to the exercise of the Right of Accretion:** US $ 8,086,000.
3) **Issue date:** August 3, 2017.
4) **Interest Payment Dates:** on February 15 and August 15 from 2018 through 2027.
5) **Maturity Date:** August 3, 2027.

Corporate Bonds Program

The Shareholders' meeting held on April 20, 2017 approved the extension of the term of the Global Program for the Issuance of Corporate Bonds for a maximum outstanding amount of up to US $ 50,000,000 (or its equivalent in other currencies).

On November 10, 2017, the following was approved: (i) to update of the prospectus corresponding to the global program of issuance of corporate bonds for a maximum outstanding amount of up to US $ 50,000,000 (or its equivalent in other currencies) (the "Program"); its extension was approved by the Company's General Ordinary and Extraordinary Shareholders' Meeting on April 20, 2017; (ii) the issuance of new unsecured corporate bonds under the Program for a nominal value of up to One Hundred and Fifty Million Pesos (AR $ 150,000,000), in one or more classes and / or series, as may be determined in the respective price supplement (the "New Corporate Bonds"); and (iii) to delegate to certain members of the Board of Directors and senior managers of the Company broad powers to determine the terms and conditions of issuance of the New Corporate Bonds, as well as to subscribe and deliver all documents and instruments necessary or appropriate to implement the extension of the Program, the updating of the prospectus of the Program and the issuance and placement of the New Corporate Bonds, in accordance with the provisions of the Rules of the Securities Commission of Argentina.

On March 5, 2018, the Company filed with the CNV the price supplement for the issuance of Series XIV and XV of the Corporate Bonds Program, which was approved on March 5, 2018.

Changes in Corporate Organizations and Executive Team of the Company.

On February 9, 2017, the resignation of the Company's Financial Director and Head of Market Relations, Mr. Rafael Soto, was received and accepted. He has decided to join a venture in the technological-financial sector. Mr. Soto will continue to serve as Deputy Director of the Company. He was replaced by Mr. Rodrigo Javier Lores Arnaiz, who has been working in the Company since 2009 as Director of Human Resources, Technology and Processes and Deputy Head of Market Relations. Mr. Lores Arnaiz is a national public accountant from the Universidad de Buenos Aires (UBA) and obtained an MBA at Wharton.

On March 10, the Company received a notice from Mr. Rafael Ignacio Soto reporting his irrevocable resignation to the position of Alternate Director of the Company for personal reasons. The resignation was accepted by the Company's Board of Directors on March 10, 2017. On that same day, the Company received notice of the resignation of Mr. Tomas Insausti to his position as Alternate Trusteer of the Company, for personal reasons.

During the meeting of the Company's Board of Directors held on April 10, 2017, replacements were assigned for the positions of Alternate Director and Alternate Trustee. Consequently, we inform that the aforementioned Shareholders' meeting appointed Mr. Rodrigo Lores Arnaiz as the new Deputy Director of the Company. M. Lores Arnaiz is Argentinean, Public Accountant and holder of the National Identity Document 22,157,386. He holds the status of "non-independent", in accordance with the criteria established by the Rules of the Securities Commission of Argentina (the "CNV"). Likewise, the aforementioned Shareholders' meeting appointed Mr. Fernando G. Sasiain as Alternate Trustee; he is Argentinean, lawyer and holder of the National Identity Document 23,072,562.

On June 13, 2017, the Board of Directors of TGLT S.A. approved the resignation of Mr. Fernando Jasnis to his position as a member of the Audit Committee of the Company, maintaining his position as Director of the Company. Likewise, it was informed that in the same meeting of the Board of Directors dated June 13, 2017, Mr. Carlos Palazón was appointed in his place. Mr. Palazón was already Director of the Company. Mr. Carlos Palazón holds the status of "non-independent", in accordance with the criteria established by the Rules of the Securities Commission of Argentina (the "CNV").

In this way, the current conformation of the Audit Committee is the following:

DIRECTOR	POSITION IN TGLT S.A.	TERM OF OFFICE	DATE OF APPOINTMENT	STATUS
Mr. Carlos Alberto Palazón	Member	Meeting approving Financial Statements of the Company as of December 31, 2018	June 13, de 2017	Non-independent
Mr. Alejandro Emilio Marchionna Faré	Member and President	Meeting approving Financial Statements of the Company as of December 31, 2018	April 14, 2016	Independent
Mr. Mauricio Wior	Member	Meeting approving Financial Statements of the Company as of December 31, 2018	April 14, 2016	Independent
Mr.Daniel Alfredo Vicien	Alternate Member	Meeting approving Financial Statements of the Company as of December 31, 2018	April 14, 2016	Independent
Mr. Luis Rodríguez Villasuso	Alternate Member	Meeting approving Financial Statements of the Company as of December 31, 2018	April 14, 2016	Independent

On June 22, 2017, the Company's Board of Directors, with the participation of the Supervisory Committee, decided to appoint Mr. Alberto López Gaffney, under the terms of section 270 of the Business Companies Law No. 19,550 and its amendments, as "Chief Financial Officer"(CFO) and Head of Market Relations of the Company, while Mr. Rodrigo Javier Lores Arnaiz will continue as Deputy Head of Market Relations of the Company.

At the meeting held on July 11, 2017, the Company's Board of Directors accepted and approved the resignation submitted by Mr. Fernando Jasnis to his position of Director of the Company. At this meeting, pursuant to power vested by the second paragraph of section 258 of the Business Companies Law No. 19,550, and its amendments and until the next shareholders meeting of the Company is held, the Supervisory Committee of the Company, decided to appoint his alternate director, Mr. Andrew Hall Cummins, in replacement of Mr. Fernando Jasnis, as Director of the Company, and Mr. Ignacio Ugarte to take the vacant position of alternate director Mr. Andrew Hall Cummins leaves. The new appointed directors have the status of "non-independent", in accordance with the criteria established by the CNV Rules and accepted their appointments on the same day the meeting was held.

On December 12, 2017, the Company received the resignations to their positions from the following officers, all for personal reasons: (a) Mr. Ralph Faden Reynolds and Mr. Andrew Hall Cummins, to their positions as directors; (b) Mr. Donald Stoltz III and Mr. Miguel Ignacio Ugarte, to their positions of alternate directors; and (c) Mr. Mariano González, to his position as trustee.

The resignations submitted were accepted by the Company's Board of Directors on that same date since they were neither ill-intentioned nor untimely.

Also, on that date, pursuant to power vested by the second paragraph of section 258 of the Business Companies Law No. 19,550 and until the next shareholders meeting of the Company is held, the Supervisory Committee of the Company decided to appoint Mr. Mariano González and Mr. Pablo Alejandro Melhem Marcote, as regular directors, and Mr. Gustavo Casír and Mr. Pablo Ferraro Mila, as alternate directors of the Company. It is recorded that the appointed directors hold a "non-independent" status, in accordance with the criteria established by the Rules of the Securities Commission of Argentina (the "CNV"). Likewise, it was also recorded that, as a result of the resignation of the regular trustee Mr. Mariano Gonzalez (who has been appointed as regular director of the Company), Mr. Pablo Di Iorio assumes the position of regular trustee of the Company.

Therefore, the new composition of the Company's Board of Directors is the following:

DIRECTOR	POSITION IN TGLT S.A.	TERM OF OFFICE	DATE OF APPOINTMENT	STATUS
Mr. Federico Nicolás Weil	President and Director	Meeting approving Financial Statements of the Company as of December 31, 2018	Ordinary Shareholders' Meeting held April 14, 2016	Non-independent
Mr. Darío Ezequiel Lizzano	Vice-president and Director	Meeting approving Financial Statements of the Company as of December 31, 2018	Ordinary Shareholders' Meeting held April 14, 2016	Non-independent
Mr. Mariano Sebastián Weil	Director	Meeting approving Financial Statements of the Company as of December 31, 2018	Ordinary Shareholders' Meeting held April 14, 2016	Non-independent
Mr. Carlos Alberto Palazón	Director	Meeting approving Financial Statements of the Company as of December 31, 2018	Ordinary Shareholders' Meeting held April 14, 2016	Non-independent
Mr. Mariano González	Director	Meeting approving Financial Statements of the Company as of December 31, 2017	Supervisory Committee Meeting held on December 12, 2017	Non-independent
Mr. Pablo Alejandro Melhem Marcote	Director	Meeting approving Financial Statements of the Company as of December 31, 2017	Supervisory Committee Meeting held on December 12, 2017	Non-independent
Mr. Alejandro Emilio Marchionna Faré	Director	Meeting approving Financial Statements of the Company as of December 31, 2018	Shareholders' Meeting held on April 14, 2016	Independent
Mr. Mauricio Wior	Director	Meeting approving Financial Statements of the Company as of December 31, 2018	Shareholders' Meeting held on April 14, 2016	Independent
Mr. Alejandro Belio	Alternate Director	Meeting approving Financial Statements of the Company as of December 31, 2018	Shareholders' Meeting held on April 14, 2016	Non-independent
Mr. Pablo Ferraro Mila	Alternate Director	Meeting approving Financial Statements of the Company as of December 31, 2017	Supervisory Committee Meeting held on December 12, 2017	Non-independent
Mr. Rodrigo Javier Lores Arnaiz	Alternate Director	Meeting approving Financial Statements of the Company as of December 31, 2018	Shareholders' Meeting held on April 20, 2017	Non-independent
Mr. Gustavo Casír	Alternate Director	Meeting approving Financial Statements of the Company as of December 31, 2017	Supervisory Committee Meeting held on December 12, 2017	Non-independent
Mr. Fernando Saúl Zoppi	Alternate Director	Meeting approving Financial Statements of the Company as of December 31, 2018	Shareholders' Meeting held on April 14, 2016	Non-independent
Mr. Pedro Eugenio Aramburu	Alternate Director	Meeting approving Financial Statements of the Company	Shareholders' Meeting held on April 14, 2016	Non-independent

DIRECTOR	POSITION IN TGLT S.A.	TERM OF OFFICE	DATE OF APPOINTMENT	STATUS
		as of December 31, 2018		
Mr. Daniel Alfredo Vicien	Alternate Director	Meeting approving Financial Statements of the Company as of December 31, 2018	Shareholders' Meeting held on April 14, 2016	Independent
Mr. Luis Rodríguez Villasuso	Alternate Director	Meeting approving Financial Statements of the Company as of December 31, 2018	Shareholders' Meeting held on April 14, 2016	Independent

Information on legal proceedings filed by the Company

On October 2, through its subsidiary CANFOT S.A. (currently under a merger process with TGLT), the Company filed two proceedings for damages against Constructora Sudamericana S.A. for defects in constructions in its projects Forum Puerto Norte, in Rosario City, and Forum Alcorta in the City of Buenos Aires.

The legal actions are styled: (i) CANFOT S.A. vs. CONSTRUCTORA SUDAMERICANA S.A. on Ordinary Proceedings, File No. 18426/16 before First Instance Court on Civil Matters No. 17, Clerk's Office No. 34, in charge of Judge Federico Guerri and (ii) CANFOT S.A. vs. CONSTRUCTORA SUDAMERICANA S.A. on Ordinary Proceedings, File No. 18427/16, before First Instance Court on Civil Matters No. 27, Secretariat No. 53, in charge of Judge Maria Virginia Villarroel.

The Company thus seeks to recover the expenses and surcharges incurred by it to remediate the abovementioned defects and repair the damages caused by Constructora Sudamericana S.A. in connection with the abovementioned works.

Decision to abandon the incentive stock option plan

On July 5, 2017, TLGT S.A. reported its decision to abandon the incentive stock option plan, pending resolution by the National Securities Commission under file N. 2074/2013.

IV. STATISTICAL DATA

Information related to the Company's number of employees:

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015	Dec 31, 2014	Dec 31, 2013
Employees	85	89	94	95	79

Information on sales evolution:

	FPN	FFA	ASP	ASN	VEN (1)	FPB	MPN	AST	Others	Total	VEN Adjustment	TOTAL as per FF. SS.
Units sold												
Quarter ended 12.31.17	-	-	4	-	2	5	-	17	-	28	(2)	26
Quarter ended 12.31.16	-	-	-	1	2	10	-2	18	1	30	-2	28
Quarter ended 12.31.15	-	7	2	8	18	6	2	32	-	75	-18	57
Quarter ended 12.31.14	-	1	3	7	13	27	17	-	3	71	-13	58
Quarter ended 12.31.13	8	3	4	32	43	10	158	-	-2	256	-43	213
Year ended 12.31.17	-	1	4	4	7	47	8	94	-	165	(7)	158
Year ended 12.31.16	-	7	5	46	33	27	11	113	3	245	-33	212
Year ended 12.31.15	2	19	15	55	90	58	31	32	12	314	-90	224
Year ended 12.31.14	6	8	17	49	45	43	72	-	3	243	-45	198
Year ended 12.31.13	18	21	30	99	65	50	158	-	-27	414	-65	349
Accumulated as of 12.31.17	452	154	210	297	320	269	266	238	1	2207	(320)	1887
Contracted sales												
Sales of the period												
Quarter ended 12.31.17	-	-	31,830,505	721,403	5,676,980	49,962,108	-	43,800,796	-	131,991,792	(5,676,980)	126,314,812
Quarter ended 12.31.16	-	4,990,518	-	7,877,330	3,537,438	73,285,325	-3,660,457	64,981,357	2,033,713	153,045,224	(3,537,438)	149,507,786
Quarter ended 12.31.15	-	106,643,906	10,867,411	36,311,749	33,587,450	54,679,405	6,874,237	37,018,842	2,948,426	288,931,426	(33,587,450)	255,343,976
Quarter ended 12.31.14	1,465,654	11,575,195	13,403,841	13,557,000	19,688,149	90,386,555	25,665,461	-	6,149,771	181,891,626	(19,688,149)	162,203,477
Quarter ended 12.31.13	12,459,151	26,492,377	12,653,204	42,390,113	71,184,926	19,877,466	131,768,217	-	1,329,619	318,155,073	(71,184,926)	246,970,147
Year ended 12.31.17	-	8,726,040	31,830,505	21,302,668	21,083,634	317,928,218	32,694,277	268,867,429	-	702,432,771	(21,083,634)	681,349,137
Year ended 12.31.16	-	80,427,113	21,702,907	151,522,787	74,790,085	224,665,706	27,693,180	280,714,691	7,040,394	868,556,863	(74,790,085)	793,766,778
Year ended 12.31.15	2,477,273	236,988,734	50,384,395	128,397,479	167,223,380	191,243,163	47,709,443	37,018,842	19,855,672	881,298,381	(167,223,380)	714,075,001
Year ended 12.31.14	11,085,149	92,739,742	52,101,013	83,459,291	75,026,805	206,371,822	84,355,182	-	6,149,771	611,288,775	(75,026,805)	536,261,970
Year ended 12.31.13	22,065,391	172,951,121	61,447,329	119,997,617	95,319,257	102,619,029	131,768,217	-	(17,713,538)	688,454,423	(95,319,257)	593,135,166
Adjustments on sales of previous periods (2)												
Quarter ended 12.31.17	-	789	(17,229,912)	4,850,698	(7,322,869)	88,220,454	(3,017,647)	13,748,695	(41,037,018)	38,213,189	7,322,869	45,536,059
Quarter ended 12.31.16	-	-	2,566,020	-1,351,375	-6,617,367	49,957,128	277,678	-	-	44,832,084	6,617,367	51,449,451
Quarter ended 12.31.15	-	1,007,212	-1,402,547	3,015,970	6,206,801	-	43,328,543	-	1,109,016	53,264,995	(6,206,801)	47,058,194
Quarter ended 12.31.14	-	-9,837,716	-53,256,166	1,439,527	-368,476	7,986,910	13,788,034	-	-	-40,247,887	368,476	-39,879,411
Quarter ended 12.31.13	7,511,639	28,961,511	26,567,960	8,766,027	47,365,643	92,822,525	-	-	5,064,260	217,059,565	(47,365,643)	169,693,922
Year ended 12.31.17	-	(11,366,247)	(23,182,974)	13,901,086	32,651,784	102,099,131	225,861,713	53,362,244	(41,037,018)	352,289,718	(32,651,784)	319,637,934
Year ended 12.31.16	-	15,920,546	526,647	-16,900,947	25,017,139	349,793,613	94,238,373	808,794	6,269,876	475,674,041	(25,017,139)	450,656,902
Year ended 12.31.15	-	-126,895	1,176,148	15,372,157	19,011,253	55,635,386	73,023,283	-	6,992,087	171,083,419	(19,011,253)	152,072,166
Year ended 12.31.14	51,633	28,133,245	-14,701,607	277,711	3,062,108	82,622,356	38,520,077	-	-	137,965,523	(3,062,108)	134,903,415
Year ended 12.31.13	-18,600,604	24,783,340	65,029,207	15,983,903	50,679,437	106,303,984	-	-	5,052,096	249,231,363	(50,679,437)	198,551,926

	FPN	FFA	ASP	ASN	VEN (1)	FPB	MPN	AST	Others	Total	VEN Adjustment	TOTAL as per FF. SS.
Total sales												
Quarter ended 12.31.17	-	789	14,600,593	5,572,100	(1,645,889)	138,182,562	(3,017,647)	57,549,491	(41,037,018)	170,204,981	1,645,889	171,850,871
Quarter ended 12.31.16	-	4,990,518	2,566,020	6,525,955	-3,079,929	123,242,453	-3,382,780	64,981,357	2,033,713	197,877,307	3,079,929	200,957,236
Quarter ended 12.31.15	-	107,651,117	9,464,864	39,327,719	39,794,250	54,679,405	50,202,780	37,018,842	4,057,442	342,196,419	(39,794,250)	302,402,169
Quarter ended 12.31.14	1,465,654	1,737,479	-39,852,325	14,996,527	19,319,673	98,373,465	39,453,495	-	6149771	141,643,739	(19,319,673)	122,324,066
Quarter ended 12.31.13	19,970,790	55,453,888	39,221,164	51,156,140	118,550,569	112,699,991	131,768,217	-	6,393,879	535,214,638	(118,550,569)	416,664,069
Year ended 12.31.17	-	(2,640,208)	8,647,531	35,203,754	53,735,418	420,027,350	258,555,990	322,229,672	(41,037,018)	1,054,722,489	(53,735,418)	1,000,987,071
Year ended 12.31.16	-	96,347,659	22,229,554	134,621,840	99,807,224	574,459,319	121,931,553	281,523,484	13,310,269	1,344,230,902	(99,807,224)	1,244,423,678
Year ended 12.31.15	2,477,273	236,861,839	51,560,543	143,769,636	186,234,633	246,878,549	120,732,726	37,018,842	26,847,760	1,052,381,801	(186,234,633)	866,147,168
Year ended 12.31.14	11,136,782	120,872,987	37,399,406	83,737,002	78,088,913	288,994,178	122,875,259	-	6149771	749,254,298	(78,088,913)	671,165,385
Year ended 12.31.13	3,464,787	197,734,461	126,476,536	135,981,520	145,998,694	208,923,013	131,768,217	-	-12,661,442	937,685,786	(145,998,694)	791,687,092
Accumulated as of 12.31.17	431,510,914	1,108,323,567	392,318,454	573,598,779	613,835,855	1,857,659,068	665,971,194	640,771,999	2,833,386	6,286,823,216	(613,835,855)	5,672,987,361

Note: FPN corresponds to Forum Puerto Norte, FFA to Forum Alcorta, ASP to Astor Palermo, ASN to Astor Núñez, VEN to Venice, FPB to Forum Puerto del Buceo, MPN to Metra Puerto Norte, and AST to Astor San Telmo. Others includes Astor Caballito and Metra Devoto.

(1) Information is 100% disclosed. TGLT interest in Marina Río Luján is 50%. Marina Río Luján is the company that carries out the development of the project. Information related to Venice is subsequently eliminated to be consistent with the accounting disclose criteria.

(2) Corresponds to adjustments related to variations both in the exchange rate and the Argentine Construction Chamber (CAC) index by which certain sales contracts entered into in previous periods are adjusted as well as other adjustments on contracted sales from previous periods.

V. MAIN INDICATORS, RATIOS OR INDICES

TGLT Group

Indicator	Formula	Dec 31, 2017(1)	Dec 31, 2016(1)	Dec 31, 2015(1)	Dec 31, 2014	Dec 31, 2013
Liquidity	Current Assets/ Current Liabilities	1.61	0.72	0.85	1.09	1.21
Solvency	Net Worth / Liabilities	0.09	0.09	0.06	0.10	0.14
Immobilization of Capital	Non-Current Assets /Total Assets	0.26	0.56	0.44	0.15	0.14
Profitability	Net result of annualized period / Average Net Worth	(1.21)	0.98	(0.25)	(0.06)	(0.19)

TGLT Individual

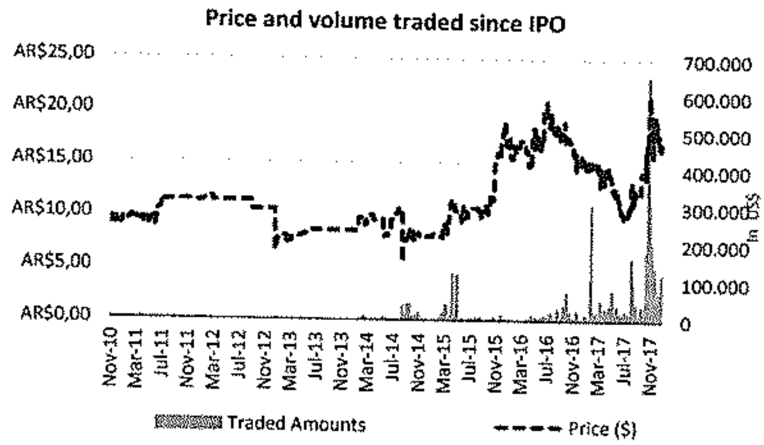
Indicator	Formula	Dec 31, 2017 (1)	Dec 31, 2016 (1)	Dec 31, 2015 (1)	Dec 31, 2014	Dec 31, 2013
Liquidity	Current Assets/ Current Liabilities	2.41	0.69	0.62	1.02	1.38
Solvency	Net Worth / Liabilities	0.12	0.07	0.10	0.18	0.31
Immobilization of Capital	Non-Current Assets /Total Assets	0.34	0.59	0.57	0.29	0.28
Profitability	Net result of annualized period / Average Net Worth	(1.21)	0.04	(0.29)	(0.08)	(0.19)

(1) Current and Non-current composition has been changed.

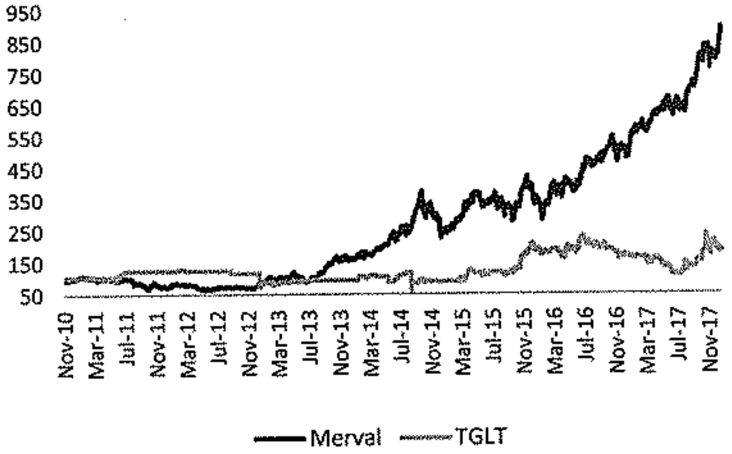
VI. CAPITAL MARKETS

Performance of TGLT S.A. share

TGLT's stock on the Buenos Aires Stock Exchange traded at $ 17.0 per share as of December 31, 2017. Average trading volume per day was 32,851 shares and was traded in 95% out of total trading days in 2017.



Performance since IPO vs Merval



Corporate bonds Program

On December 20, 2011, the Shareholders' Meeting approved the creation of a global program for the issuance of unsecured corporate bonds, not convertible into shares, in the short, medium and / or long term, subordinated or not, with or without collateral, pursuant to Law No. 23,576 as amended (*Obligaciones Negociables*, the"ONs") for a maximum amount of US $ 50 million (US $ 50,000,000) or its equivalent in other legal currencies at any time; bonds may be issued in several classes and / or series denominated in US dollars or other currencies and re-issued in successive classes and / or series as they are amortized (the "Program"). The Program will have a term of five (5) years from its authorization by the CNV, within which all issues and re-issues under this Program must be performed.

It was also resolved that the funds obtained through the placement of the ONs issued under the Program be assigned to any of the uses set forth in section 36 subsection 2) of Law No. 23,576 as amended, that is: investments in physical assets located in the country; and/or payment of working capital in the country; and / or refinancing of liabilities; and / or payment of capital contributions in companies controlled by or related to the issuing company whose proceeds are applied exclusively to the above specified destinations; the Board of Directors (or, as the case may be, the directors or officers in whom their powers may be sub-delegated) shall determine where to allocate the funds from the issuance or re-issuance of each series or each class of ONs to be issued under the Program.

On July 12, 2012, the Board of Directors of the Securities Commission of Argentina authorized the Program by means of Resolution No. 16,853.

The Corporate Bonds issued under this Program, include Classes I and II (2012), III and IV (2013), V and VI (2014), VII, VIII and IX (2015); in 2016 the Program continued, first with the issuance of Classes X and XI and then Classes XII and XIII Corporate bonds.

On February 23, 2016, and within the framework of the Program, Corporate bonds Classes X and XI were issued:

The Class X Corporate bonds were issued for an amount of $ 96,828,323, at *Badlar Privada* variable rate + 649 basis points maturing 18 months from the issue date, that is, on August 23, 2017. Capital will be amortized in Argentinean pesos through two equal and consecutive payments on the 15th and 18th month as from the issue. Interest will be payable in arrears on a quarterly basis starting on May 23, 2016.

Issue of Class XI Corporate Bonds was not executed.

On July 22, 2016, and within the framework of the Program, Class XII and XIII Corporate bonds were issued:

The Class XII Corporate bonds were issued for an amount of $ 96,666,666, at *Badlar Privada* variable rate + 600 basis points, with the exception that for the first three months, the ON accrues a minimum rate of 32% TNA (nominal annual interest rate). The maturity is 18 months from the date of issuance, that is to say on January 23, 2018 and the capital will be amortized in pesos in full on maturity date. Interest shall be payable in arrears on a quarterly basis starting on October 24, 2016.

Issue of Class XIII Corporate Bonds was not executed.

TGLT shall allocate the funds to invest in property, plant and equipment in the country, pay working capital in the country, refinance liabilities, make capital contributions to subsidiaries or related companies, and / or any other destination provided in the applicable regulations.

As of the date of issue, both Classes have got the BB rating on the long-term national risk scale from FIX SCR S.A. Risk Rating Agent (formerly Fitch Argentina Calificadora de Riesgo S.A.). The notes are traded in the Buenos Aires Stock Exchange and in Mercado Abierto Electrónico (Electronic Open Market).

On November 10, the following was approved: (i) update of the prospectus corresponding to the global program of issuance of corporate bonds for a maximum outstanding amount of US $ 50,000,000 (or its equivalent in other currencies) (the "Program"); its extension was approved by the General Ordinary and Extraordinary General Shareholders' meeting of the Company on April 20, 2017; (ii) the issuance of new unsecured corporate bonds under the Program for a nominal value of up to One Hundred and Fifty Million Pesos ($ 150,000,000), in one or more classes and/or series, as may be determined in the respective price supplement (the "New Corporate Bonds"); and (iii) delegate to certain members of the Board of Directors and senior managers of the Company broad powers to determine the terms and conditions of issuance of the New Corporate Bonds, as well as to subscribe and deliver all documents and instruments necessary or appropriate to implement the extension of the Program, the updating of the prospectus of the Program and the issuance and placement of the New Corporate Bonds, in accordance with the provisions of the Rules of the National Securities Commission of Argentina.

On March 1, 2018, the term of the program authorized by resolution No. RESF-2018-19297-APN-DIR # CNV of the Board of the National Securities Commission of Argentina (the "CNV") dated January 18, 2018 was extended. This authorization only means that the requirements established in terms of information have been fulfilled The CNV has not expressed any opinion on the information contained in the Prospectus.

On March 5, 2018, the Company filed with the CNV the price supplement for the issuance of Series XIV and XV of the Corporate Bonds Program, which was approved on that same day.

Issuance conditions of the Company's corporate bonds in force at the closing date of the Financial Statements are summarized below:

	Class IX	Class XII
Issue date	May 12, 2015	July 22, 2016
Amount issued	$ 57,229,975	$ 96,666,666
Currency	Pesos	Pesos
Interest rate	The higher of: - A 0.90 factor multiplied by the variation of the Index Cost of the Argentine Chamber of Construction (CAC); - Badlar rate + 600 basis points	Badlar rate + 600 bps., except that for the first three months the ON shall accrue at a minimum 32% annual nominal rate.
Maturity	May 12, 2018	January 23, 2018
Amortization	4 consecutive equal payments since August 12, 2017	One payment on January 23, 2018
Interest payment	Quarterly coupon	
Capital Payment	At par	
Rating	BB by FIX SCR S.A. Agente de Calificación de Riesgo (formerly Fitch Argentina Calificadora de Riesgo S.A.)	
Markets	Buenos Aires Stock Exchange and Mercado Abierto Electrónico	
Applicable law	Argentina	

VII. ACCOUNTING INFORMATION SUMMARY

Summary of financial position, income/loss, generation and use of funds, and indicators.

Equity structure – TGLT Group

	Dec 31, 2017 (1)	Dec 31, 2016 (1)	Dec 31, 2015 (1)	Dec 31, 2014	Dec 31, 2013
Non-current assets	1,446,148,078	2,765,364,959	1,638,738,283	474,106,887	337,220,571
Current assets	4,145,353,284	2,208,524,639	2,114,106,187	2,670,710,277	2,131,144,863
Total assets	**5,591,501,362**	**4,973,889,598**	**3,752,844,470**	**3,144,817,164**	**2,468,365,434**
Non-current liabilities	2,572,922,969	1,522,534,680	1,054,511,578	406,872,198	405,254,288
Current liabilities	2,569,435,044	3,049,914,315	2,483,214,357	2,454,385,084	1,761,058,106
Total liabilities	**5,142,358,013**	**4,572,448,995**	**3,537,725,935**	**2,861,257,282**	**2,166,312,394**
Attributable to controlling owners	449,143,349	147,742,168	172,124,894	238,025,268	262,897,301

Attributable to non-controlling owners	-	253,698,435	42,993,641	45,534,614	39,155,739
Total net worth	**449,143,349**	**401,440,603**	**215,118,535**	**283,559,882**	**302,053,040**
Total liabilities and net worth	**5,591,501,362**	**4,973,889,598**	**3,752,844,470**	**3,144,817,164**	**2,468,365,434**

(1) Composition of Current and Non-current has been changed.

Assets as of December 31, 2017 increased by $ 618 million during the year, driven mainly by an increase in Cash and Cash Equivalents of $ 1,719 million as a result of the issuance of the Convertible Notes for US $ 150 million, which was partially offset by a reduction in Investment Property of $ 861 million and in Inventories of $ 784 million, as a result of the deconsolidation of Marina Río Luján and the delivery of units in Astor Núñez and Forum Puerto del Buceo. In contrast, Liabilities were increased by $ 570 million after the issuance of the aforementioned debt instrument (of which 36.6% was capitalized according to current accounting regulations), an effect that was partially offset by the decrease of $ 768 million in Advances from Clients, as a consequence of the aforementioned delivery of units.

Equity structure - TGLT individual

	Dec 31, 2017 (1)	Dec 31, 2016 (1)	Dec 31, 2015 (1)	Dec 31, 2014	Dec 31, 2013
Non-current assets	1,443,268,053	1,338,746,591	1,032,041,269	451,404,274	314,531,325
Current assets	2,800,157,995	920,534,581	786,123,876	1,117,606,274	809,237,148
Total assets	**4,243,426,048**	**2,259,281,172**	**1,818,165,145**	**1,569,010,548**	**1,123,768,473**
Non-current liabilities	2,633,731,059	768,251,299	381,519,858	240,031,373	275,298,352
Current liabilities	1,160,551,640	1,343,287,705	1,264,520,393	1,090,953,907	585,572,820
Total liabilities	**3,794,282,699**	**2,111,539,004**	**1,646,040,251**	**1,330,985,280**	**860,871,172**
Total net worth	449,143,349	147,742,168	172,124,894	238,025,268	262,897,301
Total liabilities and net worth	**4,243,426,048**	**2,259,281,172**	**1,818,165,145**	**1,569,010,548**	**1,123,768,473**

(1) Composition of Current and Non-current has been changed.

At Individual level, Assets increased by $ 1,984 million during the year, mainly driven by an increase in Cash and Cash Equivalents of $ 1,718 million as a result of the issuance of the Convertible Notes for US $ 150 million, which was partially offset by a reduction in Inventories of $ 102 million, as a consequence of the delivery of units in Astor Núñez. In contrast, Liabilities were increased by $ 1,683 million after the issuance of the aforementioned debt instrument (of which 36.6% was capitalized according to current accounting regulations), an effect that was partially offset by the decrease of $ 109 million in Advances from Clients, mainly as a result of the aforementioned delivery of units in Astor Núñez.

(Loss) Income Structure for fiscal period – TGLT Group

	Dec 31, 2017 (1)	Dec 31, 2016 (1)	Dec 31, 2015 (1)	Dec 31, 2014	Dec 31, 2013
Operative results	(310,356,737)	(227,585,142)	(5,464,510)	(40,321,054)	(190,984,648)
(Loss) / Income from investments in companies	(12,619,230)	-	-	-	-
Other expenses	(529,715)	(573,087)	(383,313)	(450,551)	(487,345)
Financial results:					
Foreign exchange difference	(14,767,919)	(5,166,955)	(34,281,821)	(39,195,073)	(27,505,349)
Financial income	26,060,080	11,028,950	49,941,660	97,366,655	168,082,703
Financial costs	(230,291,693)	(85,279,655)	(68,011,711)	(40,154,554)	(26,212,913)
(Loss) / Income for assessment at fair value of investment property	(2,639,682)	757,895,460	-	-	-
(Loss) / Income from sale of investment property	58,431,000	-	-	-	-
Other income and expenses, net	8,400,411	8,453,104	198,209	8,621,645	,922,632
(Loss) / Income before Income Tax	**(478,313,485)**	**458,772,675**	**(58,001,486)**	**(14,132,932)**	**(71,184,920)**
Income Tax	126,338,448	(232,470,830)	10,378,684	(3,687,354)	6,809,234
(Loss) / Income for the period	**(351,975,037)**	**226,301,845**	**(47,622,802)**	**(17,820,286)**	**(64,375,686)**
Other comprehensive (loss) / income	(9,254,775)	(16,596,365)	(20,823,545)	(672,872)	427,924
Total comprehensive (loss)/ income for the period	**(361,229,812)**	**209,705,480**	**(68,446,347)**	**(18,493,158)**	**(63,947,762)**
(Loss) / Income attributable to:					
Owners of controlling company	(351,975,037)	4,776,567	(45,076,829)	(19,385,810)	(55,422,832)
Interests in non-controlling companies	-	221,525,278	(2,545,973)	892,652	(8,524,930)

(1) Composition of Current and Non-current has been changed.

According to the IFRS, the Company recognizes income from sales - and the corresponding cost of sales - only when the units sold are delivered. TGLT is in a growth phase, with a unit delivery level lower than its operational capacity allows. During the twelve-month period, 240 units were delivered, corresponding almost entirely to the Astor Núñez project, which is completed, and the Forum Puerto del Buceo project, which has completed its first stage and continues the construction of the remaining phase, to be completed during 2018. These deliveries generated a positive gross result of $ 96.4 million.

Operating results include, on the other hand, taxes related to sales (basically Turnover Tax) as well as all marketing and administrative expenses necessary to support the structure of the Company.

(Loss) / Income from Investments in Companies correspond to our 50% participation in Marina Río Luján. The negative financial result for $ 218.9 million corresponds mostly to the interest accrual corresponding to the Convertible Notes, together with the payment of interest on the outstanding Convertible Notes in local currency.

Positive result of $ 58.4 million reflected as "Result from the sale of investment property" was generated by the collection of part of the price balance of the property located in Monroe Street, a sale generated in 2016.

(Loss) / Income Structure for the period – TGLT individual

	Dec 31, 2017 (1)	Dec 31, 2016 (1)	Dec 31, 2015 (1)	Dec 31, 2014	Dec 31, 2013
Operative results	(314,691,194)	(182,450,378)	(53,387,794)	(59,769,465)	(39,381,782)
(Loss) / Income from investments in companies	(33,987,729)	171,195,058	9,559,453	10,411,136	(42,830,269)
Other expenses	(414,875)	(459,810)	(316,104)	(375,942)	(466,558)
Financial results:					
Foreign exchange difference	(29,347,204)	(7,181,414)	(3,595,260)	(16,569,108)	(1,496,818)
Financial income	29,235,463	10,812,380	12,288,603	52,124,076	49,893,158
Financial costs	(200,277,909)	(53,204,882)	(27,704,658)	(19,839,607)	(8,663,437)
(Loss) / Income for assessment at fair value of investment property	(2,639,682)	56,089,210	-	-	-
(Loss) / Income from sale of investment property	58,431,000	-	-	-	-
Other income and expenses, net	8,326,810	14,518,992	(1,897,563)	1,064,331	(10,840,206)
(Loss) / Income before Income Tax	**(485,365,320)**	**9,319,156**	**(65,053,323)**	**(32,954,579)**	**(53,785,912)**
Income Tax	133,390,283	(4,542,589)	19,976,494	14,241,641	(2,064,844)
(Loss) / Income for the period	**(351,975,037)**	**4,776,567**	**(45,076,829)**	**(18,712,938)**	**(55,850,756)**
Difference for the conversion of a net	(9,254,775)	(16,596,365)	(20,823,545)	(672,872)	427,924

investment abroad					
Total Comprehensive (Loss) Income for the period	**(361,229,812)**	**(11,819,798)**	**(65,900,374)**	**(19,385,810)**	**(55,422,832)**

(1) Composition of Current and Non-current has been changed.

During the twelve-month period, 160 units were delivered individually, corresponding almost entirely to Astor Núñez, which generated a positive gross result of $ 3 million.

The operating results include, on the other hand, taxes related to sales (basically Turnover Tax) as well as all marketing and administrative expenses necessary to support the structure of the Company.

Loss / Income for Investments in Companies of ($ 34) million correspond to Forum Puerto del Buceo and to our 50% participation in Marina Río Luján. The negative financial results for $ 200 million correspond mostly to the accrual of interest corresponding to the Convertible Notes, together with the payment of interest on the outstanding Corporate bonds in local currency.

Part of the outstanding balance of the sale price of the property located in Monroe Street, a sale generated in 2016, contributed to the positive result of $ 58.4 million shown in "(Loss) / Income from the sale of investment property".

Structure of the generation and use of funds of the period – TGLT Group

	Dec 31. 2017 (1)	Dec 31. 2016 (1)	Dec 31, 2015 (1)	Dec 31, 2014	Dec 31, 2013
Funds (used in) generated by operating activities	(535,213,282)	(311,135,672)	(21,975,710)	(112,570,857)	(111,263,047)
Funds (used in) generated by operating activities	(3,133,316)	55,747,562	(4,567,191)	(38,104,796)	(2,773,203)
Funds (used in) generated by financing activities	2,257,234,535	243,997,590	64,324,883	85,515,183	176,383,789
Total funds (used in) generated during the period	**1,799,986,357**	**81,098,420**	**92,488,940**	**(65,160,470)**	**62,347,539**

(1) Composition of Current and Non-current has been changed.

In 2017, $ 535 million were used in Operating Activities, mainly explained by the investment in working capital in most of our projects under way.

There was a net financing of $ 2,257 million over the year, primarily as a result of the issuance of Convertible Notes for US $ 150 million in August 2017, which is reflected in the increase in cash and equivalents.

Structure of the generation and use of funds of the period – TGLT individual

	Dec 31. 2017 (1)	Dec 31. 2016 (1)	Dec 31, 2015 (1)	Dec 31, 2014	Dec 31, 2013
Funds (used in) generated by operating activities	(735,479,054)	(99,560,167)	(40,148,086)	(58,132,624)	(58,763,411)
Funds (used in) generated by operating activities	73,181,566	55,840,734	(4,408,645)	(37,316,218)	(2,901,671)
Funds (used in) generated by financing activities	2,379,825,720	30,672,513	34,393,494	38,773,337	97,028,580
Total funds (used in) generated during the period	**1,730,347,244**	**12,953,103**	**12,827,932**	**(56,675,505)**	**35,363,498**

(1) Composition of Current and Non-current has been changed.

In 2017, $ 735.4 million were used in Operating Activities, mainly explained by the investment in working capital in most of our projects under way.

On the other hand, the aforementioned issuance of the US $ 150 million convertible debt instrument contributed substantially to the $ 2.3 billion increase in financial flows.

VIII. RELATIONS WITH RELATED COMPANIES

a) As of December 31, 2017, 2016 and 2015, the amounts outstanding with companies under Section 33 – Law 19,550 and other related parties, classified as per the nature of the transaction, are as follows:

RECEIVABLES FROM RELATED PARTIES	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
RECEIVABLES FROM SALES				
AGL Capital S.A. in local currency		172,689	258,986	2,308,410

AGL Capital S.A. in foreign currency	40	1,058,668	-	-
Marina Río Luján S.A.		14,003	-	-
Individual shareholders in foreign currency	40	-	90,367	74,056
		1,245,360	349,353	2,382,466
OTHER RECEIVABLES				
Marina Río Lujan S.A.		9,525,134	-	-
Marina Río Lujan S.A. in foreign currency		187,537,372	-	-
Individual shareholders		2,557,191	2,505,432	2,130,741
Other shareholders		3,540,727	3,543,512	3,439,061
		203,160,424	6,048,944	5,569,802
Total receivables with related parties		**204,405,784**	**6,398,297**	**7,952,268**
PAYABLES WITH RELATED PARTIES				
TRADE PAYABLES				
IRSA Inversiones y Representaciones S.A.		-	-	35,418,354
		-	-	35,418,354
ADVANCE PAYMENTS OF CLIENTS				
Alto Palermo S.A.		-	-	236,645,106
IRSA Inversiones y Representaciones S.A.		-	-	60,287,590
Directors and Senior Managers		-	3,129,739	504,152
Comisiones y Corretaje S.A.		-	22,504,620	-
		-	25,634,359	297,436,848
Total Payables with related parties		-	**25,634,359**	**332,855,202**

b) As of December 31, 2017, 2016 and 2015, the most significant transactions with Companies under section 33 - Law No. 19,550 and other related parties were the following:

- Transactions and their effects on the cash flow

Name of the related company		Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
AGL Capital S.A.	Collection for services rendered	633,573	2,246,792	757,996
Comisiones y Corretajes S.A.	Collections received	5,796,000	-	-
Individual shareholders	Loans received	7,452,900	-	-
Individual shareholders	Collection for sale of units	106,163	-	-
Directors and Senior Managers	Collection for sale of units	1,978,430	2,660,194	3,315,339
Comisiones y Corretajes S.A.	Payments	(172,689)		
Individual shareholders	Payments on behalf of third parties	(7,804,458)	(210,094)	117,696
Other shareholders	Payments on behalf of third parties	(34,605,750)	(253,451)	125,153
Totals		**(26,615,831)**	**4,443,441**	**4,316,184**

- Transactions and their effects on (Loss) / Income

			Profit/ (Loss)	
Name of related company	Transaction	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
AGL Capital S.A.	Income for services rendered	1,044,305	258,986	541,837
AGL Capital S.A.	Financial results	103,197	-	-
Individual shareholders	Financial results	(335,762)	16,311	26,552
Comisiones y Corretajes S.A.	Financial results	(3,444,030)	-	-
Comisiones y Corretajes S.A.	Commissions	(2,861,100)	-	-
Other shareholders	Bad debts	(2,785)	(733,887)	-
IRSA Inversiones y Representaciones S.A.	Income for delivery of units	-	29,292,123	-
Directors and Senior Managers	Income for delivery of units	5,162,346	-	3,312,687
Directors and Senior Managers	Fees	-	(2,189,485)	(2,255,820)
Totals		**(333,829)**	**26,644,048**	**1,625,256**

c) As of December 31, 2017 and 2016, transactions with key staff are the following:

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Salaries and social security	19,780,123	12,156,960	13,133,481
Social security	3,633,750	2,066,880	2,106,005
Total	23,413,873	14,223,840	15,239,486

On December 13, 2011, the Board of Directors of the Company established that the senior management, in the terms of section 270 of the Companies Act is composed as follows:

- General Management.
- Financial Management.
- Operations Management.
- Human Resources, Technology and Processes Management.

On November 10, 2017, Dr. Federico Wilensky joined the Company as Legal Director. From that date, senior managers are five.

In April 2016, Federico Weil signed an employment contract with the Company. This agreement establishes that Federico Weil shall take the position of CEO (Chief Executive Officer) of TGLT, and will be responsible for the general and administrative management of TGLT. In case the contract terminates without due cause, Federico Weil shall be entitled to a special payment as severance equivalent to two times the severance payment he should be paid according to the Labor Contract Law. The agreement includes the following clauses: exclusivity, non-competition and confidentiality by Federico Weil.

IX. CORPORATE GOVERNANCE

Corporate Governance Policies

The Company complies with the provisions set forth in Business Companies Law of Argentina No. 19,550 as amended, as well as the Capital Markets Law No. 26,831, Regulatory Decree No. 1023 dated August 1, 2013 and the Regulations of the CNV, revised text 2013 and other corporate governance rules of the CNV. On October 11, 2007, the CNV issued Resolution 516/2007, approving a corporate governance code which complemented the legal framework on corporate governance set forth by Decree No. 677/2001 on Transparency and the CNV regulations then in force. Subsequently, the CNV published General Resolution 606/2012, by means of which Resolution 516/07 was annulled as from January 1, 2012, establishing a new Corporate Governance Code, as well as the need for issuing companies to submit a Report on the degree of their compliance with that Code, and the terms and conditions of that Report. These principles and recommendations were substantially included as Annex IV of Title IV of the new Rules of the CNV - revised text 2013 - which were published by General Resolution of the CNV No. 622/2013.

The Corporate Governance Code establishes a series of principles and recommendations for issuing companies which are detailed in Annex I to this Report, indicating also the degree of implementation and compliance.

Additionally, TGLT seeks to implement corporate governance practices at the highest international standards, thus complementing the adherence to the standards described above with other good governance practices such as the following:

- Single share type, each representative of 1 (one) vote
- Mandatory public offering in case of delisting
- Arbitration panel of the Buenos Aires Stock Exchange for claims related to the shares and / or shareholders
- Mandatory Public Offering in the terms provided for in section II, Chapter II, Title III of the CNV regulations

Regarding the accounting information, it is currently prepared in accordance with the professional accounting standards in force in the Argentine Republic issued by the Argentine Federation of Professional Councils of Economic Sciences. They adopt the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), as from the fiscal year started on January 1, 2012, as well as the relevant regulations of the CNV and the provisions of the Business Companies Law for the entities included in the public offering system of Law No. 26,831, either by its capital, by its corporate bonds or their request for authorization to be included in the aforementioned system.

Management Bodies

Management

TGLT work team stands out for an attitude featured by (i) entrepreneurial dynamism, (ii) result-oriented mind with a meritocratic system, (iii) teamwork and (iv) comprehensive vision.

From the very beginning, the Company has been led by Federico Weil, who plays the role of General Manager. The Company has gone through a process of recruitment of hierarchical personnel oriented to have the most qualified professionals. As a result of this strategy, TGLT has a hierarchical highly-experienced staff with the clear objective of building and developing the Company's planned growth.

The administration of the Company's activities along with the implementation and performance of the corporate objectives is in charge of the senior management which reports directly to the General Manager. The General Manager appoints the senior management. Senior management meets weekly to discuss and make decisions related to the ordinary course of the Company's business and which, due to their nature, must not be submitted to the Board for their treatment.

The following table provides information about the current senior management of the Company:

Name	Position	Date starting office
Federico Weil	General Manager	September 20, 2005
Alejandro Belio	Operations Manager	January 18, 2010

Rodrigo Lores Arnaiz	Processes and Business Support Manager	July 17, 2006
Alberto López Gaffney	Administration and Finance Manager	June 12, 2017
Federico Wilensky	Legal Affairs Manager	November 10, 2017

See section Board of Directors below to learn about the background of senior managers.

Compensation. Our compensation policy aims to attract, retain and promote highly qualified professionals, as well as align their interests with those of our Shareholders, through variable compensation systems based on fulfillment of financial and operational goals, and an options plan. Our senior management receives a fixed amount based on their academic and professional background, capacity and experience and an annual bonus that varies according to their individual performance and our results. In October 2009, the Board of Directors of TGLT approved a variable compensation system for Directors and employees in line with the Company's development and growth. An amount of the Company's profits will be allocated each year to grant a variable compensation to senior managers or those employees selected by the Board of Directors, in the amounts that the Board assigns to each one upon their designation.

Board of Directors

The Board of Directors is composed of eight (8) regular directors and eight (8) alternate directors who will remain in their positions for three (3) fiscal years, and may be reelected indefinitely. In accordance with the resolution of the General Ordinary and Extraordinary Shareholders' Meeting held on April 20, 2017, the Supervisory Committee meeting held on July 11, 2017, and the Supervisory Committee meeting held on December 12, 2017, the Board of Directors is composed as follows:

Director	Position in TGLT	Status
Federico Nicolás Weil	President and Regular Director	Non-independent
Darío Ezequiel Lizzano	Vice-President and Regular Director	Non-independent
Mariano Sebastián Weil	Regular Director	Non-independent
Mariano González	Regular Director	Non-independent
Pablo Alejandro Melhem Marcote	Regular Director	Non-independent
Carlos Alberto Palazón	Regular Director	Non-independent
Alejandro Emilio Marchionna Faré	Regular Director	Independent
Mauricio Wior	Regular Director	Independent
Alejandro Belio	Alternate Director	Non-independent
Pablo Ferraro Mila	Alternate Director	Non-independent
Rodrigo Javier Lores Arnaiz	Alternate Director	Non-independent
Gustavo Casir	Alternate Director	Non-independent
Fernando Saúl Zoppi	Alternate Director	Non-independent
Pedro Eugenio Aramburu	Alternate Director	Non-independent
Daniel Alfredo Vicien	Alternate Director	Independent
Luis Rodríguez Villasuso	Alternate Director	Independent

The following is a brief description of the background of the members of our Board of Directors:

Federico N. Weil. Mr. Weil is TGLT's founder and Chairman of the Board of Directors since 2005. He is also President of CAP Ventures Compañía Argentina de Participaciones SA, a venture capital fund with headquarters in Buenos Aires, and Regular Director of AGL Capital SA, a financial company. Prior to 2005, Mr. Weil was Co-founder of Adecoagro (NYSE: AGRO) and Managing Partner in SLI Ventures, a venture capital fund based in Miami, FL. Mr. Weil is an Industrial Engineer graduated from the Universidad de Buenos Aires. He also received a Master in Business Administration from Wharton School of Business at the University of Pennsylvania.

Darío Ezequiel Lizzano. Mr. Lizzano is Regular Director and Vice President of the Board of Directors of TGLT. He has worked as a Co-director of investment banking at Vinci Partners Investimentos. He has been the General Director of Pointstate Capital since December 2014, working as a Senior Portfolio Manager. Previously, he was Managing Director of Morgan Stanley from July 2007 to 2014, as Director of Equities and Research for the Latin American division and as Chief of Distribution of Emerging Markets. He also served as General Director and Director of Equities and Research for Latin America at Santander Investment Securities Inc. Mr. Lizzano holds a degree in Business Administration from the Universidad Católica Argentina.

Mariano Weil. Mr. Weil is Regular Director of the Board of Directors of TGLT. Mariano began his professional career in the Financial Leadership Program of General Electric Company in 1998. Subsequently, he was transferred to GE headquarters where he worked in Corporate Treasury and Financial Planning. In 2004, he joined GE Capital Solutions, GE's financial services division in Stamford, Connecticut until he was transferred to Mexico City in 2006 to take the position of Financial Director for Latin America. Mariano was also Director of Banco HNS Chile, a joint venture of GE Capital with the Banco Edwards shareholding group. He is founder of AGL Capital S.A. Mr. Weil holds a degree in Economics from the Universidad de San Andrés. Mariano is the brother of Federico Weil's, President of

TGLT.

Mariano Gonzalez. Mr. González is a lawyer and partner of the boutique firm González & Ferraro Mila. Its main focus is on capital markets, mergers and acquisitions, project financing and financial restructuring in the mining, oil and gas utilities industries. He was a junior partner of Estudio Beccar Varela (Buenos Aires, Argentina) from 1998 to 2005. Previously, he worked at Marval, O'Farrell & Mairal as a senior associate from 1997 to 1998, and worked at Linklaters and Milbank, Tweed, Hadley & McCloy in New York as a foreign associate. Mr. Gonzalez graduated in Law from the Universidad de Belgrano in 1993 and obtained a Master of Laws (LLM) from the Columbia University School of Law in 1996. He also obtained a Bachelor's Degree in International Trade from the Fundación Banco de Boston in 1992.

Pablo Alejandro Melhem Marcote. Mr. Melhem Marcote is Regular Director of TGLT. Throughout her professional career, he worked at Brandi e Asociados (Sao Paulo, Brazil) in 1999, as an associate at Allende & Brea (Buenos Aires, Argentina) between 2000 and 2001, as a senior associate at Allende & Brea LLC (Florida, United States) between 2002 and 2005; and at Estudio Garrido (Buenos Aires, Argentina) as Contract Partner between 2005 and 2006. Mr. Melhem graduated as a lawyer from the Universidad Católica Argentina in 1999 and obtained a Master of Laws (LLM) at the School of Law of the University of Virginia in 2002. Its main areas of practice are mergers and acquisitions, corporate law and international contracts; venture capital & private equity, real estate.

Carlos Alberto Palazón Mr. Palazón is Regular Director of TGLT and Partner of LP Advisors, advisor in Argentina of PointArgentum. He previously served as a Portfolio Manager at CIMA Investments, worked as a Senior Research Analyst at BGN and as a Portfolio Manager at Consultatio Asset Management. He has a large experience in emerging markets where he has been working since the early 1990s. Mr. Palazón holds a degree in Economics from the Universidad Católica Argentina, Buenos Aires and is also a CFA Charterholder.

Alejandro Emilio Marchionna Faré. Mr. Marchionna Faré is an independent Regular Director of TGLT. In addition, he is the Chairman of the Audit Committee. He has been part of the Company's Board of Directors since February 19, 2010. He is also Chairman of the Board of Integra Negocios S.A. and of Andes Foundation. He has worked as a Strategy Consultant for more than 30 years and is currently a part-time post-graduate professor at the IAE Business School. He has previously worked at Serra Consulting, The Fare Partners (London), Fenlane (London), Towers Perrin (London) and Telesis (Paris). Mr. Marchionna holds a Degree in Operations Research and Industrial Engineering from the Universidad Católica Argentina. He obtained a Master in Business Administration from Harvard University and a PhD from the Universidad de CEMA (Buenos Aires).

Mauricio Wior Mr. Wior is an independent Regular Director of TGLT and is also Director of Banco Hipotecario. He has held various positions in Bellsouth, where he was a Vice President for Latin America from 1995 to 2005. Mr. Wior was also the General Manager of Movicom Bellsouth from 1991 to 2005. In addition, he led the operations of several cellular telephone companies in Uruguay, Chile, Peru, Ecuador and Venezuela. He was President of the Latin American Association of Cellular Phones (ALCACEL), the Chamber of Commerce of the United States in Argentina and the Israeli-Argentine Chamber of Commerce. He was Director of the *Instituto para el Desarrollo Empresarial de Argentina* (IDEA -Institute for Business Development of Argentina), *Fundación de Investigaciones Económicas Latinoamericanas* (FIEL - Foundation of Latin American Economic Research) and Tzedaka. Mr. Wior obtained a Master's Degree in Finance, as well as a Bachelor's Degree in Economics and Accounting from Tel Aviv University, in Israel.

Alejandro Belio Mr. Belio is an Alternate Director of TGLT and has also been Operations Director since January 2010. Previously, he was the General Manager of Faena Properties S.A. He also worked as General Manager of Creaurban S.A., Project Manager of Malecón 2000 Foundation (Guayaquil, Ecuador), Group Leader of Construction Works in Construcciones Lain / OHL (Barcelona, Spain) and Project Director of Graziani S.A. He is an architect graduated from the Universidad de Buenos Aires in 1979, obtained his MBA in the Universidad del CEMA and completed the Senior Management Program of the IAE.

Pablo Ferraro Mila Mr. Mila is an Alternate Director of TGLT. He graduated as a lawyer in 1993. He holds a Masters in Comparative Jurisprudence from New York University, School of Law and a Master in Business Law from Universidad Austral. He is admitted as a lawyer before the Bar Association of the Federal Capital, and the State of New York and as Solicitor before the Supreme Court of England and Wales.

Gustavo Casir. Mr. Casir is Alternate Director of TGLT. Previously, he worked as an associate in Estudio Seitun between 1991 and 1993, in the Legal Affairs Division of Grupo Proalcar S.A. until 1994, as a partner in Casir & Pérez Pistani until 1997, as an associate in Muñoz del Toro & Muñoz del Toro until 2000, in Simpson, Thacher & Bartlett (New York) until 2001 as an associate, in Muñoz del Toro & Muñoz del Toro as a partner until 2005 and as a partner in Quattrini, Laprida & Asociados until 2011. Mr. Casir graduated as a lawyer from the Universidad de Belgrano in 1992 and obtained postgraduate degrees in Corporate Finance and Management and Business Administration in the University of San Diego in 1994; and a postgraduate degree in Banking Practice from the Universidad de Buenos Aires in 1995. He also obtained a degree in Foreign Trade from the Argentine Chamber of Commerce in 1990.

Rodrigo Lores Arnaiz. Mr. Lores Arnaiz is Alternate Director, Manager of Processes and Business Support of TGLT. Before joining TGLT, he was Senior Manager of Accenture in the strategic consulting team for clients in the mass consumption sector in Argentina and Chile. He also worked for five years as an accountant in the audit and Business Advisory division of Arthur Andersen. Mr. Lores Arnaiz obtained his MBA from Wharton School of Business, where he graduated in Strategic Management and Finance. He is a national public accountant from the Universidad de Buenos Aires, where he graduated with honors.

Fernando Saúl Zoppi. Mr. Zoppi is Alternate Director of TGLT. His activity has mainly focused on corporate law matters, such as mergers and acquisitions, Corporate Investments and Venture Capital, Project Finance and Infrastructure and Corporate Finance. He represents investment funds, multinational companies, multilateral organizations and banking corporations in various local, regional and international transactions. His experience extends to advice on corporate and contractual matters and other matters related to commercial law. Mr. Zoppi graduated in Law from the Universidad de Buenos Aires (with honors) in 1999, and obtained a Master's Degree (LLM) at Columbia University, School of Law (New York, USA), in May 2004. Mr. Zoppi joined PAGBAM in 1998. During 2005 and

2006 he was an associate in O'Melveny & Myers, LLP (New York, USA). In 2007, he was an associate of Latham & Watkins LLP (New York, USA). In 2012 he was appointed Partner of PAGBAM. He has been a class assistant at the Universidad de Buenos Aires (International Law and Civil Rights). He is currently a professor at the Instituto Universitario ESEADE, where he lectures on Capital Markets at the postgraduate program in Financial Assets Management.

Pedro Eugenio Aramburu. Mr. Aramburu is Alernate Director of TGLT. Its activity has been focused mainly on mergers and acquisitions, corporate investments and risk capital, as well as corporate law and corporate governance. He has a wide experience in local and international mergers and acquisitions, joint ventures, structuring of private equity investments, and worked as advisor for large local and multinational companies, investment funds and strategic investors. Mr. Aramburu has been a Partner of PAGBAM since 2007. Between September 1997 and October 1998, he worked as an associate at Dewey Ballantine LLP (NY, USA), and in 2002 and 2003 he worked as an associate at Cuatrecasas (Madrid, Spain) as a member of the Latin American department assisting the largest European companies investing in Argentina. He graduated in Law from the Universidad Católica Argentina in 1996 and obtained a Master of Laws (LLM) from the Columbia University School of Law in 1997. He has written several articles related to mercantile laws in matters such as project financing and unlawful interference in contractual matters.

Daniel Alfredo Vicien. Mr. Vicien is an independent Alternate Director of TGLT and his activity focuses on strategy, finance and business process consulting. He has led consulting projects in reengineering and process optimization, development of new businesses, strategic use of internal and external information for management, organizational change for the implementation of new strategies. He has experience in lecturing in workshops for the development of entrepreneurs both in-company and in ad hoc seminars for Universidad Austral. He has a vast experience training company personnel. In the teaching field, he is a Professor of Finance in the postgraduate courses in Marketing at the Universidad de San Andrés; previously he had been Professor of Strategic Planning, Business Management and Control, Data Processing and Operational Research at Universidad de Buenos Aires and Universidad Católica Argentina. He has served as Manager of Business Units in important national and international companies. He has more than 26 years' experience as a Manager in commercial areas, strategic planning, systems planning, financial planning and control, operations and administration. He is currently Chairman of the Board of Directors of Cabernet de los Andes S.A. (Vineyard and organic winery) and Executive Director of Pehuén Rucá (real estate agent firm), both national small and medium sized companies. He graduated with a Degree in Operational Research and Industrial Engineering from the Universidad Católica Argentina and obtained a M.I.B. in the "École Nationales des Ponts et Chaussees", he has a postgraduate degree from the IAE (PDD) and is a Business Director certified by IGEP / ADE.

Luis Armando Rodríguez Villasuso. Mr. Rodríguez Villasuso is an independent Alternate Director of TGLT. He is currently the Director of Bodegas Valentín Bianchi S.A. (Argentina), Habitat AFP (Chile) and Nedken Solutions (Spain). Previously, he worked at Citigroup, as manager of retirement services for Latin America and at Banco Rio where he was the main manager of insurance and pensions. He was also a Senior Consultant at Deloitte. Mr. Rodríguez Villasuso obtained a degree in Naval Engineering and Mechanics from the Universidad de Buenos Aires and an MBA from IAE Business School. He has also obtained a diploma of Certified Business Director by IGEP / ADE.

Compensation. Our shareholders set the compensation of our Directors, including their fees and any additional salary derived from the permanent performance by any of the Directors of any administrative or technical assignment. Compensation of our Directors is placed within the parameters set by the Business Companies Law and the CNV regulations. Any compensation paid to our Directors must have been previously approved at an Ordinary Shareholders' Meeting. As regards Directors, the amounts to be paid may not exceed the limits established by Section 261 of the Business Companies Law, unless expressly authorized by the Shareholders' Meeting, upon consideration as a special item on the Agenda.

Supervisory Committee

Our Supervisory Committee is responsible for reviewing and supervising our administration and other matters and verifying compliance with the bylaws and the decisions adopted at the Shareholders' Meetings. Members of the Supervisory Committee are appointed at the Annual General Shareholders' Meeting for a three-fiscal-years' term. The following is the current structure of our current Supervisory Committee whose members were elected at the Annual General Shareholders' Meeting held on April 14, 2016 and April 20, 2017:

Nombre	Position	Profession	Status
Ignacio Fabián Gajst	Trustee	Public Account	Regular
Pablo Di Iorio	Trustee	Lawyer	Regular
Ignacio Arrieta	Trustee	Lawyer	Regular
Silvana Elisa Celso	Trustee	Public Account	Alternate
Fernando G. Sasiain	Trustee	Lawyer	Alternate

Members of the Supervisory Committee qualify as independent in accordance with the Rules of the CNV. Likewise, it is recorded that Ignacio Fabián Gajst and Silvana Elisa Celso have the status of "independent" according to Technical Resolution No. 15 of the Argentine Federation of Professional Councils of Economic Sciences, and that Pablo Di Iorio, Ignacio Arrieta and Fernando G Sasiain, have the status of "independent" according to Technical Resolution No. 15 of the Argentine Federation of Professional Councils of Economic Sciences, although this is not applicable to them because they are not public accountants. Mariano González and Pablo Di Iorio provide professional services to shareholder Bienville Argentina Opportunities Master Fund, LP.

The main attributions and duties of the Supervisory Committee are:

- Supervise the administration of the Company, for which purpose it will examine books and documentation at least once every three months;
- Check availabilities and securities, as well as obligations and their fulfillment. It may also request the preparation of trial balances;
- Attend Board of Directors', Executive Committee's and Shareholders' meeting with speaking but not voting rights;
- Ensure the creation and maintenance of the corresponding guarantee in favor of the Company by Directors;
- Submit to the Ordinary Shareholders' Meeting a written and well-founded report on the economic and financial situation of the Company, expressing their opinion on the annual report, inventory, balance sheet and statement of results;
- Provide Shareholders representing at least 2% of the capital, upon their request at any time, information on the issues they are responsible for;
- Call an Extraordinary Shareholders' meeting, when they deem it appropriate, and to Ordinary Shareholders' meeting or Special Meetings, whenever the Board omits to do so;
- Have included in the agenda of the Shareholders' meeting the issues it considers appropriate;
- Ensure that corporate bodies duly comply with the law, bylaws, regulations and decisions of the shareholders' meetings;
- Supervise the liquidation of the Company; and
- Investigate complaints made in writing by Shareholders representing at least 2% of the capital.

Environmental and / or sustainability policy

TGLT develops real estate projects that, due to their visibility and scope, inexorably have an impact on the environment and the community in which they are being developed. TGLT guarantees a healthy integration of its projects with its surroundings, through a modern architecture, taking care of the environment and responding to the needs of the neighborhood in which they are being developed so as to contribute to invigorate the communities and their environment.

Our activities are subject to national, provincial and municipal laws and regulations, authorizations and licenses required for construction, zoning, land use, environmental protection and protection of historical heritage among others, all of which are considered when evaluating the acquisition of land and the development of buildings. We have the obligation to obtain licenses and authorizations from different governmental authorities in order to carry out the projects.

When developing new projects, we consider maintaining historic buildings on acquired land and combining those structures with new modern buildings, achieving innovative projects that preserve the city's architectural heritage, protecting the environment and using resources efficiently. Forum Puerto Norte is a project that highlights the importance we devote to these principles. Its design takes into consideration aesthetic and design factors together with a perfect interaction of the project with the neighborhood and the city in which it is located, taking into account factors such as environment, sustainability, conservation of natural resources and space. In mixed-use projects like Venice and Brisario, these considerations are particularly significant.

Although the rest of the projects developed by the Company have not been prequalified for LEED certification, they have been featured by the use of some innovative concepts in housing architecture such as glass curtains on facades - which allows a greater use of natural light and a better indoor-outdoor thermal balance in terms of handling of ambient temperatures -, the provision of centralized air conditioning equipment that improves energy efficiency in relation to individual equipment per unit, maximization of green spaces both on ground floor and rooftop, among others.

Internal Control

The Board of Directors has implemented an internal control system designed to guarantee the achievement of the Company's goals, ensuring effectiveness and efficiency in operations, reliability in information and compliance with laws, regulations and policies in general.

The Company has a solid control environment based on the formalization and implementation of policies and procedures designed to control risks and prevent fraud. These initiatives aim to generate control awareness in employees by reinforcing ethical values, as well as defining controls and procedures in the performance of the Company's operations.

The Board of Directors periodically analyzes and evaluates the risks of the Company in view of the activities performed and the markets where it operates, in order to foresee difficulties and / or take advantage of opportunities. Likewise, risks are then exposed and analyzed within the scope of the Audit Committee in compliance with its Annual Action Plan.

The internal control system includes control activities carried out by the Internal Control area of the Company to guarantee compliance with the policies and procedures established, which in turn allow us to ensure that Management's directives are being followed. Furthermore, this area carries out different reviews in order to evaluate the effectiveness and efficiency of the controls and contribute to the continuous improvement of risk management and control processes.

The Audit Committee receives information on any significant deficiencies and substantial weaknesses in the design or operation of the internal control system over financial reporting which might reasonably affect the Company's ability to record, process, synthesize and report financial information. as well as any fraud or possibility of fraud involving management or employees that play an important role in the internal control system over the Company's financial reports.

Relation with investors

In order to achieve an appropriate valuation of the TGLT's share in the capital markets, the Company maintains a continuous and open dialogue with the investment community and seeks to provide transparent information for the correct evaluation of the Company's activities.

In addition to complying with the information requirements set forth by the National Securities Commission of Argentina and the Buenos Aires Stock Exchange, the Company keeps a website dedicated to investor relations (www.tglt.com/ri for its Spanish version and www.tglt.com/ir for its English version), issues press releases for relevant events, prepares communications for the release of its results and conducts open teleconferences for the participation of the investor community upon the publication of financial statements or material facts. Besides, it has an active participation in investor conferences and holds periodic meetings with current or potential investors. Investors may access by telephone 0800-888-8458 or through e-mail to the address investors@tglt.com to request further information.

X. DIVIDEND POLICY

In accordance with the Business Companies Law, the Company's Bylaws, and the CNV Regulations, the Company may make one or more dividend declarations in any fiscal year, and even pay anticipated dividends out of the realized and liquid earnings according to the consolidated balance sheet of the Company or special consolidated balances in the case of anticipated dividends.

The declaration and payment of dividends to the shareholders of the Company, insofar as the funds are legally available, is resolved by the shareholders with voting rights in the ordinary annual meeting of the Company. In that ordinary annual meeting, common shares shall be entitled to one vote each. It is the responsibility of the Board of Directors to make a recommendation to the shareholders in relation to the amount of the dividends to be distributed. The Board's recommendation will depend on several factors, including but not limited to, the results of operations, cash flow, financial condition, capital position, legal requirements, contractual and regulatory requirements, and investment and acquisition opportunities. of the Company.

The Board can also decide and pay anticipated dividends. In this case, each individual director and member of the Supervisory Committee or trustee shall be jointly and severally liable for the payment of said dividends if the retained earnings for the year for which the dividends are paid are not sufficient to cover the payment of said dividends.

If approved, dividends are distributed proportionally according to the stock holding of shareholders. In accordance with the CNV Rules, dividends in cash must be paid to shareholders within 30 days following their approval. In the case of dividends in the form of shares, the shares must be delivered within three months after the receipt by the Company of the notice of the CNV authorization for their public offering. Shareholders have the right to claim for the payment of dividends for three years after the date on which they are available to shareholders. Any dividends not claimed during this period shall be considered extraordinary profits of the Company.

In accordance with Argentine law, the bylaws of the Company and the CNV Rules, the Company is required to allocate 5% of its annual profits to a legal reserve, approximately the results of previous years, until the reserve is equivalent to 20% of the adjusted share capital. Under the Business Companies Law and the Company's Bylaws, annual net profit (adjusted to reflect changes in prior results) is allocated in the following order:

(i) for the compliance with the legal reserve requirement;

(ii) for the payment of accumulated fees of the Board of Directors and the Supervisory Committee;

(iii) for the payment of dividends of the preferred shares (if any), which will be applied in the first place to accumulated dividends pending payment; and

(iv) the rest of the net income for the year may be used to pay additional dividends on the preferred shares, if any, or dividends of common shares, or may be allocated to voluntary or contingent reserves, or as determined by the shareholders in the ordinary annual meeting.

From the effective date of Law No. 26,893, dividends distributed, whether in cash, goods or any other kind, except in bonus shares - are subject to a withholding tax (the "Dividend Tax") at a rate of 10% on the amount of said dividends, with respect to both Argentinean and non-Argentinian individuals. However, if the dividends are distributed to local companies, Dividend Tax is not applicable. The company withholds and pays this tax on behalf of its shareholders and offsets applicable taxes against any debt to the shareholders.

It is worth mentioning that by means of Law 27,430 the 35% withholding became ineffective for new profits generated as from the date that rule came into force. Moreover, this law provided for the taxation of the dividends to be distributed fixing a rate of 7% (for 2018 and 2019) and 13% (for any period after 2019).

The Company must pay the relevant tax on personal assets of Argentinean and non-Argentinean individuals and foreign entities for holding of shares as of December 31 every year. The Company pays such tax on behalf of its shareholders, whenever applicable, and is entitled, in accordance with the Tax on Personal Assets Law, to request reimbursement of said tax paid to the corresponding shareholders in several ways, including through the withholding of dividends. Law No. 27.260 on "Tax Amnesty Plan" provided the possibility to obtain the benefit of the Exemption of the tax on personal assets for fiscal periods 2016, 2017 and 2018 - including the substitute taxpayer system - for those taxpayers who have complied with the tax obligations corresponding to fiscal periods 2014 and 2015 and do not have any tax debts, among other requirements, rewarding those who were considered included under the "good performer" category. Therefore, the company has not recorded the tax at the end of 2016/2017 fiscal year.

XI. ACKNOWLEDGEMENTS

We want to thank suppliers, clients, banking institutions, professionals, advisors and staff for the collaboration received and their constant.

City of Buenos Aires, March 8, 2018.

THE PRESIDENT

ANNEX I

REPORT ON THE CODE OF CORPORATE GOVERNANCE

CNV GENERAL RESOLUTION No. 606/12 and 622/13 OF THE NATIONAL SECURITIES COMMISSION OF ARGENTINA

In compliance with General Resolution No. 606/12 and 622/13 of the National Securities Commission of Argentina ("CNV"), the Code of Corporate Governance (hereinafter the "Code of Corporate Governance") of TGLT SA ("TGLT" and / or the "Company") is attached as Annex I to this Annual Report identified as Annex IV to Title IV "Periodic Information System" of the new Regulations of the CNV in accordance with General Resolution 622/13 (revised text 2013, hereinafter, and jointly with other regulations issued by the CNV, referred to as the "Rules") for the fiscal year ended on December 31, 2017.

PRINCIPLE I: REVEAL THE RELATIONSHIP BETWEEN THE ISSUER AND THE ECONOMIC GROUP IT LEADS AND / OR BELONGS TO AND ITS RELATED PARTIES

Recommendation I.1. Ensure disclosure by the Governance Body of the policies applicable to the relationship between the Issuer and the economic group it leads and/or belongs to and its related parties.

<u>Degree of Compliance</u>: Total

The Company carries out transactions with related companies and they are disclosed in the Financial Statements, pursuant to the International Standards issued by the International Accounting Standards Board ("IASB"). It also lists in the Financial Statements the companies over which it exercises control, joint control and significant influence. In such transactions, the Company applies the provisions of sections 99 subsection a), 109 and 110 and 72 and 73 of Capital Markets Law No. 26,831 ("CML"), and relevant provisions of CNV's Revised Text.

The Company does not have an internal regulation for the authorization of transactions between related parties, other than the aforementioned regulatory framework, as the Board of Directors understands that said regulatory framework covers all the requirements necessary for a complete protection of the interest of the Company and its shareholders. Additionally, as new revised text of the CNV Rules (General Resolution No. 622/2013) became effective, the number of transactions between related parties that must be subject to the procedure set forth in the CML has increased, thus increasing the disclosure of operations between related parties of the economic group the Company leads and belongs to.

Recommendation I.2. Ensure there are procedures in place to prevent conflicts of interest.

<u>Degree of Compliance</u>: Total

The Company has a "Code of Business Conduct and Ethics of TGLT" (see VIII.1) that includes a specific section for the prevention, identification and treatment of conflicts of interest, and has adopted as its own policy to follow and comply with all specific procedures provided for in the current regulations regarding the identification, management and resolution of conflicts of interest that may arise among the members of the Board of Directors, senior managers and / or members of the supervisory committee in their relationship with the Company or with its related persons.

Recommendation I.3. Prevent the misuse of privileged information.

<u>Degree of Compliance</u>: Total

The Company has internal policies that prevent the improper use of privileged information by all employees. These policies are structured on the basis of a Code of Ethics and agreements for the protection of Confidential or Privileged Information, on which periodic training sessions are issued with the objective of preventing the improper use of information that adds value to its competitiveness and that may have an impact on its financial performance, its market share, its image or its relationships with the parties involved.

PRINCIPLE II: LAY THE FOUNDATIONS FOR THE ISSUER TO HAVE A STRONG MANAGEMENT AND SUPERVISION

Recommendation II. 1: Ensure that the Governance Body assumes the management and supervision and its strategic orientation

II.1.1. The Governance Body approves:

II.1.1.1. The strategic or business plan, as well as the management goals and annual budgets,

<u>Degree of Compliance</u>: Total

In accordance with the provisions of the Business Companies Law No. 19,550 as amended ("BCL") and the Bylaws, the Board of Directors is the highest administrative and representative body of the Company; therefore, it has the power to perform, within the scope of the corporate purpose, any legal acts or business of administration and disposition, by any legal title, except those that under the BCL or the Bylaws are the exclusive concern of the General Shareholders' Meeting. In this sense, the Board of Directors establishes the strategic and business planning guidelines, and approves the annual budget and organizational performance objectives. As regards the annual budget, the Board approves the asumptions used and the details of investments, as well as the consolidated production and other business volumes, income statement and cash flow and approves the organizational objectives that are then implemented by the management of the Company.

II.1.1.2. the investment policy (in financial assets and capital goods) and the financing policy

Degree of Compliance: Total

The Board of Directors establishes and approves the investment policies in financial assets and financing policies, and delegates the regular management of the Company's business to certain designated managers under the terms of section 270 of the BCL. In addition, the Board approves the investment budget and the annual financial budget upon approval of the annual budget

II.1.1.3 the corporate governance policy (compliance with the Corporate Governance Code)

Degree of Compliance: Total

The Board of Directors establishes and approves the corporate governance policy, expressed in the Revised Text of the Company's Bylaws, which is based on the interaction of the current regulations on corporate governance issued by the CNV and the other self-regulated markets where the Company securities are listed or traded.

II.1.1.4 the policy on the selection, evaluation and compensation of senior managers

Degree of Compliance: Total

The Board of Directors approves the policies on Human Resources of the Company and determines the selection, evaluation and compensation of senior managers

II.1.1.5 the policy on distribution of responsibilities among senior managers;

Degree of Compliance: Total

The Board of Directors serves mainly as an administrative, supervisory and control body and has delegated the regular management of the Company's business to certain managers designated under the terms of section 270 of the BCL, establishing the responsibilities and roles according to the position for which they have been appointed.

These managers' report directly to the Board of Directors and are liable to the Company and any third parties for the performance of their office to the same extent as the members of the Board and in the same manner.

II.1.1.6 supervision of succession planning of senior managers

Degree of Compliance: non-compliance

As stated in the previous paragraph, the human resources management keeps updated job descriptions of every position highlighting the responsibilities and profiles of each manager. Although senior managers are not old enough to retire in the short term, they shall work on the development of their plans during 2018.

II.1.1.7 corporate social responsibility policy

Degree of Compliance: Total

The Board of Directors establishes and approves the corporate social responsibility policies of the Company, whose main guidelines are: (a) corporate behavior which seeks to ensure that corporate governance is committed to ethics and transparency in the relationship with the stakeholders; (b) sustainable development and investment, so as to conduct business and activities with social responsibility; and (c) human rights, diversity and commitment to the workforce, in order to respect and support internationally recognized human rights, the promotion of decent work (supporting the eradication of child, slave and degrading labor) and respect for human and cultural diversity of the workforce, seeking the commitment with the social responsibility of the Company.

II.1.1.8 policies on comprehensive risk and internal control management, and fraud prevention

Degree of Compliance: Total

The Board of Directors approves the policies related to risks, internal control and fraud prevention.

With regard to fraud prevention, the Company prepares the Internal Audit Plan on an annual basis, which is submitted to the Audit Committee.

In addition, the Audit Committee receives, if any, information on any significant deficiency and substantial weaknesses in the design or operation of the internal control system over financial reporting, which is reasonably likely to affect the Company's ability to record, process , summarize and report financial information, as well as any fraud or possibility of fraud involving management or employees who play an important role in the internal control system over the Company's financial reports.

II.1.1.9 policy on ongoing training for members of the Governance Body and senior managers,

Degree of Compliance: Total

The Board of Directors, through the General Management, promotes and encourages its members and senior managers to be continuously trained by offering several training programs and resources to its executive officers, which may be carried out within the Company or in different educational institutions.

Non-executive members participate in orientation and support activities, in order to have the best tools for decision making.

II.1.2 If relevant, add other policies applied by the Governance Body that have not been mentioned and detail the significant features

There are no policies that have not been already stated that we consider worth mentioning.

II.1.3 The Issuer has a policy in place to ensure the availability of the information necessary for the Governance Body to make decisions and a direct consultation channel to management lines, in a fair way for all its members (executives, external and independent) with sufficient time ahead to adequately analyze its content. Explain.

Degree of Compliance: Total

The Company guarantees the availability of information considered relevant to the decision making of Governance Body. In this regard, section 7 of the Bylaws establishes that calling to Board of Directors meetings be carried out by means of written notice to all its members and delivered at least five days before the date of the meeting, stating the issues to be discussed together with the relevant documentation.

The General Management of the Company is responsible for carrying out the calls of the Board of Directors, as well as for the availability of the relevant information, which is available to the members of the Board so that they can make the consultations they consider appropriate on the issues to be discussed in the meetings of the Board of Directors, with the participation of other senior managers according to the issues to be discussed.

II.1.4 The matters submitted to Governance Body for consideration are accompanied by an analysis of the risks associated with the decisions that may be adopted, taking into account the level of business risk defined as acceptable by the Issuer. Explain.

Degree of Compliance: Total

All the matters submitted to the Board of Directors for consideration are accompanied by an analysis of the risks associated with the decisions that may be adopted. In order to do so, each responsible area prepares, if relevant, an analysis and opinion on the area concerned, in order to evaluate all the risks associated with the decision, considering the level of risk acceptable to the Company.

Recommendation II.2: Ensure effective control of business management

The Governance Body verifies:

II.2.1 fulfillment of annual Budget and business plan,

Degree of Compliance: Total

The Board of Directors has created a system to control any budget deviation. In case there is any, the Board takes part whether directly or through the senior managers, according to the importance of such deviations.

Periodically or when there are any budgetary deviations requiring the analysis of the Governance Body, the General Management deals in this area with the fulfillment of the annual budget.

Likewise, the Management shares and reviews the budget control report and the outlook on a monthly basis, and if that review results in an issue that must be discussed at Board level, it is submitted to that area in order to be dealt with.

Budget control is mainly focused on the follow-up of the most important economic-financial and operational variables of the Company that are monitored on a monthly basis.

II.2.2 performance of senior managers and their fulfillment of their goals (level of expected profits versus level of profits achieved, financial rating, quality of the accounting report, market share, etc.).

Describe the relevant aspects of Issuer's Management Control policy, detailing techniques and frequency of monitoring carried out by the Governance Body

Degree of Compliance: Total

Monitoring of the performance objectives of the senior managers is periodically reviewed by the Board.

Additionally, at all meetings of the Board of Directors, the Chief Executive Officer (in charge of the General Management) makes a report on the Company's business, which provides the Board with relevant information to evaluate the fulfillment of the objectives set for senior managers.

Recommendation II.3: Disclose the performance evaluation process of the Governance Body and its impact.

II.3.1 Each member of the Governance Body complies with the provisions of the Bylaws and, where applicable, the Rules of Procedure of the Governance Body. Detail the main guidelines of the Rules of Procedure. Indicate the Degree of Compliance with the Bylaws and Rules of Procedure.

Degree of Compliance: Total

Members of the Board of Directors comply in full with the provisions of the Bylaws. The Board of Directors of the Company does not have any Rules of Procedure.

II.3.2 The Governance Body discloses the results of its performance taking into account the objectives set at the beginning of the period, so that shareholders may evaluate the degree of compliance with these objectives, which contain both financial and non-financial aspects. Additionally, the Governance Body submits an opinion about the degree of compliance with the policies mentioned in Recommendation II, items II.1.1.and II.1.2.

Detail the main aspects of the evaluation of the General Shareholders' Meeting of Shareholders on the degree of compliance by the Governance Body with the objectives set and the policies mentioned in Recommendation II, items II.1.1 and II.1.2, stating the date of the Shareholders' meeting where said evaluation was presented.

Degree of Compliance: Partial

The Board of Directors reports on the results of its management every year in the Annual Report, which is analyzed and approved by the Shareholders' Meeting in order to deal with and resolve the matters contemplated in paragraphs 1 and 2 of section 234 of the Business Companies Law.

During the first semester of 2018 the Board of Directors will report on the degree of compliance with the policies mentioned in Recommendation II, items II.1.1.and II.1.2.

Recommendation II.4: That external and independent member's account for a significant portion of the members of Governance Body.

II.4.1. The proportion of external and independent executive members (independent members as defined by the CNV's regulations) of the Governance Body is consistent with the Issuer's capital structure. Explain.

Degree of Compliance: Total

Section 7 of the Bylaws establishes that the administration of the Company is conducted by a Board of Directors composed of 8 (eight) regular members and 8 (eight) alternate members, of which at least 2 (two) regular members and 2 (two) alternate members must meet the independence requirements established by the CNV rules and their term of office is three (3) fiscal years.

The Board of Directors considers that at present the number and composition of its members is in line with the complexity of the decision-making processes of the Company and the scope of its operations, and should the circumstances change, and if deemed appropriate, a change could be proposed to the Shareholders' meeting, as it has done in the past. Further, the Board of Directors considers that the current number of independent Directors is appropriate for the structure of the Company.

II.4.2 During the current year, at a General Shareholders' Meeting, shareholders agreed to a policy aimed at maintaining a proportion of at least 20% of independent members over the total number of members of the Governance Body.

Describe the relevant aspects of such policy and of any other shareholders' agreement to understand how and for how long the members of the Governance Body are appointed. Indicate if the independence of the members of the Governance Body was ever challenged over the year and if there has been any abstention as a result of any conflicts of interest

Degree of Compliance: Total

The proportion of independent Directors over the total number of Directors is determined by the Shareholders' Meeting pursuant to the provisions of the Bylaws and applicable regulations. The Company does not have a specific policy aimed at maintaining a proportion of independent Directors over the total of its members; although it is usual practice that the number of independent members composing the Board of Directors be sufficient to serve on the Audit Committee.

On May 26, 2015, Federico N. Weil, Bienville Argentina Opportunities Master Fund, LP; and Pointargentum Master Fund LP entered into a shareholders' agreement in relation to TGLT (the "Shareholders' Agreement"), which will be in force as long as any of the signatories are shareholders in TGLT. This Shareholders' Agreement provides, among others, that each signatory may designate two (2) regular directors and their two (2) alternates, and two (2) regular directors and their two (2) alternates, that is, 25% of the total number of directors shall be independent directors.

Recommendation II.5: Commit to the implementation of rules and procedures for the selection and proposal of members of the Governance Body and senior management.

II.5.1 The Issuer has an Appointments Committee in place:

Degree of Compliance: Non-compliance

The Company does not have any Appointments Committee and does not consider it necessary to organize one since its tasks, within the scope established in the current regulations, are effectively performed by the Board of Directors, with the support of the senior management.

II.5.2 In case there is an Appointments Committee in place, it:

As mentioned in II.5.1, items II.5.2.1 to II.5.2.7 of Annex IV to CNV General Resolution 622/2013, are not applicable.

II.5.3 If relevant, add any policies implemented by the Appointments Committee of the Issuer that have not been mentioned in the previous item.

As mentioned in II.5.1, this item does not apply.

Recommendation II.6 Assess the advisability of the Governance Body and / or statutory auditors and / or members of the surveillance committee performing assignments at several Issuers

Degree of Compliance: Partial

The Board of Directors considers that, to the extent that its members and/or Trustees (Statutory Auditors) duly fulfill their duties, it is not necessary to set limits to participate in the Board of Directors or serve as a Trustee of other companies since the participation in other companies does not in itself affect the interests of the Company, without prejudice to the analysis of each particular case.

Recommendation II.7: Ensure Training and Development of members of the Governance Body and senior managers of the Issuer.

II.7.1 The Issuer has ongoing Training Programs in place addressed to members pf the Governance Body and senior managers related to the Issuer's current needs, including training on their respective roles and duties, comprehensive management of business risks, specific knowledge on the business and its regulations, corporate governance dynamics and corporate social responsibility matters. In the case of members of the Audit Committee, international accounting standards, auditing and internal control rules and specific regulations of the capital markets.

Describe the programs that were carried out during the year and their degree of compliance.

Degree of Compliance: Partial

General Management, under delegation of the Board of Directors, defines the training guidelines and strategies of the senior managers and other employees by offering several training programs and resources to executive levels, which can be carried out within the company or in different educational institutions.

The Company has not formalized a continuous training program for Directors. However, Directors have carried out different training activities related to their management assignments in TGLT. Likewise, Directors keep up-to-date on topics related to politics, economics, regulations and all other relevant matters that are discussed at the quarterly meetings of the Company

II.7.2 The Issuer encourages, through other means not mentioned in II.7.1, the members of the Governance Body and senior managers to maintain a permanent training that complements their level of training in a way that adds value to the Issuer. Explain how.

Degree of Compliance: Total

The Company considers that the means mentioned in item II.7.1 are sufficient to maintain a permanent training of the members of the Governance Body and senior managers.

PRINCIPLE III: SUPPORT AN EFFECTIVE POLICY FOR THE IDENTIFICATION, ASSESSMENT, ADMINISTRATION AND DISCLOSURE OF BUSINESS RISK

Recommendation III: The Governance Body must have a comprehensive business risk management policy and monitor its proper implementation.

III.1 The Issuer has comprehensive business risk management policies (compliance with strategic, operational, financial, accounting reporting, laws and regulations and other goals). Detail their most relevant features.

Degree of Compliance: Total

The Board of Directors periodically analyzes and assesses the risks of the Company, pursuant to the activities it performs and the markets where it operates, in order to foresee difficulties and / or take advantage of opportunities. The Board of Directors has implemented a planning system - through the generation of annual budgets and periodic reviews - and internal control designed to guarantee the achievement of the Company's goals, ensuring the efficiency and effectiveness of the operations, the reliability of the information and the compliance with laws, regulations and policies in general.

Additionally, the risks are then submitted to and analyzed within the scope of the Audit Committee in compliance with its Annual Performance Plan, with special emphasis on: (a) regulatory issues that may have a material impact on the Company, (b) policies regarding insurance and coverage of insurable risks, (c) assignment of responsibilities for environmental matters and remediation, (d) issues that may result in controversial interpretations, and which may have a material impact on the Company and (e) update of the policies related to foreign exchange risks and their application.

III.2 There is a Risk Management Committee within the Governance Body or the General Management. Report on the existence of procedure manuals and detail the main risk factors that are specific to the Issuer or its business and the mitigation actions implemented. In there is no such Committee, it will be necessary to describe the supervision performance by the Audit Committee as regards risk management.

Moreover, specify the degree of interaction between the Governance Body or its Committees with the General Management of the Issuer regarding comprehensive management of business risks.

Degree of Compliance: Partial

Comments on Recommendation III.1. apply.

The Company does not have a business risk management procedure manual to date. The Company will analyze the possibility of preparing a manual of business risk management procedure in the future.

III.3 There is an independent assignment within the General Management of the Issuer that implements the policies on comprehensive risk management (assignment of a Risk Management Officer or equivalent). Detail.

Degree of Compliance: Non-compliance

There is no independent assignment of Risk Management Officer or equivalent. The Company will analyze the possibility of creating such a position in the future.

III.4 Comprehensive risk management policies are permanently updated in accordance with the recommendations and recognized methodologies in this area. Indicate which.

Degree of Compliance: Partial

The Company has implemented its own comprehensive risk management policies which are updated according to the needs, experience and new challenges and developments the Company is going through or acquiring, and so far have been effective.

III.5 The Governance Body reports on the results of the supervision of risk management carried out jointly with the General Management in the Financial Statements and the Annual Report. Detail the main issues of the presentations.

Degree of Compliance: Total

The "Risk - Risk Management" Note of the Company's Financial Statements discloses information regarding market, liquidity and credit risks to which the Company is exposed and the Company's strategies to mitigate those risks.

Market risks refer to the risk of increased construction costs, demand risks of the Company's products and risks of breach of contracts by suppliers to whom the construction of the projects is outsourced. Credit risks refer to credit risk related to the sale of the Company's products, credit risk related to financial instruments and cash deposits and liquidity risks.

PRINCIPLE IV: ENSURE COMPLETENESS OF FINANCIAL INFORMATION WITH INDEPENDENT AUDITS

Recommendation IV: Ensure the independence and transparency of the assignments entrusted to the Audit Committee and the External Auditor

IV.1 In selecting the members of the Audit Committee, the Governance Body assesses the convenience of appointing an independent member as Chairman, taking into consideration that most members must be independent.

Degree of Compliance: Total

In accordance with the provisions of the transparency plan and the provisions of the Bylaws, the Company has an Audit Committee composed of 3 (three) regular directors and the same or lesser number of alternates, who are appointed by the Board from among its members, by simple majority of its members. The majority of its members are independent, in accordance with the criteria established on this regard by the CNV Rules. The members of the Audit Committee are those directors versed in financial, accounting or business matters.

Although the Board of Directors when electing the members of the Audit Committee evaluates the convenience of having such committee chaired by an independent member, the appointment of the Chairman and the Vice Chairman of the Audit Committee is made by its own members. At present, the Audit Committee is chaired by an independent director.

IV.2 There is an internal audit function that reports to the Audit Committee or the Chairman of the Governance Body and that is responsible for the evaluation of the internal control system. Indicate whether the Audit Committee or the Governance Body carry out an annual evaluation of the performance of the internal audit area and the degree of independence of its professional work, provided that those professionals responsible for that assignment are independent from the other operative areas and also comply with requirements of independence with respect to controlling shareholders or related entities with significant influence on the Issuer.

Specify, also, if the internal audit performs its assignment in accordance with international standards governing the professional practice of internal audit issued by the Institute of Internal Auditors (IIA).

Degree of Compliance: Partial

The Company has a person in charge of the internal audit area of the Company, whose main assignments are to evaluate the effectiveness and efficiency of the Company's internal controls, verify compliance with the Company's policies and procedures, and contribute to continuous improvement of risk management processes and control thereof. This person in charge holds regular meetings with the Audit Committee, which - as it has been doing since it was created in the second semester of 2012 - has evaluated and supervised the operation of the internal audit systems, expressing his opinion on that matter at the annual presentation of the financial statements. The audit area will analyze the possibility of incorporating into his work the international auditing standards issued by the IIA.

IV.3 The members of the Audit Committee make an annual evaluation of the ability, independence and performance of External Auditors appointed by the Shareholders' Meeting. Describe the relevant aspects of the procedures used to carry out the evaluation.

Degree of Compliance: Total

The Audit Committee meets every three months with the External Auditors so that they may present the results of their work on the Financial Statements of the Company. On an annual basis, the members of the Committee evaluate their performance, as well as the independence of the auditors and carry out the consultations on the aspects that they consider relevant.

Whenever the Board of Directors makes a proposal regarding the appointment of the External Auditors to be submitted to the Shareholders' Meeting, the Audit Committee issues a Report on it, in accordance with the provisions of the regulations currently in force.

Additionally, as part of its Annual Management Report, the Audit Committee reports whether it has become aware of any relevant issue that must be disclosed in relation to the External Auditors appointed by the Shareholders' Meeting for the fiscal year regarding the independence of their performance, and makes any comments on the planning and performance of the external audit within such fiscal period.

IV.4 The Issuer has a policy regarding the rotation of the members of the Supervisory Committee and/ or the External Auditor; and with regard to the latter, whether such rotation includes the external audit firm or only its individual members.

Degree of Compliance: Partial

Regarding the rotation of the members of the Supervisory Committee, section 10 of the Bylaws establishes that their term of office is for 3 (three) years and may be re-elected indefinitely.

As regards the rotation of the External Auditors, the Company meets the rules.

PRINCIPLE V: RESPECT THE RIGHTS OF SHAREHOLDERS

Recommendation V.1: Ensure that shareholders have access to Issuer's information.

V.1.1 The Governance Body promotes periodical information meetings with shareholders upon the presentation of the interim financial statements. Indicate number and frequency of meetings held during the year.

Degree of Compliance: Total

The Company complies with the periodical information plans established by the Rules and Regulations of the Buenos Aires Stock Exchange (Bolsa de Comercio de Buenos Aires - "BCBA"). Through these means, the Company publishes all the information deemed relevant about the Company so that its shareholders are informed. Regardless of the information that must be released to the BCBA and the CNV within the framework of information and legal requirements, the Company discloses all the information it considers relevant directly to the shareholders in a transparent and accurate manner.

Upon the presentation of the interim and annual financial statements, the Company holds telephone conferences with its investors in which it discloses the results and other data arising from these financial statements. In addition, the Company has an Investor Relations Management, which maintains frequent contacts with the shareholders in order to inform them about the financial statements and keeps permanent contact with Shareholders upon the occurrence of any relevant event.

V.1.2 The Issuer has in place mechanisms to keep investors informed and a specialized area to answer their queries. Additionally, it has a website available to shareholders and other investors, serving as an access channel so that they can establish contact with each other. Detail.

Degree of Compliance: Total

As mentioned in Recommendation V.1.1, the Company complies with the periodical information plans established by the Rules and Regulations of the BCBA. Through these means, the Company releases all the information deemed relevant about the Company so that its shareholders are informed. Further, the Company has at present an Investor Relations Management, which is responsible for answering the queries from shareholders. On a quarterly basis, the Company issues press releases, in which it reports the results of its management, among others, to shareholders in general as well as social entities and control authorities.

On the other hand, the Company has a website (www.tglt.com) that includes a section, which is periodically updated ("Investors"), dedicated exclusively to investors where you can find, among others, information on equity structure, composition of the Board of Directors, management, Audit Committee and Supervisory Committee, press releases, quarterly and annual reports, presentations, analyst coverage and risk factors.

Recommendation V.2: Foster shareholders' active involvement.

V.2.1 The Governance Body takes actions to promote the participation of all shareholders at the General Shareholders'

Meetings. Explain and make a distinction between the actions required by law and those voluntarily offered by the Issuer to its shareholders.

Degree of Compliance: Total

The Board of Directors carries out all the legally required actions to promote the attendance and participation of all the shareholders at the General Shareholders' Meetings, in order to ensure the exercise of their rights.

The Board of Directors of the Company, through the Investor Relations Management, assists the shareholders in all they may need to participate in the Shareholders' Meetings, for instance, on how to obtain the account balance vouchers to attend the Shareholders' Meetings or how to communicate attendance at shareholders' meeting.

V.2.2 The General Shareholders' Meeting has procedure Rules to ensure that information is available to shareholders with due anticipation for decision making. Describe the main guidelines of those rules.

Degree of Compliance: Non-compliance

The Company does not consider it necessary to have any Rules of Procedure regulating the Shareholders' Meetings, since it fully complies with the legal requirements established to hold the Meetings. Moreover, it makes available to the Shareholders all the information legally required within the established terms.

V.2.3 The mechanisms implemented by the Issuer are applicable in order for minority shareholders to raise issues to be discussed at the General Shareholders' Meeting in accordance with the regulations currently in force. Detail the outcome.

Degree of Compliance: Total

There is no statutory or factual impediment for minority shareholders to propose matters to be discussed at the Shareholders' Meetings. However, to date, no minority shareholder has proposed any issues to be discussed as established by current regulations.

V.2.4 The Issuer has policies to encourage the participation of more relevant shareholders, such as institutional investors. Detail.

Degree of Compliance: Non-compliance

The Company understands that it is not necessary to have any additional policies to encourage the participation of major shareholders, since it complies with all the legally required actions in order to call all shareholders on an equal basis, and assists all shareholders requiring any help to participate in the Shareholders' Meetings as mentioned in Recommendation V.2.1.

V.2.5 At the Shareholders' Meetings where appointments of members of the Governance Body are proposed, the following is announced prior to voting: (i) the position of each candidate regarding the adoption or not of a Code of Corporate Governance; and (ii) the rationale for that position.

Degree of Compliance: Non-compliance

At present, the Company does not disclose, in advance, the position of each candidate with regard to the adoption of a Corporate Governance Code. The possibility of including this recommendation in the future will be analyzed.

Recommendation V.3: Ensure the one-share-one-vote principle.

The Issuer has a policy that promotes the* one-share-one-vote *principle. Indicate how the composition of outstanding shares has changed by class in the last three years.

Degree of Compliance: Total

The Company promotes equality regarding share and vote in accordance with the provisions of Section 5 of its Bylaws, establishing that all shares of the Company are common shares entitling one vote per share and a par value of one Peso ($ 1) each. Although the Bylaws consider the possibility of issuing preferred shares, with or without the right to vote, as of this date that option has not been exercised.

There have been no changes in the composition of outstanding shares per class during the last three years.

Recommendation V.4: Establish mechanisms to protect all shareholders from takeovers.

The Issuer abides by the mandatory tender offer rules. Otherwise, specify if there are any other alternative statutory mechanisms, such as, the tag-along rights or others.

Degree of Compliance: Total

The Company "is excluded from the Statutory Optional System of Public Offering with Mandatory Acquisition " under the terms of the no longer in force Section 24 of Decree No. 677/2001. The system provided for in the regulations of the CNV could not be modified to meet the particular needs of the companies.

Therefore, the Company established in Section 14 of the Bylaws a system similar to the Statutory Optional System of Public Offering with Mandatory Acquisition contemplated in the no longer in force Section 24 of Decree No. 677/2001 regarding the acquisition of a "Relevant Interest", i.e. an interest equivalent to more than 40% (forty percent) in the share capital with the right to vote and / or in the votes of the Company.

Regardless of the foregoing, in accordance with the provisions of Section 90 of the Capital Markets Law, the Public Offering with Mandatory Acquisition System covers all listed companies, including those that under the previous system had opted to exclude their application or have a different system, as is the case of the Company.

Recommendation V.5: Increase the percentage of outstanding shares over capital.

The Issuer has a stock dispersion of at least 20 percent for its common shares. Otherwise, the Issuer has a policy in place to increase its share dispersion in the market.

Indicate the percentage of share dispersion as a percentage of the Issuer's share capital and how it has changed over the last three years.

Degree of Compliance: Total

As of December 31, 2017, the three majority shareholders hold a 46.8% stake in the capital stock, while the remaining percentage (53.2%) is listed on the BCBA, and is traded over-the-counter in the United States of America in the form of American Depositary Receipts ("ADRs").

Share dispersion has not changed significantly since the Company's entered the public offering system in November 2010.

Recommendation V.6: Ensure that there is a transparent dividend policy.

V.6.1 The Issuer has a dividend distribution policy set forth in the Bylaws and approved by the Shareholders' Meeting that establishes the conditions for distributing dividends in cash or in shares. If that is the case, indicate criteria, frequency and conditions that must be met for the payment of dividends.

Degree of Compliance: Partial

The Board of Directors of the Company establishes and proposes to the Shareholders' Meeting the advisability, opportunity and amount of distribution of dividends as well as, if applicable, the capitalization of the profits for the fiscal year, when making its proposal of profit distribution to the Shareholders' Meeting taking into consideration the evolution and projection of the businesses and the commitments assumed by the Company. All shares of the Company's equity are on an equal footing with respect to the payment of dividends.

The Company does not have and currently does not plan to establish any formal dividend policy governing the amount and payment of dividends or other distributions.

The Company does not intend to distribute dividends within the next three or four years, since it intends to reinvest all those profits resulting from the business turnaround in order to finance the growth of its profits and allow the generation of value for its shareholders.

The Company specifies its dividend policy under a section in the Annual Report, of which this Code is part of as an Appendix, and under a Note in the financial statements.

V.6.2. The Issuer has documented processes in place to propose the allocation of Issuer's retained earnings to set up legal, statutory or voluntary reserves, to be carried over to the next fiscal year and/or to pay dividends.

Detail these processes specifying the minutes of Shareholders' Meetings in which the dividend distribution (in cash or in shares) was or was not approved, if not provided for in the Bylaws

Degree of Compliance: Non-compliance

The Company will analyze the possibility of establishing documented processes to propose the allocation of retained earnings of the Company to set up legal, statutory or voluntary reserves, to be carried over to the next fiscal year and/or to pay dividends in the future.

PRINCIPLE VI: MAINTAIN A DIRECT AND RESPONSIBLE RELATION WITH THE COMMUNITY

Recommendation VI: Disclose to the community the issues related to the Issuer and provide a channel of direct communication with the company.

VI.1 The Issuer has an updated public website which provides relevant information on the Company (Bylaws, economic group, composition of the Governance Body, financial statements, Annual Report, among others) and also collects users concerns in general.

Degree of Compliance: Total

The Company has a free-access website (www.tglt.com) which provides updated, sufficient and differentiated information so that its public of interest, whether shareholders, potential investors, clients or general public may easily access the information therein contained. Additionally, this site gives the possibility for all users to express their concerns and / or any kind of comments through the IR Contact, which are taken into account and analyzed by the Company.

The Company guarantees that the information transmitted by electronic means responds to the highest standards of confidentiality and integrity and tends to the conservation and registration of information.

VI.2 The Issuer releases an annual Statement of Social and Environmental Responsibility, verified by an independent External

Auditor. If so, specify the legal and geographical scope or coverage of such statement and where it is available. Specify which standards or initiatives have been adopted to implement the Corporate Social Responsibility policy (Global Reporting Initiative and/or the United Nations Global Compact, ISO 26000, SA 8000, the Millennium Development Goals, SGE-21 Foretica, AA 1000, Ecuador's Principles, among others).

Degree of Compliance: Non-compliance

At present, the Company does not issue any balance of social and environmental responsibility. The possibility of issuing such a balance in the future will be analyzed, considering frequency and whether it will be verified by an independent external auditor.

PRINCIPLE VII: COMPENSATION SHALL BE FAIR AND RESPONSIBLE

Recommendation VII: Set clear policies on the compensation for the members of the Governance Body and senior managers, with special emphasis on conventional or statutory restrictions, based on whether the Issuer has made a profit or not

VII.1 The Issuer has a Compensation Committee:

Degree of Compliance: Non-compliance

At present, the Company does not have a Compensation Committee. Notwithstanding this and in an informal manner, certain members of the board of directors meet in work teams in order to analyze and project the compensations of directors, managers and administrative staff of the Company. The advisability of creating a Compensation Committee and its tasks will be analyzed in the future in line with this Recommendation.

As mentioned in this VII.1, items VII.1.1 to VII.1.5 are not applicable.

VII.2 In case of having a Compensation Committee in place, this Committee:

As mentioned in this VII.1, items VII.2.1 to VII.2.7 are not applicable.

VII.3. If deemed relevant, state any policy implemented by the Issuer's Compensation Committee that has not been mentioned in the previous item.

As mentioned in this VII.1, this item VII.3 is not applicable.

VII.4. If there is no Compensation Committee in place, please explain how the tasks described in item VII.2 are performed within Governance Body.

The Board of Directors in a direct way regarding its members, and through the Human Resources Management regarding senior managers and key employees, ensures that there is a clear relation between the performance of key personnel and their fixed and variable compensation (which is linked to the performance of the Company), taking into account the risks assumed and their administration.

From time to time, the Board of Directors, through the Human Resources Management, reviews the position of the Company regarding what the market establishes as compensations and benefits for similar companies or companies running the same business and therefore determines if any changes are recommended.

The Board of Directors defines and communicates, directly with respect to its members, and through the Human Resources Management regarding the senior managers and the key employees, the hiring, promotion, removal, dismissal and suspension policy (as the case may be).

In addition, the Board of Directors informs the guidelines for determining the retirement plans of the members of the Board of Directors and senior managers of the Issuer, reports regularly to the Governance Body and to the Shareholders' Meeting on the actions undertaken and the topics analyzed in their meetings. and is responsible for explaining at the shareholders' meetings the compensation schemes of the directors and senior managers in case of consultation by the shareholders.

PRINCIPLE VIII: ENCOURAGE CORPORATE ETHICS

Recommendation VIII: Ensure Issuer's ethical behavior

VIII.1 The Issuer has a Code of Business Behavior. Indicate main guidelines and whether it is publicly known This Code is signed at least by the members of the Governance Body and senior managers. Indicate if its application to suppliers and clients is encouraged.

Degree of Compliance: Partial

During 2012 the Company prepared a "Code of Business Behavior and Ethics of TGLT" establishing the guidelines and standards of integrity and transparency the directors and employees of the Company and its subsidiaries must comply with.

Grounds for the Code of Business Behavior and Ethics of TGLT are honesty, dignity, respect, loyalty, dedication, efficiency, transparency and awareness to guide the behavior of the people to whom it applies. The objective is to meet increasing levels of competitiveness, profitability and social responsibility, which involves to appreciate employees, health, safety, the environment and contribution to the regions where the company runs its business.

On March 1, 2018, as part of its commitment to the highest standards of integrity, behavior and business ethics, the Company has implemented a new Code of Behavior and Ethics along with other policies aimed at preventing corruption and laundering of assets, which comply with the provisions of Law 27.401 and the Law on Corrupt Practices Abroad of the United States ("FCPA"). Both the new "Code of Business Behavior and Ethics of TGLT " and the new policies mentioned have already been communicated to the recipients and are in force as of the date of this report.

The Company will promote the application of the "Code of Business Behavior and Ethics of TGLT " to suppliers and customers.

VIII.2 The Issuer has mechanisms in place to receive reports of any unlawful or unethical conduct, either personally or electronically, ensuring that the information transmitted meets high standards of confidentiality and integrity, such as the recording and preservation of information. Indicate whether the service for receiving and evaluating complaints is provided by the Issuer's staff or by external and independent professionals for greater protection of reporters.

Degree of Compliance: Total

The person in charge of internal audit and the Director of Legal Affairs are the contacts to receive reports of any unlawful or unethical behavior, whether personally or by electronic means, ensuring that the information transmitted meets high standards of confidentiality and integrity. These may be anonymous and are received through an online form available at the following address: *http://tglt.com/Denuncias*.

VIII.3 The Issuer has policies, processes and systems for the management and resolution of the complaints mentioned in item VIII.2. Make a description of their most relevant aspects and indicate the degree of involvement of the Audit Committee in those resolutions, particularly in those complaints associated with internal control issues for accounting reporting and on the behavior of members of the Governance Body and senior managers.

Degree of Compliance: Total

The Company has system and process policies in place for the management and resolution of the complaints mentioned in the previous item. They respect the following basic principles: (i) Integrity: acting independently and impartially; (ii) Confidentiality: preserving privacy and respect for people, information and documents originated by the subject under review; (iii) Equality: promoting inclusion and access to the complaints system for all persons; and (iv) Cooperation: promoting collaboration, empathy and participation for the solution of differences or diverging points of view.

Furthermore, these policies pursue the correct referral to the levels with attributions for research and decision making, ensuring all resources have been exhausted to access the fairest and most appropriate solution.

Regarding the involvement of the Audit Committee, it is worth noting that the policies currently in force establish that this Committee shall receive any reports whether directly and / or anonymously, related to accounting, auditing and internal control issues, and those related to conflicts of interest that are considered relevant, involving the external auditors, the management of the Company and the "related parties" as defined in section 72 of the Capital Markets Law. The Committee shall deal with these reports and submit them to the Board of Directors and / or the Supervisory Committee for their consideration and those bodies will proceed in accordance with the provisions of the applicable regulations for cases of conflict of interest, violation of the legislation, the Bylaws and / or rights of third parties.

PRINCIPLE IX: ENHANCE THE SCOPE OF THE CODE

Recommendation IX: Promote the inclusion of the provisions related to good governance practices in the Bylaws.

Degree of Compliance: Partial

Corporate Bylaws are in line with the requirements of the Business Companies Law and the BCBA's Rules and Regulations and include provisions on the integration and operation of the Board of Directors, Audit Committee and Supervisory Committee and protection mechanisms for all shareholders against takeovers, but does not include other provisions related to good corporate governance practices according to the recommendations mentioned above.

Notwithstanding, the Board may in the future consider the advisability of the introduction of other provisions related to good corporate governance.

THE PRESIDENT

TGLT

CONSOLIDATED FINANCIAL STATEMENTS

TGLT S.A.

AS OF DECEMBER 31, 2017

(Presented comparatively)

TGLT S.A.

Registered office: Av. Scalabrini Ortiz 3333 – 1st Floor

City of Buenos Aires, Argentina

FISCAL YEAR NO. 13 BEGINNING JANUARY 1, 2017

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2017

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: August 9, 2016

Registration number with IGJ: 1754929

Bylaws expiration date: June 12, 2104

C.U.I.T. (taxpayer identification number): 30-70928253-7

Information on subsidiaries: See Note 21 to the consolidated financial statements.

Share capital (amounts in Argentine Pesos)	
Shares	Issued, subscribed, registered and paid-in
Common, registered shares, one vote per share at a nominal value of $ 1 each	70,349,485
	70,349,485

TGLT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF DECEMBER 31, 2017, 2016 AND 2015

(amounts stated in Argentine pesos)

	Notes	Dec 31,2017	Dec 31, 2016	Dec 31, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	5	1,407,105	8,273,916	9,849,355
Intangible assets	6	575,830	967,785	1,245,509
Investment property	41	15,827,624	876,630,575	45,424,451
Investments in associates	52	262,411,896	-	-
Goodwill	7	-	80,752,236	111,445,604
Inventory	8	929,722,920	1,680,224,818	1,391,049,640
Deferred tax assets	9	67,331,076	75,749,069	78,894,319
Other receivables	10	168,871,627	42,766,560	829,405
Total non-current assets		1,446,148,078	2,765,364,959	1,638,738,283
Current assets				
Inventory	8	1,752,429,717	1,786,413,181	1,714,436,286
Other assets	39	26,989,513	24,779,680	-
Assets for sale	49	73,330,556	-	-
Other receivables	10	274,252,921	282,615,817	265,525,202
Receivables from related parties	30	204,405,784	6,398,297	7,952,268
Receivables from sales	11	10,030,513	24,039,550	31,119,108
Other financial assets	15.1.1.2	193,966	-	-
Cash and cash equivalents	12	1,803,720,314	84,278,114	95,073,323
Total current assets		4,145,353,284	2,208,524,639	2,114,106,187
Total assets		**5,591,501,362**	**4,973,889,598**	**3,752,844,470**
SHAREHOLDERS' EQUITY				
Attributable to parent company's owners		449,143,349	147,742,168	172,124,894
Non-controlling interest	18	-	253,698,435	42,993,641
Total shareholders' equity		**449,143,349**	**401,440,603**	**215,118,535**
LIABILITIES				
Non-current liabilities				
Deferred tax liabilities	29	115,530,264	223,141,466	-
Other accounts payable	13	22,507,478	48,168,749	46,944,000
Customer advances	14	733,117,502	1,121,744,101	922,350,972
Loans	15	1,667,601,592	123,559,760	58,717,680
Other tax burden	16	12,168,851	3,481,221	3,120,044
Trade payables	17	21,997,282	2,439,383	23,378,882
Total non-current liabilities		2,572,922,969	1,522,534,680	1,054,511,578
Current liabilities				
Deferred tax liabilities	18	-	4,135,987	7,412,394
Provisions	19	47,280,831	7,639,276	687,250
Other accounts payable	13	39,562,640	50,784,623	11,740,910
Customer advances	14	1,372,962,145	1,752,094,622	1,278,608,409
Payables to related parties	30	-	25,634,359	332,855,202
Loans	15	645,138,374	594,576,664	392,037,742
Other tax burden	16	18,504,178	74,919,680	38,980,268
Payroll and social security contributions	20	26,110,273	15,026,370	19,789,322
Trade payables	17	419,876,603	525,102,734	401,102,860
Total current liabilities		2,569,435,044	3,049,914,315	2,483,214,357
Total liabilities		**5,142,358,013**	**4,572,448,995**	**3,537,725,935**
Total shareholders' equity and liabilities		**5,591,501,362**	**4,973,889,598**	**3,752,844,470**

Notes 1 to 55 are an integral part of these financial statements.

TGLT S.A.

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

FOR THE FISCAL YEARS ENDED DECEMBER 31, 2017, 2016 AND 2015

(amounts stated in Argentine pesos)

	Notes	Dec 31.2017	Dec 31. 2016	Dec 31. 2015
Revenue from ordinary activities	23	1,067,077,524	720,324,073	829,008,092
Cost of ordinary activities	24	(970,650,231)	(660,010,520)	(655,230,877)
Gross profit		**96,427,293**	**60,313,553**	**173,777,215**
Selling expenses	25	(157,626,468)	(122,182,056)	(75,730,914)
Administrative expenses	26	(189,892,738)	(135,023,270)	(103,510,811)
Other operating costs	7	(59,264,824)	(30,693,369)	-
Operating loss		**(310,356,737)**	**(227,585,142)**	**(5,464,510)**
Investments in associates	52	(12,619,230)	-	-
Other expenses	6	(529,715)	(573,087)	(383,313)
Financial results				
Exchange gains/losses	27	(14,767,919)	(5,166,955)	(34,281,821)
Financial income	27	26,060,080	11,028,950	49,941,660
Financial costs	27	(230,291,693)	(85,279,655)	(68,011,711)
Investment property appraisal at fair value	42	(2,639,682)	757,895,460	-
Sale of investment property	41	58,431,000	-	-
Other income and expenses, net	28	8,400,411	8,453,104	198,209
Income/loss for the year before income tax		**(478,313,485)**	**458,772,675**	**(58,001,486)**
Income tax	29	126,338,448	(232,470,830)	10,378,684
Income/loss for the year		**(351,975,037)**	**226,301,845**	**(47,622,802)**
Other comprehensive profit or loss to be reclassified as profit or loss				
Exchange loss from a net investment abroad		(9,254,775)	(16,596,365)	(20,823,545)
Total other comprehensive loss		(9,254,775)	(16,596,365)	(20,823,545)
Total comprehensive profit or loss for the year		**(361,229,812)**	**209,705,480**	**(68,446,347)**
Income (loss) for the year attributable to:				
Controlling interest		(351,975,037)	4,776,567	(45,076,829)
Non-controlling interest		-	221,525,278	(2,545,973)
Total for the year		**(351,975,037)**	**226,301,845**	**(47,622,802)**
Income/loss per share attributable to parent company's owners				
Basic	38	(5.00)	0.59	(0.64)
Diluted	38	(1.08)	0.59	(0.64)
Total comprehensive loss for the year attributable to:				
Controlling interest		(361,229,812)	(11,819,798)	(65,900,374)
Non-controlling interest		-	221,525,278	(2,545,973)
Total income (loss) for the year		**(361,229,812)**	**209,705,480**	**(68,446,347)**

Notes 1 to 55 are an integral part of these financial statements.

TGLT S.A.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017

(amounts stated in Argentine pesos)

	Capital								Reserves			Income/loss	Shareholders' equity attributable to		Total
	Share Capital	Treasury stock	Stock premium	Irrevocable contribution	Buyback premium	Capital contribution	Total	Transactions among shareholders	Legal reserve	Optional reserve	Foreign currency translation reserve	Unappropriated retained income/loss	Controlling interest	Non-controlling interest	
Balances as of January 1, 2017	70,339,485	10,000	123,349,809	7,237,915	-	-	200,937,209	(19,800,843)			(38,170,765)	4,776,567	147,742,168	253,698,435	401,440,603
Resolution of Shareholders' Meeting (1)	-	-	-	-	-	-	-	-	238,828	4,537,739	-	(4,776,567)	-	-	-
Write-off of irrevocable contribution (2)	-	-	-	(7,452,900)	-	-	(7,452,900)	-	-	-	-	-	(7,452,900)	-	(7,452,900)
Sale of treasury stock (3)	10,000	(10,000)	-	214,985	(95,552)	-	119,433	-	-	-	-	-	119,433	-	119,433
Transactions with shareholders (4)	-	-	-	-	-	76,129	76,129	-	-	-	-	-	76,129	(106,129)	(30,000)
Equity component of convertible notes (5)	-	-	-	-	-	622,039,165	622,039,165	-	-	-	-	-	622,039,165	-	622,039,165
Tax Reform Law No. 27430 (5)	-	-	-	-	-	47,849,166	47,849,166	-	-	-	-	-	47,849,166	-	47,849,166
Deconsolidation of MRL (6)	-	-	-	-	-	-	-	-	-	-	-	-	-	(253,592,306)	(253,592,306)
Loss for the year	-	-	-	-	-	-	-	-	-	-	-	(351,975,037)	(351,975,037)	-	(351,975,037)
Other comprehensive loss for the year, net of income tax	-	-	-	-	-	-	-	-	-	-	(9,254,775)	-	(9,254,775)	-	(9,254,775)
Comprehensive loss for the year	-	-	-	-	-	-	-	-	-	-	(9,254,775)	(351,975,037)	(361,229,812)	-	(361,229,812)
Balance as of December 31, 2017	**70,349,485**	**-**	**123,349,809**	**-**	**(95,552)**	**669,964,460**	**863,568,202**	**(19,800,843)**	**238,828**	**4,537,739**	**(47,425,540)**	**(351,975,037)**	**449,143,349**	**-**	**449,143,349**

(1) The income/loss for the year 2016 was dealt with at the Annual and Extraordinary Shareholders' Meeting held on April 20, 2017. See Note 46.
(2) See Note 44.
(3) See Note 47.
(4) See Note 34.3.
(5) See Note 45.
(6) See Note 48.

Notes 1 to 55 are an integral part of these financial statements.

TGLT

TGLT S.A.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

(amounts stated in Argentine pesos)

	Capital							Reserves		Income/loss	Shareholders' equity attributable to		
Item	Share capital	Treasury stock	Stock premium	Irrevocable contribution	Capital contribution	Total	Transactions among shareholders	Foreign currency translation reserve	Legal reserve	Unappropriated retained income/loss	Controlling interest	Non-controlling interest	Total
Balances as of January 1, 2016	70,349,485	-	378,208,774	-	2,571,110	451,129,369	-	(21,574,400)	4,000	(257,434,075)	172,124,894	42,993,641	215,118,535
Absorption of unappropriated retained income/loss (1)	-	-	(254,858,965)	-	(2,571,110)	(257,430,075)	-	-	(4,000)	257,434,075	-	-	-
Irrevocable contribution (2)	-	-	-	7,452,900	-	7,452,900	-	-	-	-	7,452,900	-	7,452,900
Purchase of non-controlling interest (3)	-	-	-	-	-	-	(19,800,843)	-	-	-	(19,800,843)	(10,820,484)	(30,621,327)
Treasury stock (4)	(10,000)	10,000	-	(214,985)	-	(214,985)	-	-	-	-	(214,985)	-	(214,985)
Income/loss for the year	-	-	-	-	-	-	-	-	-	4,776,567	4,776,567	221,525,278	226,301,845
Other comprehensive income/loss for the year, net of income tax	-	-	-	-	-	-	-	(16,596,365)	-	-	(16,596,365)	-	(16,596,365)
Comprehensive income/loss for the year	-	-	-	-	-	-	-	(16,596,365)	-	4,776,567	(11,819,798)	221,525,278	209,705,480
Balances as of December 31, 2016	70,339,485	10,000	123,349,809	7,237,915	-	200,937,209	(19,800,843)	(38,170,765)	-	4,776,567	147,742,168	253,698,435	401,440,603

(1) Decided at the Annual and Extraordinary Shareholders' Meeting held on April 14, 2016.
(2) On September 30, 2016, the Board of Directors approved an irrevocable contribution with specific allocation. See Note 45.
(3) Purchase of shares of Canfot S.A. See Note 34.2.
(4) Purchase of BDRs. See Note 48.

Notes 1 to 55 are an integral part of these financial statements.

TGLT S.A.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

(amounts stated in Argentine pesos)

	Capital				Reserves			Income/loss	Shareholders' equity attributable to		
Item	Share capital	Stock premium	Irrevocable contribution	Total	Transactions among shareholders	Reserves	Legal reserve	Unappropriated retained income/loss	Controlling interest	Non-controlling interest	Total
Balances as of January 1, 2015	70,349,485	378,208,774	8,057,333	456,615,592	(5,486,223)	(750,855)	4,000	(212,357,246)	238,025,268	45,534,614	283,559,882
Allocation of reserves (1)	-	-	(5,486,223)	(5,486,223)	5,486,223	-	-	-	-	-	-
Sale of non-controlling interest (2)	-	-	-	-	-	-	-	-	-	5,000	5,000
Loss for the year	-	-	-	-	-	-	-	(45,076,829)	(45,076,829)	(2,545,973)	(47,622,802)
Comprehensive loss for the year, net of income tax	-	-	-	-	-	(20,823,545)	-	-	(20,823,545)	-	(20,823,545)
Comprehensive loss for the year	-	-	-	-	-	(20,823,545)	-	(45,076,829)	(65,900,374)	(2,545,973)	(68,446,347)
Balances as of December 31, 2015	70,349,485	378,208,774	2,571,110	451,129,369	-	(21,574,400)	4,000	(257,434,075)	172,124,894	42,993,641	215,118,535

(1) Allocation of reserves approved at the Annual Shareholders' Meeting held on April 30, 2015.
(2) Sale of shares of Sitia S.A.

Notes 1 to 55 are an integral part of these financial statements.

TGLT

TGLT S.A.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE FISCAL YEARS ENDED DECEMBER 31, 2017, 2016 AND 2015

(amounts stated in Argentine pesos)

Operating activities	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Income/loss for the year	(351,975,037)	226,301,845	(47,622,802)
Adjustments to obtain the cash flow from operating activities			
Income tax	(126,338,448)	232,470,830	(10,378,684)
Depreciation of property, plant and equipment	2,997,018	2,703,347	2,895,640
Impairment of goodwill	59,264,824	30,693,369	-
Amortization of intangible assets	529,715	573,087	383,313
Gain on investments in associates	12,619,230	-	-
Gain on sale of property, plant and equipment	-	(3,740,441)	-
Sale of investments in associates	(58,431,000)	-	-
Investment property appraisal at fair value	2,639,682	(757,895,460)	-
Effect of financial statements conversion	(9,254,775)	(16,596,365)	(20,823,545)
Effect of conversion on cash flows	(99,296)	(329,608)	(687,775)
Changes in operating assets and liabilities			
Receivables from sales	14,009,037	9,728,275	(13,098,091)
Other receivables	(59,311,171)	(30,295,490)	(58,986,323)
Receivables from related parties	(198,007,487)	1,553,971	2,683,654
Other assets	(2,209,833)	(24,779,680)	-
Other financial assets	(193,966)	-	-
Inventories	835,878,368	(468,146,824)	(740,284,260)
Assets for sale	(70,794,477)	-	-
Deconsolidation effect	303,402,417	-	-
Deferred tax assets and liabilities	24,228,614	(1,963,577)	(17,928,920)
Trade payables	(85,668,232)	103,060,375	169,620,787
Payroll and social security contributions	11,083,903	(4,762,952)	8,400,098
Other tax burden	(47,727,872)	36,300,589	42,264,702
Payables to related parties	(25,634,359)	(307,220,843)	48,942,727
Customer advances	(767,759,076)	628,963,268	607,201,709
Provisions	39,641,555	7,628,507	-
Other accounts payable	(36,883,254)	32,115,050	16,123,136
Minimum presumed income tax	(1,219,362)	(7,496,945)	(10,681,076)
Net cash flows provided by/ (used in) operating activities	**(535,213,282)**	**(311,135,672)**	**(21,975,710)**
Investment activities			
Investments not considered as cash	(554,263)	(595,311)	(921,873)
Payments for purchase of investment property	(2,030,737)	(2,354,915)	(344,205)
Collections from sale of investment property	-	56,051,010	-
Payments for purchase of property, plant and equipment	(440,608)	(3,558,090)	(2,708,824)
Collections from sale of property, plant and equipment	-	6,442,126	-
Payments for purchase of intangible assets	(107,708)	(237,258)	(592,289)
Net cash flow provided by / (used in) investment activities	**(3,133,316)**	**55,747,562**	**(4,567,191)**
Financing activities			
Loans	1,594,603,542	267,381,002	66,458,630
Financial instruments	-	-	(2,138,747)
Sale of non-controlling interest	-	-	5,000
Transactions among shareholders	-	(19,800,843)	-
Decrease in non-controlling interest	-	(10,820,484)	-
Irrevocable contribution	(7,452,900)	7,452,900	-
Purchase of treasury stock	-	(214,985)	-
Collections from sale of treasury stock	(95,552)	-	-
Payments for purchases of shares in subsidiaries	291,114	-	-
Capital contribution	669,888,331	-	-
Net cash flow provided by / (used in) financing activities	**2,257,234,535**	**243,997,590**	**64,324,883**
Increase / (decrease) in cash and cash equivalents	1,718,887,937	(11,390,520)	37,781,982
Cash and cash equivalents at beginning of the year	81,098,420	92,488,940	54,706,958
Cash and cash equivalents at year-end (See Note 5)	**1,799,986,357**	**81,098,420**	**92,488,940**

Notes 1 to 55 are an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2017 PRESENTED COMPARATIVELY

(amounts stated in Argentine pesos)

Note 1. Corporate information

1.1. Introduction

TGLT S.A. (hereinafter "the Company", "TGLT" or "the Corporation") is a corporation incorporated under the laws of Argentina, engaged in the development of residential real property. TGLT operates in the main urban centers of Argentina and Uruguay. TGLT was founded in 2005 by Federico Weil; in 2007 the Company went into partnership with PDG Realty S.A. Empreendimentos e Participações (hereinafter "PDG"), one of the main real property developers in Latin America. In April 2015, PDG sold its equity interest to Bienville Argentina Opportunities Master Fund LP and PointArgentum Master Fund LP. TGLT initially focused on projects for high-income segments, and is now gradually extending its offering to medium income segments and commercial offices.

TGLT is a leader developer in the Argentine residential market and expects to get the same position in Uruguay. It is currently developing ten projects in high in-demand urban areas in Argentina and Uruguay, undergoing phases involving product design and application for permits, pre-construction, construction and delivery.

In November 2010, the Company conducted an Initial Public Offering ("IPO") of its shares in Argentina and abroad. Currently, the shares of the Company are listed on the Buenos Aires Stock Exchange. In addition, the American Depositary Receipts (ADRs) Level I, representing the Company's shares, are traded in the US over-the-counter market. Common shares of the Company may be converted into ADRs at 5:1.

1.2. Business model

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, 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. Furthermore, following the Capital Markets Law and the Argentine Securities and Exchange Commission (CNV) regulations, TGLT will timely conduct a public offering for the mandatory acquisition and voluntary swap of shares, aimed at the holders of the remaining common shares in CAPUTO, to acquire 100% of such company's capital stock.

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.

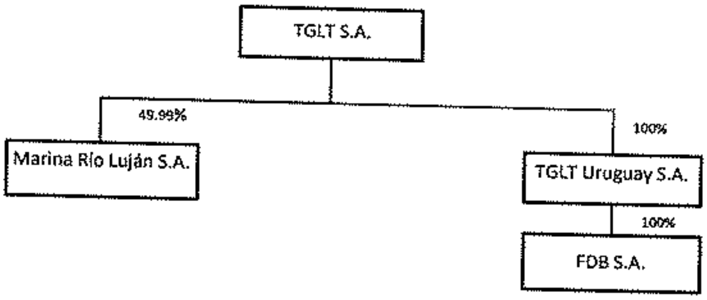
Note 1. Corporate information (continued)

1.3. Real property development

Please refer to the Letter to Shareholders and the Reporting Summary, included in these financial statements, for more information about real property projects developed by the Company.

1.4. Corporate structure

As of December 31, 2017, 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 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).

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

3.1. Presentation basis

The consolidated statement of financial position as of December 31, 2017, 2016 and 2015 and the consolidated statements of profit or loss and other comprehensive profit or loss, changes in shareholders' equity and cash flows as of December 31, 2017, 2016 and 2015 have been prepared in accordance with IFRS.

The consolidated financial statements of TGLT S.A. have been prepared on the basis of the application of IFRS. The adoption of these standards, as issued by the International Accounting Standards Board (IASB), was decided by Resolution No. 26 (restated text) of the Argentine Federation of Professional Councils of Economic Sciences (FACPCE) and the Rules of the National Securities Commission (CNV). Likewise, some additional issues required by the Companies Law and/or CNV rules have been included in the Notes to these consolidated financial statements, only for the purpose of compliance with regulatory requirements.

These consolidated financial statements are related to the fiscal year beginning January 1, 2017 and ended December 31, 2017. In accordance with IFRS, the Company presents the consolidated statement of financial position and statements of profit or loss and other comprehensive profit or loss, changes in shareholders' equity and cash flows comparatively to the prior fiscal years ended December 31, 2016 and 2015. See Note 4.17.

The amounts and other information for the fiscal year ended December 31, 2016 are an integral part of these financial statements and should be read in light of those financial statements.

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

3.1. Presentation basis (cont.)

The International Accounting Standard 29 (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.

Regulators have issued no opinion on this matter to the date of issuance of these financial statements. However, the financial statements should be read in light of the fluctuations in relevant variables of the economy experienced in the most recent fiscal years.

3.2. Newly issued Standards and Interpretations - Issued Standards and Interpretations adopted to date

The following is a list of standards issued by the IASB but not yet effective to the date of issuance of these financial statements. In this sense, only the standards that the Company expects to apply in the future have been included.

IFRS 9 Financial Instruments (applicable to fiscal years beginning January 1, 2018)

IFRS 9 Financial Instruments was issued in November 2009 and amended in October 2010. It introduces new requirements for the classification and measurement of financial assets and liabilities and for their write-off. IFRS 9 sets forth that all financial assets within the scope of IFRS 39 Financial Instruments (recognition and measurement) be subsequently carried at amortized cost or fair value. Specifically, debt investments held within a business model whose aim is to collect contractual cash flows, and with contractual cash flows, which are only payments of principal or interest on the outstanding principal, are usually stated at amortized cost at the end of each subsequent fiscal year. All the remaining debt or equity investments or equity are carried at the fair value at the end of subsequent fiscal years.

The most significant effect of IFRS 9 in relation to the classification and measurement of financial liabilities relates to accounting for the changes in the fair value of financial liabilities (designated as financial liabilities at fair value with changes through profit or loss) attributable to changes in the credit risk of such liabilities.

Specifically, for the purposes of IFRS 9, for financial liabilities designated as financial liabilities at fair value with changes through profit or loss, the amount of the change in the fair value of financial liabilities attributable to the changes in the credit risk of such debt is recognized through other comprehensive profit or loss, unless the recognition of the changes in the credit risk of that debt in other comprehensive profit or loss gives rise to an accounting mismatch. The changes in the fair value attributable to credit risk of financial liabilities are not subsequently reclassified to profit or loss.

Previously, under IAS 39, the total amount of the change in the fair value of financial liabilities carried at fair value with changes through profit or loss was recognized in profit or loss.

In November 2013, the IASB issued an amendment to IFRS 9 as part of the hedge accounting phase of the project related to accounting for financial instruments. Changes include the elimination of the effective date (as from January 1, 2015), to provide the IASB with more time to finish other aspects of the accounting project. On July 24, 2014, the IASB published the final version of IFRS 9 which includes hedge classification and measurement, impairment and accounting under IASB project to replace IAS 39. This version adds a new model of expected loss impairment and limited changes to the classification and measurement of financial assets. The standard replaces all previous versions of IFRS 9 and is effective for fiscal years beginning on or after January 1, 2018.

The Board of Directors has stated that changes will be adopted in the Company's financial statements for the fiscal year beginning January 1, 2018. As of this date, the Board of Directors has not determined the effect of this change on the Company's financial statements.

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

3.2. Newly Issued Standards and Interpretations - Issued Standards and Interpretations adopted to date (continued)

IFRS 15 Revenue from contracts with customers (applicable to fiscal years beginning on or after January 1, 2018)

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. It also provides a single five-step model based on principles to be applied to contracts with clients.

The Board of Directors expects to adopt these changes in the Company's financial statements for the fiscal year beginning January 1, 2018. To date, the Board of Directors is determining the effect that this change will have on the Company's financial statements.

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.

Nota 4. Summary of the main accounting policies applied

4.1. Applicable accounting standards

These consolidated financial statements have been prepared by using the specific IFRS measurements for each type of asset, liability, income and expense. Consolidated and stand-alone 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

TGLT's consolidated financial statements include financial information on the Company and its subsidiaries.

The financial statements of subsidiaries (except TGLT Uruguay S.A.) were prepared in accordance with other accounting standards. Therefore, and in order to apply accounting standards consistently with those applied by TGLT, standards used by subsidiaries and standards resulting from the application of Technical Resolution No. 26 were reconciled for the following items a) total shareholders' equity and b) net profit or loss for the fiscal year (according to the standard applied) to net profit or loss for the fiscal year (according to IFRS), and that amount to the total comprehensive profit or loss for the year.

The Boards of Directors that approved the financial statements of the subsidiaries was subject to the application of monitoring and confirmation procedures at management level, which include all significant items with different treatment between the standards used and IFRS, according to the provisions of General Resolution No. 611 of the CNV. Therefore, amounts reported in the stand-alone financial statements of the subsidiaries have been adjusted where measurement consistent with the accounting policies adopted by TGLT was required.

In the case of TGLT Uruguay S.A. and its subsidiary FDB S.A., assets and liabilities 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 (continued)

4.2. Consolidation criteria (continued)

In every case, 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. Subsidiaries whose financial statements have been included in these consolidated financial statements are the following:

Company	Type of control	12/31/2017	12/31/2016	12/31/2015
Marina Río Luján S.A. (1)	Joint	49.99%	49.99%	49.99%
Canfot S.A.	Exclusive	-	-	91.67%
TGLT Uruguay S.A.	Exclusive	100.00%	100.00%	100.00%
SITIA S.A. (2)	Exclusive	-	95.00%	95.00%

(1) See Note 48.
(2) See Note 34.2 to the consolidated financial statements.

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 Management 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.

4.3. Functional currency

For the purposes of these consolidated financial statements, the profit or loss and financial position of each entity are stated in pesos (legal tender in Argentina), which is the functional currency (currency of the main economic environment in which a company does business) for all companies domiciled in Argentina, and the currency in which consolidated financial statements are presented. 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, 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.

4.4. Loan costs

The financial costs incurred as a result of loans obtained to finance real property urban projects (undergoing development) directly are included as part of the cost of such assets, in accordance with the provisions of IAS 23 "Loan Costs" Additionally, for generic loans (that is, those not assigned specifically to a particular real property urban project) the assignment criterion set forth by that standard was applied. The amount of loan costs capitalized during the fiscal years reported does not exceed the total loan costs incurred during that same fiscal year, respectively. The remaining loan costs are charged to profit or loss as incurred.

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

4.5. Income tax

The income tax expense is the total current income tax generated by tax losses.

On December 29, 2017, the National Executive enacted Law No. 27430 through Decree No. 1112/2017, whereby various amendments to the tax regime were implemented, including the income tax, value added tax and excise taxes.

Amongst the most important amendments introduced by the Law, the following can be mentioned: (i) the progressive reduction in the income tax rate for certain capital companies, including corporations and limited liability companies, from 35% to 30% for fiscal years beginning as from January 1, 2018, and 30 % to 25 % for fiscal years beginning as from January 1, 2020, (ii) the consideration of dividends and earnings obtained by individuals and undivided estates as income levied with income tax at a tax rate ranging from 7% to 13% for fiscal years beginning as from January 1, 2018 and January 1, 2020, respectively, and (iii) the possibility that individuals, undivided estates and entities governed by section 49 of the Income Tax Law, restated in 1997, as amended, residing in the country, may revalue for tax purposes certain assets located, placed or economically used in the country, owned by them, allocated to the generation of income levied with income tax.

The Company has estimated the impact and effects that the Law will have, based on the settlement term for temporary assets and liabilities as of December 31, 2017, and has recorded an adjustment (income) charged to income tax accrued for this year in the amount of - $ 15.362.057 and an increase in Capital Contributions in the amount of $ 47,849,166, pursuant to IAS "Income tax" and SIC 25 "Income Tax—Changes in the tax status of an entity or its shareholders".

4.6 Deferred tax

The deferred tax was recognized on the temporary differences between accounting bases applied to the assets and liabilities included in the financial statements and their respective tax bases.

The deferred tax liabilities were generally recognized for all future taxable temporary differences. The deferred tax assets were recognized for all deductible temporary differences to the extent it is likely that the Company may record future taxable income against which these deductible temporary differences may be used. These assets and liabilities are not recognized if temporary differences arise from goodwill or initial recognition (other than a business combination) of other assets and liabilities in a transaction that does not affect the income for tax or accounting purposes.

The measurement of deferred tax assets and liabilities at the end of each fiscal year being reported shows the tax consequences of the way in which the entity intends to recover or settle the book value of its assets or liabilities.

Deferred tax assets were offset with deferred tax liabilities only when a) the right to offset them was legally allowed by tax authorities, and b) the tax assets and liabilities result from the relevant Income Tax paid to the same tax authorities and TGLT S.A. had the intention of settling its assets and liabilities as net assets and liabilities. Deferred tax charges were recorded as income or expenses and included in comprehensive profit or loss.

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

4.7. Minimum presumed income tax

This tax is supplementary to the income tax because, whereas the latter is levied on taxable income for the year, minimum presumed income tax is a minimum levy on the potential income of certain productive assets at a 1% rate. Therefore, the Company's tax liability will be represented by the higher of the two taxes. However, if minimum presumed income tax exceeds income tax in a given fiscal year, such excess can be computed as a credit towards future income taxes occurring in any of the next ten fiscal years.

4.8. Wealth tax – Substitute taxpayer

Individuals and foreign entities, as well as undivided estates, whether domiciled or resident in Argentina or abroad, are subject to wealth tax at a rate of 0.25% of the value of the shares issued by Argentine entities as of December 31 of each year. The tax is levied on the Argentine issuers of such shares, such as TGLT S.A., who acts as a substitute taxpayer for the corresponding shareholders, and is based on the value of shares (equity value) or on the book value of shares derived from the most recent financial statements as of December 31 each year.

On June 29, 2016, the Argentine Congress enacted the Tax Amnesty Law No. 27260, which sets forth a tax amnesty and tax reform regime enabling to voluntarily and exceptionally report, without the obligation to bring them to the country, assets held in the country and abroad, within a term extended from its effective date to March 31, 2017. The specific tax was 10% until the end of 2016 and 15% until the end of March 2017.

Among the provisions resulting from the law with respect to personal property, there is a reduction in the tax rate and an increase in the minimum amount subject to tax, from $ 800,000 for fiscal year 2016, to $ 950,000 for fiscal year 2017 and $ 1,050,000 for 2018. Tax rates were changed to 0.75%, 0.50% and 0.25% respectively.

This regime also included the possibility to enjoy the wealth tax exemption benefit for fiscal years 2016, 2017 and 2018 –including the substitute taxpayer regime- to taxpayers who have complied with tax liabilities for fiscal years 2014 and 2015 and have no tax debts, among other requirements, to reward those deemed as "tax compliant".

Accordingly, TGLT S.A. has applied for this benefit and avoided the payment of this tax for fiscal years 2016 and 2017.

Regarding the wealth tax remaining balance, the Company has the right to be refunded the tax paid by the shareholders through the reimbursement method deemed advisable by the Company.

4.9. Investment property

Investment property consists of assets developed and maintained to obtain income, capital appreciation or both and is measured at fair value, except when they are measured at cost value because the fair value cannot be reliably measured, but it is expected to be measured when the construction is completed.

4.10. Property, plant and equipment

Property, plant and equipment (PP&E) is stated at cost, net of accumulated depreciation and accumulated losses due to impairment, when applicable. This cost includes the cost of replacing part of the PP&E, as well as loan costs incurred due to long term construction projects, if the requirements for recognition are met. Repair and maintenance costs are recognized in the statement of profit or loss as they are incurred.

Depreciation is calculated using the straight-line method, applying rates that are sufficient to extinguish their values at the end of the estimated useful life. These useful lives are based on criteria and standards that are reasonable according to the experience of management. For more information regarding the useful lives assigned, please refer to Note 4.23.

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

4.10. Property, plant and equipment (continued)

Property, plant and equipment components or any significant part thereof initially recognized are written off when they are sold or when no future economic benefits from their use or sale are expected. Any profit or loss at the time an asset is written off (calculated as the difference between the net income obtained from the sale of the asset and its book value) is included in the statement of profit or loss when the asset is written off.

The residual values, useful lives and depreciation methods and rates of the assets are verified and adjusted prospectively to the year-end date, if applicable. Changes in PP&E are presented in Note 5.

4.11. Intangible assets

4.11.1 Trademarks and software

This includes expenses incurred in software acquisition and trademark registration. The intangible assets acquired are initially measured at cost. Following initial recognition, they are measured at cost less any accumulated amortization and any accumulated loss due to impairment.

Amortization is calculated using the straight-line method, the rate of which is determined based on the useful life assigned to the assets as from the month they are added. Changes in intangible assets are presented in Note 6.

The amortization period and method for intangible assets with a defined useful life are verified at least at the end of each fiscal year reported. The changes in the expected useful life or expected pattern for the asset use are recognized upon changing periods or amortization methods, as the case may be, and they are treated as changes in accounting estimates. The amortization expense in intangible assets with defined useful lives is recognized in the statement of profit or loss under the expense category that is consistent with the purpose of the intangible asset at issue.

Any gain or loss that results from writing off an intangible asset is calculated as the difference between the net income obtained from the sale and the asset book value, and it is recognized in the statement of profit or loss when the asset is written off.

4.11.2 Software development

Software development expenses incurred in a specific project are listed as intangible assets when the Company can prove the following:

- The technical feasibility of completing the intangible asset so that it is available for its expected use or sale;
- Its intention of completing the asset and its capacity to use or sell it;
- How the asset will generate future financial benefits;
- The availability of resources for completing the asset; and
- The capacity to perform reliable measurements of disbursements during their development.

After development is initially recognized as an asset, the cost model is applied, which requires that the asset be measured at cost less the accumulated amortization and accumulated losses due to impairment. Amortization of assets begins when development has been completed and the asset is available for use. The asset is amortized throughout the period in which generation of future financial benefits is expected. During the development period, the asset is subject to annual tests to determine whether there is any impairment. The Board of Directors has been able to verify that these assets meet all requirements of IAS 38 for their capitalization.

4.12. Impairment test of non-financial assets

As a general rule, IAS 36 establishes that at year-end, management must assess whether there is any indication of the impairment of a non-financial asset. If there is any such indication, or when yearly impairment tests for determining the impairment of assets are required, the recoverable value of such asset is estimated. The recoverable value of an asset is the highest of the fair value less the sales cost, whether of an asset or of cash generating unit and its value in use; and it is determined for individual assets unless the asset does not generate cash flows substantially independent of other assets or asset groups. When the book value of an asset or of a cash-generating unit is greater than its recoverable value, the asset is considered impaired, and its value is reduced to its recoverable value.

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

4.12. Impairment test of non-financial assets (continued)

When evaluating the value in use, the estimated cash flow is calculated at present value using a "before tax discount rate" that reflects current market assessment of the time value of money and the asset specific risks. To determine the fair value less the sales cost, recent market transactions, if any, are taken into account. If this type of transactions cannot be identified, the valuation model deemed most appropriate is used.

To determine the value impairment of goodwill resulting from business combinations, such goodwill was distributed among each of the Company's Cash-Generating Units (CGU) that has benefited from business combination synergies. This forces the Company to conduct impairment tests of the CGUs at each date of issuance of financial statements including such CGUs.

Due to the fact that the remaining assets that must undergo the impairment test set forth by IAS 36 are included in any of the CGUs to which goodwill was assigned, the Company must carry out the impairment test at each date of preparation of financial statements, regardless of whether there are indications of impairment. Consequently, creating a procedure for monitoring indications was not necessary, according to IAS 36.

Management calculates value impairment in detailed estimates and predictions conducted separately for each of the Group's CGUs to which individual assets are assigned.

Losses due to impairment of continued transactions, including the impairment of assets, are recognized in the statement of profit or loss under the expense categories related to the function of the impaired asset. A loss due to impairment previously recognized is only reversed if there has been a change in the assumptions used for determining the recoverable value of an asset as from the last time the last loss due to impairment has been recognized.

This reversal is limited in such a way that the asset book value does not exceed its recoverable value or exceed the book value determined, net of the respective amortization, if no loss due to impairment has been recognized for the asset in prior periods. This reversal is recognized in the statement of profit or loss unless the asset is recognized based on its newly assigned value, in which case the reversal is treated as a revaluation increase. The loss due to impairment recognized to determine goodwill is not reversed in any subsequent fiscal year.

From the comparison of the book value of goodwill, intangible assets, and property, plant and equipment identified with their corresponding recoverable amounts, no impairment has been identified.

As of December 31, 2017, there is an accumulated impairment of $ 34,544,532 corresponding to finished units of Forum Puerto Norte, Forum Alcorta and Astor Palermo projects. See Note 8.

4.13. Inventory

Inventory includes urban real property under development (work-in-process) and completed units ready for sale.

4.13.1 Units under construction

Real property classified as inventories are valued at the acquisition and/or construction cost, or at its estimated market value, whichever lower. The value of the land and improvements, direct costs and overall construction expenses, loan costs (when the requirement set forth by IAS 23 are met) and real property taxes are included in costs.

Additionally, and as a result of the acquisition of land by the Company, the highest value of the differences in measurement of identifiable assets upon the acquisition is included in this account. Therefore, the highest inventory value is obtained mainly by comparing the book values and the respective fair values of the main assets acquired at that time.

The fair value of identifiable assets was obtained from the reports issued by independent professional experts when business combinations occurred.

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

4.13. Inventory (continued)

4.13.2 Finished projects

The units of real property urban projects are listed as "Finished projects" when the construction process has finished and such units can be delivered or sold. If disbursements are made after construction has been completed, they are recognized in profit or loss to the extent they are not part of post-construction costs required for the units to be ready for delivery or sale.

When a functional unit is delivered to the customer, the cost of construction of that unit is recognized, reducing the inventory value accordingly. The cost of the inventory property is recognized as a profit or loss on disposal, determined by considering its sales prices less a margin calculated on the basis of a weighted average of units developed simultaneously during the project.

The percentage gross margin is based on the estimated total revenue and estimated total costs for each building calculated as of the date the unit is delivered, considering the buildings already launched and therefore minimizing the use of estimates.

4.14. Leases

Pursuant to IAS 17 "Leases", the financial ownership of an asset in a finance lease is transferred to the lessee if the lessee takes on substantially all the risks and rewards of ownership of such leased asset. The related asset is thus recognized at the beginning of the lease at the lower of its fair value, or at the present value of the minimum payments for the lease, established at the beginning of the lease.

As of December 31, 2017, the Company has a finance lease for the acquisition of a generator set, which was acquired to be installed in the Astor Núñez project (Note 15).

All other leases are treated as operating leases. Operating lease payments are recognized as an expense based on a straight line basis over the term of the lease and related costs such as maintenance and insurance are expensed when they are incurred.

Leases are classified as operating leases when the lessor does not transfer substantially all the risks and rewards inherent to the ownership of the leased asset.

Expenses related to operating leases are recognized on a line-by-line basis in profit or loss each fiscal year under "Rent and building maintenance fees" in the Statement of comprehensive profit or loss.

4.15. Assets for sale

Pursuant to IFRS 5 "Non-current assets held for sale", the Company has valued the assets for sale at the lower of its book value before the asset was classified as held for sale and its recoverable value.

4.16. Revenue recognition

Revenue is generally recognized on the basis of the fair value of the consideration collected or to be collected, taking into account the estimated amount of any deduction, rebate or commercial discount provided by the entity.

4.16.1 Sale of finished units (Inventory)

Ordinary revenue from the sale of assets was recognized once each and every of the following conditions was met:

- The Company transferred to the buyer significant risks and rewards derived from ownership of the assets.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- The amount of the revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The costs incurred or to be incurred in respect of the transaction can be measured reliably

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

4.16. Revenue recognition (continued)

4.16.2 Services rendered

The revenue from services rendered is recognized in profit or loss when the Company has rendered such services, independently of the moment they have been invoiced.

4.17. Classification of items into current and non-current

The Company shall classify an asset as current when it meets any of the following criteria:

a) it expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
b) it holds the asset primarily for the purpose of trading;
c) it expects to realize the asset within twelve months after the reporting period; or
d) the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company shall classify all other assets as non-current.

The Company shall classify a liability as current when it meets any of the following criteria:

a) it expects to settle the liability in the entity's normal operating cycle;
b) it holds the liability primarily for the purpose of trading;
c) the liability is due to be settled within twelve months after the reporting date; or
d) the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after reporting date.

The Company shall classify all other liabilities as non-current.

Pursuant to IAS 1, the operating cycle of an entity is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. In the case of real property project developments, the Company's main business, the normal operating cycle is found between the commercialization and construction launch and the delivery of functional units.

For these financial statements as of December 31, 2017, the Company decided to consider for its normal operating cycle the classification between current and non-current under the expected term of realization after twelve months following the reporting period, as the information thus presented makes it easier to read the financial statements. Therefore, the comparative financial statements as of December 31, 2016 and 2015 include these changes under IAS 8.

4.18. Investments in associates

Investments in associates are accounted for under the equity method.

Investments in associates and joint ventures are valued using the equity method.

According to this method, the investment is initially recognized at cost under "Investments in associates" in the statement of financial position, and the book value increases or decreases to recognize the investor's interest in the investments in associates after the acquisition date, which is presented in the statement of comprehensive profit or loss under "Investments in associates". The investment includes, if applicable, the goodwill identified in the acquisition.

Associates are considered those in which the Group has significant influence, understood as the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies. Significant influence is presumed in companies in which the interest is equivalent to or higher than 20% and lower than 50%.

Under the provisions of IFRS 11 "Joint Arrangements" and IAS 28 "Investments in Associates and Joint Ventures", investments in which two or more parties have joint control shall be classified in each case as a joint operation when the parties that have joint control have rights over the net assets of the joint arrangement. Considering this classification, joint operations shall be accounted for under the equity method.

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

4.19. Business combinations

Business combinations recorded by the Company took place before 2011 and are accounted for using the acquisition method. The consideration of the acquisition was calculated at the estimated fair value (at the date of exchange) of the assets assigned and liabilities incurred and the equity instruments, except for deferred tax assets or liabilities and liabilities or assets related to agreements entailing benefits to employees that were recognized and calculated pursuant to IAS 12, "Income Taxes", and IAS 19 "Employee Benefits", respectively. The costs associated with the acquisition were charged to P&L as incurred.

4.20. Goodwill

These costs result from the restatement of business combinations prior to December 31, 2010. Goodwill is the excess of the amount of the consideration transferred, the amount of any non-controlling interest in the entity acquired, where applicable, and the fair value of the ownership interest previously held by the purchaser (if any) in the entity in relation to the net amount as of the date of acquisition of the identifiable assets acquired and liabilities incurred.

Goodwill is not amortized, but is assessed to determine whether it is necessary to record any impairment at year-end. Changes in the ownership interests in a subsidiary are recognized as equity transactions and do not affect the book value of goodwill.

4.21. Provisions and allowances

Provisions and allowances are recognized when the Company is faced with a current obligation (whether legal or implicit) resulting from a past event, and it is probable that the Company will incur costs or expenses to discharge such obligation, and it was possible to reasonably estimate the amount of the obligation.

The amount recognized as a provision or allowance is the best estimate of the disbursement required for discharging the current obligation, at year-end, taking in to account the respective risks and uncertainties. When a provision or allowance is calculated using the cash flow estimated for discharging a current obligation, its book value represents the present value of such cash flow.

When the recovery of some or all the financial benefits is required to reverse a provision or allowance, an account receivable was recognized as an asset if it was virtually certain that the payment would be received and the amount receivable could be calculated reliably.

Note 33 contains a detailed description of the main claims received by the Company and Note 19 presents the provisions and allowances set up by the Company for lawsuits and other contingencies.

4.22. Financial instruments

4.22.1 Financial assets and liabilities

1) Initial recognition and measurement

Financial assets under IAS 39 are classified as financial assets and liabilities at fair value with changes through profit or loss, loans, receivables and payables, investments held to maturity, financial assets available for sale, or derivatives designated as hedge instruments with effective coverage, as applicable. The Company determines the classification of financial instruments when they are initially recognized. All the financial assets and financial liabilities are initially recognized at fair value plus, for financial assets not recognized at fair value with changes through profit or loss, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a term established by a regulation or market convention are recognized at the date of the purchase, that is, the date when the Company agrees to purchase or sell the asset. The Company's financial assets and liabilities include cash and short-term investments, trade receivables, loans and other receivables and financial instruments. The Company's financial liabilities include trade payables, loans and other payables, bank overdrafts and financial instruments.

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

4.22. Financial instruments (continued)

2) Subsequent measurement

The subsequent measurement of assets and liabilities depends on their classification:

a) Financial assets and liabilities at fair value with changes through profit or loss

Financial assets and liabilities measured at fair value with changes through profit or loss include both assets and liabilities held for trading and financial assets and liabilities designated to be held at fair value with changes through profit or loss when initially recognized. Financial assets and liabilities are classified as held for trading when they are acquired to be sold or repurchased in the near future. Financial assets at fair values with changes through profit or loss are recorded in the statement of financial position at fair value, and changes in fair value are recognized as financial gains or costs in the statement of profit or loss.

b) Loans, accounts receivable and interest-bearing loans

Loans, accounts receivable and interest-bearing loans are non-derivative financial assets and liabilities with fixed or determinable payments that are not listed on an active market. Following their initial recognition, these financial assets and liabilities are measured at their amortized cost by applying the effective interest rate method, less any impairment. Amortized cost is calculated by considering any discount or premium in the acquisition, and the commissions or costs that are an integral part of the effective interest rate. Amortization of the effective interest rate is recognized as financial income in the statement of profit or loss. The losses resulting from impairment are recognized as financial costs in the statement of profit or loss.

c) Investments held to maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates are classified as held to maturity when the Company has the intention and capacity to maintain them until their maturity date. Following their initial recognition, investments held to maturity are measured at amortized cost by applying the effective interest rate method, less any impairment.

4.22.2 Offsetting of financial instruments

Financial assets and financial liabilities are offset in the statement of financial position only if the Company (i) has a legal right to offset the balances and (ii) has an intention to settle them on a net basis or to realize the assets and settle the liabilities simultaneously.

4.23. Trade and other payables

Trade payables are initially recognized at fair value and subsequently measured at amortized cost, by applying the effective interest rate method.

4.24. Shareholders' equity accounts

Shareholders' equity items were prepared in accordance with accounting standards in force. Variations in this item were accounted for in accordance with the respective Shareholders' Meeting decisions, legal provisions or regulations, although the items would not have existed or would have had different balances had IFRS been applied in the past.

4.24.1. Share capital

Share capital consists of shareholders' contributions represented by common shares and includes outstanding shares at nominal value.

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

4.24. Shareholders' equity accounts (continued)

4.24.2. Stock premium

The stock premium involves the difference between the subscription amount of capital increases and the related nominal value of shares issued.

4.24.3. Treasury stock

The "Share capital" account will be debited by the nominal value of the shares acquired, disclosing this value in "Treasury stock". The cost of acquisition of the treasury stock will be debited to the account "Cost of treasury shares", and must be disclosed in Shareholders' equity as part of capital accounts and after Share Capital, Share Capital adjustment and Stock Premiums. This entry will be reversed when shares are disposed of.

TGLT S.A. recorded the acquisition cost in the Irrevocable Contribution of September 30, 2016, specifically allocated to the purchase of those shares.

4.24.4. Capital contribution

See Note 45 to the consolidated financial statements.

4.24.5. Legal reserve

In accordance with the provisions of Law No. 19550, the Company has to allocate to the legal reserve not less than 5% of the net income, comprising P&L, prior-year adjustments, transfers from other comprehensive profit or loss, accumulated retained earnings and accumulated losses for prior years, until reaching 20% of the share capital.

4.24.6. Irrevocable contributions

Irrevocable contributions are related to shareholders' contributions. The Annual Shareholders' Meeting of the Company discussing the contribution may decide to fully or partially capitalize the contribution. Contributions in local currency are stated at nominal value. Contributions in foreign currency are converted to pesos at the bid exchange rate published by Banco de la Nación Argentina at the date of acceptance of the contribution by the Company in accordance with the provisions of General Resolution No. 622/2013 of the CNV. See Note 45.

4.24.7. Accumulated retained earnings

It includes accumulated retained earnings or losses without any specific allocation that, if positive, can be distributed by a decision of the Shareholders' Meeting, as long as they are not subject to legal restrictions. Accumulated retained earnings include the profit or loss for prior years that have not been distributed, amounts transferred from other comprehensive profit or loss and prior-year adjustments resulting from the application of accounting standards.

Additionally, as per the CNV regulations, when the net balance of other comprehensive profit or loss is positive, it may not be distributed, capitalized or used to absorb accumulated losses. When the net balance is negative, there will be a restriction on the distribution of accumulated retained earnings in the same amount.

In order to absorb the negative balance of "Accumulated retained earnings", when applicable, at the end of the year to be considered at the Shareholders' Meeting, balances must be in the following order for allocation purposes:

a) Reserved earnings (voluntary, statutory and legal, in that order);

b) Capital contributions;

c) Stock premiums and treasury stock trading premium (when the balance of this account is positive);

d) Other equity instruments (when it is legal and feasible from a corporate standpoint);

e) Capital adjustments; and

f) Share capital.

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

4.24. Shareholders' equity accounts (continued)

4.24.8 Non-controlling interest

Non-controlling interest is related to the percentage of net assets acquired and the income representative of the rights over the shares that are not owned by Company.

4.25. Judgment, accounting estimates and significant assumptions

The preparation of the Company's financial statements requires judgment, estimates and assessments by Management that affect the amount of recognized revenues, expenses, assets and liabilities reported and the disclosure of contingent liabilities at each year-end.

The uncertainty regarding these assumptions and estimates may result in profits and losses requiring a significant adjustment in future periods to the book value of assets or liabilities.

In the process of applying the Company's accounting policies, management did not make any judgments that could have a potentially material effect on the amounts recognized in the consolidated financial statements, except for what is mentioned in relation to the recognition of tax credits.

The main accounting estimates and underlying assumptions included in the Company's consolidated financial statement as of December 31, 2017 are described below. Such estimates and assumptions are periodically reviewed by management. The effects of the reviews of the accounting estimates are recognized in the year in which the estimates are reviewed, whether it is in the current year or in a future year.

a) Estimation of useful lives

Below is a description of the periods during which management believes that the assets will no longer be usable or will cease to provide economic benefits to the Company: a) ten years for furniture and fixtures, b) five years for hardware, c) 50 years for real property, d) three years for improvements in own property, e) five years for improvements in third-party property, f) five years for facilities, g) one year for showrooms, h) ten years for trademarks, i) three years for software, and j) three years for software development.

(1) In order to estimate the useful life of the different showrooms, the projects launch and estimated time for sales have been taken into account.

Management reviews its estimations regarding the useful lives of depreciable or amortizable assets at each year-end based on the expected usefulness of the assets. The uncertainty of these estimates is related to the technical obsolescence that could change the usefulness of certain assets such as software or technological equipment.

Goodwill has been classified as having an undefined useful life and is subject to an impairment analysis.

b) Estimation of the impairment of non-financial assets

There is impairment when the book value of an asset or cash generating unit exceeds its recoverable amount, which is the fair value less the sales cost, or its use value, whichever the higher. Calculation of the fair value less the sales cost is based on available information on similar sales transactions, performed by independent parties for similar assets, or at observable market prices, less the incremental costs incurred upon disposing of the asset.

Calculation of the use value is based on a discounted cash flow model. Cash flow is obtained from the Company's budget for the following years and does not include restructuring activities that the Company has not yet agreed, or significant future investments that could increase the return on the asset or of the cash-generating unit subject to testing. The recoverable amount is very sensitive to the discount rate used for the discounted cash flow model, and to future inflows expected at the growth rate used for the purposes of extrapolation, and therefore, the uncertainty is related to these estimation variables.

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

4.25. Judgment, accounting estimates and significant assumptions (continued)

c) Taxes

The Company sets ups provisions based on reasonable estimations. The amount of these provisions is based on various factors, such as the experience with previous tax audits and the different interpretations of tax regulations made by the entity subject to the tax and the tax authority. Differences in the interpretation may result in a large number of issues according to the conditions prevailing in the jurisdiction of the financial group entity.

The deferred tax asset that result from tax losses are recognized for all the tax losses not used, provided it is likely that there will be a future tax profit available that can be used to offset the losses.

The determination of the amount of the deferred tax asset that can be recognized requires a significant level of judgment by management, based on the timing and level of future tax profits and future tax planning strategies.

Note 29 include more detailed information on income tax and Note 19 describes the Provisions and Allowances set up by the Company.

4.26. Cash and cash equivalents

Cash and cash equivalents includes cash, bank deposits (including short-term time deposits) and highly liquid investments that are easily convertible into cash and are subject to a minimum risk of value change. Cash and cash equivalents is disclosed in local currency at its nominal value and in foreign currency converted at the exchange rate in effect prevailing at year-end. Foreign exchange gains/losses were charged to the profit or loss for the applicable fiscal year. Assets such as bonds and government securities, mutual funds and unsecured notes were classified as "Financial assets at fair value with changes through profit or loss", considering the nature and purpose defined upon initial recognition. The net income or loss on assets were recognized in profit or loss and classified as financial income/expenses in the consolidated statement of comprehensive profit or loss.

Time deposits in foreign currency have not been included in the Consolidated statement of cash flows because their maturity date is over 90 days.

4.27. Earnings per share

Basic earnings per share are calculated by dividing the net income for the year attributable to the shareholders of the parent company by the weighted average of common shares outstanding during the year, net, if any, of repurchases made. The diluted earnings per share are calculated by dividing the net income for the year by the weighted average of common shares outstanding, and when dilutable, including stock options, they are adjusted for the effect of all potentially dilutable shares, as if they had been converted.

When computing diluted earnings per share, the income available to the owners of common shares used in the calculation of the basic earnings per share is adjusted for any income/loss resulting from the potential conversion into common shares.

The weighted average of outstanding shares is adjusted to include the number of additional common shares that would have been outstanding if the potentially dilutable common shares had been issued. The diluted earnings per share are based on the most beneficial conversion rate or strike price for all the term of the instrument from the holder's perspective. The calculation of diluted earnings per share excludes potential common shares if their effect is anti-dilutable.

At the date of the issuance of these financial statements, TGLT has not issued equity instruments that give rise to potential common shares (also considering the Company's intention to settle the Stock Benefit Plans through repurchase in the market); therefore the calculation of diluted earnings per share agrees with the calculation of basic earnings per share. See Note 38.

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AS OF DECEMBER 31, 2017 PRESENTED COMPARATIVELY

(amounts stated in Argentine pesos)

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

4.28. Dividend Distribution

The Company's payable dividends are accounted for as liabilities for the period in which they are approved at the Shareholders' Meeting. As per Argentine regulations, dividends can only be paid out of realized and liquid profits resulting from audited annual financial issued in accordance with Argentine accounting standards and CNV regulations, and approved at the Shareholders' Meeting. The Board of Directors of any Argentine listed company can declare provisional dividends, in which case, the Board members and the members of the Supervisory Audit Committee shall be jointly liable for the payment of such dividend if the unappropriated retained earnings at the end of the year where dividends have been declared were not enough to enable the payment of such dividends. Under the Companies Law and TGLT S.A.'s Bylaws, a legal reserve shall be set up of no less than 5% of realized and liquid profits disclosed in the statement of profit or loss for the year until reaching 20% of the outstanding share capital. The legal reserve is not available for distribution to shareholders.

4.29. Comparative information

The Company's accounting information is comparatively presented. At the time of the issuance of these financial statements, the Company's Management introduced changes in the presentation of certain items. See Note 4.17. The financial statements as of December 31, 2016 and 2015, which are presented for comparative purposes, were modified to include the effect of the aforementioned changes.

Note 5. Property, Plant and Equipment

	Furniture and fixtures	Hardware	Improvements in third-party property	Facilities	Showrooms	Total
Original value						
Balance as of 01/01/2017	1,529,892	2,318,934	2,105,399	6,174	20,055,669	26,016,068
Acquisitions	28,400	36,937	224,840	-	150,431	440,608
Conversion adjustment	53,691	70,630	180,182	-	564,318	868,821
Transfers	-	-	-	-	(2,536,079)	(2,536,079)
Deconsolidation of MRL	(51,800)	(188,590)	-	(6,174)	(3,548,744)	(3,795,308)
Total	1,560,183	2,237,911	2,510,421	-	14,685,595	20,994,110
Depreciation and impairment						
Balance as of 01/01/2017	(798,388)	(1,739,787)	(1,981,845)	(6,174)	(13,215,958)	(17,742,152)
Depreciation	(162,269)	(318,684)	(159,795)	-	(2,356,270)	(2,997,018)
Conversion adjustment	(44,079)	(57,956)	(180,182)	-	(517,360)	(799,577)
Deconsolidation of MRL	41,994	142,047	-	6,174	1,761,527	1,951,742
Total	(962,742)	(1,974,380)	(2,321,822)	-	(14,328,061)	(19,587,005)
Residual value as of Dec 31, 2017	**597,441**	**263,531**	**188,599**	**-**	**357,534**	**1,407,105**

(amounts stated in Argentine pesos)

Note 5. Property, Plant and Equipment (continued)

	Furniture and fixtures	Hardware	Improvements in own property	Improvements in third-party property	Facilities	Showrooms	Real property	Total
Original value								
Balance as of 01/01/2016	1,251,489	1,979,400	353,478	1,919,274	6,174	16,427,233	2,732,142	24,669,190
Acquisitions	233,317	278,381	-	-	-	3,046,392	-	3,558,090
Conversion adjustment	45,086	67,477	-	186,125	-	582,044	-	880,732
Decreases		(6,324)	(353,478)	-	-	-	(2,732,142)	(3,091,944)
Total	1,529,892	2,318,934	-	2,105,399	6,174	20,055,669	-	26,016,068
Depreciation and impairment								
Balance as of 01/01/2016	(594,382)	(1,358,521)	(206,261)	(1,521,156)	(6,174)	(11,036,425)	(96,916)	(14,819,835)
Depreciation	(171,391)	(347,103)	(58,913)	(297,685)	-	(1,806,410)	(21,845)	(2,703,347)
Conversion adjustment	(32,615)	(40,487)	-	(163,004)	-	(373,123)	-	(609,229)
Decreases		6,324	265,174	-	-	-	118,761	390,259
Total	(798,388)	(1,739,787)	-	(1,981,845)	(6,174)	(13,215,958)	-	(17,742,152)
Residual value as of Dec 31, 2016	**731,504**	**579,147**	**-**	**123,554**	**-**	**6,839,711**	**-**	**8,273,916**

	Furniture and fixtures	Hardware	Improvements in own property	Improvements in third-party property	Facilities	Showrooms	Real property	Total
Original value								
Balance as of 01/01/2015	1,011,273	1,495,496	334,998	1,408,830	6,174	14,950,551	2,732,142	21,939,464
Acquisitions	171,477	377,619	18,480	217,280	-	1,923,968	-	2,708,824
Conversion adjustment	68,739	106,285	-	293,164	-	915,480	-	1,383,668
Decreases	-	-	-	-	-	(1,362,766)	-	(1,362,766)
Total	1,251,489	1,979,400	353,478	1,919,274	6,174	16,427,233	2,732,142	24,669,190
Depreciation and impairment								
Balance as of 01/01/2015	(420,544)	(1,112,101)	(93,055)	(1,090,178)	(4,944)	(9,746,496)	(44,053)	(12,511,371)
Depreciation	(130,436)	(194,431)	(113,206)	(212,918)	(1,230)	(2,190,556)	(52,863)	(2,895,640)
Conversion adjustment	(43,402)	(51,989)	-	(218,060)	-	(462,139)	-	(775,590)
Decreases	-	-	-	-	-	1,362,766	-	1,362,766
Total	(594,382)	(1,358,521)	(206,261)	(1,521,156)	(6,174)	(11,036,425)	(96,916)	(14,819,835)
Residual value as of Dec 31, 2015	**657,107**	**620,879**	**147,217**	**398,118**	**-**	**5,390,808**	**2,635,226**	**9,849,355**

(amounts stated in Argentine pesos)

Note 6. Intangible assets

	Software	Software development	Trademarks	Total
Original value				
Balance as of January 1, 2017	810,405	2,793,152	35,505	3,639,062
Acquisitions	47,571	60,137	-	107,708
Conversion adjustment	92,330	-	3,559	95,889
Deconsolidation of MRL		(66,899)	-	(66,899)
Total	950,306	2,786,390	39,064	3,775,760
Amortization and impairment				
Balance as of January 1, 2017	(516,991)	(2,128,241)	(26,045)	(2,671,277)
Amortization	(126,177)	(397,893)	(5,645)	(529,715)
Conversion adjustment	(62,441)	-	(3,396)	(65,837)
Deconsolidation of MRL	-	66,899	-	66,899
Total	(705,609)	(2,459,235)	(35,086)	(3,199,930)
Residual value as of Dec 31, 2017	**244,697**	**327,155**	**3,978**	**575,830**

	Software	Software development	Trademarks	Total
Original value				
Balance as of January 1, 2016	715,029	2,555,894	31,828	3,302,751
Acquisitions	-	237,258	-	237,258
Conversion adjustment	95,376	-	3,677	99,053
Total	810,405	2,793,152	35,505	3,639,062
Amortization and impairment				
Balance as of January 1, 2016	(363,987)	(1,674,931)	(18,324)	(2,057,242)
Amortization	(114,554)	(453,310)	(5,223)	(573,087)
Conversion adjustment	(38,450)	-	(2,498)	(40,948)
Total	(516,991)	(2,128,241)	(26,045)	(2,671,277)
Valor residual as of Dec 31, 2016	**293,414**	**664,911**	**9,460**	**967,785**

	Software	Software development	Trademarks	Total
Original value				
Balance as of January 1, 2015	464,926	2,091,558	26,037	2,582,521
Acquisitions	127,953	464,336	-	592,289
Conversion adjustment	122,150	-	5,791	127,941
Total	715,029	2,555,894	31,828	3,302,751
Amortization and impairment				
Balance as of January 1, 2015	(279,869)	(1,334,570)	(11,246)	(1,625,685)
Amortization	(39,163)	(340,361)	(3,789)	(383,313)
Conversion adjustment	(44,955)	-	(3,289)	(48,244)
Total	(363,987)	(1,674,931)	(18,324)	(2,057,242)
Residual value as of Dec 31, 2015	**351,042**	**880,963**	**13,504**	**1,245,509**

(amounts stated in Argentine pesos)

Note 7. Goodwill

	Marina Río Lujan S.A.	Pico y Cabildo S.A.	Canfot S.A.	Total
Original value				
Balance as of January 1, 2017	21,487,412	10,558,985	79,399,207	143,540,998
Decreases	(21,487,412)	-	-	(21,487,412)
Total	-	10,558,985	79,399,207	122,053,586
Impairment				
Balance as of January 1, 2017	-	(1,092,468)	(29,600,900)	(62,788,762)
Impairment loss	-	(9,466,517)	(49,798,307)	(59,264,824)
Total	-	(10,558,985)	(79,399,207)	(122,053,586)
Residual value as of Dec 31, 2017	-	-	-	-

	Marina Río Lujan S.A.	Pico y Cabildo S.A.	Canfot S.A.	Total
Original value				
Balance as of January 1, 2016	21,487,412	10,558,985	79,399,207	143,540,998
Total	21,487,412	10,558,985	79,399,207	143,540,998
Impairment				
Balance as of January 1, 2016	-	-	-	(32,095,394)
Impairment loss	-	(1,092,468)	(29,600,900)	(30,693,368)
Total	-	(1,092,468)	(29,600,900)	(62,788,762)
Residual value as of Dec 31, 2016	**21,487,412**	**9,466,517**	**49,798,307**	**80,752,236**

	Marina Río Lujan S.A.	Pico y Cabildo S.A.	Canfot S.A.	Total
Original value				
Balance as of January 1, 2015	21,487,412	10,558,985	79,399,207	111,445,604
Total	21,487,412	10,558,985	79,399,207	111,445,604
Impairment				
Balance as of January 1, 2015	-	-	-	-
Impairment loss	-	-	-	-
Total	-	-	-	-
Residual value as of Dec 31, 2015	**21,487,412**	**10,558,985**	**79,399,207**	**111,445,604**

(amounts stated in Argentine pesos)

Note 8. Inventory

Non-current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Projects under construction				
Astor San Telmo	32.9	353,934,732	176,138,018	1,906,673
Astor Caballito	39	-	-	115,429,796
Forum Puerto del Buceo	32.8	-	671,907,408	766,509,777
Metra Devoto	32.5	-	70,370,938	67,656,250
Metra Puerto Norte	32.4	354,842,427	380,839,015	216,601,290
Proa	32.4	220,833,261	193,185,787	156,426,568
Venice	32.9 and 48	-	187,755,652	66,519,286
Other projects		112,500	28,000	-
Total Inventory – Non-current		929,722,920	1,680,224,818	1,391,049,640

Current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Projects under construction				
Forum Puerto del Buceo	32.8	1,405,193,436	910,521,123	304,671,592
Metra Puerto Norte	32.4	193,911,268	-	-
Venice	32.9 y 48	-	317,186,604	335,861,799
Projects completed				
Astor Núñez	32.3	103,601,278	420,531,324	354,453,825
Astor Palermo	32.2	34,428,548	35,323,088	292,689,918
Forum Alcorta		45,449,704	120,201,535	411,620,358
Forum Puerto Norte		4,390,015	10,851,658	16,525,373
Impairment				
Astor Palermo		(8,201,137)	(8,201,137)	-
Forum Alcorta		(21,953,380)	(12,936,957)	-
Forum Puerto Norte		(4,390,015)	(7,064,057)	(1,386,579)
Total Inventory - Current		1,752,429,717	1,786,413,181	1,714,436,286
Total Inventory		2,682,152,637	3,466,637,999	3,105,485,926

Note 9. Tax assets

	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Minimum presumed income tax		54,751,859	66,790,043	75,419,545
Income tax		12,579,217	8,959,026	-
Deferred tax	29	-	-	3,474,774
Total tax assets		67,331,076	75,749,069	78,894,319

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Note 10. Other receivables

Non-current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Advance payments to work suppliers in local currency		31,245,023	7,721,261	-
Advance payments to work suppliers in foreign currency	40	-	17,261,924	-
Advance payments for the purchase of real property (2)		119,221,875	-	-
Security deposits in local currency		-	-	12,300
Security deposits in foreign currency	40	895,245	720,957	49,011
Insurance to be accrued	40	-	165,563	-
Loan granted (1)		-	-	768,094
Minimum presumed income tax credit	43	17,509,484	16,896,855	-
Subtotal other receivables – Non-current		**168,871,627**	**42,766,560**	**829,405**
Current				
Value added tax in local currency		45,745,809	46,842,382	73,586,655
Security deposits in foreign currency	40	124,216,638	118,129,001	47,722,207
Turnover tax		2,343,707	816,992	3,765,016
Wealth tax	40	7,325,607	1,832,450	3,766,294
Advance payments to work suppliers in local currency		2,115,493	34,385,008	71,223,281
Advance payments to work suppliers in foreign currency	40	52,793,593	11,788,730	19,028,705
Security deposits in local currency		254,938	267,238	78,000
Security deposits in foreign currency	40	-	152,064	707,004
Insurance to be accrued in local currency		118,319	66,851	40,563
Insurance to be accrued in foreign currency	40	649,890	1,562,612	1,670,925
Loan granted (1)		-	967,414	1,072,616
Expenses to be rendered in local currency		14,000	265,633	626,953
Expenses to be rendered in foreign currency	40	1,061,278	183,031	48,141
Expenses to be recovered		3,340,584	14,710,075	5,215,463
Maintenance fees to be recovered		23,206,860	15,029,020	8,409,063
Receivables from the sale of investment property	40 and 41	19,379,607	29,541,402	-
Receivable from a legal settlement	33,3	2,026,408	1,901,601	3,584,435
Collectible equipment fund in local currency		835	140,322	194,032
Collectible equipment fund in foreign currency	40	1,117,816	3,724,901	3,332,822
Collectible operative fund in local currency		81,774	268,382	563,215
Collectible operative fund in foreign currency		5,008	-	-
Prepayments for the purchase of real property		-	-	263,032
Prepayments for the purchase of property estate in foreign currency		-	-	19,410,000
Sundry in local currency		19,102	19,102	1,216,780
Sundry in foreign currency	40	-	21,606	-
Allowance for doubtful receivables		(11,564,345)	-	-
Subtotal Other receivables – Current		**274,252,921**	**282,615,817**	**265,525,202**
Total Other receivables		**443,124,548**	**325,382,377**	**266,354,607**

(1) **Loan granted to Edenor S.A.:**

On July 29, 2013, Edenor S.A. requested, and the Company granted, a loan in the amount of $ 3,072,378 for the purposes of financing works under the Forum Alcorta Project. The amounts disbursed will accrue a compensatory interest to be calculated at the borrowing rate applicable to 30-day deposits of the Banco de la Nación Argentina as of the last day of the month prior to the issuance of each payment. To the date of issuance of these financial statements, Edenor S.A. has repaid the forty-eight installments agreed.

(amounts stated in Argentine pesos)

Note 11. Accounts receivable from sales

	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Accounts receivable from sales of units in local currency		1,382,150	1,758,599	7,951,718
Accounts receivable from sales of units in foreign currency	40	11,938,728	23,805,000	22,813,020
Accounts receivable from services rendered in local currency		162,798	324,050	349,414
Accounts receivable from services rendered in foreign currency	40	16,793	6,111	4,956
Allowance for bad debts in local currency		(2,709,257)	-	-
Allowance for bad debts in foreign currency	40	(760,699)	(1,854,210)	-
Total Accounts receivable from sales		**10,030,513**	**24,039,550**	**31,119,108**

Maturity of accounts receivable from sales is the following:

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Due within			
0 to 90 days	10,030,513	21,390,833	3,907,451
91 to 180 days	-	-	2,207,508
Overdue			
0 to 90 days	-	-	25,004,149
Total	**10,030,513**	**21,390,833**	**31,119,108**

Note 12. Cash and cash equivalents

	Notes	Dec 31,2017	Dec 31, 2016	Dec 31, 2015
Cash in local currency		106,000	140,912	40,912
Cash in foreign currency	40	699,542	3,174,284	55,805
Banks in local currency		8,948,815	3,276,990	4,184,031
Banks in foreign currency	40	22,793,277	14,294,416	14,828,476
Checks to be deposited in local currency		237,079	690,446	252,026
Checks to be deposited in foreign currency	40	386,859	-	-
Term deposits	32.6 and 40	3,733,957	3,179,694	2,584,383
Mutual funds in local currency		41,984,939	7,603,561	6,119,666
Mutual funds in foreign currency	40	692,980,510	3,947,492	6,051,016
Bonds and government securities	40	1,031,849,336	47,970,319	60,957,008
Total Cash and cash equivalents		**1,803,720,314**	**84,278,114**	**95,073,323**

In the statement of cash flows, cash and cash equivalents include the following:

		Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Total Cash and cash equivalents		1,803,720,314	84,278,114	95,073,323
Time deposits in foreign currency due over 90 days	32.7	(3,733,957)	(3,179,694)	(2,584,383)
Total Cash and cash equivalents according to the statement cash flows		**1,799,986,357**	**81,098,420**	**92,488,940**

(amounts stated in Argentine pesos)

Note 13. Other accounts payable

Non-current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Sundry creditors in foreign currency	40	-	1,687,321	-
Purchase of shares in foreign currency	34.1 and 40	22,378,800	46,081,000	46,944,000
Security deposits in foreign currency	40	128,678	400,428	-
Subtotal Other accounts payable – Non-current		**22,507,478**	**48,168,749**	**46,944,000**
Current				
Sundry creditors in foreign currency	40	8,340,277	8,241,672	2,584,383
Purchase of shares in foreign currency	34.1 and 40	22,378,810	34,958,009	9,128,007
Deferred income		8,556,456	7,476,931	-
Other liabilities		287,097	108,011	28,520
Subtotal Other accounts payable – Current		**39,562,640**	**50,784,623**	**11,740,910**
Total Other accounts payable		**62,070,118**	**98,953,372**	**58,684,910**

Note 14. Customer advances

Non-current	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Advanced collections	801,927,523	1,136,672,757	931,204,057
Advanced collections from shares sold	-	5,856,235	7,588,003
Equipment fund	33,159	1,129,779	-
Operative fund	1,825	1,896,416	-
Value added tax	(68,845,005)	(23,811,086)	(16,441,088)
Total Customer advances – Non-current	**733,117,502**	**1,121,744,101**	**922,350,972**
Current			
Advanced collections	1,356,255,343	1,769,421,238	1,301,083,572
Advanced collections from shares sold	-	16,614,718	11,797,261
Equipment fund	23,873,258	39,021,090	40,844,480
Operative fund	7,750,504	7,941,789	4,836,602
Value added tax	(14,916,960)	(80,904,213)	(79,953,506)
Total Customer advances – Current	**1,372,962,145**	**1,752,094,622**	**1,278,608,409**
Total Customer advances	**2,106,079,647**	**2,873,838,723**	**2,200,959,381**

Note 15. Loans

Non-current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Finance lease	3	680,799	738,163	-
Corporate bonds in local currency	2.1 and 4	-	122,821,597	58,717,680
Corporate bonds in foreign currency	2.2 y 40	1,666,920,793	-	-
Subtotal Loans – Non-current		**1,667,601,592**	**123,559,760**	**58,717,680**
Current				
Finance lease	3	395,604	384,570	-
Loans received	1.3 and 40	56,250,061	85,424,704	109,865,697
Mortgage-backed bank loans in local currency	1.1	-	105,417,887	100,314,642
Mortgage-backed bank loans in foreign currency	1.1 and 40	246,056,698	234,509,146	25,729,155
Overdrafts on checking account		-	32,021,731	23,349,114
Corporate bonds in local currency	2.1	132,019,327	136,818,626	105,467,898
Corporate bonds in foreign currency	2.2 and 4	210,416,684	-	27,311,236
Subtotal Loans – Current		**645,138,374**	**594,576,664**	**392,037,742**
Total Loans		**2,312,739,966**	**718,136,424**	**450,755,422**

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(amounts stated in Argentine pesos)

Note 15. Loans (continued)

The following is a breakdown of loans:

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Balance at beginning of year	718,136,424	450,755,422	384,296,792
New disbursements under existing loans	1,897,203,136	1,431,516,888	264,092,973
Accrued interest	183,240,707	122,725,001	174,454,104
Effects of exchange rate variation	132,333,038	13,398,481	35,125,631
Overdrafts on checking accounts	(32,021,731)	8,672,617	2,550,657
Payment of principal	(347,214,942)	(1,220,894,183)	(155,871,042)
Payment of interest	(153,690,744)	(108,575,695)	(172,015,075)
Swap of corporate bonds, net of issue costs	-	313,023	(82,055,271)
Deconsolidation of MRL	(134,540,511)	-	-
Effect of financial statements conversion	49,294,589	20,224,870	176,653
Balances at year-end	**2,312,739,966**	**718,136,424**	**450,755,422**

1. **Loans received**

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

1.1 Mortgage-backed bank loans

					Amount pending settlement					
	Loan				Dec 31, 2017		Dec 31, 2016		Dec 31, 2015	
Bank	amount	Maturity	Disbursement	Repayment	Non-current	Current	Non-current	Current	Non-current	Current
Hipotecario	30,000,000		-	-			-	-	-	26,909,465
Hipotecario	30,000,000		-	-			-	-	-	30,901,295
Ciudad de Buenos Aires	71,000,000	(a)	50,844,255	(50,844,235)	-	-	-	7,800,564	-	42,503,882
Santander Río y Ciudad de Buenos Aires	260,000,000	(b)	150,118,000	(150,118,000)	-	-	-	97,617,323	-	-
Total in local currency					-	-	-	**105,417,887**	-	**100,314,642**
Hipotecario							-	-	-	25,729,155
BBVA	15,000,000	(c)	11,350,000	4,755,600	-	122,985,376	-	122.110.654	-	-
Itaú	15,000,000	(c)	11,350,000	4,781,600	-	123,071,322	-	112.398.492	-	-
Total in foreign currency					-	**246,056,698**	-	**234,509,146**	-	**25,729,155**

a) On May 23, 2013, a loan agreement was signed with the Banco Ciudad de Buenos Aires for $ 71,000,000, with maturity on May 23, 2016. All amounts disbursed by the Bank accrued compensatory interest due on balances payable for monthly periods, at an Annual Nominal Rate of 23% equivalent to the annual effective rate of 25.59%. As of December 31, 2016, an amount of $ 43,043,691 was paid as principal. During the first quarter of 2017, principal and interest were repaid in full. Lifting of the mortgage on the property of Astor Núñez is still pending

b) As of December 31, 2017, there are no balances to be disclosed due to the deconsolidation of Marina Río Luján S.A. See Note 48.

(amounts stated in Argentine pesos)

Note 15. Loans (continued)

1. **Loans received (continued)**

1.1 **Mortgage-backed bank loans (continued)**

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

Date of execution of the agreement	12/18/2015	01/24/2017
Banks	Banco Bilbao Vizcaya Argentaría Uruguay S.A (BBVA) and Banco Itaú Uruguay S.A.	
Maximum amount of loan	U$S 16,000,000	U$S 14,000,000
Amount disbursed by each Bank	U$S 8,000,000 each	U$S 7,000,000 each
Commission	1.0%	0.6%
Term	April 30, 2017	April 1, 2018
Interest rate	Variable rate equivalent to 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 the amount of US$ 16,000,000, on all the units comprising Stages I and III of Forum Puerto del Buceo project.	Up to the amount of U$S 14,000,000 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$ 3,000,000 in favor of BBVA as security for the loans granted to FDB S.A.

(amounts stated in Argentine pesos)

Note 15. Loans (continued)

2. **Loans received (continued)**

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 December 31, 2017, the net position was a financial asset of $ 193,966, which is broken down as follows:

Bank	Type	Maturity	Rate	Principal plus interest in US$	Dec 31, 2017
BBVA	TB USA	12/06/2018	1.43%	9,507,994	176,839,185
BBVA	BTB	12/06/2018	2.13%	(9,509,425)	(176,865,787)
ITAU	CD Itau London	02/09/2018	2.44%	203,460	3,784,155
ITAU	BTB	02/09/2018	2.94%	(201,621)	(3,749,943)
ITAU (1)	CD Itau London	01/25/2018	2.47%	699,154	12,445,586
ITAU (1)	BTB	01/25/2018	2.96%	(675,035)	(12,554,977)
ITAU (1)	CD Itau London	01/25/2018	2.44%	153,745	2,859,507
ITAU (1)	BTB	01/25/2018	2.94%	(152,958)	(2,844,865)
ITAU (1)	CD Itau London	01/25/2018	2.13%	507,350	9,436,199
ITAU (1)	BTB	01/25/2018	2.62%	(506,886)	(9,427,568)
ITAU (2)	Treasury Bill	01/10/2018	2.07%	606,655	11,283,179
ITAU (2)	BTB	01/10/2018	2.57%	(608,407)	(11,315,763)
ITAU (1)	CD Itau TB USA	01/19/2018	1.87%	1,007,013	18,729,432
ITAU (1)	BTB	01/19/2018	2.37%	(1,008,831)	(18,763,242)
ITAU	Treasury Bill	01/25/2018	2.07%	605,005	11,252,494
ITAU	BTB	01/25/2018	2.99%	(603,195)	(11,218,820)
ITAU	Term deposit	01/25/2018	0.85%	16,277	302,740
Santander (3)	Term deposit	01/11/2018	1.14%	9,652,644	179,529,518
Santander (3)	BTB	01/11/2018	1.90%	(9,652,512)	(179,527,064)
		Total Other financial assets			193,966

(1) Each investment, which secures a disbursement in favor of FDB S.A., expires and is renewed in a single line of US$ 2,320,000 for a term of one year as from the date on which the related funds are credited.
(2) The pledge agreement is renewed from the date of maturity of both transactions until January 14, 2019.
(3) Both transactions have been renewed. The new maturity date is April 30, 2018.

1.3 Loans received in foreign currency

						Outstanding amount in pesos					
						Dec 31, 2017		Dec 31, 2016		Dec 31, 2015	
Entity	Loan	Maturity	Disbursement	Repayment	Annual rate	Non-current	Current	Non-current	Current	Non-current	Current
BBVA (a)	2,000,000	05/02/2016	2,000,000	(2,000,000)	1.00%	-	-	-	-	-	25,997,177
BBVA (a)	3,990,000	12/07/2016	3,990,000	(3,990,000)	1.00%	-	-	-	-	-	51,864,368
Itaú (a)	3,000,000	10/22/2018	3,000,000	-	2.99%	-	56,250,061	-	47,650,249	-	-
Itaú (a)	387,000	05/06/2016	387,000	(387,000)	5.00%	-	-	-	-		5,076,784
Santander (a)	500,000	04/30/2016	500,000	(500,000)	15.20%	-	-	-	851,259	-	-
Santander (a)	9,650,000	12/14/2016	9,650,000	(9,650,000)	1.20%	-	-	-	-	-	9,244,530
Individual (b)	10,000,000	(b)	5,771,929	-	15.00%	-	-	-	36,923,196	-	17,682,838
Total in foreign currency						-	56,250,061	-	85,424,704	-	109,865,697

a) Loans acquired by FDB S.A.
b) It is a loan taken out by Marina Río Luján S.A. from its shareholder, which due to the deconsolidation effect is disclosed as cero as of December 31, 2017.

Note 15. Loans (continued)

3. **Corporate Bonds**

2.1 Corporate bonds in local currency

On December 20, 2011, the Shareholders Meeting approved the creation of a global program for the issuance of simple corporate bonds, non-convertible into shares, in the short, medium and/or long term, subordinated or not, secured or unsecured, pursuant to Law No. 23576, 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

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"). Originally, the Program was in effect until July 12, 2017, and all issues and reissues under the Program should be made within such term. However, its effective term has been extended until April 20, 2022, upon the approval of the Annual and Extraordinary Shareholders' Meetings held on April 20, 2017.

The following is a summary of the main characteristics of the of the Company's issues, effective as from the approval of the Program until December 31, 2017.

Class	IX	X	XII
Issue date	05/12/2015	2/23/2016	7/22/2016
Amount issued	$ 57,229,975	$ 96,828,323	$ 96,666,666.
Outstanding principal amount	$ 28,614,988	-	$ 96,666,666
Payment currency	Pesos	Pesos	Pesos
Interest rate	The higher of: a) A 0.90 factor multiplied by the variation of the CAC Index; and b) Badlar + 600 bps.	Private Badlar + 550 bps.	Badlar + 600 bps, but for the first 3 months, the ON bears interest at a minimum annual nominal rate of 32%.
Maturity	5/14/2018	8/23/2017	1/23/2018
Amortization	4 equal and consecutive payments from 08/14/2017 in months 27, 30, 33, and 36	2 equal and consecutive payments from 5/23/2017 in months 15 and 18	One-off payment 18 months from the issue and settlement date
Payment of interest	Quarterly coupon		
Payment of principal	At par value		
Rating	BB by FIX SCR S.A. Risk Rating Agency		

On May 12, 2015 and February 23, 2016, and as a consequence of the issues of Classes VII, IX and X, holders of other classes have opted to make a swap between the series. The following is a summary of the main characteristics of such swap transaction:

Issue swapped	Amount swapped	New issue: Class VII	New issue: Class IX	New issue: Class X
Class III	$ 3,000,000	$ -	$ 3,000,000	-
Class IV	US$ 4,609,642	US$ 1,279,642	US$ 3,330,000	-
Class V	$ 23,041,880	$ 17,691,880	$ 5,350,000	-
Class VI	$ 15,842,677	$ 9,668,535	$ 6,174,142	-
Class VII	$ 24,391,758	-	-	$ 24,391,758

(amounts stated in Argentine pesos)

Note 15. Loans (continued)

2. Corporate bonds (continued)

2.1 Corporate bonds in local currency (continued)

The following are the outstanding amounts by Class of corporate bond classified as current and non-current:

	Dec 31, 2017		Dec 31, 2016		Dec 31, 2015	
Class	Non-current	Current	Non-current	Current	Non-current	Current
III	-	-	-	-	-	15,146,401
VI	-	-	-	-	2,500,000	7,730,292
VII	-	-	122,821,597	-	-	80,414,888
IX	-	29,528,394	27,602,693	31,146,221	56,217,680	2,176,317
X	-	-	-	99,495,447	-	-
XII	-	102,490,933	95,218,904	6,176,958	-	-
Total in local currency	**-**	**132,019,327**	**245,643,194**	**136,818,626**	**58,717,680**	**105,467,898**

2.2 Corporate bonds in foreign currency

As mentioned in Note 45 to these financial statements, the amounts determined for such registration are as follows:

Component	Amount in US$	Amount in $
Liabilities (Loan in foreign currency)	U$S 93,929,509	$ 1,657,734,424
Capital contribution	U$S 54,158,649	$ 956,983,330

3. Finance leases

The Company maintains a finance lease for the acquisition of a power unit, which was acquired to install the Astor Núñez project. The acquisition was made through an agreement with Banco Supervielle. The value of the asset acquired was $ 1,131,705. It is repayable in 5 years, in 60 consecutive and monthly installments. The calculation 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.

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

	Dec 31, 2017	Dec 31, 2016
Up to 1 year	458,006	458,006
Over 1 year and up to 5 years	1,277,917	1,774,106
	1,735,923	2,232,112
Future finance charges	(659,520)	(1,109,379)
Present value of finance lease liabilities	**1,076,403**	**1,122,733**

The fair value of finance lease liabilities is as follows:

	Dec 31, 2017	Dec 31, 2016
Up to 1 year	395,604	384,570
Over 1 year and up to 5 years	680,799	738,163
Fair value of finance lease liabilities	**1,076,403**	**1,122,733**

(amounts stated in Argentine pesos)

Note 16. Other tax burdens

Non-current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
National tax payment plan		11,971,276	-	-
Provincial tax payment plan		-	2,240,102	3,120,044
Municipal tax payment plan		197,575	1,241,119	-
Subtotal Other tax burden - Non-current		**12,168,851**	**3,481,221**	**3,120,044**

Current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Turnover tax		1,572,548	9,977,111	7,049,302
Value added tax		-	100,528	-
Wealth tax		10,743	-	851,982
Provincial taxes		3,597,233	3,303,798	548,796
Stamp tax		2,790,317	32,954,149	23,299,530
Municipal taxes		13,482	4,302,128	1,678,605
National tax payment plan		2,488,087	-	-
Provincial tax payment plan		-	2,011,366	1,515,975
Municipal tax payment plan in local currency		3,494,719	2,374,852	1,688,324
Municipal tax payment plan in foreign currency	40	-	10,129,436	-
National tax provision		-	4,797,864	-
Wealth tax provision in foreign currency	40	7,719	-	-
Withholdings and collections to be deposited in local currency		3,106,173	4,091,688	1,626,562
Withholdings and collections to be deposited in foreign currency	40	1,423,157	876,760	721,192
Subtotal Other tax burden - Current		**18,504,178**	**74,919,680**	**38,980,268**
Total Other tax burdens		**30,673,029**	**78,400,901**	**42,100,312**

Note 17. Accounts payable

Non-current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Contingency fund in local currency		4,454,896	2,439,383	7,300,350
Contingency fund in foreign currency	40	17,542,386	-	7,297,972
Payable for construction permit	40	-	-	8,780,560
Subtotal trade payables - Non-current		**21,997,282**	**2,439,383**	**23,378,882**

Current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Suppliers in local currency		5,547,912	26,822,024	34,124,309
Suppliers in foreign currency	40	24,978,443	61,790,867	36,831,093
Deferred checks in local currency		34,953,327	36,118,890	47,362,918
Deferred checks in foreign currency	40	183,535	55,378,050	9,565,836
Provision for expenses in local currency		3,128,124	5,797,762	2,403,159
Provision for expenses in foreign currency	40	4,552,717	1,035,302	1,004,075
Provision for works in local currency		21,409,627	32,354,511	27,357,591
Provision for works in foreign currency	40	22,385,212	17,354,083	7,071,015
Insurance payable in local currency		5,963	6,257	43,744
Insurance payable in foreign currency	40	49,951	2,280,467	1,703,863
Contract compliance guarantee		-	-	9,987
Contingency fund in local currency		13,414,023	16,116,864	5,682,248
Contingency fund in foreign currency	40	305,408	260,225	-
Payable for construction permit	40	-	23,575,211	21,978,955
Real property purchase payable	40	288,962,361	246,212,221	205,964,067
Subtotal Trade payables - Current		**419,876,603**	**525,102,734**	**401,102,860**
Total Trade payables		**441,873,885**	**527,542,117**	**424,481,742**

(amounts stated in Argentine pesos)

Note 18. Tax liabilities

Current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Minimum presumed income tax		-	2,910,290	7,368,579
Income tax payable in local currency		-	1,153,387	-
Income tax payable in foreign currency	40	-	72,310	43,815
Subtotal Tax liabilities		-	**4,135,987**	**7,412,394**

Note 19. Provisions and allowances

	Notes	Legal claims	Onerous contracts (I)	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
In local currency						
Balances as of January 1, 2017		2,777,730	-	2,777,730	-	-
Additions (II)		45,726,321	-	45,726,321	2,777,730	687,250
Recoveries (II)		-	-	-	-	-
Used during the period		(1,596,200)	-	(1,596,200)	-	-
Provisions in local currency		46,907,851	-	46,907,851	**2,777,730**	**687,250**
In foreign currency						
Balances as of January 1, 2017		-	4,861,546	4,861,546	-	-
Additions		-	-	-	4,861,546	-
Recoveries (II)		-	-	-	-	-
Used during the period		-	(5,565,896)	(5,565,896)	-	-
Effect of exchange rate variation		-	1,077,330	1,077,330	-	-
Provisions in foreign currency	40	-	372,980	372,980	4,861,546	-
Total provisions		**46,907,851**	**372,980**	**47,280,831**	**7,639,276**	**687,250**

(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, and in Note 25 - Selling expenses.

Note 20. Payroll and social security contributions

	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Salaries payable in local currency		12,147,852	4,355,730	10,679,726
Salaries payable in foreign currency	40	1,582,105	1,259,423	1,003,335
Social security contributions payable in local currency		5,549,459	3,631,014	4,251,728
Social security contributions payable in foreign currency	40	254,955	213,000	112,338
Provision for thirteenth month salary and vacation pay in local currency		4,853,176	4,189,967	2,804,205
Provision for thirteenth month salary and vacation pay in foreign currency	40	911,276	671,237	374,035
Provision for Directors' fees		1,126,886	735,999	563,955
Advances to personnel		(315,436)	(30,000)	-
Total Payroll and social security contributions		**26,110,273**	**15,026,370**	**19,789,322**

(amounts stated in Argentine pesos)

Note 21. Share capital

The Company's share capital is distributed as follows:

Shareholders	Dec 31, 2017 Shares	%	Dec 31, 2016 Shares	%	Dec 31, 2015 Shares	%
Federico Nicolás Weil	13,806,745	19.6%	13,806,745	19.6%	13,804,445	19.6%
Bienville Argentina Opportunities Master Fund LP	9,560,830	13.6%	9,560,830	13.6%	9,560,830	13.6%
PointArgentum Master Fund LP	9,560,830	13.6%	9,560,830	13.6%	9,560,830	13.6%
Michael Tennenbaum	7,270,318	10.3%	7,270,318	10.3%	7,270,318	10.3%
IRSA Propiedades Comerciales S.A.	5,310,237	7.5%	6,671,712	9.5%	6,671,712	9.5%
Serengeti Asset Management	5,008,883	7.1%	5,008,883	7.1%	5,008,883	7.1%
ADRs (1)	12,920,782	18.4%	15,035,907	21.4%	14,842,587	21.1%
BDRs (2)	-	-	-	-	335,240	0.5%
TGLT S.A. (3)	-	-	10,000	0.01%	-	-
Other holders of common shares	6,910,860	9.9%	3,424,260	4.89%	3,294,640	4.7%
Total Share capital	**70,349,485**	**100%**	**70,349,485**	**100%**	**70,349,485**	**100%**

(1) Other holders of American Depository Receipts representative of common shares
(2) Holders of Brazilian Depository Receipts representative of common shares
(3) See Note 47

Note 22. Reserves, accumulated income and dividends

- **Restriction on the payment of dividends**

In order to safeguard the interests of financial creditors who hold corporate bonds, 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 bonds.

- **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 23. Income from ordinary activities

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Income from the delivery of units	1,054,344,680	700,014,417	818,360,768
Income from services rendered	12,732,844	20,309,656	10,647,324
Total Income from ordinary activities	**1,067,077,524**	**720,324,073**	**829,008,092**

Note 24. Cost of ordinary activities

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Units completed at the beginning of fiscal year	138,174,130	517,660,247	219,909,322
Plus:			
Addition of units completed for launch	356,447,089	-	-
Cost capitalized during the fiscal year	606,858,576	276,982,585	950,312,182
Cost of services rendered	1,865,957	3,541,818	2,669,620
Minus:			
Units completed at fiscal year-end	(132,695,521)	(138,174,130)	(517,660,247)
Total Cost of ordinary activities	**970,650,231**	**660,010,520**	**655,230,877**

(amounts stated in Argentine pesos)

Note 25. Selling expenses

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Payroll and social security contributions	16,336,095	10,544,936	9,580,696
Other payroll expenses	421,500	460,849	321,668
Rent and building maintenance fees	924,393	1,044,124	601,434
Professional fees	2,102,512	2,595,282	342,000
Taxes, rates and contributions	13,856,899	29,016,449	23,951,585
Transport and per diem	411,725	1,008,148	311,546
Information technology and service expenses	1,559,942	1,083,733	709,252
Contractual agreements	60,218,741	7,990,859	-
Depreciation of property, plant and equipment	2,356,270	1,806,410	2,190,556
Office expenses	429,327	567,763	411,833
Insurance	185,664	138,014	13,137
Advertising expenses	8,554,375	12,687,506	15,505,115
Sales expenses	16,627,655	23,082,890	9,274,036
Building maintenance fees	16,059,649	20,712,191	11,476,357
Post sales expenses	17,581,721	9,441,239	989,161
General expenses	-	1,663	52,538
Total Selling expenses	**157,626,468**	**122,182,056**	**75,730,914**

Note 26. Administrative expenses

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Payroll and social security contributions	77,617,635	60,969,249	49,201,613
Other payroll expenses	1,937,388	1,864,499	2,357,660
Rent and building maintenance fees	4,771,939	4,585,338	2,810,031
Professional fees	40,258,407	17,402,307	9,115,617
Directors' fees	4,207,311	3,408,265	2,255,820
Supervisory Audit Committee's fees	1,278,089	1,276,465	893,440
Public Offering expenses	3,051,302	1,965,157	927,660
Taxes, rates and contributions	5,989,463	4,370,410	8,337,130
Transport and per diem	1,187,675	2,363,601	899,086
Information technology and service expenses	3,028,253	4,104,228	2,767,919
Depreciation of property, plant and equipment	640,748	896,937	705,084
Office expenses	6,012,964	3,196,193	2,156,063
Bank expenses	1,597,477	2,309,112	2,573,585
Tax on bank account debits and credits	14,891,377	15,396,924	12,151,906
Other bad debts	21,141,547	5,668,798	4,666,086
Insurance	30,493	2,096,132	1,476,136
Investment property maintenance expenses	2,250,670	3,149,655	-
Donations	-	-	215,975
Total Administrative expenses	**189,892,738**	**135,023,270**	**103,510,811**

(amounts stated in Argentine pesos)

Note 27. Financial results

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Exchange gains/losses			
Exchange gains	347,365,902	71,687,704	89,660,602
Exchange losses	(362,133,821)	(76,854,659)	(123,942,423)
Total Exchange gains/losses	**(14,767,919)**	**(5,166,955)**	**(34,281,821)**
Financial income			
Interest	18,319,070	9,225,571	3,956,226
Gain from holding cash and cash equivalents	7,616,203	1,390,835	3,132,621
Gain from sales of cash and cash equivalents	-	412,544	20,955,214
Gain from financial instruments	-	-	21,897,599
Present value	124,807	-	-
Total Financial income	**26,060,080**	**11,028,950**	**49,941,660**
Financial costs			
Interest	(226,425,876)	(83,084,471)	(68,011,711)
Subtotal interest	**(226,425,876)**	**(83,084,471)**	**(68,011,711)**
Other financial costs			
Loss from discounted trade documents	(132,551)	-	-
Gain from financial instruments	-	(1,179,702)	-
Gain from sales of cash and cash equivalents	(2,726,322)	-	-
Present value	(1,006,944)	(1,015,482)	-
Subtotal Other financial costs	**(3,865,817)**	**(2,195,184)**	**-**
Total Financial costs	**(230,291,693)**	**(85,279,655)**	**(68,011,711)**

Note 28. Other income and expenses, net

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Rental income	6,749,284	4,752,087	-
Debt forgiveness	(34,859)	-	(697,493)
Contract termination	1,589,059	769,939	975,021
Contract assignment	2,431	-	(77,586)
Expense refund	-	201,181	18,300
Recovery of provision for expenses	10,769	5,637,995	-
Sale of property, plant and equipment	-	3,740,441	-
Other legal expenses	(229,836)	(425,651)	(1,540,615)
Collection of surety bonds	-	1,708,941	-
Damage repair	-	(7,284,997)	-
Sundries	313,563	(646,832)	1,520,582
Total Other income and expenses, net	**8,400,411**	**8,453,104**	**198,209**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2017 PRESENTED COMPARATIVELY

(amounts stated in Argentine pesos)

Note 29. 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 December 31, 2017, 2016 and 2015, is broken down as follows:

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Income tax	428,310,810	2,809,747	12,315,305
Understated prior-year income tax	-	56,772	-
Deferred tax	(300,677,611)	(234,069,669)	(1,936,621)
Provision for minimum presumed income tax recoverability	(1,294,751)	(1,267,680)	-
Total Income tax	**126,338,448**	**(232,470,830)**	**10,378,684**

Deferred tax as of 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	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Tax loss from national source income	301,397,883	210,353,887	256,461,077
Tax loss from foreign source income	15,958,667	12,377,044	12,613,511
Bad debts	-	-	1,905,030
Property, plant and equipment	2,183,536	2,997,829	3,804,064
Finance lease valuation	10,760	-	-
Provision for sundry expenses	18,385,699	5,363,592	-
Deferred income	37,969,018	52,346,472	15,218,928
Subtotal Deferred tax assets	**375,905,563**	**283,438,824**	**290,002,610**
Deferred tax liabilities			
Bad debts	(344,835)	(402,307)	-
Temporary investments	(38,285,897)	(701,052)	(868,420)
Inventory	(47,837,879)	(147,199,316)	(108,353,798)
Foreign currency	(64,609,362)	(58,113,443)	(130,715,431)
Financial costs	(17,817,245)	(34,884,377)	(46,569,039)
Investment property	(16,034,859)	(265,263,412)	-
Corporate Bonds	(306,505,750)	-	-
Intangible assets	-	(16,383)	(21,148)
Subtotal Deferred tax liabilities	**(491,435,827)**	**(506,580,290)**	**(286,527,836)**
Net position of deferred tax assets/(liabilities)	**(115,530,264)**	**(223,141,466)**	**3,474,774**

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 fiscal year, 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 (see Note 43) 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 Argentine pesos)

Note 29. Income tax and deferred tax (continued)

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

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Income tax calculated at the tax rate prevailing in each country:	147,104,567	(177,912,044)	17,714,464
Statute of limitations on minimum presumed income tax	(1,294,751)	(1,267,680)	(10,776)
Impairment of and statute of limitations on income tax loss carryforwards	-	(59,273,303)	(3,815,062)
Understated income tax provision	67,594	597,670	(610,021)
Non-deductible expenses	(8,412,830)	(4,938,398)	(5,963,279)
Presumed interest	(530,916)	(3,097,984)	(1,992,907)
Directors' fees	(1,437,559)	(1,003,016)	(767,662)
Intangible assets	(494)	(494)	(494)
Donations	-	-	(12,591)
Inventory	(7,501,325)	4,192,150	(8,383,287)
Higher value of Astor Núñez	9,323,868	-	-
Effect of the conversion of financial statements	4,533,935	10,232,269	14,220,299
Loans	(161,527)	-	-
Adjustment Tax Reform Law No. 27430	(15,362,057)	-	-
Sundries	9,943	-	-
Income tax	126,338,448	(232,470,830)	10,378,684

Tax losses from national and foreign-source income accumulated as of December 31, 2017 may be used up to the dates indicated below:

	Pesos
Year	2017
2019	69,939,409
2020	67,495,139
2021	16,166,267
2022	163,755,735
Total	317,356,550

(amounts stated in Argentine pesos)

Note 30. 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:

RECEIVABLES FROM RELATED PARTIES	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
ACCOUNTS RECEIVABLE FROM SALES				
AGL Capital S.A. in local currency		172,689	258,986	2,308,410
AGL Capital S.A. in foreign currency	40	1,058,668	-	-
Marina Río Luján S.A.		14,003	-	-
Individual shareholders in foreign currency	40	-	90,367	74,056
		1,245,360	349,353	2,382,466
OTHER RECEIVABLES				
Marina Río Lujan S.A.		9,525,134	-	-
Marina Río Lujan S.A. in foreign currency	40	187,537,372	-	-
Individual shareholders		2,557,191	2,505,432	2,130,741
Other shareholders		3,540,727	3,543,512	3,439,061
		203,160,424	6,048,944	5,569,802
Total Receivables from related parties		204,405,784	6,398,297	7,952,268
PAYABLES TO RELATED PARTIES				
TRADE PAYABLES				
IRSA Inversiones y Representaciones S.A.		-	-	35,418,354
		-	-	35,418,354
CUSTOMER ADVANCES				
Alto Palermo S.A.		-	-	236,645,106
IRSA Inversiones y Representaciones S.A.		-	-	60,287,590
Directors and Managers		-	3,129,739	504,152
Comisiones y Corretaje S.A.		-	22,504,620	-
		-	25,634,359	297,436,848
Total Payables to related parties		-	25,634,359	332,855,202

b) As of December 31, 2017, 2016 and 2015, the main transactions with Companies under section 33 - Law No. 19550 and other related parties, classified according to the nature of the transaction, are as follows:

- Transactions and their effect on cash flow

Name of related company		Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
AGL Capital S.A.	Collections from services rendered	633,573	2,246,792	757,996
Comisiones y Corretajes S.A.	Collections received	5,796,000	-	-
Individual shareholders	Loans borrowed	7,452,900	-	-
Individual shareholders	Receivables from sale of units	106,163	-	-
Directors and Managers	Receivables from sale of units	1,978,430	2,660,194	3,315,339
Comisiones y Corretajes S.A.	Payments made	(172,689)		
Individual shareholders	Payments made on account of third parties	(7,804,458)	(210,094)	117,696
Other shareholders	Payments made on account of third parties	(34,605,750)	(253,451)	125,153
Total		(26,615,831)	4,443,441	4,316,184

(amounts stated in Argentine pesos)

TGLT

Note 30. Related parties (continued)

b) As of December 31, 2017, 2016 and 2015, the main transactions with Companies under section 33 - Law No. 19550 and other related parties, classified according to the nature of the transaction, are as follows (continued):

- Transactions and their effect on profit/loss

Name of related company	Transaction	Profit/(Loss) Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
AGL Capital S.A.	Income from services rendered	1,044,305	258,986	541,837
AGL Capital S.A.	Financial results	103,197	-	-
Individual shareholders	Financial results	(335,762)	16,311	26,552
Comisiones y Corretajes S.A.	Financial results	(3,444,030)	-	-
Comisiones y Corretajes S.A.	Commissions	(2,861,100)	-	-
Other shareholders	Bad debts	(2,785)	(733,887)	-
IRSA Inversiones y Representaciones S.A.	Income from the delivery of units	-	29,292,123	-
Directors and Senior Management	Income from the delivery of units	5,162,346	-	3,312,687
Directors and Senior Management	Fees	3,934,438	(2,189,485)	(2,255,820)
Total		**3,600,609**	**26,644,048**	**1,625,256**

c) As of December 31, 2017 2016 and 2015, transactions with key personnel are as follows:

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Payroll	19,780,123	12,156,960	13,133,481
Social security contributions	3,633,750	2,066,880	2,106,005
Total	23,413,873	14,223,840	15,239,486

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

Accordingly, TGLT's key personnel is made up of individuals responsible for each of these Management Offices (five people).

In April 2016, Federico Weil signed an employment contract with the Company. Under such contract, Federico Weil will assume the position of CEO (Chief Executive Officer) of TGLT, and will be responsible for the management and administration of the Company. The contract includes clauses on exclusivity, non-competition and confidentiality obligations to be complied with by Federico Weil.

(amounts stated in Argentine pesos)

Note 31. 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	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
To become due			
Up to 3 months	124,071,935	125,872,874	46,871,856
From 3 to 6 months	54,701,380	4,255,569	23,134,657
From 6 to 9 months	30,814,354	6,156,814	536,514
From 9 to 12 months	75,255,851	5,776,416	840,071
Over 12 months	236,202,703	118,515,629	79,723,724
Without any established term	187,840,370	170,952,185	203,083,870
Past due			
Up to 3 months	16,199,294	21,606	28,531,003
From 3 to 6 months	-	-	1,305,540
From 6 to 9 months	-	-	186,033
From 9 to 12 months	-	-	88,834
Over 12 months	-	18,200	18,200
	725,085,887	431,569,293	384,320,302

Payables (except for customer advances)	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
To become due			
Up to 3 months	608,891,198	416,616,890	310,151,923
From 3 to 6 months	51,844,863	150,115,132	146,091,969
From 6 to 9 months	114,035,196	182,818,626	18,822,691
From 9 to 12 months	60,489,450	82,240,364	60,319,207
Over 12 months	1,839,805,467	400,790,579	132,160,606
Without any established term	361,212,191	278,435,413	342,872,443
Past due			
Up to 3 months	-	150,225,598	28,629,152
From 3 to 6 months	-	11,733,311	141,928
From 9 to 12 months	-	-	139,787
	3,036,278,365	1,672,975,913	1,039,329,706

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

Receivables/Tax assets	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Interest bearing	172,759,907	179,354,568	1,536,188
Non-interest bearing	552,325,980	252,214,725	382,784,114
	725,085,887	431,569,293	384,320,302
Annual nominal average rate:	15%	15%	8%

Payables (except for customer advances)	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Interest bearing	2,116,672,764	886,688,498	448,353,579
Non-interest bearing	919,605,601	796,816,336	590,976,127
	3,036,278,365	1,683,504,834	1,039,329,706
Annual nominal average rate:	17%	31%	29%

Note 32. 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 Caballito project was being developed, the Company created a first mortgage in favor of IRSA Inversiones y Representaciones S.A. (hereinafter "IRSA") on the aforementioned property in the maximum amount of US $ 12,750,000. Additionally, and to secure the same transaction, the Company created a first pledge in favor of IRSA on its own shares held in Maltería del Puerto S.A (merged with Canfot S.A., and the latter merged with TGLT S.A.).

   By virtue of the merger and swap of shares between TGLT and Maltería del Puerto S.A., a first pledge was created on 3,571,397 shares of Canfot S.A. in favor of IRSA.

   As of the date of issuance of these financial statements, and upon the approval of the final merger agreement between Canfot S.A. and TGLT S.A, measures are being taken to complete the proceedings necessary for the merger and the lifting of the pledge of shares in favor of IRSA.

2. 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 being developed, the Company created a first mortgage in favor of Alto Palermo S.A. (hereinafter "APSA") on the aforementioned property. The amount of the mortgage is US$ 8,143,231.

3. As a result of the financing obtained by TGLT S.A. by means of the Construction Project Financing Agreement, with a mortgage executed with Banco de la Ciudad de Buenos Aires, and as explained in Note 15 to the consolidated financial statements, the Company created a first mortgage on the property owned by it, on which the Astor Núñez project is being developed. In June 2017, the parties executed the cancellation in full of the mortgage on the entire premises, and on July 12, 2017, such cancellation was registered in the Real Estate Registry.

4. As collateral for the obligations assumed by the Company as a result of the acquisition of the real property where the Brisario project, made up of Proa and Metra Puerto Norte, was being developed, the Company created a first mortgage in favor of Servicios Portuarios S.A. on the aforementioned property. The amount of the mortgage is US$ 24,000,000.

5. As mentioned in Note 34.1, and as collateral for the obligations assumed by the Company as a result of the acquisition of the company Green Urban Homes S.A., where the Metra Devoto project would be developed, a first mortgage was created on the property in favor of the Company's former owners. The amount of the mortgage is US$ 4,800,000. See Note 49

6. As a result of certain demolition activities carried out in September 2006 in the premises where the Astor Núñez project is currently being developed, TGLT was served with notice of a complaint against it for "damages due to proximity" in 2009. The case file is pending before the Court of First Instance in Civil Matters Number 89, and the claim amounts to approximately $ 440,000. On August 24, 2012, the Court granted a motion to dismiss filed by the Company based on the statute of limitations. The plaintiff has appealed this decision. The case file was remitted to the Court of Appeals and is now at the production of evidence stage.

   As a result of the acquisition of the shares of the company Pico y Cabildo S.A. by TGLT, and to secure the resolution of the aforementioned contingency, former shareholders placed a time deposit on behalf of the Company, which shall be solely used to fully pay the obligations that may arise from the resolution of the lawsuit against the Company. In light of the foregoing, the Company includes in current assets as of December 31, 2017, 2016 and 2015, the amount of $ 3,733,957, $ 3,179,694, and $ 2,584,383, respectively, under "Cash and cash equivalents", and the amount of $ 3,733,957, $ 3,179,694, and $ 2,258,383, respectively in current liabilities, under "Other accounts payable".

7. As of December 31 2016, the disposal of the Monroe property was restricted due to a purchase option of such piece of real property given to a customer as security for the payment of the customer's option to resell to the Company a number of units acquired. On November 21, 2016, TGLT requested, and the customer granted, approval for the sale and transfer of the Monroe property to third parties. In addition, and in the same act, the parties resolved to terminate the agreement, annulling all the obligations related to the Monroe Property. On that same date, the parties agreed to replace the payment guarantee in relation to the disposition of the piece of real property where the Metra Devoto project is being developed. On August 14, 2017, the Company discharged all its obligations to such customer, and obligations on the Metra Devoto project are no longer in effect.

8. 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) y el Banco ITAU Uruguay S.A., and as explained in Note 14, the Company created a first mortgage on a piece of property of its own.

9. 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 the portion of the piece of property acquired. The amount of the mortgage is US$ 10,500,000.

Note 33. Lawsuits

33.1. Health and safety

During the last quarter of fiscal year 2012, Maltería del Puerto S.A. (merged with Canfot S.A., which subsequently merged with TGLT S.A.) received a summons in relation to its joint and several liability, together with Constructora Sudamericana S.A. (COSUD), for the alleged breach of health and safety obligations by a subcontractor. The related defenses were filed. The summons is pending resolution by the Ministry of Labor and Social Security of the Province of Santa Fe.

To the date of these financial statements, it is not possible to determine whether a decision against the Company will be issued, or whether a sanction will also be imposed on TGLT S.A. as principal. In the event economic sanctions are imposed, they must be paid, even in the case an appeal is filed with the Court of Appeals in Labor Matters of the Province of Santa Fe, under penalty of foreclosure as a result of the filing of legal proceedings for collection.

The Company's Management and legal advisors estimate that the aforementioned administrative cases would not represent a loss for the Company.

33.2. Labor matters

On October 30, 2013, Maltería del Puerto S.A. (merged into Canfot S.A., which subsequently merged into TGLT S.A.) was served with notice of a labor complaint for joint and several liability. An operator of IGM filed the complaint. The case file is pending before the Court of Labor Matters No. 2 of the City of Rosario, Province of Santa Fe. The amount of the complaint is $ 123,513. On November 14, 2013. The Company filed the answer to the complaint. The case file is at the trial stage.

On June 25, 2015, Maltería del Puerto S.A. (merged into Canfot S.A., which subsequently merged into TGLT S.A.) was summoned to a hearing in relation to the case file: "Miguel Gonzalo Javier c/ Marmoles Amato S.R.L. y otros s/ medida preparatoria" to provide documentary evidence related to the contractor. It is a labor complaint against Mármoles Amato Rubén Antonio Amato, COSUD, and TGLT S.A. TGLT has not received any subsequent notices.

The Company's Board of Directors and legal advisors estimate that the resolution of the aforementioned complains will not generate losses for the Company.

33.3. Ingeniero Guillermo Milia S.A. (IGM)

In February 2012, IGM (the contractor for the masonry works of the urban projects Forum Puerto Norte and Astor Caballito) filed a plan of reorganization with Court in Civil and Commercial Matters No. 1 of Olavarría, in re "Ingeniero Guillermo Milia S.A. s/ Concurso Preventivo".

Maltería del Puerto S.A. (merged into Canfot S.A., which subsequently merged into TGLT S.A.) and TGLT S.A. have appeared in the proceedings as unsecured creditors and filed proof of claims in the amount of $ 9,085,156 and $ 1,293,689, respectively, which were allowed by Court on September 12, 2012 and December 17, 2014, respectively. The plan, which was confirmed by the Court, consisted in a 60% claim reduction.

As of December 31, 2017, 2016, and 2015, the Company has a claim amounting to $ 2,026,408, $ 1,901,601, and $3,758,896, respectively, which is disclosed in non-current assets under "Other receivables".

Note 33. Litigation (continued)

33.4. Proyecto Astor Caballito s/amparo (action for protection of constitutional rights)

On November 30, 2015, the Company was notified of the decision of the first instance court sustaining a complaint filed by the Association of Neighbors, which argued that the work should have been suspended and subject to a new zoning regime. This decision was appealed by TGLT and the Government of the City of Buenos Aires (GCBA) on December 3 and 4, 2015, respectively. Both remedies were granted. The case was submitted to the Court of Appeals in Administrative Matters of the City of Buenos Aires and was filed in Panel III of that Court. On May 26, 2016, Panel III of the Court decided to reject the appeals filed by the GCBA and TGLT, confirming the decision of the First Instance Court. On June 16, 2016, TGLT filed a motion for declaration of unconstitutionality against the final judgment, and so did the GCBA on June 15, 2016. On November 10, 2016, the motions for the declaration of unconstitutionality filed were rejected, and therefore, on November 23, 2016, an appeal was filed with the Supreme Court of Justice of the City of Buenos Aires, requesting that the appeal dismissed by the lower court be sustained.

Notwithstanding the agreement referred to in Note 39, proceedings are still pending.

As this is an action for protection of constitutional rights whose purpose is to question the failure to issue an administrative resolution and challenge TGLT's authorization to construct the works, there is no amount payable under these proceedings.

33.6. Other claims

Find below a detail of other claims updated during the present fiscal year:

- On November 14, 2013, Maltería del Puerto S.A. (merged into Canfot S.A., which was subsequently merged into TGLT S.A.) was summoned for a hearing by the Arbitration Tribunal of the Rosario Stock Exchange under the proceedings "Inversora Araberta c/ Maltería del Puerto S.A. s/ Incumplimiento Contractual Expte. 3/2013". The plaintiff claims the intrinsic alternation of the nature of the unit purchased. On January 10, 2014, the complaint was answered. On August 10, 2015, the Company reached a settlement agreement, which could not be honored due to the objection of the other owners of Forum Puerto Norte. Arbitrators were appointed and a settlement hearing was scheduled for July 28, 2017, and, subsequently, the case was open for trial.

- On July 27, 2015, the Company was served with notice of the lawsuit captioned "Blegger, Nancy c/ Maltería del Puerto S.A. s/ daños y perjuicios". A complaint was filed against the Company and the company in charge of the Management of Forum Puerto Norte. The customer claims the amount of $ 150,000 for repairs in her unit and resulting damages. As of this date, the case file is at the trial stage. The Company's Management, in agreement with its legal advisors, has set up an allowance for the amount it estimates it will have to pay in connection with this complaint.

- On July 6, 2016, Canfot S.A. (merged with TGLT S.A.) was served with notice of a complaint for the damage caused in a unit of Forum Puerto Norte project. The case file "Garófalo Sierra Sabrina C/ Canfot S.A." is pending before District Court in Civil and Commercial Matters No. 17 of the City of Rosario. The Court has ordered the production of the technical expert testimonies requested by the Company. At the same time, the plaintiff claimed that TGLT S-A- continued making payment under the lease agreement until the action for damages was decided, which was sustained by the Court. Consequently, TGLT made the related payment. In addition, the Court ordered summons be served on the insurance company, and the summons to be served on the construction company is pending resolution. The complaint filed seeks compensation for damages, which the plaintiffs estimates at $ 6,000,000. We understand that, in the event the existence of a damage is proved, compensation for damages should be borne by the insurance company and, eventually, by the construction company.

- On August 29, 2016, the Company was served with notice of the complaint filed under the proceedings "Equistica Defensa Del Medio Ambiente Asoc Civil C/ Ingeconser Y Otro S/ Acción Meramente Declarativa", pending before Federal Court No. 2 of the City of Rosario. The complaint alleges the unconstitutionality of the ordinance, which authorized, among other developments, the construction and development of Fórum Puerto Norte. Especially, it is argued that the development did not respect the towpath. Notice was served on TLGT and Canfot S.A. of the complaint and the subpoena of the Federal Government and/or Undersecretariat of Navigable Waters and the Province of Santa Fe or the Environment Secretariat. TGLT S.SA. filed an answer to the complaint, and the Court has to decide the motions and the Court has to decide on the motions to dismiss the case for lack of venue and lack of legal standing filed by TGLT S.A..

Note 33. Lawsuits (continued)

33.6. Other claims (continued)

- In October, the Company was served with summons and a complaint under the case "Sanchez Francisco y otro c/ TGLT S.A. s/ Escrituración". In the complaint, plaintiff requests the execution of the title deed of the property acquired by the plaintiffs by means the preliminary purchase and sale agreement related to the "Astor Caballito" project or, otherwise, the reimbursement of the amounts paid, plus interest (all the foregoing plus damages resulting from the delay in the delivery). The answer to the complaint was filed in December 2016. A settlement agreement was executed in April 2017, there being no further matters to discuss.

- In October, the Company was served with summons and a complaint under the case "Tevez Frutoso Ariel c/ Consangas S.A. y otro". Mr. Frutoso Tevez states that he had begun working as official plumber in the Astor Núñez Project in May 13, 2014. As a result of the direct dismissal by the company Consagas S.A., the plaintiff claims, among other things, compensation for the incorrect registration of the labor relationship and failure to pay the unemployment fund provided for by Law No. 22250 as well as failure to pay salaries by his former employer (Consagas S.A.). The complaint was answered by TGLT on October 26, 2016. The case is pending trial, and TGLT S.A. is co-defendant by virtue of the joint and several liability for labor purposes alleged by the plaintiff.

- On October 25, 2016, the Company was served with summons and a complaint under the case "Bacigalupo Alejandro c/ Maltería del Puerto S.A. s/ daños y perjuicios", for the amount of $ 123,800 for damages in the plaintiff's unit as a result of the inflow of water, plus an extension of the complaint for an undetermined amount for psychological damage. The Company filed the answer to the complaint on November 9, 2016. On December 1, 2017, the plaintiff waived the complaint and abandoned the proceedings. Therefore, on December 4, 2017, the District Court in Civil and Commercial Matters No. 16 of the City of Rosario considered the complaint waived and the proceedings closed, with costs on the plaintiff.

- In December 2016, the Company was served with summons and a complaint under the case "Guido Orlievsky Guido C/ TGLT S.A. s/ Escrituración". In the complaint, plaintiff requests the execution of the title deed of the property acquired by the plaintiffs by means the preliminary purchase and sale agreement related to the "Astor Caballito" project or, otherwise, the reimbursement of the amounts paid, plus interest (all the foregoing plus damages resulting from the delay in the delivery). The answer to the complaint was filed in December 2016. The proceedings were closed with a settlement, whereby TGLT paid the amount of $ 2,000,000.

- In December 2016, the Company was served with summons and a complaint under the case "Cachan Santiago c/ TGLT S.A. s/ daños y perjuicios." The plaintiff claims damages caused by a banner of METRA while he was running along the coastal road in Rosario. The answer to the complaint was filed in December 2016. As of this date, the case is at the trial stage.

- On June 14, 2017, the Company was served with summons and a complaint under the case "Commodities S.A. C/ Canfot S.A. S/ Declaración de Certeza y Reparación de Daño", which was answered on July 3, 2017. The plaintiff claims that works be executed at the expense of the company to secure the front of the slope on the Paraná River. The case is about to be open for trial. The approximate cost of works is $3,000,000. The Court before which the preliminary injunction request was filed served notice thereof and granted a two-day term to file an answer as to the appropriateness of the injunction. The related answer was filed and is currently pending before the Arbitration Tribunal of the City of Rosario.

- On September 6, 2017, the Company was served with summons and a complaint under the case "Buiatti, Andrea c/ Maltería del Puerto S.A. s/ Demanda de Derecho de Consumo", filed with the First Instance Court in Civil and Commercial Matters No. 16 of the City of Rosario. The plaintiff claims the amount of $ 72,000 for structural and moral damages and loss of profit. We have requested the participation of Constructora Sudamericana S.A. in the proceedings. TGLT S.A. answered the complaint in October 2017. The case is pending trial.

- "Bresca Isaac Mario C/ Malteria Del Puerto S.A. S/ Aseguramiento De Pruebas". Plaintiff claims the damages caused in plaintiff's unit as a result of the inflow of water. The documentary evidence required by the plaintiff was duly submitted, and the case file has been withdrawn by Mr. Bresca Isaac Mario's counsel. The Company has not been served with notice of the complaint.

- On August 31, 2017, the Company filed a complaint against Constructora Sudamericana S.A. for the repair of construction defects, and the reimbursement of sums already paid in relation to the construction company's responsibility for the construction of the Forum Alcorta Complex as well as for the construction of the Forum Puerto Norte Complex.

Note 33. Lawsuits (continued)

33.6. Other claims (continued)

As regards construction defects of rum Alcorta, the complaint was filed in the amount of $ 26,995,963, plus interest and legal costs. The case is pending before the National Court of First Instance in Commercial Matters No. 17 of the City of Buenos Aires. On October 23, 2017, the defendant filed a counter claim amounting to $ 42,372,698.25 for alleged invoices, interest expenses, higher general expenses and extension of the term to complete the work, plus interest and legal costs. The defendant also filed a motion for some defects claimed to be considered statute-barred. The last claim was considered uncertain by the legal advisors and Management. On October 31, 2017, TGLT S.A. filed an answer to the motion filed, and on November 15, 2017, an answer to the counterclaim was filed.

In addition, as regards construction defects in Forum Puerto Norte, the claim amounts to $ 17,221,895, plus interest and legal costs, and the case is pending before National Court of First Instance in Commercial Matters No. 27 of the City of Buenos Aires. On December 4, 2017, notice of the complaint was served, and on December 28, 2017, Constructora Sudamericana S.A. filed the answer to the complaint.

- "Mercade, Pablo Adrian c/ Mata, Juan Jose s/ Daños y Perjuicios", pending before National Court of First Instance in Civil Matters No. 100. The plaintiff claims damages resulting from the flood of the defendant's unit. In addition, the defendant filed a third party complaint against TGLT S.A., since according to defendant, TGLT S.A. is the current manager of the Complex. TGLT S.A. was notified of such third party complaint on September 19, 2017.

The amount claimed is $ 247,826, plus interest and legal costs. At present, the case is open for trial. Whether the claim is admitted will depend on the analysis of the Court as regards the evidenced produced in the case, although attempts will be made to obtain a judgment in which TGLT S.A. is not held liable. "Creciente Marcela Araceli y otros c/ TGLT S.A. y otros/ medida cautelar autónoma o anticipada": This case is pending before Administrative Court No. 2 of San Isidro. Plaintiffs base their claim upon the threat of damages to the inhabitants of the El Garrote neighborhood as a result of the work conducted by the Company, which will cause the overflow of rainwater. The claim does not estimate any amount. On November 25, 2014, TLGT filed an appeal on the grounds that it is not the owner of the piece of real property at issue (lack of legal standing to be sued). The Company's Management considers there are solid grounds for defense, and that a favorable decision for the Company will be issued. To this date, although some time has elapsed from the filing of the proceedings, the term to file the answer to the complaint has not expired, and the appeal for lack of legal standing to be sued and motion to dismiss the case for lack of venue is still pending resolution. The term to file the answer to the complaint has been suspended until all the appeals and motions filed are resolved.

The Company's Management, in agreement with its legal advisors, has set up an allowance for the amount it estimates it will have to pay in connection with the cases described above. Such balance is included in the "Provisions and allowances" line.

Note 34. Ownership interests in other companies - Acquisitions and transfers

34.1 Merger between companies: TGLT S.A. and Green Urban Homes S.A.

On December 2, 2014, TGLT acquired 100% of the stock capital of the company "Green Urban Homes S.A." (GUHSA). GUHSA's main asset was a piece of real property with a total surface of 6,227 square meters, located in the City of Buenos Aires. The total purchase price for GUHSA's shares amounts to US$ 4.800.000, and is payable by TGLT according to the following schedule: (a) US$ 500,000 on January 6, 2015; (b) US$ 700,000 on January 5, 2016; (c) US$ 1,200,000 on January 5, 2017; (d) US$ 1,200,000 on January 5, 2018 and (e) US$ 1,200,000 on January 5, 2019. As of the date of these financial statements, TLGT has paid US$ 2,400,000. As regards the installment payable on January 5, 2018, as stipulated in the related agreement, the term for payment was extended for 75 days.

As of December 31, 2017, 2016, and 2015, the outstanding liability was $ 44,757,610, $ 57,204,000, and $ 56,072,007, respectively, included in "Other accounts payable" under current liabilities in the amount of $ 22,378, 810, $ 19,068,000, and $ 9,128,007, and under non-current liabilities in the amount of $ 20,772,000 ,$ 38,136,000, and $ 46,944,000, respectively.

As security for the payment of the stock purchase price balance, GUHSA (as surety) has posted in favor of the sellers (as creditors), to their full satisfaction, a surety bond as main payor, backed by a first mortgage on the piece of real property and in respect of the obligations assumed by TGLT under the Purchase and Sale Agreement. See Note 32.5

Note 34. Ownership interests in other companies – Acquisitions and transfers (continued)

34.1 Merger between companies: TGLT S.A. and Green Urban Homes S.A. (continued)

In addition, on September 25, 2015, TGLT's and GUHSA's Shareholders' Meetings approved the merger of GUHSA into TGLT and authorized the execution of the Final Merger Agreement by the Board of Directors of the Company.

On July 7, 2016, the CNV approved the merger, and on January 19, 2017, the IGJ approved the registration of GUHSA's dissolution.

34.2 Merger between companies: TGLT S.A. and Canfot S.A.

On September 29, 2016, a stock purchase agreement was entered into by and between Kondor Fund, SPC and TGLT S.A., whereby Kondor Fund sold, transferred and assigned to the buyer all rights and interests in Canfot S.A.'s shares owned by it, free of liens.

The total purchase price of such shares was agreed upon in the amount of US$ 2,000,000, payable according to the following schedule: (a) US$ 500,000 within seven days following execution of the agreement; (b) US$ 500,000 on March 31, 2017; (c) US$ 500,000 on September 29, 2017, and (d) US$ 500,000 on March 30, 2018. .Each of these payments were secured with preliminary sales agreement of Astor San Telmo and/or Forum Puerto del Buceo. As of December 31, 2017, the total debt was paid upon an agreement between the parties.

As of December 31, 2016, the liabilities for this transaction amounted to $ 23,835,000, included in "Other accounts payable" under current liabilities in the amount of $ 15,890,000, and under non-current liabilities, in the amount of $ 7,945,000.

At the same time, exercising the purchase option set forth in the stock purchase agreement executed on December 31, 2012, TGLT S.A. bought from Juan Carlos Rosetti his total ownership interest in Canfot S.A. at a purchase price of $ 1,327 as established in the agreement.

In addition, on September 30, 2016, TGLT S.A. and Canfot S.A. executed an agreement for the merger of Canfot S.A. into TGLT S.A. The reorganization occurred on October 1, 2016. Canfot S.A. was dissolved without liquidation, and TGLT S.A. survived as a legal entity.

On April 20, 2017, the merger was approved by the Annual Shareholders' Meetings of both companies. On October 24, 2017, the CNV approved the merger, and on December 28, 2017, the IGJ approved the registration of Canfot S.A.'s dissolution.

34.3 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 the shareholders Eleonora Hussar and Mabel Carmen Maques had on Sitia S.A. Therefore, the shareholders sold, assigned and transferred to TGFLT all their shareholdings, i.e. 5,000 nonendorsable, 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.

The amount paid for all the shares acquired was $ 30,000. This resulted in income in the amount of $ 76,129 for TGLT, as the equity value of the 5% ownership interest in Sitia at the time of acquisition was $ 106,129. Such income is recorded as a "Capital Contribution" in the statement of changes in equity as of December 31, 2017, since it was a transaction between shareholders.

On June 30, 2017, being the sole shareholder of Sitia S.A., TGLT approved at the Annual General Shareholders' Meeting the dissolution of the company. To that end, the Board of Directors was appointed as liquidator. 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.

Note 35. Risks - Financial risk management

The Company is exposed to market and financial risks inherent to the nature of the real estate business as well as to the financial instruments used for the financing of the real estate projects developed by it. The Company's management 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 according to the market changes and any new needs of the organization as may arise.

35.1 Market risks

Our activities are exposed to different risks inherent to the real estate development 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 the amounts pending collection for units sold and the lists of prices by the CAC Index (construction cost index) on a monthly basis.

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. 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

Independent contractors carry out the construction of our projects. 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.

35.2. 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 might be restricted due to situations outside Company's control, which may make it difficult to obtain financing and/or refinancing.

Exchange rate risks

TGLT develops and sells 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 119.3 million, mainly made up of the corporate bonds issued during the third quarter of the year in the amount of US$ 150 million, out of which US$ 54.2 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$ 13.2 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 $ 26.3 million. Such loss would be recorded in the Company's profit and loss statement for the twelve-month period ended on December 31, 2017.

Note 35. Risks - Financial risk management (continued)

Interest rate risks

We are subject to the interest rate risks in our investment portfolio and financial liabilities. A total of 5.7% of our financial liabilities are linked to a reference rate: the private BADLAR rate. Historically, the BADLAR rate has been below the CAC index, the index by which we adjust our construction contracts and sales. We believe that should the Private BADLAR rate increased by 100 basis points, a loss of $ 1.1 million and an increase of $ 169.5 million in inventories would be recorded.

Credit risks

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.

In addition, 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 consequence, we do not register a high level of uncollectibilty or default in payment. Some specific agreements provide for the collection of outstanding balances after the transfer of possession of the unit. Allowances for bad debts are set up based on such agreements in the total amount of $ 3.5 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.

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 and believes that TGLT has adequate access to the banking and capital markets to finance short-term working capital needs. We also believe that we have the necessary tools to issue long-term debt, such as in the successful case of the placement of corporate bonds in August of 2017.

In the 2017 twelve-month period, the Company recorded an operating cash use in the amount of ($ 535.2) million, mainly due to investments in working capital in most of our current projects. In addition, it obtained financing in the amount of $ 2,257.2 million, mainly through the issue of convertible corporate bonds. As a result, as of December 31, 2017, the cash and cash equivalent balance was $ 1,800 million.

Note 36. Financial instruments

During 2016, futures transactions were conducted in relation to the Argentine peso and the US dollar to minimize the exposure to the exchange rate risk of the financial obligations in the domestic market. These transactions have been settled during the fiscal year, there being no outstanding balance as of December 31, 2016. As of December 31, 2017, no transactions of this nature have been conducted.

Note 37. Segment information

37.1. Introduction

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. To manage its business from both the financial and operating standpoint, the Company has established that each of its real estate undertakings represents a business segment: Forum Puerto Norte (FPN), Forum Alcorta (FFA), Forum Puerto del Buceo (FPB), Astor Palermo (ASP), Astor Núñez (ASN), Venice (VEN), Metra Puerto Norte (MPN), Proa (the last two result from the division of the Brisario project), and other projects. In addition, the Company has decided to consolidate the less significant projects for profit and loss, and assets and liabilities breakdown purposes, considering them non-reportable segments according to IFRS.

Accordingly, Management uses the operating and financial indicators included in the tables below, which present historical and projected information on accounts receivable from sales and investments in inventory of each project, to arrive at the expected gross profitability.

All the information presented below is stated in million pesos, not considering the effect of the future expected inflation on receivable and payable balances. Thus, information is disclosed at historical value, whereas balances payable are presented at the present values as of the issuance of these financial statements.

37.2. Information on secured sales and collections

This segment discloses information related to the income generated by each project, the Potential Sales Value ("VPV") of each project, which is made up of the sales value of all the units of the project, the status of sales to date ("SECURED SALES"), and the future receivable balances from sales already completed and from future sales ("RECEIVABLE BANALCES").

Note 37. Segment information (continued)

37.2. Information on secured sales and collections (continued)

SALES	FPN	FFA	FPB (a)	ASP	ASN	VEN (b)	AST	Other (c)	TOTAL	VEN ADJU	TOTAL as per FS
(1) UNITS SOLD											
During the quarter ended 12.31.2017	-	-	5	4	-	2	17	-	28	(2)	26
During the quarter ended 12.31.2016	-	-	10	-	1	2	18	(2)	29	(2)	27
During the quarter ended 12.31.2015	-	7	6	2	8	18	32	2	75	(18)	57
During the annual aggregate ended 12.31.2017	-	1	47	4	4	7	94	8	165	(7)	158
During the annual aggregate ended 12.31.2016	-	7	27	5	46	33	113	11	242	(33)	209
During the annual aggregate ended 12.31.2015	2	19	58	15	55	90	32	31	302	(90)	212
Accumulated as of 12.31.2017	452	154	269	210	297	320	238	266	2,206	(320)	1,886
Percentage of units launched	*100%*	*100%*	*80%*	*100%*	*100%*	*68%*	*55%*	*62%*	*60%*	*68%*	*63%*
(2) POTENTIAL SALES VALUE (VPV) (d)											
(2.a) Total value launched	431.5	1,128.1	2,669.4	394.0	586.0	1,328.6	1,449.8	1,087.4	9,074.7	(1,328.6)	7,746.1
(2.b) Total project value	431.5	1,128.1	2,669.4	394.0	586.0	2,586.4	1,449.8	7,445.4	16,690.6	(2,586.4)	14,104.1
Project launched	*100%*	*100%*	*100%*	*100%*	*100%*	*51%*	*100%*	*15%*	*54%*	*51%*	*55%*
(3) SECURED SALES											
During the quarter ended 12.31.2017	-	-	50.0	31.8	0.7	5.7	43.8	-	132.0	(5.7)	126.3
During the quarter ended 12.31.2016	-	5.0	73.3	-	7.9	3.5	65.0	(3.7)	151.0	(3.5)	147.5
During the quarter ended 12.31.2015	-	106.6	54.7	10.9	36.3	33.6	37.0	6.9	286.0	(33.6)	252.4
During the annual aggregate ended 12.31.2017	-	8.7	317.9	31.8	21.3	21.1	268.9	32.7	702.4	(21.1)	681.3
During the annual aggregate ended 12.31.2016	-	80.4	224.7	21.7	151.5	74.8	280.7	27.7	861.5	(74.8)	786.7
During the annual aggregate ended 12.31.2015	2.5	237.0	191.2	50.4	128.4	167.2	37.0	47.7	861.4	(167.2)	694.2
Accumulated as of 12.31.2017	431.5	1,108.3	1,857.7	392.3	573.6	613.8	640.8	666.0	6,284.0	(613.8)	5,670.2
Percentage on launched VPV	*100%*	*98%*	*70%*	*100%*	*98%*	*46%*	*44%*	*61%*	*69%*	*46%*	*73%*
(4) CUSTOMER ADVANCES (e)											
During the quarter ended 12.31.2017	1.2	(3.0)	(74.5)	15.5	(52.3)	16.1	58.1	25.4	(13.6)	(16.1)	(29.7)
During the quarter ended 12.31.2016	(2.2)	(28.5)	33.1	(337.3)	(17.8)	19.4	42.3	40.6	(250.3)	(19.4)	(269.6)
During the quarter ended 12.31.2015	(2.7)	(12.2)	439.9	(202.6)	57.3	53.4	-	29.3	362.5	(53.4)	309.0
During the annual aggregate ended 12.31.2017	0.0	(66.1)	(249.3)	5.8	(341.0)	52.9	205.1	55.1	(337.5)	(52.9)	(390.4)
During the annual aggregate ended 12.31.2016	(6.8)	(241.1)	350.2	(251.8)	113.0	125.9	277.3	102.2	468.9	(125.9)	343.0
During the annual aggregate ended 12.31.2015	(31.4)	(166.9)	621.3	(194.9)	178.9	154.3	-	51.4	612.7	(154.3)	458.4
Accumulated as of 12.31.2017	4.7	18.8	1,163.3	21.1	112.1	462.2	482.4	305.9	2,570.5	(462.2)	2,108.3
(5) SALES INCOME											
(5.a) During the quarter ended 12.31.2017	-	0.7	166.2	-	46.0	-	-	1.7	214.5	-	214.5
(5.b) During the quarter ended 12.31.2016	0.6	31.9	145.1	31.8	92.9	-	-	6.0	308.3	-	308.3
(5.c) During the quarter ended 12.31.2015	3.2	120.1	-	61.0	-	-	-	2.3	186.7	-	186.7
During the annual aggregate ended 12.31.2017	1.0	72.2	653.1	2.5	325.6	-	-	12.7	1,067.1	-	1,067.1
During the annual aggregate ended 12.31.2016	3.7	346.1	145.1	61.1	144.0	-	-	20.3	720.3	-	720.3
During the annual aggregate ended 12.31.2015	38.8	487.4	-	292.2	-	-	-	10.6	829.0	-	829.0
Accumulated as of 12.31.2017	426.8	1,090.9	798.2	360.8	482.2	-	-	-	3,158.9	-	3,158.9
(6) ACCOUNTS RECEIVABLE FROM SALES											
Accumulated as of 12.31.2017	1.0	4.7	8.6	0.2	0.1	-	0.0	1.3	15.9	-	15.9
Accumulated as of 12.31.2016	1.2	7.5	12.3	0.0	0.1	-	-	0.3	21.4	-	21.4
Accumulated as of 12.31.2015	2.5	25.0	-	3.6	-	-	-	-	31.1	-	31.1
AMOUNT RECEIVABLE (f)											
From secured sales = (3 - 4 - 5 + 6)	1.0	3.3	149.7	10.7	-	167.2	158.4	360.1	850.3	(167.2)	683.1
From total value launched (2.a - 4 - 5 + 6)	1.0	23.0	961.4	12.4	12.4	881.9	967.4	781.5	3,641.0	(881.9)	2,759.1
From total value (2.b - 4 - 5 + 6)	1.0	23.0	961.4	12.4	12.4	2,139.8	967.4	7,139.5	11,256.9	(2,139.8)	9,117.1

Note: No external customers representing more than 10% of total confirmed sales are recorded.

Note 37. Segment information (continued)

37.2. Information on secured sales and collections (continued)

(a) Only project developed abroad (Montevideo, Uruguay).

(b) The participation of TGLT in Marina Río Luján, the developing company of Venice, is 50%. The project information is disclosed at 100% and is subsequently deleted to be consistent with the disclosure criteria.

(c) Includes Metra Puerto Norte, Proa, Metra Devoto and Other projects.

(d) The Potential Sales Value accounts for all sales income expected for the project, made up of sales already completed ("Secured Sales") and the value of stock available, disclosed at the value as of closing of these Financial Statements.

(e) Negative values represent delivery of units.

(f) Amount receivable, without new exchange valuations in advances from customers, with no financial effect.

37.3. Information on inventory and investment budget

This section shows information relating to the budget for project development (*"CONSTRUCTION BUDGET"*), which includes the cost of the land and construction itself, as well as financing interest due to banks, which is subsequently disclosed to facilitate the correct interpretation of the information. It provides information of the works performed as of this date (*"INVENTORY"*) and works not yet executed (*"BUDGET TO BE EXECUTED"*), valued at the date of closing of these Financial Statements.

INVENTORY	FPN	FFA	FPB (a)	ASP	ASN	VEN (b)	AST	Other (c)	TOTAL	VEN ADJU	TOTAL as per FS
(7) INVENTORY											
Variation as of 12.31.2017 (quarterly)	-	3.4	(14.6)	0.3	(49.7)	38.3	68.5	15.2	61.4	(38.3)	23.1
Variation as of 12.31.2017 (annual aggregate)	(3.8)	(83.8)	(177.2)	(0.9)	(316.9)	210.4	177.8	125.3	(69.1)	(210.4)	(279.5)
Accumulated as of 12.31.2017	-	23.5	1,160.2	26.2	83.0	699.8	285.0	580.9	2,858.7	(699.8)	2,158.8
Accumulated as of 12.31.2017 (exchanges included)	-	23.5	1,405.2	26.2	103.6	715.4	353.9	769.7	3,397.5	(715.4)	2,682.2
Accumulated as of 09.30.2017 (exchanges included)	-	20.1	1,419.8	25.9	153.3	677.1	285.4	754.5	3,336.1	(677.1)	2,659.0
Accumulated as of 12.31.2016 (exchanges included)	3.8	107.3	1,582.4	27.1	420.5	504.9	176.1	644.4	3,466.6	(504.9)	2,961.7
Accumulated as of 12.31.2015 (exchanges included)	15.1	411.6	1,071.2	292.7	354.5	402.4	1.9	556.1	3,105.5	(402.4)	2,703.1
(8) COST OF GOODS SOLD											
(8.a) During the quarter ended 12.31.2017	0.1	1.2	150.3	-	44.5	45.8	-	0.2	242.1	(45.8)	196.3
(8.b) During the quarter ended 12.31.2016	8.0	33.9	119.2	35.1	85.0	-	-	0.6	281.7	-	281.7
(8.c) During the quarter ended 12.31.2015	8.2	90.0	-	55.6	-	-	-	0.8	154.6	-	154.6
(8.d) During the annual aggregate ended 12.31.2017	3.8	97.0	560.8	2.2	304.9	45.8	-	1.9	1,016.5	(45.8)	970.7
(8.e) During the annual aggregate ended 12.31.2016	14.3	323.9	119.2	69.5	129.5	-	-	3.6	660.0	-	660.0
(8.f) During the annual aggregate ended 12.31.2015	38.1	358.8	-	255.7	-	-	-	2.7	655.2	-	655.2
Accumulated as of 12.31.2017	525.5	904.6	680.0	331.5	450.7	-	-	-	2,892.2	-	2,892.2
(9) CONSTRUCTION BUDGET											
(9.a) Budget of construction launched	525.5	932.1	2,364.7	362.3	550.7	1,211.8	1,330.8	933.4	8,211.3	(1,211.8)	6,999.5
(9.b) Budget of construction launched (net of interest)	501.9	835.3	2,324.9	312.6	451.9	1,076.2	1,330.8	933.4	7,767.0	(1,076.2)	6,690.8
(9.c) Total construction budget	525.5	932.1	2,364.7	362.3	550.7	1,989.7	1,330.8	6,121.5	14,177.2	(1,989.7)	12,187.5
(9.d) Total construction budget (net of interest)	501.9	835.3	2,324.9	312.6	451.9	1,854.1	1,330.8	6,121.5	13,732.9	(1,854.1)	11,878.8
BUDGET TO BE EXECUTED											
Project launched = (9,a - 8 - 7)	-	4.0	524.5	4.6	17.0	496.4	976.9	604.3	2,627.7	(496.4)	2,131.2
Total project = (9,c - 8 - 7)	-	4.0	524.5	4.6	17.0	1,289.9	976.9	5,571.5	8,388.3	(1,289.9)	7,098.5

(a) Only project developed abroad (Montevideo, Uruguay).

(b) The participation of TGLT in Marina Río Luján, the developing company of Venice, is 50%. The project information is disclosed at 100% and is subsequently deleted to be consistent with the disclosure criteria.

(c) Includes Metra Puerto Norte, Proa, Metra Devoto and Other projects.

37.4. Profitability information

This section shows the expected gross profitability for each project, which is composed of the Potential Sales Value of the project ("VPV"), net of the development budget ("WORK BUDGET").

In accordance with International Financial Reporting Standards (IFRS), the financial costs directly related to construction projects are capitalized and recorded in P&L through the Cost of Goods Sold, thus increasing the direct costs and distorting results/gross margins and EBITDA. For this reason, we also disclose the Expected Gross Margin net of this effect, to facilitate the correct interpretation of the information.

Note 37. Segment information (continued)

37.4. Profitability information (continued)

EXPECTED GROSS MARGIN	FPN	FFA	FPB (a)	ASP	ASN	VEN (b)	AST	Other (c)	TOTAL	VEN ADJU	TOTAL as per FS
Project launched (2.a - 9.a)	(94.0)	196.0	304.7	31.7	35.3	116.8	119.0	154.0	863.4	(116.8)	746.6
Percentage of VPV launched	*(21.8%)*	*17.4%*	*11.4%*	*8.0%*	*6.0%*	*8.8%*	*8.2%*	*14.2%*	*10% (4)*	*8.788%*	*10% (4)*
Project launched (net of interest) (2.a - 9.b)	(70.3)	292.7	344.5	81.4	134.1	252.4	119.0	154.0	1,307.7	(252.4)	1,055.3
Percentage of launched VPV	*(16.3%)*	*25.9%*	*12.9%*	*20.7%*	*22.9%*	*19.0%*	*8.2%*	*14.2%*	*14%*	*19%*	*14%*
Total project (2.b - 9.c)	(94.0)	196.0	304.7	31.7	35.3	596.7	119.0	1,323.9	2,513.3	(596.7)	1,916.6
Percentage of total VPV	*(21.8%)*	*17.4%*	*11.4%*	*8.0%*	*6.0%*	*23.1%*	*8.2%*	*17.8%*	*15%*	*23%*	*14%*
Total project (net of interest) (2.b - 9.d)	(70.3)	292.7	344.5	81.4	134.1	732.3	119.0	1,323.9	2,957.6	(732.3)	2,225.3
Percentage of total VPV	*(16.3%)*	*25.9%*	*12.9%*	*20.7%*	*22.9%*	*28.3%*	*8.2%*	*17.8%*	*18%*	*28%*	*16%*

(a) Only project developed abroad (Montevideo, Uruguay).
(b) The participation of TGLT in Marina Río Luján, the developing company of Venice, is 50%. The project information is disclosed at 100% and is subsequently deleted to be consistent with the disclosure criteria.
(c) Includes Metra Puerto Norte, Proa, Metra Devoto and Other projects.

37.5. Reconciliation of Statement of profit or loss, assets and liabilities

Stated in millions of pesos

Fiscal year ended December 31, 2017	FPN	FFA	FPB (a)	ASP	ASN	VEN (b)	AST	Other (c)	TOTAL	VEN ADJU	TOTAL as per FS
STATEMENT OF PROFIT OR LOSS											
Gross income/ (loss) per segment (5.c - 8.c)	(2.9)	(24.8)	92.3	0.3	20.6	(45.8)	-	10.9	50.6	45.8	96.4
Gross margin	*(295.5%)*	*(34.3%)*	*14.1%*	*12.1%*	*6.3%*	-	-	*85.3%*	*5%*	-	*9%*
Selling and administrative expenses									(360.7)	(46.1)	(406.8)
Income/(loss) from investments in related companies									-	(12.6)	(12.6)
Financial and holding results, net									(263.7)	108.9	(154.8)
Other expenses									(0.5)	-	(0.5)
Income/(loss) for the fiscal year before income tax									(574.3)	96.0	(478.3)
STATEMENT OF FINANCIAL POSITION											
ASSET										-	-
Inventory										-	-
Under construction	-	-	1,405.2	-	-	715.4	353.9	769.7	3,244.2	(715.4)	2,528.8
Completed units	-	23.5	-	26.2	103.6	-	-	-	153.3	-	153.3
Assets by segment	-	23.5	1,405.2	26.2	103.6	715.4	353.9	769.7	3,397.5	(715.4)	2,682.2
Accounts receivable from sales	1.0	4.7	8.6	0.2	0.1	-	0.0	(4.6)	10.0	-	10.0
Goodwill	-	-	-	-	-	-	-	-	-	-	-
Other current assets									857.0	-	2,502.1
Other non-current assets									1,326.9	-	397.2
TOTAL ASSETS									5,591.5	(715.4)	5,591.5
Customer advances in local and foreign currency	4.7	18.8	1,163.3	21.1	112.1	462.2	482.4	305.9	2,570.5	(462.2)	2,108.3
Current loans	-	-	246.1	-	-	309.2	-	89.9	645.1	(309.2)	336.0
Non-current loans	-	-	-	-	-	-	-	1,667.6	1,667.6	-	1,667.6
Other current liabilities									86.9	-	86.9
Other non-current liabilities									172.2	-	172.2
TOTAL LIABILITIES									5,142.4	-	5,142.4

Fiscal year ended December 31, 2016	FPN	FFA	FPB (a)	ASP	ASN	VEN (b)	AST	Other (c)	TOTAL	VEN ADJU	TOTAL as per FS
STATEMENT OF PROFIT OR LOSS											
Gross income/ (loss) per segment (5.c - 8.c)	(10.6)	22.1	25.9	(8.3)	14.5	-	-	16.7	60.3	-	60.3
Gross margin	*(1861.7%)*	*69.4%*	*17.9%*	*(26.2%)*	*15.6%*	-	-	*279.1%*	*20%*	-	*20%*
Selling and administrative expenses									(287.9)	-	(287.9)
Financial and holding results, net									686.9	-	686.9
Other expenses									(0.6)	-	(0.6)
Income/(loss) for the fiscal year before income tax									458.8	-	458.8

Note 37. Segment information (continued)

37.5. Reconciliation of assets, liabilities and income/ (loss) statement (continued)

Stated in millions of pesos

STATEMENT OF FINANCIAL POSITION											
ASSET											
Inventory										-	-
Under construction										-	-
Completed units	-	-	1,582.4	-	-	504.9	176.1	644.4	2,907.9	-	2,907.9
Assets by segment	3.8	107.3	-	27.1	420.5	-	-	-	558.7	-	558.7
Accounts receivable from sales	**3.8**	**107.3**	**1,582.4**	**27.1**	**420.5**	**504.9**	**176.1**	**644.4**	**3,466.6**	-	**3,466.6**
Goodwill	1.2	7.5	14.9	0.0	0.1	-	-	0.3	24.0	-	24.0
Other current assets	-	49.8	-	-	9.5	21.5	-	-	80.8	-	80.8
Other non-current assets									398.1	-	398.1
TOTAL ASSETS									1,004.4	-	1,004.4
Customer advances in local and foreign currency									**4,973.9**	-	**4,973.9**
Current loans	4.7	84.9	1,412.6	18.4	446.6	416.7	277.3	245.8	2,907.0	-	2,907.0
Non-current loans	-	-	283.0	-	8.2	134.5	-	168.8	594.6	-	594.6
Other current liabilities	-	-	-	-	0.7	-	-	122.8	123.6	-	123.6
Other non-current liabilities									670.1	-	670.1
TOTAL LIABILITIES									277.2	-	277.2
									4,572.4	-	4,572.4

(a) Only project developed abroad (Montevideo, Uruguay).

(b) The participation of TGLT in Marina Río Luján, the developing company of Venice, is 50%. The project information is disclosed at 100% and is subsequently deleted to be consistent with the disclosure criteria.

(c) Includes Metra Puerto Norte, Proa, Metra Devoto and Other projects.

Note 38. Earnings per share

Basic and diluted earnings per share

Basic earnings per share are calculated by dividing the income/loss of the period attributable to the holders of common shares by the weighted average number of outstanding common shares during the period.

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 period plus the weighted average of potential common shares with dilutive effects on common shares.

Net income/loss is adjusted by the amount of dividends and interest, after taxes, recorded during the period 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:

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Result used for calculating earnings per share			
Result used for calculating basic earnings per share	(351,975,037)	(4,776,567)	**(45,076,829)**
Financial results of potential common shares with dilutive effects	141,519,164	-	-
Result used in the calculation of diluted earnings per share	(210,455,873)	(4,776,567)	**(45,076,829)**
Weighted average of common shares			
For the purposes of earnings per basic share	70,349,485	70,349,485	70,349,485
Potential shares	300,000,000	-	-
Weighting as from issue date	0.41	-	-
Weighted potential shares	124,109,589	-	-
For the purposes of diluted earnings per share	70,349,485	70,349,485	70,349,485
Basic earnings/(losses) per share	**(5.00)**	**(0.07)**	**(0.64)**
Diluted earnings/(losses) per share	**(1.08)**	**(0.07)**	**(0.64)**

As of December 31, 2017, the diluted weighted average of shares was 135,184,650, as a result of the issuance of convertible corporate bonds dated August 3, 2017. (See Note 45)

Note 38. Earnings per share (continued)

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 this note.

Note 39. Agreement to annul Astor Caballito project

On June 29, 2011, the Company and IRSA Inversiones y Representaciones S.A. (hereinafter IRSA) subscribed a barter and conveyance of title deed by means of which IRSA transferred to TGLT S.A. a property located in neighborhood of Caballito, where the company would develop a real property project called "Astor Caballito".

On November 30, 2015, the Company was notified of the decision of the first instance court sustaining a complaint filed by the Association of Neighbors. This decision was appealed by TGLT and the Government of the City of Buenos Aires (GCBA) on December 3 and 4, 2015, respectively. Both remedies were granted. The case was submitted to the Court of Appeals in Administrative Matters of the City of Buenos Aires and was filed in Panel III of that Court. On May 26, 2016, Panel III of the Court decided to reject the appeals filed by the GCBA and TGLT, confirming the decision of the First Instance Court. On June 16, 2016 TGLT filed a motion for declaration of unconstitutionality against the final judgment, and so did the GCBA on June 15, 2016. These remedies are pending resolution by the Court of Appeals, which shall decide on the case.

Likewise, in view of the aforementioned situation and the time elapsed, on December 30, 2016 IRSA and TGLT signed an agreement establishing the execution of a deed to annul the barter provided certain conditions are met. If so, IRSA will pay the Company, as compensation, the sum of US$ 3,300,000, as follows:

a) The sum of US$ 300,000 at the execution of the deed.
b) The sum of US$ 2,000,000 18 months after the execution thereof.
c) The sum of US$ 1,000,000 18 months after the execution of the deed or once TGLT complies with the obligations arising from the barter signed on December 16, 2010.

In addition, at the execution of the deed to annul the barter, TGLT shall return the property and IRSA shall receive it free of liens and encumbrances, and TGLT will have the right to record the amounts described above.

On December 27, 2017, IRSA was served notice of termination of all commitments by TGLT; therefore, deed to annul the barter must be executed within a period not exceeding 90 days.

The cost incurred in the property as of the date of the agreement was reclassified to "Other assets" amounting to $ 78,191,027, which includes the historical cost of the purchase of the land plus the costs incurred in the construction until the suspension thereof. Such asset is net of the Company's liability in kind with IRSA, in an amount of $ 51,747,468. As of the date of these financial statements there is no other monetary obligation to be paid by TGLT except those incurred for the maintenance of the land for $ 26,989,513 and $ 24,779,680 as of December 31, 2017 and December 31, 2016, respectively.

Note 40. Assets and liabilities in foreign currency

	Dec 31, 2017				Dec 31, 2016	Dec 31, 2015
	Type and amount of foreign currency		Prevailing exchange rate	Recorded amount in pesos	Recorded amount in pesos	Recorded amount in pesos
ASSETS						
Non-current assets						
Other receivables:						
Advance payments to suppliers	US$	-	-	-	17,261,924	-
Security deposits	US$	47,600	18.549	882,932	710,550	-
	U$	19,060	0.646	12,313	10,407	49,011
				895,245	720,957	49,011
Prepaid insurance policies	US$	-		-	165,563	-
Total non-current assets				895,245	18,148,444	49,011
Current assets						
Other receivables:						
Value added tax	U$	192,285,817	0.646	124,216,638	118,129,001	47,722,207
Wealth tax	U$	11,339,949	0.646	7,325,607	1,832,450	3,766,294
Advance payments to work suppliers	US$	1,816,125	18.549	33,778,098	11,687,146	17,021,919
	U$	29,435,751	0.646	19,015,495	101,584	2,006,786
				52,793,593	11,788,730	19,028,705
Advance payments for purchase of real property		-		-	-	19,410,000
Security deposits	US$			-	152,064	707,004
Prepaid insurance policies	US$	35,020	18.549	649,890	1,562,200	1,634,969
	U$	-		-	412	35,956
				649,890	1,562,612	1,670,925
Expenses to be rendered	US$	4,617	18.549	85,872	183,031	48,141
	U$	1,509,916	0.646	975,406	-	-
				1,061,278	183,031	48,141
Receivables from sale of investment property	US$	1,044,779	18.549	19,379,607	29,541,402	-
Equipment fund receivable	US$	60,263	18.549	1,117,816	3,724,901	3,332,822
Sundries	US$	-		-	21,606	-
Receivables from related parties:						
Accounts receivable from sales	US$	57,074	18.549	1,058,668	90,367	74,056
Other receivables	US$	10,110,376	18.549	187,537,372	-	-
Accounts receivable from sales:						
Receivables from sale of units	US$	642,391	18.549	11,938,728	23,805,000	22,813,020
Receivables from services rendered	US$	904	18.549	16,793	6,111	4,956
Allowance for bad debts	US$	(41,010)	18.549	(760,699)	(1,854,210)	-
Other financial assets						
Other financial assets	US$	10,429	18.599	193,966	-	-
Cash and cash equivalents						
Cash	US$	36,261	18.549	672,641	3,162,463	36,007
	U$	41,632	0.646	26,901	11,821	19,798
				699,542	3,174,284	55,805
Uncashed checks	US$	20,800	18.549	386,859	-	-
Banks	US$	1,204,048	18.549	22,368,103	14,217,321	14,595,153
	U$	658,164	0.646	425,174	77,095	233,323
				22,793,277	14,294,416	14,828,476
Term deposits	US$	200,223	18.549	3,733,957	3,179,694	2,584,383
Mutual funds	US$	37,359,454	18.549	692,980,510	3,947,492	6,051,016
Bonds and government securities	US$	55,620,175	18.549	1,031,849,336	47,970,319	60,957,008
Total current assets				2,158,972,738	261,549,270	203,054,818
Total assets				2,159,867,983	279,697,714	203,103,829

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2017 PRESENTED COMPARATIVELY

(cifras expresadas en pesos argentinos)

Note 40. Assets and liabilities in foreign currency (continued)

	Dec 31, 2017				Dec 31, 2016	Dec 31, 215
	Type and amount of foreign currency		Prevailing exchange rate	Recorded amount in pesos	Recorded amount in pesos	Recorded amount in pesos
LIABILITIES						
Non-current liabilities						
Other accounts payable:						
Sundry creditors	US$	-		-	1,687,321	-
Payable for purchase of shares	US$	1,200,000	18.649	22,378,800	46,081,000	46,944,000
Security deposit	US$	6,900	18.649	128,678	-	-
Loans:						
Corporate bonds	US$	89,383,924	18.649	1,666,920,793	-	-
Trade payables:						
Contingency fund	US$	89,061	18.599	1,656,441	-	1,576,024
	U$	29,591,247	0.646	15,885,945	-	5,721,948
				17,542,386	-	7,297,972
Payable for construction permit	U$	-		-	-	8,780,560
Total non-current liabilities				1,706,970,657	47,768,321	63,022,532
Current liabilities						
Tax liabilities:						
Income tax payable	U$	-		-	72,310	43,815
Provisions	US$	20,000	18.649	372,980	1,112,300	-
Other accounts payable:						
Sundry creditors	US$	447,224	18.649	8,340,277	8,642,100	2,584,383
Payable for purchase of shares	US$	1,200,001	18.649	22,378,810	34,958,009	9,128,007
Loans:						
Loans borrowed	US$	3,024,359	18.649	56,250,061	85,424,704	109,865,697
Mortgage backed banking loans	US$	13,229,566	18.599	246,056,698	234,509,146	25,729,155
Corporate bonds	US$	11,283,001	18.649	210,416,684	-	27,311,236
Other tax burdens:						
Municipal tax payment plan	US$	-		-	10,129,436	-
Provision for wealth tax	U$	11,949	0.646	7,719	-	-
Withholdings and collections to be deposited	U$	2,203,029	0.646	1,423,157	876,760	721,192
Payroll and social security contributions:						
Salaries payable	U$	2,449,079	0.646	1,582,105	1,259,423	1,003,335
Social security contributions payable	U$	394,667	0.646	254,955	213,000	112,338
Provision for thirteenth month salary and vacation pay	U$	1,410,644	0.646	911,276	671,237	374,035
Trade payables:						
Suppliers	US$	1,144,098	18.649	21,285,838	13,334,281	9,676,702
	U$	5,716,107	0.646	3,692,605	48,456,586	27,154,391
				24,978,443	61,790,867	36,831,093
Deferred checks	US$	-		-	39,191,170	8,987,989
	U$	284,110	0.646	183,535	16,186,880	577,847
				183,535	55,378,050	9,565,836
Provision for expenses	US$	231,210	18.649	4,305,890	1,035,302	953,414
	U$	382,086	0.646	246,827	-	50,661
				4,552,717	1,035,302	1,004,075
Provision for works	US$	171,250	18.649	3,187,752	6,920,972	2,120,916
	U$	29,717,430	0.646	19,197,460	10,433,111	4,950,099
				22,385,212	17,354,083	7,071,015
Insurance payable	US$	2,678	18.649	49,951	2,280,467	1,703,863
Contingency fund	US$	16,377	18.649	305,408	260,225	-
Payable for construction permit	U$	-		-	23,575,211	21,978,955
Real property purchase payable	US$	15,494,791	18.649	288,962,361	246,212,221	205,964,067
Total current liabilities				889,412,349	785,754,851	460,992,097
Total liabilities				2,596,383,006	833,523,172	524,014,629

Note 41. Investment property

As of December 31, 2017, 2016 and 2015 changes in investment property were as follows:

	For capital appreciation (1)	Under construction (2)	For rent (3)	Total
As of January 1, 2017	808,801,000	13,796,887	54,032,688	876,630,575
Plus:				
Acquisitions of the fiscal year	-	2,030,737	-	2,030,737
Fair value adjustments	-	-	(2,639,682)	(2,639,682)
Transfers to inventories	-	-	(51,393,006)	(51,393,006)
Minus:				
MRL deconsolidation	(808,801,000)	-	-	(808,801,000)
Total as of December 31, 2017	**-**	**15,827,624**	**-**	**15,827,624**

	For capital appreciation (1)	Under construction (2)	For rent (3)	Total
As of January 1, 2016	34,326,685	11,097,766	-	45,424,451
Plus:				
Acquisitions of the fiscal year	-	-	51,393,005	51,393,005
Transfers from inventories	106,994,751	-	-	106,994,751
Costs on existing investment property	314,972	2,699,121	-	3,014,093
Fair value adjustments	755,255,777	-	2,639,683	757,895,460
Minus:				
Sales for the fiscal year	(88,091,185)	-	-	(88,091,185)
Total as of December 31, 2016	**808,801,000**	**13,796,887**	**54,032,688**	**876,630,575**

	For capital appreciation (1)	Under construction (2)	For rent (3)	Total
As of January 1, 2015	-	8,257,381	-	8,257,381
Plus:				
Acquisitions of the fiscal year	-	33,208,531	-	33,208,531
Costs on existing investment property	-	3,958,539	-	3,958,539
Total as of December 31, 2015	**-**	**45,424,451**	**-**	**45,424,451**

The following are the investment property related expenses recorded in the Statement of Profit or Loss:

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Maintenance and conservation expenses	30,493	3,149,655	-
Total investment property expenses	**30,493**	**3,149,655**	**-**

Note 41. Investment property (continued)

The Company maintains as investment property the following items:

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

a) In December 2016, the Board of Directors of the Company decided a strategic change in the use of the main assets of Marina Río Luján SA, and reduced the saleable area affected to the urban development project to 52,773 square meters, 21% of the total saleable area and maintain the remaining 199,950 square meters (79%) as a reserve to increase its value.

As a consequence of the aforementioned change, the proportional part of them included in inventories, measured under IFRS, for a total of $ 106,994,751 was transferred to the Investment Property line item.

On December 26, 2016, the Company made a reliable measurement of the net realization 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 to its net realizable value in compliance with the requirements of current professional accounting standards to record the profit / (loss) generated by that measurement within this period. Also, that measurement does not exceed its recoverable value.

On December 23, 2014, TGLT S.A. together with a group of independent investors acquired a real property located in Belgrano, a neighborhood in the City of Buenos Aires, totaling an area of 10,163 square meters for US$ 12,626,261. TGLT's interest in this operation and in the property is 31.66%.

On November 25, 2016, the Company subscribed the sale of 11.66% of the ownership interest in the property to Marcelo Gomez Prieto, for US$ 3,381,400. Additionally, on December 20, 2016, the sale of the rest of the acquired stake was agreed upon, in the following proportion: Marcelo Gomez Prieto at 7%, INVEMA S.A. 6.5% and Claudio León 6.5%, totaling 20% of the stake that still belonged to TGLT S.A., for US$ 5,800,000.

Of the total sale price, 29.84% was contingent upon the obtaining of the final decision of the Bureau of Urban Interpretation of the Government of the City of Buenos Aires, which was issued by the competent body on March 1, 2017, and the Registration of the Work Plans for the planned project for said property, which was filed on October 20, 2017. Therefore TGLT S.A. recorded $ 58,431,000 from the sale of investment properties during the period.

Consequently, as of December 31, 2017 the Company records receivables for $ 19,379,607 under "Other receivables" of Current assets, but does not include the amounts contingent upon the transaction.

2- **Investment property under construction**

Management of the Company determined the area where offices for rent will be built under the Proa project in Rosario. Therefore, the relevant transfer of the costs designed to saleable surface of said offices was already made from inventories.

This investment property is recorded at its cost as it is impossible to reliably appraise it at fair value.

3- **Investment property for rent**

This property corresponds to the portion of land acquired for the development of the Astor San Telmo project. The right to collect current rents, by means of an assignment, was acquired by a lease agreement which was extended until April 30, 2018. On July 20, 2017, the parties agreed to the termination of said contract. Therefore, the amount so far recorded as Investment Properties was transferred to Inventories.

Note 42. 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 corresponding line shown in the consolidated statement of financial position, where applicable.
The financial assets and liabilities as of December 31, 2017, 2016 and 2015 were as follows:

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	1,766,814,785	33,171,572	3,733,957	1,803,720,314
Other financial assets	193,966	-	-	193,966
Accounts receivable from sales	-	10,030,513	-	10,030,513
Other receivables		443,124,548		443,124,548
Receivables from related parties	-	204,405,784	-	204,405,784
Total assets at December 31, 2017	**1,767,008,751**	**690,732,417**	**3,733,957**	**2,461,475,125**

Item	Financial liabilities at their fair value with changes through profit or loss	Financial liabilities valued at amortized cost	Total
FINANCIAL LIABILITIES			
Trade payables	-	441,873,885	441,873,885
Loans (finance leases not included)	-	2,312,740,558	2,312,740,558
Other accounts payable	-	62,070,118	62,070,118
Total liabilities at December 31, 2017	**-**	**2,816,684,561**	**2,816,684,561**

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	59,521,372	21,577,048	3,179,694	84,278,114
Accounts receivable from sales	-	21,390,833	-	21,390,833
Other receivables	-	328,031,094	-	328,031,094
Receivables from related parties	-	6,398,297	-	6,398,297
Investment property	862,833,688	-	-	862,833,688
Total assets at December 31, 2016	**922,355,060**	**377,397,272**	**3,179,694**	**1,302,932,026**

Note 42. Determination of fair value (continued)

Item	Financial liabilities at their fair value with changes through profit or loss	Financial liabilities valued at amortized cost	Total
FINANCIAL LIABILITIES			
Trade payables	-	527,542,117	527,542,117
Loans	3,802	718,132,622	718,136,424
Payables to related parties	-	-	-
Other accounts payable	-	91,487,210	91,487,210
Total liabilities at December 31, 2016	**3,802**	**1,337,161,949**	**1,337,165,751**

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	60,957,008	31,531,932	2,584,383	95,073,323
Accounts receivable from sales	-	31,119,108	-	31,119,108
Other receivables	-	266,354,607	-	266,354,607
Receivables from related parties	-	7,952,268	-	7,952,268
Total assets at December 31, 2015	**60,957,008**	**336,957,915**	**2,584,383**	**400,499,306**

Item	Financial liabilities at their fair value with changes through profit or loss	Financial liabilities valued at amortized cost	Total
FINANCIAL LIABILITIES			
Trade payables	-	424,481,742	424,481,742
Loans	276,076	450,479,346	450,755,422
Payables to related parties	-	35,418,354	35,418,354
Other accounts payable	-	59,372,160	59,372,160
Total liabilities at December 31, 2015	**276,076**	**969,751,602**	**970,027,678**

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 trade payables, loans, other accounts payable and payables to related parties, the book value approximates the market value.

Note 42. Determination of fair value (continued)

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 derives from the appraisal of identical assets or liabilities (not adjusted) in active markets.

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 (continued):

- 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 judgments and estimates of the Company's management.

The assets and liabilities measured at their fair value as of December 31, 2017, 2016 and 2015 are shown below:

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	1,766,814,785	-	-	1,766,814,785
Financial instruments	193,966	-	-	193,966
Total as of December 31, 2017	**1,767,008,751**	-	-	**1,767,008,751**

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	59,521,372	-	-	59,521,372
Investment property	862,833,688	-	-	862,833,688
Total as of December 31, 2016	**922,355,060**	-	-	**922,355,060**
Liabilities				
Other financial liabilities	3,802	-	-	3,802
Total as of December 31, 2016	**3,802**	-	-	**3,802**

Note 43. 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 return of the credits maintained for the payment of the Minimum Presumed Income Tax corresponding to the 2011, 2012 and 2013 periods, for a total amount of $ 14,749,908, plus the settlement of interest from the date the action was filed until its effective payment.

On October 20, 2017, the Company filed a motion for prompt resolution before the AFIP for this to resolve the return of the amount in relation to which a refund was sought. The Tax Authorities did not give an answer within the term of 15 working days, so the Company would have to lodge an appeal with the Tax Court.

As of December 31, 2017 and December 31, 2016, the Company has a credit for $17, 509,484 and $16,896,855, respectively, which is disclosed in "Other receivables" of Non-current assets.

During 2016, actions for refund for the taxes paid in the 2014 and 2015 periods for $ 15,667,576 were filed.

It should be noted that on December 28, 2012, Maltería del Puerto SA (a company merged with Canfot SA, and the latter merged 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 credit claimed for fiscal years 2008 to 2014 amounts to $ 11,697,476 plus interest settlement at collection date. On December 1, 2017 the Court with jurisdiction over Administrative Matters No. 3 passed judgment in favor of the Company.

On December 29, 2017 an administrative complaint was filed with AFIP for the tax refund of the 2012 and 2013 periods, amounting to $ 3,017,861 and $ 2,140,811, respectively.

Note 43. Refund of Minimum Presumed Income Tax credit (continued)

Since the Income Tax provision and the accounting records of TGLT S.A. corresponding to fiscal year 2016 reflected the existence of tax losses and accounting losses, case law of the Argentine Supreme Court of Justice is applicable as to the inappropriateness of the payment of that tax, according to the recent ruling on "Diario Perfil S.A. vs. AFIP DGI on Dirección General Impositiva [General Tax Office]. The same situation is projected as of December 31, 2017; therefore the Company has not set up any provision for that tax for the current year.

Consequently, the financial statements as of December 31, 2017 and 2016 do not include such liabilities, since the Company will file its annual tax return without showing any balance in favor of the Tax Authorities and will formally notify this position.

The Company expects to offset the remaining balance not subject to refund, based on its business revenue projections for the next fiscal years.

Note 44. Irrevocable capital contribution with specific allocation

On September 27, 2016, shareholder Federico Weil and the Company entered into a letter of intent for the commitment of an irrevocable capital contribution, which was approved by the Board of Directors on September 30, 2016.

On September 30, 2016, Federico Weil transferred US$ 490,000 (equivalent to $ 7,452,900) to the Company. Subject to the approval at the General Shareholders' Meeting of the Company, the contribution was to be converted into shares in the future and the funds were to be used by the Company solely to redeem and/or repurchase the existing Brazilian Depositary Receipts ("BDRs") representing Company's common shares, to the subsequent termination of the Sponsored Level II BDR program, and the balance as working capital.

In order to be recorded, the Contribution was converted into pesos at the bid exchange rate published by Banco de la Nación Argentina at the closing of operations on the date the Contribution was accepted by the Company in accordance with the provisions of the General Resolution of the National Securities Commission No. 622/2013.

At the Shareholders' Annual and Extraordinary Meeting held on April 20, 2017, this contribution was not accepted by shareholders. The Company had to return the Contribution after compliance with the creditor's objection system provided for by Sections No. 204 and No. 83, subsection 3, last paragraph of Companies Law No. 19550, within the term therein set forth. On August 11, 2017, the debt with that shareholder –principal and interest accrued from the date of shareholders' meeting until the date of actual restitution at a fixed annual nominal rate of 12% – was paid in full.

Note 45. Accounting policy used by the Company to recognize and measure the issuance of convertible corporate bonds

On April 20, 2017, the Annual and Extraordinary Shareholders' Meeting approved the issuance of corporate bonds convertible into common, registered shares of nominal value $1 each, and carrying the rights to one vote and to receive dividends in equal conditions with respect to currently outstanding common shares as from the fiscal year in which the conversion right is exercised, in an aggregate amount of US$ 150,000,000.

TGLT launched a domestic public offer exclusively addressed to qualified investors in Argentina, as defined in Section No. 12, Article II, Chapter VI of the CNV Rules through the Local Placement Agent; and an international offer not registered in the United States of America in which the International Placement Agent will act as placement agent for the Company, addressed to (a) approved investors in the United States of America, pursuant to the exemption from registration requirements under Regulation D of the U.S. Securities Act, and (b) non-US persons in transactions outside the United States of America, pursuant to the exemption from registration requirements under Regulation D of the U.S. Securities Act.

The following is a summary of the main characteristics of the instrument:

- **Total amount offered:** US$ 150,000,000.
- **Issue currency:** United States Dollars.
- **Subscription and payment currency:** United States Dollars.
- **Right of first refusal:** According to Section 11 of the Corporate Bonds Act, shareholders with rights of first refusal or of accretion in the subscription of new common shares (the "existing shareholders") could exercise such rights in the subscription of the Convertible Corporate Bonds during the first ten calendar days of the subscription period, which occurred between July 15 and July 25, 2017. To such end, (i) according to the provisions of Section No. 194 of the Companies Law, the Company offered the Convertible Corporate Bonds to its shareholders by notices published during three days in the Argentine Official Gazette and in a leading newspaper before the subscription period; and (ii) the first business day of the subscription period, Caja de Valores S.A., in its capacity as subscription agent appointed by the Company in connection with the Convertible Corporate Bonds, recorded in the Company's shareholders register (in the case of holdings appearing therein), or in the client's account of the relevant depository agents in Caja de Valores S.A. (in the case of holdings under a collective deposit system), the coupons representing the rights of first refusal and of accretion in connection with the holdings of each shareholder of the Company and the issuance of the Convertible Corporate Bonds. The existing shareholders could trade and dispose of, and assign and/or transfer such coupons in accordance with the practices of the subscription agent.

Note 45. Accounting policy used by the Company to recognize and measure the issuance of convertible corporate bonds (continued)

- **Voluntary conversion:** At the holder's option, the Convertible Corporate Bonds may be converted at any time as from the issue date, but always before the maturity date and for an amount not lower than a minimum denomination equal to US$ 1,000, in full or in part, in new common shares. However, if any amount of principal, interest, additional amounts or other amounts owed under the Convertible Corporate Bonds remain outstanding after the maturity date, the conversion right shall be extended until any such amount is paid in full.
- **Mandatory Conversion:** Should the Company make an initial public offering or "IPO" in a U.S. stock exchange or market, Convertible Corporate Bonds 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:** By a "supplementary notice" published on July 11, 2017, the Company informed investors that the conversion price of the Convertible Corporate Bonds is US$ 0.50. Therefore, and according to the provisions in the Offering Memorandum, if holders of corporate bonds decide to convert their convertible bonds into new common shares of the Issuer, each holder will have the right to receive 2,000 new common shares for Convertible Corporate Bonds of nominal value US$ 1,000.
- **Conversion right:** At the holder's option, the Convertible Corporate Bonds (or any portion thereof) may be converted at any time as from the issue date, but always before the maturity date and for an amount not lower than the minimum denomination, into shares of common stock of the Company with nominal value $1 each and carrying the right to one vote each.

Upon assessing the features of the convertible corporate bonds, the Company has applied the mechanisms provided for in IAS 32 and IAS 39 for the recognition and recording of the liability and equity components of these bonds.

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 on a *pro rata* basis to all its existing shareholders, in accordance with the rights of first refusal and accretion, as defined by the Companies Law and the regulatory framework of CNV.

Once the value of both components was determined following the methodology mentioned above, the liability component was recorded according to the guidelines of IAS 39 in "Loans" (Note 14) in a total amount of US$ 93,929,509 (net of related expenses), equivalent to $ 1,659,734,424. The equity component was recorded in "Capital Contribution" in a total amount of US$ 54,158,649 (net of related expenses) equivalent to $ 956,983,330, 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 National Securities Commission. 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, totaling $ 334,944,165.

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 Bonds as of December 31, 2017, generating income in the amount of $ 47,849,166, which was included in line "Tax Reform Law No. 27430", as per IAS 12 "Income Tax" and SIC-25 "Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders."

As of the date of issuance of these financial statements, TGLT has used the funds obtained in an aggregate amount of US$ 50, 4 million, as follows: (i) issue expenses: US$ 1.9 million; (ii) working capital US$ 29.8 million; (iii) discharge of financial debt: US$ 12.5 million and (iv) new investments: US$ 6.2 million.

Note 46. Resolutions at Shareholders' Meetings

At the Extraordinary General Shareholders' Meeting held on April 14, 2016, shareholders approved a capital increase by means of the issuance of new shares of the Company to be placed by public offering in Argentina and/or abroad, considering the current context of the Company and the capital markets.

The increase was approved for up to a nominal value of $ 345,000,000, that is, from $ 70,349,485 to up to $ 415,349,485, through the issuance of up to 345,000,000 common, registered shares of nominal value $1 (one peso) each and one vote per share, with right to dividends on equal terms as the rest of the shares outstanding at the time of issuance and with a stock premium of $ 13 minimum and $ 24 maximum per share. These shares shall be offered in a public bid in Argentina and/or abroad.

Therefore, subscription price of the new shares, that is, the nominal value of each share plus the relevant stock premium, shall be determined by the Board of Directors or by an officer of the Company authorized by the Board of Directors, within the stock premium range indicated above. As a result of this capital increase, shareholders resolved to shorten the term to exercise their right of first refusal and accretion with respect to the subscription of the new shares to ten calendar days, in accordance with the provisions of section 194 of the Companies Law for companies offering their shares publicly.

The Extraordinary General Shareholders' Meeting also resolved to amend certain sections of the Bylaws in order to adapt the new plan of development and growth of the Company, as detailed in the Reporting Summary: Sections Four (Purpose), Five (Capital), Seven (Management and Representation), Nine (Powers of the Board of Directors), Ten (Supervisory Committee), Eleven (Meetings), Twelve (Audit Committee), Thirteen (Year End) and Fourteen (Dissolution and Liquidation).

These amendments were registered on August 9, 2016 before the Superintendence of Corporations.

On April 20, 2017, the Annual and Extraordinary Shareholders' Meeting approved, among other matters: (i) to increase capital as detailed in the first paragraph; (ii) to extend the term of the Global Program for the issuance of Corporate Bonds for a maximum outstanding amount of up to US$ 50,000,000 (or its equivalent in other currencies) for a 5-year term; (iii) to issue corporate bonds convertible into common, registered shares of nominal value of $ 1 (one peso) each and one vote per share and with dividend rights on equal terms as common shares currently outstanding as from the fiscal year in which the conversion right is exercised, for up to a total amount of US$ 150,000,000 or its equivalent in other currencies, in one or more series; (iv) to reduce the term to exercise the right of first refusal and accretion for the subscription of the Convertible Bonds to ten calendar days, in accordance with the provisions of section 194 of the Companies Law No. 19550; (v) to modify and approve the parameters within which the Board of Directors shall set stock premium within a range of $ 13 minimum and $ 35 maximum per share, and (6) to approve the allocation of profits of $ 4,776,567 for the fiscal year ended December 31, 2016 to the setting up of a legal reserve for $ 238,828 and an optional reserve of $ 4,537,739. The item "Other comprehensive profit or loss" was not considered since, as long as it exists and presents negative balances, profits should be allocated to a reserve that supports losses.

Note 47. Cancellation of the BDR Level II program (Brazilian Depositary Receipts or Certificated Notes deposited with a custodian bank or institution)

On July 7, 2016, the Company filed an application to cancel its BDR Level II program (Brazilian Depositary Receipts or Certificated Notes deposited with a custodian bank or institution), its registration as foreign issuer of category "A" securities with the Brazilian Securities Commission (in Portuguese, Comissão de Valores Mobiliários or "CVM"), and the trading of BDRs in the general panel of BM&FBOVESPA S.A. – "Bolsa de Valores, Mercadorias e Futuros" ("BM&FBOVESPA") (Stock Exchange).

On November 17, 2016, TGLT submitted to the market the procedure to cancel the program, describing the alternatives approved by the CVM to withdraw outstanding BDRs from the BM&FBOVESPA, namely: (a) the swap of the BDRs for shares issued by the Company to be traded at the Buenos Aires Stock Exchange (the "BCBA"); or (b) the repurchase of up to 2,000 BDRs of the Company at a price of R$20 per BDR for cancellation thereof.

During December 2016, the Company chose option (b), and as of December 31, 2016, the Company held in treasury 10,000 shares of nominal value $1 each. The total amount paid for such shares was $ 214,985.

Finally, on February 2, 2017, TGLT was informed of its de-registration as foreign issuer of category "A" securities from the CVM.

On April 20, 2017, the Annual and Extraordinary Shareholders' Meeting authorized the sale of the 10,000 treasury shares owned by the Company without giving the right of first refusal to its shareholders based on the provisions of Section No. 67 of Capital Markets Law No. 26831 and Section 221 of Companies Law No. 19550, considering that such number of shares accounts for 0.014% of the Company's share capital.

During May 2017, the Company sold the 10,000 treasury shares for $ 119,433, which resulted in a loss of $95,552. According to the provisions of Section No. 3, paragraph 11 e), Chapter III, Title IV of General Resolution 562/13, this loss generates a new item in the Statement of Changes in Shareholders' Equity, named "Buyback Premium ", which imposes a restriction on the distribution of unappropriated retained earnings or freely available reserves in an equal amount.

Note 48. Deconsolidation of Marina Río Luján S.A.

As of December 31, 2017, the Company's Management has carried out an assessment of the facts and circumstances to verify compliance with the requirements for consolidation of its financial statements with those of Marina Río Luján S.A.; the Company owns 49.99% of the share capital of Marina Río Luján S.A. The result of this assessment indicates that during the current fiscal year the requirements laid down by IFRS 10 in relation to the "control" principle have not been met. In consequence, the Company's share in María Río Luján S.A. of $ 262,411,896 is disclosed under "Investments in Companies".

Regardless of the factors considered in the aforementioned assessment and its result, the Company is still the developer of the Venice project, which belongs to Marina Río Luján S.A.

As a result of the deconsolidation, the consolidated statement of financial position as of December 31, 2017 cannot be compared with the statements of financial position as of December 31, 2016 and 2015. Over the last two years, the following balances of assets and liabilities were consolidated in relation to Marina Río Luján S.A.:

	12/31/2016	12/31/2015
Non-current assets	909,900,389	47,926,304
Current assets	326,952,036	266,934,573
Total assets	**1,236,852,425**	**314,860,877**
Non-current liabilities	287,923,462	27,962,114
Current liabilities	522,513,254	303,130,292
Total liabilities	**810,436,716**	**331,092,406**
Shareholder's equity	426,415,709	(16,231,529)
Total liabilities and shareholder's equity	**1,236,852,425**	**314,860,877**

The statements of comprehensive loss and cash flows as of December 31, 2017 cannot be compared with the respective statements as of December 31, 2016 and 2015. As of these last two dates, the balances of Marina Río Luján S.A. were the following:

	12/31/2016	12/31/2015
Operating results	(15,473,740)	(21,046,837)
Other expenses	(10,483)	(13,977)
Profit/(loss) from valuation of investment properties	701,806,250	-
Financial results, net	(5,283,891)	(421,350)
Other expenses	4,920	127,634
Income/(loss) for the fiscal year before income tax	**681,043,056**	**(21,354,530)**
Income tax	(238,395,818)	6,872,049
Income/(loss) for the fiscal year	**442,647,238**	**(14,482,481)**
Net cash flows provided by/ (used in) operating activities	(131,767,737)	(11,219,755)
Net cash flow provided by / (used in) investment activities	(9,694,236)	(52,609)
Net cash flow provided by / (used in) financing activities	145,095,424	9,058,638
Net increase (decrease) in cash and cash equivalents	**3,633,451**	**(2,213,726)**

Note 49. Rejection of the Metra Devoto project

The Management of the Company, after a new analysis of profitability, decided against developing the Metra Devoto project. As a result of this decision, the value of the land acquired plus the costs incurred as of December 31, 2017 for a total amount of $ 73,330,556 were reclassified to the item Assets held for sale under Current assets, since the Company considers that they may be realized within the present year 2018. As of the date of issuance of these financial statements, all contracts with customers that had been entered into were successfully terminated.

Note 50. Award of real property following a successful bid at a public auction

On October 26, TGLT S.A. won public auction No. 33/17 "Catalinas Norte Project# of the Government Assets Management Agency (Agencia de Administración de Bienes del Estado (AABE)), a decentralized agency functioning under the Office of the Chief of the Cabinet of Ministers, for the property located at Avenida Eduardo Madero s/N°, between Boulevard Cecilia Grierson and San Martín, City of Buenos Aires, of an approximate area of 3,200 square meters (the "Property"). The Company offered US$ 40,500,000 for the Property. The award of the Property was approved by the Office of the Chief of the Cabinet of Ministers on February 1, 2018; TGLT paid 10% of the value, equivalent to US$ 4,050,000.

The acquisition of the Property requires that a permanent structure be built thereon with a roofed area according to the zoning requirements applicable to the Property. Construction of the structure shall commence within 3 years and completed within 5 years, in both cases, from the execution of the deed transferring title to the Property in favor of the Company.

Note 51. 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 9
Exhibit B -Intangible assets	Note 10
Exhibit C - Investments in shares	Not applicable
Exhibit D - Other investments	Not applicable
Exhibit E - Allowances and provisions	Notes 19 and 33
Exhibit F - Cost of goods sold	Note 24
Exhibit G - Assets and liabilities in foreign currency	Note 40
Exhibit H - Ordinary selling, administrative and financing expenses	Notes 25, 26 and 27

Note 52. Stock options

The Shareholders' Meetings held on October 30, 2009, December 20, 2011, April 30, 2014 and April 16, 2016, resolved to establish a stock option plan for shares to be issued by the Company to certain current and future executive officers and senior employees. According to the shareholders' resolutions, the stock options will convey the right, as a whole, to subscribe up to a number of shares equivalent to 7% of the current share capital, taking into account and including the shares to be issued under the stock options, subject to the adjustments and final terms and conditions as the Board of Directors shall determine.

On April 14, 2016, the Annual and Extraordinary Shareholders' Meeting approved the issuance of additional stock options for up to 5% of the number of shares to be issued as a result of the capital increase approved at that Meeting (see Note 46), to be granted to Company's managers and employees. At that Shareholders' Meeting, shareholders delegated to the Board of Directors the determination of the terms and conditions for the issuance of such stock options.

On July 5, 2017, the Company's Board of Directors resolved to cancel the stock option incentive plan pending resolution by the National Securities Commission, as such incentive plan is no longer effective in the light of the Company's current situation and projects.

Note 53. Information on investment in companies

The companies in which the Company has a non-controlling interest are:

Company	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Marina Río Luján S.A. (MRL)	49.99%	49.99%	49.99%
Sitia S.A.(SITIA)	-	5.00%	5.00%

As explained in Note 48, the Company's Management has decided to deconsolidate Marina Río Luján SA, thus recording an asset of $ 262,411,896 disclosed in Investments in Companies under Non-current assets and a loss of $ 12,619,230 in the Statement of profit or loss.

There follows a brief description of the financial information of each company's assets, liabilities and profit/(loss) for the fiscal year.

	Dec 31, 2017		Dec 31, 2016		Dec 31, 2015	
	MRL	SITIA	MRL	SITIA	MRL	SITIA
Assets	1,623,380,816	-	1,236,629,840	3,654,659	314,638,292	100,000
Non-controlling interest	**811,690,408**	-	**618,314,920**	**128,830**	157,319,146	**5,000**
Liabilities	1,228,842,958	-	810,214,131	1,392,563	330,869,821	-
Non-controlling interest	**614,421,479**	-	**405,107,066**	**69,628**	165,434,910	-
Income/(loss) for the fiscal year	(31,877,851)	-	442,647,238	2,262,096	(14,482,481)	-
Non-controlling interest	**(15,938,926)**	-	**221,323,619**	**108,104**	**(7,241,240)**	-

Note 54. Financial statements approval

These condensed consolidated interim financial statements as of December 31, 2017, as well as the stand-alone financial statements as of that date, were approved by the Board of Directors at their meeting held on March 8, 2017.

Note 55. Subsequent events

Below is a summary of the relevant subsequent events that occurred after year-end.

- During February 2018, the Company was notified of the decision of a holder of corporate bonds convertible into shares, to exercise its right to convert them into common shares for the sum of US$ 500,000. As a result of said conversion, the Company's share capital has increased by 1,000,000 common, registered shares of nominal value $ 1 each. Therefore, since the conversion, the share capital of TGLT amounting to $ 70,349,485 rose to $ 71,349,485.00. The conversion was made in accordance with the terms and conditions established in the Offering Memorandum of the Convertible Corporate Bonds and at the conversion price of US$ 0.50.

- On January 19, 2018, the Company acquired from certain shareholders of Caputo Sociedad Industrial, Comercial y Financiera (the "Sellers" and "Caputo", respectively) shares representing 82.32% of the share capital and voting rights of Caputo in accordance with the provisions of the share purchase agreements. Consequently, by virtue of the transaction, the Company has become the parent company of Caputo.

The price of the transaction amounted to the equivalent of $ 15.116 per share, which represents a total value of $ 2,090,051,363.7 for the shares. On January 19, 2018, 48.90% of the price was paid while the remaining balance will be paid as follows: (a) 25.92% of the price on January 19, 2019; and (b) the remaining 25.18% of the price on January 19, 2020. The price is subject to potential adjustments as provided for in the transaction documents.

To secure payment of the remaining balance of the price, the Company has granted to the sellers a first-degree pledge over the shares and, subsequently, a first-demand bank guarantee will be created in their favor.
Lastly, the Company must make, in accordance with the provisions of section 87 *et seq.* of the Capital Markets Law No. 26831 and the applicable CNV Rules, a Mandatory Acquisition of Shares in a Public Offering in cash and Voluntary Share Swap in a Public Offering addressed to all holders of common, registered shares of nominal value $1 (one peso) each and one vote per share, currently issued and outstanding from Caputo, and subject to the conditions to be communicated in due time and manner. This Offer has not yet been approved by CNV.

- On February 28, 2018, the Annual and Extraordinary Shareholders' Meeting approved a capital increase of the Company for up to a nominal value of $ 25,000,000, in order to issue up to 25,000,000 new common, registered shares of nominal value $1 (one peso) each and one vote per share with right to dividends on equal terms as the rest of the shares outstanding, to be paid in kind through the transfer to the Company of Caputo's shares owned by Caputo's shareholders who choose to participate in the Share Swap. Said increase will represent up to 35,038% of the share capital after the increase. The determination of the terms and conditions of the issuance of these shares was delegated to the Company's Board of Directors and the right of first refusal relating to the shares to be swapped was suspended.

In the Shareholders' Meeting, a capital increase previously approved at the Annual and Extraordinary General Shareholders' Meetings of April 14, 2016 and April 20, 2017 was ratified and it was decided to increase the amount up to a nominal value of $ 550,000,000 through the issuance of up to 550,000,000 common, registered shares of nominal value $1 (one peso) each and one vote per share with right to dividends on equal terms as the rest of the shares outstanding at the time of issuance, to be offered in a public bid in Argentina and/or abroad in one or more opportunities, to be paid in cash, and with a stock premium of $ 10 minimum and $ 35 maximum per new share. This increase will represent up to 770.853% of the share capital after the issuance of the New Shares, without considering the increase mentioned above.

Lastly, the Company would make, in accordance with the provisions of the Capital Markets Law No. 26831 and applicable CNV Rules, a Mandatory Acquisition of Shares in a Public Offering in cash and Voluntary Share Swap in a Public Offering addressed to all holders of common, registered shares of nominal value $1 (one peso) each and one vote per share, currently issued and outstanding from Caputo, and subject to the conditions to be communicated in due time and manner. In compliance with the provisions of the CNV Rules, the Offer must be made within 10 calendar days from the date of the decision for the offer to acquire the shareholding of Caputo; thus the deadline to formally make the Offer expires on Monday, January 29, 2018.

Note 55. Subsequent events (continued)

The Offer would consist of (i) a mandatory acquisition of shares in a public offering at a price per share payable in cash (the "Mandatory Acquisition of Shares in a Public Offering"), and (ii) a voluntary share swap in a public offering for common shares of TGLT, at a swap ratio to be determined (the "Voluntary Share Swap in a Public Offering").

On January 25, 2018, the Board of Directors' Meeting of TGLT approved (i) to make the Offer, stating that TGLT has financial resources to pay the full price of the Mandatory Acquisition of Shares in a Public Offering, (ii) to set the price per share under the Mandatory Acquisition of Shares in a Public Offering, and (iii) to convene an annual and extraordinary general shareholders' meeting to be held on February 28, 2018 (first call) and on March 14, 2018 (second call, only for the purposes of the Annual Shareholders' Meeting, in compliance with the provisions of section 237 of the Companies Law), among other purposes, to approve a capital increase of up to $ 25,000,000, which may be subscribed with Caputo's shares from holders who decide to accept the Voluntary Share Swap in a Public Offering, and set the parameters and price range within which the Board of Directors must establish the swap formula to be offered in the Voluntary Share Swap in a Public Offering.

Shareholders may choose to participate in the Mandatory Acquisition of Shares in a Public Offering and/or the Voluntary Share Swap in a Public Offering and/or maintain their shares.

The Mandatory Acquisition of Shares in a Public Offering will not be subject to conditions of minimum or maximum number of shares to be acquired, and will be maintained regardless of the number of acceptances received. The Voluntary Share Swap in a Public Offering will be made for up to a number of shares that will cover all the requests under the Voluntary Share Swap in a Public Offering, even in the case that all shareholders opt for the Voluntary Share Swap in a Public Offering; for this purpose, the Shareholders' Meeting may authorize the suspension of the right of first refusal with respect to the TGLT shares to be offered under the Voluntary Share Swap in a Public Offering. The Offer is voluntary for the shareholders of Caputo.

1) Price of the Mandatory Acquisition of Shares in a Public Offering

As single consideration and in accordance with the guidelines established in the Capital Markets Law and the CNV Rules, the Offeror offers to pay to the holders who decide to participate in the Mandatory Acquisition of Shares in a Public Offering a fixed price of US$ 0, 7914 per Share (the "Price"), in pesos at the retail offer exchange rate published by Banco de la Nación Argentina at the close of business on the business day immediately preceding the launch date of the Offer (to take place once the Offer has been authorized by the CNV). The Price may be modified, provided that this is allowed by current regulations, which will be duly informed in the Offering Memorandum and documents. In compliance with the provisions of section 98 of the Capital Markets Law, the Company's Supervisory Committee and the Audit Committee expressed their opinions on the price and stated that it is reasonable and equitable.

Likewise, the Offeror had two independent appraisers determined the Price, Quantum Finanzas S.A. and Finanzas y Gestión S.A., as indicated in article 5, Section I, Chapter II, Title III of the CNV Rules. The opinions of the appraisers were presented on January 26 to the CNV together with the Offer and are available to investors on the Financial Information Highway of the CNV and in the usual BYMA systems (including the daily gazette published by the Buenos Aires Stock Exchange) and Mercado Abierto Electrónico.

The Offeror has informed that the agreed price payable to the Sellers under the Purchase Agreements in the framework of the Transaction was US$ 0.7914 per share of Caputo; which, converted at the retail offer exchange rate published by Banco de la Nación Argentina at the close of business on January 18, 2018 (business day immediately prior to the closing date of the Transaction), was equivalent to $ 15.116 (fifteen point one hundred sixteen Argentine pesos) per share of Caputo. The Offeror confirms that, in accordance with the provisions of the Capital Markets Law and the CNV Rules, the price payable within the framework of the Cash Acquisition Offer shall in no case be lower than the price paid to the Sellers under the Purchase Agreements or the average price of the Shares during the six-month period immediately prior to the announcement of the Offer.

1) Voluntary Share Swap in a Public Offering

As single consideration for the participation of the holders of Shares in the Voluntary Share Swap in a Public Offering, TGLT will deliver shares of TGLT in exchange for the Shares, at a swap ratio that will be fixed by the TGLT Board, according to the parameters to be determined by the Shareholders' Meeting (the "Swap Ratio").

The Voluntary Share Swap in a Public Offering is an alternative that the Company will present voluntarily to the holders of Shares. As a result, the Swap Ratio that the Offeror will establish does neither require approval by the CNV nor is it subject to the challenges set forth in section 98 *in fine* of the Capital Markets Law.

2) Terms of the Offer

The Offer is contingent upon, among other conditions that will be detailed in the Offering Memorandum, compliance with the following conditions:

- Termination of one or more of the Purchase Agreements shall not occur.
- Authorization of the CNV shall be obtained and maintained to make the Offer in the terms set by TGLT.

3) Deadline and terms to accept the Offer

The deadline for accepting the Offer, the procedure and the remaining terms and conditions of the Offer will be informed by notices and the Offering Memorandum, all of which will be published once the necessary authorizations have been obtained and the conditions to make the Offer have been met.

Note 55. Subsequent events (continued)

4) Other considerations

According to what has been previously reported, and with the intention of providing all the relevant information, the Offeror informs that it is considering the possibility, after the completion of the Mandatory Acquisition of Shares in a Public Offering and the Voluntary Share Swap in a Public Offering, of merging Caputo and TGLT, TGLT being the surviving company, all of which will be, once the exhaustive analysis is concluded, submitted to the consideration of the boards of directors' and shareholders' meetings of both companies.

The information contained herein is for information purposes only and does not constitute and shall not be construed as an offer to acquire or swap shares or as an invitation to transfer shares (including, without limitations, the Shares). The final terms and conditions of the Offer will be described in the Offering Memorandum and in any other document related to the Offer, once the necessary approvals and authorizations have been obtained.

- On March 5, 2018, a notice of subscription of Corporate Bonds was issued for a nominal value of up to US$ 10,000,000 or its equivalent in pesos, which may be extended up to US$ 25,000,000 or its equivalent in pesos, to be issued jointly or indistinctively under the following classes: a) Class XIV Corporate Bonds denominated in pesos at variable rate, maturing 18 months from the issuance and settlement date, b) Class XV Corporate bonds denominated in US dollars at fixed rate, maturing 24 months from the issuance and settlement date. The principal of Corporate Bonds will be fully amortized in a single payment on the due date, while interest will be paid on a quarterly basis.

The period of public dissemination will begin on March 6, 2018 and end on March 13, 2018, while the public auction period will begin on March 14, 2018 at 10 a.m. and end on March 14, 2018 at 4 p.m. The date of issuance and settlement will be March 20, 2018.

TGLT

STAND-ALONE FINANCIAL STATEMENTS

TGLT S.A.

AS OF DECEMBER 31, 2017

(PRESENTED COMPARATIVELY)

TGLT

TGLT S.A.

STAND-ALONE STATEMENT OF FINANCIAL POSITION

AS OF DECEMBER 31, 2017, 2016 AND 2015

	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	5	1,286,398	5,530,932	5,979,448
Intangible assets	6	405,277	712,444	934,996
Investment property	7	15,827,624	67,829,575	45,424,451
Investments in companies	8	259,835,443	333,883,986	273,638,636
Inventory	11	929,722,920	820,561,756	558,020,577
Deferred tax assets	12	67,331,077	85,380,353	57,369,051
Receivables from related parties	32	-	-	90,661,810
Other receivables	13	168,859,314	24,847,545	12,300
Total non-current assets		1,443,268,053	1,338,746,591	1,032,041,269
Current assets				
Inventory	11	347,236,281	558,705,454	647,143,743
Other assets	36	26,989,513	24,779,680	-
Assets for sale	38	73,330,556	-	-
Other receivables	13	88,744,548	114,297,274	85,146,680
Receivables from related parties	32	527,553,262	197,500,134	34,740,600
Accounts receivable from sales	14	2,222,634	9,119,242	3,680,538
Cash and cash equivalents	15	1,734,081,201	16,132,797	15,412,315
Total current assets		2,800,157,995	920,534,581	786,123,876
Total assets		4,243,426,048	2,259,281,172	1,818,165,145
SHAREHOLDER'S EQUITY		**449,143,349**	**147,742,168**	**172,124,894**
LIABILITIES				
Non-current liabilities				
Deferred tax liabilities	16	131,347,569	-	-
Other accounts payable	17	22,507,478	48,168,749	46,944,000
Customer advances	18	733,117,502	497,523,983	146,556,735
Payables to related parties	32	62,533,171	93,881,603	127,192,300
Loans	19	1,667,601,592	123,559,760	58,717,680
Other tax burdens	20	12,168,851	3,481,221	-
Trade payables	22	4,454,896	1,635,983	2,109,143
Total non-current liabilities		2,633,731,059	768,251,299	381,519,858
Current liabilities				
Tax liabilities	16	-	-	3,851,361
Provisions	23	47,280,831	7,639,276	-
Other accounts payable	17	39,275,544	50,784,623	11,712,390
Customer advances	18	209,662,489	554,456,682	363,644,799
Payables to related parties	32	107,679,822	120,227,425	394,472,560
Loans	19	342,831,615	177,025,491	198,632,130
Other tax burdens	20	17,073,302	73,892,395	12,845,707
Payroll and social security contributions	21	23,361,937	11,371,727	17,092,825
Trade payables	22	373,386,100	347,890,086	262,268,621
Total current liabilities		1,160,551,640	1,343,287,705	1,264,520,393
Total liabilities		3,794,282,699	2,111,539,004	1,646,040,251
Total shareholder's equity and liabilities		4,243,426,048	2,259,281,172	1,818,165,145

Notes 1 to 42 are an integral part of these financial statements.

TGLT

TGLT S.A.

STAND-ALONE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE LOSS

FOR THE FISCAL YEARS ENDED DECEMBER 31, 2017, 2016 AND 2015

	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Revenue from ordinary activities	25	412,731,699	255,277,505	304,865,125
Cost of ordinary activities	26	(409,809,132)	(253,560,090)	(258,349,177)
Gross profit		**2,922,567**	**1,717,415**	**46,515,948**
Selling expenses	27	(147,093,658)	(80,809,197)	(27,596,896)
Administrative expenses	28	(170,520,103)	(103,358,596)	(72,306,846)
Operating results		**(314,691,194)**	**(182,450,378)**	**(53,387,794)**
Income/(loss) from investments in companies		(33,987,729)	171,195,058	9,559,453
Other expenses	6	(414,875)	(459,810)	(316,104)
Financial results				
Foreign exchange gain/(loss)	29	(29,347,204)	(7,181,414)	(3,595,260)
Financial income	29	29,235,463	10,812,380	12,288,603
Financial costs	29	(200,277,909)	(53,204,882)	(27,704,658)
Investment property appraisal at fair value	7	(2,639,682)	56,089,210	-
Income from sale of investment property	7	58,431,000	-	-
Other income and expenses, net	30	8,326,810	14,518,992	(1,897,563)
Income/(loss) for the fiscal year before income tax		**(485,365,320)**	**9,319,156**	**(65,053,323)**
Income tax	31	133,390,283	(4,542,589)	19,976,494
Income/(loss) for the fiscal year		**(351,975,037)**	**4,776,567**	**(45,076,829)**
Other comprehensive loss				
Foreign exchange gain/(loss) of a net investment abroad		(9,254,775)	(16,596,365)	(20,823,545)
Total Other comprehensive loss		(9,254,775)	(16,596,365)	(20,823,545)
Total comprehensive loss for the fiscal year		**(361,229,812)**	**(11,819,798)**	**(65,900,374)**
Earnings/(losses) per share attributable to parent company's owners				
Basic		(5.00)	0.07	(0.64)
Diluted		(1.08)	0.07	(0.64)

Notes 1 to 42 are an integral part of these financial statements.

TGLT

TGLT S.A.

STAND-ALONE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017

Item	Capital							Reserves				Income/loss	
	Share Capital	Treasury stock	Stock premium	Irrevocable contribution	Buyback premium	Capital contribution	Total	Transactions among shareholders	Legal reserve	Optional reserve	Foreign currency translation reserve	Unappropriated retained income/loss	Total
Balances as of January 1, 2017	70,339,485	10,000	123,349,809	7,237,915	-	-	200,937,209	(19,800,843)	-	-	(38,170,765)	4,776,567	147,742,168
Resolution of Shareholders' Meeting (1)	-	-	-	-	-	-	-	-	238,828	4,537,739	-	(4,776,567)	-
Write-off of irrevocable contribution (2)	-	-	-	(7,452,900)	-	-	(7,452,900)	-	-	-	-	-	(7,452,900)
Sale of treasury stock (3)	10,000	(10,000)	-	214,985	(95,552)	-	119,433	-	-	-	-	-	119,433
Transactions with shareholders (4)	-	-	-	-	-	76,129	76,129	-	-	-	-	-	76,129
Equity component of convertible notes (5)	-	-	-	-	-	622,039,165	622,039,165	-	-	-	-	-	622,039,165
Tax Reform Law No. 27430 (5)	-	-	-	-	-	47,849,166	47,849,166	-	-	-	-	-	47,849,166
Loss for the year	-	-	-	-	-	-	-	-	-	-	-	(351,975,037)	(351,975,037)
Other comprehensive loss for the year, net of income tax	-	-	-	-	-	-	-	-	-	-	(9,254,775)	-	(9,254,775)
Comprehensive loss for the year	-	-	-	-	-	-	-	-	-	-	(9,254,775)	(351,975,037)	(361,229,812)
Balances as of December 31, 2017	70,349,485	-	123,349,809	-	(95,552)	669,964,460	863,568,202	(19,800,843)	238,828	4,537,739	(47,425,540)	(351,975,037)	449,143,349

(1) The income/loss for the year 2016 was dealt with at the Annual and Extraordinary Shareholders' Meeting held on April 20, 2017. See Note 39.
(2) See Note 44 to the consolidated financial statements.
(3) See Note 47 to the consolidated financial statements.
(4) See Note 34.3 to the consolidated financial statements.
(5) See Note 32.3 to the stand-alone financial statements.

Notes 1 to 42 are an integral part of these financial statements.

TGLT

TGLT S.A.

STAND-ALONE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

(amounts stated in Argentine pesos)

	Capital						Reserves			Income/loss	
Item	Share capital	Treasury stock	Stock premium	Irrevocable contribution	Capital contribution	Total	Transactions among shareholders	Foreign currency translation reserve	Legal reserve	Unappropriated retained income/loss	Total
Balances as of January 1, 2016	70,349,485	-	378,208,774	-	2,571,110	451,129,369	-	(21,574,400)	4,000	(257,434,075)	172,124,894
Absorption of unappropriated retained income/loss (1)	-	-	(254,858,965)		(2,571,110)	(257,430,075)			(4,000)	257,434,075	-
Irrevocable contribution (2)	-	-	-	7,452,900	-	7,452,900	-	-	-	-	7,452,900
Transactions with owners (3)	-	-	-	-	-	-	(19,800,843)	-	-	-	(19,800,843)
Purchase of treasury stock (4)	(10,000)	10,000	-	(214,985)	-	(214,985)	-	-	-	-	(214,985)
Income/(loss) for the year	-	-	-	-	-	-	-	-	-	4,776,567	4,776,567
Other comprehensive loss for the year, net of income tax	-	-	-	-	-	-	-	(16,596,365)	-	-	(16,596,365)
Comprehensive income/loss for the year	-	-	-	-	-	-	-	(16,596,365)	-	4,776,567	(11,819,798)
Balances as of December 31, 2016	**70,339,485**	**10,000**	**123,349,809**	**7,237,915**	**-**	**200,937,209**	**(19,800,843)**	**(38,170,765)**	**-**	**4,776,567**	**147,742,168**

(1) Decided by the Annual and Extraordinary Shareholders' Meeting held on April 14, 2016.
(2) On September 30, 2016, the Board of Directors approved an irrevocable contribution with specific allocation. See Note 39.
(3) Purchase of shares of Canfot S.A.
(4) Purchase of BDRs. See Note 41.

Notes 1 to 42 are an integral part of these financial statements.

TGLT S.A.

STAND-ALONE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE FISCAL YEAR ENDED DECEMBER 31,2015

(amounts stated in Argentine pesos)

Item	Capital				Reserves			Income/loss	Total
	Share Capital	Stock premium	Capital contribution	Total	Transactions among shareholders	Foreign currency translation reserve	Legal reserve	Unappropriated retained income/loss	
Balance as of January 1, 2015	70,349,485	378,208,774	8,057,333	456,615,592	(5,486,223)	(750,855)	4,000	(212,357,246)	238,025,268
Reserves allocation (1)	-	-	(5,486,223)	(5,486,223)	5,486,223	-	-	-	-
Loss for the year	-	-	-	-	-	-	-	(45,076,829)	(45,076,829)
Other comprehensive loss for the year, net of income tax	-	-	-	-	-	(20,823,545)	-	-	(20,823,545)
Comprehensive loss for the year	-	-	-	-	-	(20,823,545)	-	(45,076,829)	(65,900,374)
Balance as of December 31, 2015	**70,349,485**	**378,208,774**	**2,571,110**	**451,129,369**	**-**	**(21,574,400)**	**4,000**	**(257,434,075)**	**172,124,894**

(1) Allocation of reserves approved by the Annual Shareholders' Meeting held on April 30, 2015.

Notes 1 to 42 are an integral part of these financial statements.

TGLT

TGLT S.A.

STAND-ALONE STATEMENT OF CASH FLOWS

FOR THE FISCAL YEARS ENDED DECEMBER 31, 2017, 2016 AND 2015

(amounts stated in Argentine pesos)

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Operating activities			
Income/loss for the year	(351,975,037)	4,776,567	(45,076,829)
Adjustments to obtain the cash flow from operating activities			
Income tax	(133,390,283)	4,542,589	(19,976,494)
Depreciation of property, plant and equipment	2,149,063	1,211,749	1,793,763
Impairment of goodwill	59,264,824	-	-
Amortization of intangible assets	414,875	459,810	316,104
Gain/loss on investments in associates	(16,022,321)	(154,598,693)	11,264,092
Translation gain/loss	(9,254,775)	(16,596,365)	(20,823,545)
Gain/loss on appraisal of investment property at fair value	2,639,682	(56,089,210)	-
Gain/loss on sale of property, plant and equipment	-	(3,740,441)	-
Gain/loss on sale of investment property	(58,431,000)	-	-
Changes in operating assets and liabilities			
Receivables from sales	6,896,608	6,809,869	(1,719,775)
Other receivables	(131,551,332)	114,319,017	(37,773,230)
Other assets	(2,209,833)	(24,779,680)	-
Receivables from related parties	(330,053,128)	(72,097,724)	(106,623,562)
Inventories	80,370,459	(15,178,695)	(155,937,731)
Tax assets and liabilities	282,787,128	(30,824,725)	5,823,374
Trade payables	28,314,927	60,472,874	93,207,035
Fringe benefits	11,990,210	(5,721,098)	7,578,468
Other tax burden	(48,131,463)	33,230,609	9,544,455
Payables with related parties	(22,593,433)	(332,739,996)	166,782,078
Customer advances	(109,200,674)	380,192,930	30,310,704
Other accounts payable	(37,170,350)	2,055,478	15,905,880
Provisions	39,641,555	7,628,507	-
Minimum presumed income tax	-	(2,893,539)	(4,302,326)
Net cash flows provided by/ (used in) operating activities	**(735,514,298)**	**(99,560,167)**	**(49,707,539)**
Investment activities			
Investments not considered as cash	(554,263)	(595,311)	(921,873)
Payments for purchase of investment property	(2,030,737)	(2,354,915)	(344,205)
Collections from sale of investment property	71,523,289	56,051,010	-
Payments for purchase of property, plant and equipment	(290,177)	(3,464,918)	(2,631,517)
Collections from sale of other assets	-	6,442,126	-
Payments for purchase of intangible assets	(107,708)	(237,258)	(511,050)
Decrease of controlled investments	2,156,667	-	-
Transfer of property, plant and equipment	2,385,648	-	-
Net cash flow provided by / (used in) investment activities	**73,082,719**	**55,840,734**	**(4,408,645)**
Financing activities			
Loans (Note 19)	1,709,847,956	43,235,441	34,393,494
Acquisition of ownership interest in other companies	(106,129)	-	-
Irrevocable contribution	-	7,452,900	-
Capital contribution	669,964,460	(19,800,843)	-
Purchase of treasury stock	-	(214,985)	-
Collection from the sale of treasury stock	119,433	-	-
Net cash flow provided by / (used in) financing activities	**2,379,825,720**	**30,672,513**	**34,393,494**
Net increase / (decrease) in cash and cash equivalents	1,717,394,141	(13,046,920)	(19,722,690)
Cash and cash equivalents at beginning of the year	12,953,103	12,827,932	32,550,622
Cash and cash equivalents resulting from the merger of Canfot S.A.	-	13,172,091	-
Cash and cash equivalents at year-end (See Note 15)	**1,730,347,244**	**12,953,103**	**12,827,932**

Notes 1 to 42 are an integral part of these financial statements.

NOTES TO THE STAND ALONE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2017, PRESENTED COMPARATIVELY
(amounts stated in Argentine pesos)

Note 1. Purpose of financial statements

On October 14, 2010, the National Securities Commission ("CNV", by its Spanish acronym) authorized the Company to make a public offer of up to 45,400,000 book-entry shares of common stock, which could be extended up to 61,800,000 shares. Furthermore, the Buenos Aires Stock Exchange ("BCBA", by its Spanish acronym) authorized the listing of TGLT S.A.'s shares as of October 19, 2010

These stand-alone financial statements (hereinafter the "financial statements") as of December 31, 2017, have been prepared by the Company's Management in order to comply with the requirements of the CNV and the BCBA, within the framework of the authorization process for the public offering of its shares

Note 2. Declaration of compliance with IFRS

These stand-alone financial statements have been prepared in accordance with the IFRS issued by the IASB.

Note 3. Company's business

TGLT is engaged in the development and control of real estate projects, from the acquisition of land, to the management of construction, going through sales and marketing, guaranteeing the professional management of the necessary working capital at all times.

As of the date of issuance of these financial statements, the Company, together with other investors, is engaged in several urban projects fully managed by the Company, for which it receives a fee, both fixed and variable, for the tasks developed.

Note 4. Basis for presentation of stand-alone financial statements

These stand-alone 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 subsidiaries, the Management of the Company recommends that these stand-alone financial statements be read together with the accompanying consolidated financial statements.

There are no new developments to report regarding the accounting policies applied to the preparation of the stand-alone financial statements as of December 31, 2017, except for the provisions of Note 4.16 to the consolidated financial statements, where a 12-month period approach was adopted to consider current assets and liabilities. Therefore, the accounting policies described in the consolidated financial statements have been followed for the preparation of these stand-alone financial statements. As provided for by IAS 8, information for fiscal years 2016 and 2015 has been comparatively presented.

(amounts stated in Argentine pesos)

Note 4. Basis for presentation of stand-alone financial statements (continued)

Basis for preparation

As per Title IV, Chapter I, Section I, article b.1) of the CNV Rules ("NT 2013") approved by General Resolution No. 622/13, the CNV provided for the application of Technical Resolution No. 26 of the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE", by its Spanish acronym) and its amendments, whereby IFRS must be applied by all entities included in the public offering system.

These stand-alone financial statements have been prepared in accordance with the provisions of IAS 34, issued by the IASB.

These stand-alone financial statements are for fiscal year beginning January 1, 2017 end ended December 31, 2017. As per IFRS, the information related to fiscal years ended December 31, 2016 and 2015 are comparatively presented, jointly with the statements of profit or loss and other comprehensive profit or loss, changes in shareholders' equity and cash flows for the year ended December 31, 2017, comparative with the previous fiscal year.

The IAS 29 "Financial reporting in hyperinflationary economies" requires that the financial statements of an entity whose functional currency is that of a hyperinflationary economy be expressed in terms of the unit of measurement prevailing as of the year-end date of the reporting period, regardless of whether they are based on the historical cost method or the current cost method.

The controlling authorities have issued no opinion on this matter, as of the date of issuance of these financial statements. However, any recent fluctuations in relevant economic variables should be considered when reading and analyzing these financial statements.

These stand-alone financial statements were approved by the Board of Directors at the Board Meeting held on March 8, 2018.

Note 5. Property, plant and equipment

	Furniture and fixtures	Hardware	Improvements in third parties' real property	Showroom	Total
Original value					
Balance as of January 1, 2017	1,169,846	1,724,841	1,070,936	13,266,948	17,232,571
Acquisitions	28,400	36,937	224,840	-	290,177
Transfers	-	-	-	(2,385,648)	(2,385,648)
Total	1,198,246	1,761,778	1,295,776	10,881,300	15,137,100
Depreciation and impairment					
Balance as of January 1, 2017	(542,000)	(1,325,261)	(947,382)	(8,886,996)	(11,701,639)
Depreciations	(116,834)	(235,683)	(159,795)	(1,636,751)	(2,149,063)
Decreases	-	-	-	-	-
Total	(658,834)	(1,560,944)	(1,107,177)	(10,523,747)	(13,850,702)
Residual value as of Dec 31, 2017	539,412	200,834	188,599	357,553	1,286,398

(amounts stated in Argentine pesos)

Note 5. Property, plant and equipment (continued)

	Furniture and fixtures	Hardware	Improvements in third parties' real property	Improvements in owned real property	Showroom	Real property	Total
Original value							
Balance as of January 1, 2016	974,182	1,363,128	1,070,936	353,478	7,813,306	2,732,142	14,307,172
Acquisitions	175,659	247,904	-	-	3,041,355	-	3,464,918
Balance contributed by Canfot S.A.	20,005	120,133	-	-	2,412,287	-	2,552,425
Decreases	-	(6,324)	-	(353,478)	-	(2,732,142)	(3,091,944)
Total	1,169,846	1,724,841	1,070,936	-	13,266,948	-	17,232,571
Depreciation and impairment							
Balance as of January 1, 2016	(410,353)	(980,923)	(856,289)	(206,261)	(5,776,982)	(96,916)	(8,327,724)
Depreciation	(111,642)	(230,529)	(91,093)	(58,913)	(697,727)	(21,845)	(1,211,749)
Balance contributed by Canfot S.A.	(20,005)	(120,133)	-	-	(2,412,287)	-	(2,552,425)
Decreases	-	6,324	-	265,174	-	118,761	390,259
Total	(542,000)	(1,325,261)	(947,382)	-	(8,886,996)	-	(11,701,639)
Residual value as of December 31, 2016	**627,846**	**399,580**	**123,554**	**-**	**4,379,952**	**-**	**5,530,932**

	Furniture and fixtures	Hardware	Improvements in third parties' real property	Improvements in owned real property	Showroom	Real property	Total
Original value							
Balance as of January 1, 2015	809,623	1,037,753	853,656	334,998	5,907,483	2,732,142	11,675,655
Acquisitions	164,559	325,375	217,280	18,480	1,905,823	-	2,631,517
Total	974,182	1,363,128	1,070,936	353,478	7,813,306	2,732,142	14,307,172
Depreciation and impairment							
Balance as of January 1, 2015	(318,256)	(867,907)	(793,865)	(93,055)	(4,416,825)	(44,053)	(6,533,961)
Depreciation	(92,097)	(113,016)	(62,424)	(113,206)	(1,360,157)	(52,863)	(1,793,763)
Total	(410,353)	(980,923)	(856,289)	(206,261)	(5,776,982)	(96,916)	(8,327,724)
Residual value as of Dec 31, 2015	**563,829**	**382,205**	**214,647**	**147,217**	**2,036,324**	**2,635,226**	**5,979,448**

Note 6. Intangible assets

	Software	Software development	Trademarks	Total
Original value				
Balance as of January 1, 2017	257,639	2,748,933	15,071	3,021,643
Acquisitions	47,571	60,137	-	107,708
Total	305,210	2,809,070	15,071	3,129,351
Amortization and impairment				
Balance as of January 1, 2017	(238,175)	(2,061,342)	(9,682)	(2,309,199)
Amortization	(15,571)	(397,893)	(1,411)	(414,875)
Total	(253,746)	(2,459,235)	(11,093)	(2,724,074)
Residual value as of Dec 31, 2017	**51,464**	**349,835**	**3,978**	**405,277**

(amounts stated in Argentine pesos)

Note 6. Intangible assets (continued)

	Software	Software development	Trademarks	Total
Original value				
Balance as of January 1, 2016	257,639	2,470,059	15,071	2,742,769
Acquisitions	-	237,258	-	237,258
Balance contributed by Canfot S.A.	-	41,616	-	41,616
Total	257,639	2,748,933	15,071	3,021,643
Amortization and impairment				
Balance as of January 1, 2016	(222,604)	(1,576,899)	(8,270)	(1,807,773)
Balance contributed by Canfot S.A.	-	(41,616)	-	(41,616)
Amortization	(15,571)	(442,827)	(1,412)	(459,810)
Total	(238,175)	(2,061,342)	(9,682)	(2,309,199)
Residual value as of Dec 31, 2016	**19,464**	**687,591**	**5,389**	**712,444**

	Software	Software development	Trademarks	Total
Original value				
Balance as of January 1, 2015	210,925	2,005,723	15,071	2,231,719
Acquisitions	46,714	464,336	-	511,050
Total	257,639	2,470,059	15,071	2,742,769
Amortization and impairment				
Balance as of January 1, 2015	(210,925)	(1,273,885)	(6,859)	(1,491,669)
Amortization	(11,679)	(303,014)	(1,411)	(316,104)
Total	(222,604)	(1,576,899)	(8,270)	(1,807,773)
Residual value as of Dec 31, 2015	**35,035**	**893,160**	**6,801**	**934,996**

Note 7. Investment property

As of December 31, 2017, 2016 and 2015, changes in investment property were as follows:

	Capital appreciation (1)	**Investment in construction (2)**	**Investment in rent (3)**	Total
Investment property as of January 1, 2017	-	13,796,887	54,032,688	67,829,575
Plus:				
Acquisitions for the year	-	2,030,737	-	2,030,737
Fair value adjustments	-	-	(2,639,682)	(2,639,682)
Transfer to inventory	-	-	(51,393,006)	(51,393,006)
Costs on existing investment property	879,806,893	-	-	879,806,893
Less:				
Deconsolidation of Marina Río Luján	(879,806,893)	-	-	(879,806,893)
Total investment property as of Dec 31, 2017	-	**15,827,624**	-	**15,827,624**

(amounts stated in Argentine pesos)

Note 7. Investment property (continued)

	Capital appreciation (1)	Investment in construction (2)	Investment in rent (3)	Total
Investment property as of January 1, 2016	34,326,685	11,097,766	-	45,424,451
Plus:				
Acquisitions for the year	-	-	51,393,005	51,393,005
Costs on existing investment property	314,972	2,699,121	-	3,014,093
Fair value adjustments	53,449,527	-	2,639,683	56,089,210
Less:	-			
Sales for the year	(88,091,184)	-	-	(88,091,184)
Total Investment property as of Dec 31, 2016	-	13,796,887	54,032,688	67,829,575

	Capital appreciation (1)	Investment in construction (2)	Investment in rent (3)	Total
Investment property as of January 1, 2015	-	8.257.381	-	8.257.381
Plus:				
Acquisitions for the year	-	33.208.531	-	33.208.531
Costs on existing investment property	-	3.958.539	-	3.958.539
Total Investment property as of Dec 31, 2015	-	45.424.451	-	45.424.451

The Company maintains as investment property the following items:

1- **Investment properties for long-term capital appreciation:**

On November 25, 2016, the Company subscribed the sale of 11.66% of the ownership interest held in the item of real property to Marcelo Gómez Prieto, for a total value of US $ 3,381,400.

Additionally, on December 20, 2016, it was decided to sell the remaining ownership interest acquired as follows: Marcelo Gómez Prieto 7%, INVEMA S.A. 6.5% and Claudio León 6.5%, totaling 20% of the interest still owned by TGLT S.A. for a total value of US $ 5,800,000.

Out of such total selling price, 29.84% was subject to the final decision of the Bureau of Urban Design of the Government of the City of Buenos Aires (issued on March 1, 2017), and to the filing of the "Construction Blueprints" for the project, which were filed on October 20, 2017. Therefore, during the year, TGLT registered income in the amount of $ 58,431,000, which derive from the sale of investment property.

Consequently, as of December 31, 2017 the Company recorded receivables in the amount of $ 19,379,607, which were included under "Other receivables" as current assets.

2- **Investment property under construction**

The Company's Management defined the surface of land that would be allocated to the construction of offices for rent under the Proa project in Rosario. Therefore, all costs related to the saleable surface allocated to such offices were transferred from inventories.

This investment property is recognized at cost, as it is impossible to appraise its fair value reliably.

3- **Investment property for rent**

This account relates to the portion of land acquired for the development of the Astor San Telmo project, where the right to collect the rental fees derived from a lease agreement in force until April 30, 2018 was assigned. On July 20, 2017, the parties agreed to terminate such contract. Therefore, the amount insofar recorded as Investment Properties was transferred to Inventories.

(amounts stated in Argentine pesos)

Note 8. Investments in associates

	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Canfot S.A.				
Investments	10	-	-	131,238,962
Implied goodwill	9	-	49,798,306	79,399,207
		-	49,798,306	210,638,169
Marina Río Luján S.A.				
Investments (1)	10	238,348,031	250,967,261	30,859,070
Implied goodwill	9	21,487,412	21,487,412	21,487,412
		259,835,443	272,454,673	52,346,482
Pico y Cabildo S.A.				
Implied goodwill	9	-	9,466,517	10,558,985
		-	9,466,517	10,558,985
Sitia S.A.				
Investments (2)	10	-	2,164,490	95,000
		-	2,164,490	95,000
Total investments in associates		**259,835,443**	**333,883,986**	**273,638,636**

(1) As of December 31, 2016, the investment increase in Marina Rio Lujan SA is mainly due to the decision to reclassify certain fractions of land for which there is no development planned, and which are kept as a valuation reserves. These fractions of land have been appraised at fair value and generated net income in the amount of $ 228,087,030. As of December 30, 2017, it resulted in income in the amount of $ 44,121,449, net of deferred taxes.

(2) See note 34.3 to the consolidated financial statements.

Note 9. Goodwill

	María Río Lujan S.A.	Pico y Cabildo S.A.	Canfot S.A.	Total
Original value				
Balance as of January 1, 2017	21,487,412	10,558,985	79,399,207	111,445,604
Acquisitions	-	-	-	-
Decreases	-	-	-	-
Total	21,487,412	10,558,985	79,399,207	111,445,604
Impairment				
Balance as of January 1, 2017	-	(1,092,468)	(29,600,900)	(30,693,368)
Loss due to impairment	-	(9,466,517)	(49,798,307)	(59,264,824)
Total	-	(10,558,985)	(79,399,207)	(89,958,192)
Residual value as of December 31, 2017	**21,487,412**	-	-	**21,487,412**

(amounts stated in Argentine pesos)

TGLT

Note 9. Goodwill (continued)

	María Río Lujan S.A.	Pico y Cabildo S.A.	Canfot S.A.	Total
Original value				
Balance as of January 1, 2016	21,487,412	10,558,985	79,399,207	111,445,604
Acquisitions	-	-	-	-
Decreases	-	-	-	-
Total	21,487,412	10,558,985	79,399,207	111,445,604
Impairment				
Balance as of January 1, 2016	-	-	-	-
Loss due to impairment	-	(1,092,468)	(29,600,901)	(30,693,369)
Total	-	(1,092,468)	(29,600,901)	(30,693,369)
Residual value as of December 31, 2016	**21,487,412**	**9,466,517**	**49,798,306**	**80,752,235**

	María Río Lujan S.A.	Pico y Cabildo S.A.	Canfot S.A.	Total
Original value				
Balance as of January 1, 2015	21,487,412	10,558,985	79,399,207	111,445,604
Acquisitions	-	-	-	-
Decreases	-	-	-	-
Total	21,487,412	10,558,985	79,399,207	111,445,604
Impairment				
Balance as of January 1, 2015	-	-	-	-
Loss due to impairment	-	-	-	-
Total	-	-	-	-
Residual value as of December 31, 2015	**21,487,412**	**10,558,985**	**79,399,207**	**111,445,604**

TGLT S.A.

NOTES TO THE STAND ALONE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2017, PRESENTED COMPARATIVELY
(amounts stated in Argentine pesos)

Note 10. Information on subsidiaries

					Information on issuer						
		Book value			According to last financial statement provided (1)						
Name of issuer and description of securities	Nominal value	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015	Main business	Address	Closing date	Share Capital	Income (loss) for the year	Equity	Ownership Interest
Canfot S.A.	$1 with 1 vote each	-	-	131,238,962	Construction and sale of real property	Av. S. Ortiz 3333 - Piso 1° - C.A.B.A. – Rep. Argentina	12/31/2015	53,013,275	(7,069,329)	193,307,194	91.67%
Marina Rio Luján S.A.	$100 with 1 vote each	238,348,031	250,967,261	30,859,070	Construction and sale of real property	Ing. Enrique Butty 220 - Piso 11 - Dpto. A - C.A.B.A. – Rep. Argentina	12/31/2017	2,417,800	(89,428,343)	404,116,230	49.99%
Sitia S.A.	$ 1 with 1 vote each	-	2,164,490	95,000	Agency, brokerage and sale of goods and services	Av. S. Ortiz 3333 - Piso 1° - C.A.B.A. – Rep. Argentina	11/30/2017 (5)	100,000	(118,196)	2,143,900	100%
TGLT Uruguay S.A (2) y (3)	$U with 1 vote each (4)	(62,533,171)	(91,288,673)	(66,104,509)	Investor	Plaza Independencia 811 P.B. – Montevideo – Rep. Oriental del Uruguay	12/31/2017	18,778,236	27,371,051	(64,798,948)	100.00%
Total		175,814,860	161,843,078	96,088,523							

(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) See note 34.3 to the Consolidated Financial Statements.

(amounts stated in Argentine pesos)

Note 11. Inventory

Current	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Projects under Construction			
Astor Caballito	-	-	115,429,796
Astor San Telmo	353,934,732	176,138,018	1,906,673
Metra Devoto	-	70,370,938	67,656,250
Metra Puerto Norte	354,842,427	380,839,013	216,601,290
Proa	220,833,261	193,185,787	156,426,568
Other projects	112,500	28,000	-
Subtotal inventory – non current	**929,722,920**	**820,561,756**	**558,020,577**
Current			
Projects under Construction			
Metra Puerto Norte	193,911,268	-	-
Projects completed			
Astor Núñez	103,601,278	420,531,324	354,453,825
Astor Palermo	34,428,548	35,323,088	292,689,918
Forum Alcorta	45,449,704	120,201,535	-
Forum Puerto Norte	4,390,015	10,851,658	-
Impairment			
Astor Palermo	(8,201,137)	(8,201,137)	-
Forum Alcorta	(21,953,380)	(12,936,957)	-
Forum Puerto Norte	(4,390,015)	(7,064,057)	-
Subtotal inventory - Current	**347,236,281**	**558,705,454**	**647,143,743**
Total Inventory	**1,276,959,201**	**1,379,267,210**	**1,205,164,320**

Note 12. Tax assets

	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Income tax		12,579,217	8,959,026	-
Minimum presumed income tax		54,751,860	55,358,930	31,376,689
Deferred tax	31	-	21,062,397	25,992,362
Total tax assets		**67,331,077**	**85,380,353**	**57,369,051**

(amounts stated in Argentine pesos)

Note 13. Other receivables

Non-current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Security deposits in local currency		-	-	12,300
Security deposits in foreign currency	37	882,932	710,550	-
Minimum presumed income tax credit		17,509,484	16,896,855	-
Advance payments to work suppliers in local currency		31,245,023	7,240,140	-
Advance payments for the purchase of real property		119,221,875	-	-
Subtotal Other receivables - Non-current		**168,859,314**	**24,847,545**	**12,300**
Current				
Value added tax		45,745,795	24,156,623	21,913,827
Turnover tax		2,343,707	809,487	3,354,999
Accounts receivable from sale of investment property	37	19,379,607	29,541,402	-
Prepaid insurance policies in local currency		118,319	51,117	26,798
Prepaid insurance policies in foreign currency	37	534,874	732,872	744,123
Advance payments to work suppliers in local currency		2,115,493	22,128,068	32,449,124
Advance payments to work suppliers in foreign currency	37	3,773	121,637	388,200
Advance payments for the sale of real property in local currency		-	-	263,032
Advance payments for the sale of real property in foreign currency	37	-	-	19,410,000
Loans granted		-	967,414	-
Expenses to be reported		14,000	14,000	569,741
Expenses to be reimbursed		3,340,584	14,424,088	3,406,350
Expenses to be recovered in the common expenses line		23,206,860	15,029,020	839,124
Security deposits in local currency		254,938	267,238	-
Security deposits in foreign currency	37	-	-	582,300
Collectable fund for equipment acquisition in local currency		835	140,322	-
Collectable fund for equipment acquisition in foreign currency	37	1,117,816	3,724,901	-
Collectable operative fund in local currency		81,774	268,382	-
Collectable operative fund in foreign currency	37	5,008	-	-
Receivables under litigation proceedings		2,026,408	1,901,601	-
Allowance for doubtful debts		(11,564,345)	-	-
Sundry		19,102	19,102	1,199,062
Subtotal Other receivables - Current		**88,744,548**	**114,297,274**	**85,146,680**
Total Other receivables		**257,603,862**	**139,144,819**	**85,158,980**

Note 14. Accounts receivable

		Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Accounts receivable from services rendered in local currency		162,798	323,707	411,232
Accounts receivable from services rendered in foreign currency	37	8,758	6,048	4,956
Accounts receivable from sales of units in local currency		1,382,150	1,758,599	3,264,350
Accounts receivable from sales of units in foreign currency	37	3,378,185	8,885,098	-
Allowance for bad debts		(2,709,257)	(1,854,210)	-
Total accounts receivable		**2,222,634**	**9,119,242**	**3,680,538**

(amounts stated in Argentine pesos)

Note 14. Accounts receivable (continued)

The aging of accounts receivable is as follows:

	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
To become due				
0 to 3 months		2,222,634	9,119,242	2,234,146
3 to 6 months		-	-	1,446,392
Total		**2,222,634**	**9,119,242**	**3,680,538**

Note 15. Cash and cash equivalents

	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Cash in local currency		106,000	81,000	4,000
Cash in foreign currency	37	659,220	3,158,000	-
Banks in local currency		8,948,815	2,705,788	286,269
Banks in foreign currency	37	9,639,282	2,370,377	1,396,048
Checks to be deposited		237,079	690,446	43,999
Time deposits	37	3,733,957	3,179,694	2,584,383
Mutual funds in local currency		41,984,939	-	-
Mutual funds in foreign currency	37	692,980,510	3,947,492	6,051,016
Bonds and government securities	37	975,791,399	-	5,046,600
Total cash and cash equivalents		**1,734,081,201**	**16,132,797**	**15,412,315**

In the statement of cash flows, cash and cash equivalents comprise the following:

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Total cash and cash equivalents	1,734,081,201	16,132,797	15,412,315
Certificate of deposits in foreign currency expiring over 90 days	(3,733,957)	(3,179,694)	(2,584,383)
Total cash and cash equivalents as per statement of cash flows	**1,730,347,244**	**12,953,103**	**12,827,932**

Note 16. Tax liabilities

Non current	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Deferred tax	131,347,569	-	-
Subtotal tax liabilities – Non current	**131,347,569**	-	-
Current			
Minimum presumed income tax	-	-	3,851,361
Subtotal tax liabilities – Current	-	-	**3,851,361**
Total tax liabilities	**131,347,569**	-	**3,851,361**

Note 17. Other accounts payable

Non current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Payable for purchase of shares	37	22,378,800	46,081,000	46,944,000
Security deposit	37	128,678	400,428	-
Sundry creditors	37	-	1,687,321	-
Subtotal Other accounts payable – Non current		**22,507,478**	**48,168,749**	**46,944,000**
Current				
Payable for purchase of shares	37	22,378,810	34,958,009	9,128,007
Sundry creditors	37	8,340,278	8,241,672	2,584,383
Other liabilities		-	108,011	-
Deferred income		8,556,456	7,476,931	-
Subtotal Other accounts payable – Current		**39,275,544**	**50,784,623**	**11,712,390**
Total Other accounts payable		**61,783,022**	**98,953,372**	**58,656,390**

Note 18. Customer Advances

(amounts stated in Argentine pesos)

Non current	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Advanced collections	801,927,523	514,216,153	152,464,037
Value added tax	(68,845,005)	(17,816,745)	(5,907,302)
Equipment funds	33,159	1,124,575	-
Operating funds	1,825	-	-
Subtotal customer advances - Non current	733,117,502	497,523,983	146,556,735
Current			
Advanced collections	199,180,009	560,669,519	383,402,974
Equipment funds	19,575,109	32,910,245	12,303,994
Operating funds	4,672,593	7,140,510	1,174,853
Value added tax	(14,916,960)	(48,162,106)	(33,237,022)
Equipment funds in foreign currency	1,151,738	1,898,514	-
Subtotal customer advances - Current	209,662,489	554,456,682	363,644,799
Total customer advances	942,779,991	1,051,980,665	510,201,534

Note 19. Loans

Non current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Finance lease		680,799	738,163	-
Corporate bonds in local currency		-	122,821,597	58,717,680
Corporate bonds in foreign currency	37	1,666,920,793	-	-
Subtotal Loans – Non Current		1,667,601,592	123,559,760	58,717,680
Current				
Mortgage-backed bank loans		-	7,800,564	42,503,882
Finance lease		395,604	384,570	-
Bank overdrafts		-	32,021,731	23,349,114
Corporate bonds in local currency		132,019,327	136,818,626	105,467,898
Corporate bonds in foreign currency	37	210,416,684	-	27,311,236
Subtotal Loans – Current		342,831,615	177,025,491	198,632,130
Total Loans		2,010,433,207	300,585,251	257,349,810

The following is a breakdown of loans and financings:

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Balance at beginning of year	300,585,259	257,349,810	222,956,316
Additions due to merger with Canfot S.A.	-	83,539,915	-
New loans and financing arrangements	1,635,924,384	-	-
New disbursements under existing loans	-	177,110,402	168,393,604
Accrued interest	169,856,375	85,635,921	54,002,662
Effects of foreign currency variation	132,333,038	7,669,100	10,891,077
Overdraft on checking account	(32,021,731)	8,672,617	10,948,001
Payment of principal	(143,570,822)	(238,567,902)	(70,213,391)
Payment of interest	(52,673,296)	(81,137,635)	(57,435,821)
Swap of corporate bonds, net of issue costs	-	313,023	(82,192,638)
Balance at year-end	2,010,433,207	300,585,251	257,349,810

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

(amounts stated in Argentine pesos)

Note 20. Other tax burden

Non current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Provincial tax payment plan		-	2,240,102	-
Municipal tax payment plan		197,575	1,241,119	-
Federal tax payment plan		11,971,276	-	-
Subtotal Other tax burden – Non current		12,168,851	3,481,221	-
Current				
Collections and withholdings to be deposited		3,106,173	3,765,623	1,041,473
Wealth tax		10,743	-	750,650
Turnover tax		1,572,548	9,637,932	-
Stamp tax		2,790,317	33,569,396	9,890,715
Provincial taxes		3,597,233	3,303,798	-
Municipal taxes		13,482	4,302,128	1,162,869
Provincial tax payment plan		-	2,011,366	-
Municipal tax payment plan in local currency		3,494,719	2,374,852	-
Municipal tax payment plan in foreign currency	37	-	10,129,436	-
Provision for federal taxes		2,488,087	4,797,864	-
Subtotal Other tax burden – Current		17,073,302	73,892,395	12,845,707
Total Other tax burden		29,242,153	77,373,616	12,845,707

Note 21. Payroll and social security contributions

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Salaries payable	12,147,852	3,655,731	10,008,313
Social security contributions payable	5,549,459	3,239,735	3,926,111
Provision for vacations	4,853,176	3,860,262	2,594,446
Provision for Directors' fees	1,126,886	645,999	563,955
Advances to personnel	(315,436)	(30,000)	-
Total payroll and social security contributions	23,361,937	11,371,727	17,092,825

Note 22. Accounts Payable

Non current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Repair fund		4,454,896	1,635,983	2,109,143
Subtotal accounts payable – Non-current		4,454,896	1,635,983	2,109,143
Current				
Suppliers in local currency		5,547,873	12,493,763	13,788,200
Suppliers in foreign currency	37	2,517,608	6,432,901	592,769
Deferred checks		34,953,327	35,101,592	24,489,452
Provision for expenses in local currency		3,128,124	5,335,364	993,922
Provision for expenses in foreign currency		2,094,283	-	-
Provision for works in local currency		21,409,627	23,582,117	12,420,785
Provision for works in foreign currency	37	997,552	469,245	-
Insurance policies payable in local currency		5,963	6,257	43,744
Insurance policies payable in foreign currency	37	49,951	1,477,837	1,424,833
Repair fund in local currency		13,414,023	16,518,564	2,550,849
Repair fund in foreign currency	37	305,408	260,225	-
Creditors for purchase of real property in foreign currency	37	288,962,361	246,212,221	205,964,067
Subtotal accounts payable – Current		373,386,100	347,890,086	262,268,621
Total accounts payable		377,840,996	349,526,069	264,377,764

(amounts stated in Argentine pesos)

Nota 23. Provisions and allowances

	Notes	Legal claims (I)	Onerous contracts (II)	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
In local currency						
Balance as of January 1, 2017		2,777,730	-	2,777,730	-	-
Additions (III)		45,726,321	-	45,726,321	2,777,730	-
Recoveries (III)		-	-	-	-	-
Used during the period		(1,596,200)	-	(1,596,200)	-	-
Subtotal in local currency		46,907,851	-	46,907,851	2,777,730	-
In foreign currency						
Balance as of January 1, 2017		-	4,861,546	4,861,546	-	-
Additions (III)		-	-	-	4,861,546	-
Recoveries (III)		-	-	-	-	-
Used during the period		-	(5,565,896)	(5,565,896)	-	-
Effects of foreign currency variation		-	1,077,330	1,077,330		-
Subtotal in foreign currency	37	-	372,980	372,980	4,861,546	-
Total Provisions		46,907,851	372,980	47,280,831	7,639,276	-

(III) They relate to provisions for judicial proceedings.

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

(V) Additions and recoveries are disclosed in the statement of profit or loss under item "Administrative expenses", line "Contractual agreements".

Note 24. Share Capital

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

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Fully paid-in common shares	70,349,485	70,349,485	70,349,485
Total fully paid-in common shares	70,349,485	70,349,485	70,349,485

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

Note 25. Revenue from ordinary activities

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Revenue from delivery of goods	401,234,703	237,568,414	292,166,025
Revenue from services rendered	11,496,996	17,709,091	12,699,100
Total revenue from ordinary activities	412,731,699	255,277,505	304,865,125

Note 26. Cost of ordinary activities

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Finished units at beginning of the year	494,621,219	90,901,095	-
Plus:			
Cost capitalized during the year	46,017,477	297,196,307	346,580,652
Cost of services rendered	1,865,957	3,636,818	2,669,620
Less:			
Finished units at year-end	(132,695,521)	(138,174,130)	(90,901,095)
Total cost of ordinary activities	409,809,132	253,560,090	258,349,177

(amounts stated in Argentine pesos)

Note 27. Selling expenses

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Salaries and social security contributions	15,912,655	8,953,407	8,069,634
Other payroll expenses	408,068	398,624	295,438
Rentzl fees and building maintenance fees	924,393	1,044,124	601,434
Professional fees	2,102,512	1,746,997	1,392,000
Taxes, rates and contributions	13,539,046	16,431,216	1,366,303
Depreciation of property, plant and equipment	1,636,751	697,727	1,360,157
Transport and per diem	292,747	580,024	203,986
Information technology and service expenses	1,559,941	927,131	555,264
Sales expenses	14,866,849	18,468,585	3,168,306
Advertising expenses	6,419,322	9,075,103	8,197,378
Office expenses	429,327	376,800	293,525
Building management fees	11,015,921	5,649,910	2,046,407
Post sales expenses	17,581,721	8,413,062	-
Insurances	185,664	136,574	-
Contractual agreements	60,218,741	7,908,250	-
General expenses	-	1,663	47,064
Total selling expenses	**147,093,658**	**80,809,197**	**27,596,896**

Note 28. Administrative expenses

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Salaries and social security contributions	72,345,232	54,220,042	45,229,775
Other payroll expenses	1,662,471	1,594,502	1,259,499
Rent and building maintenance fees	4,650,737	4,176,499	2,564,007
Professional fees	36,825,827	10,114,742	5,779,108
Directors' fees	3,934,438	2,928,265	2,255,820
Supervisory audit committee's fees	1,278,088	1,015,000	690,210
Taxes, rates and contributions	4,536,211	512,969	346,123
Depreciation of property, plant and equipment	512,312	514,022	433,606
Transport and per diem	1,187,675	2,320,114	869,625
Information technology and services expenses	2,809,640	3,711,596	2,367,176
Public offering expenses	3,051,302	1,965,157	927,660
Office expenses	1,967,059	1,637,945	1,251,343
Investment property maintenance expenses	30,493	3,149,655	-
Bank expenses	1,293,300	1,447,033	1,578,148
Tax on bank account debits and credits	12,060,641	8,557,261	5,671,323
Other bad debts	20,395,801	3,748,871	56,778
Insurance	1,978,876	1,744,923	990,670
Contractual agreements	-	-	35,975
Total administrative expenses	**170,520,103**	**103,358,596**	**72,306,846**

Note 29. Financial results

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Exchange differences			
Exchange gains	339,136,769	59,757,057	51,323,302
Exchange losses	(368,483,973)	(66,938,471)	(54,918,562)
Total exchange gains/losses	**(29,347,204)**	**(7,181,414)**	**(3,595,260)**
Financial income			
Interest	21,494,453	9,409,101	3,053,070
Present value of credits	124,807	-	-
Gain from holding of short term investments	7,616,203	1,403,279	2,209,418
Gain from sale of short-term investments	-	-	2,201,915
Gain from financial instruments	-	-	4,824,200
Total financial income	**29,235,463**	**10,812,380**	**12,288,603**

(amounts stated in Argentine pesos)

Note 29. Financial results

Financial costs			
Interest	(196,412,092)	(51,866,141)	(27,704,658)
Loss from financial instruments	-	(1,179,702)	-
Subtotal interest	**(196,412,092)**	**(53,045,843)**	**(27,704,658)**
Other financial costs			
Loss from sale of short-term investments	(2,726,322)	(225,724)	-
Present value of credits	(1,006,944)	66,685	-
Loss from discounted trade documents	(132,551)	-	-
Subtotal other financial costs	**(3,865,817)**	**(159,039)**	-
Total financial costs	**(200,277,909)**	**(53,204,882)**	**(27,704,658)**

Note 30. Other income and expenses, net

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Expense refund	-	201,181	18,300
Other legal expenses	(229,836)	(29,600)	(1,100,000)
Debt forgiveness	(34,859)	-	(697,493)
Rental income	6,749,284	4,752,087	-
Recovery of provision for expenses	10,769	5,637,995	-
Contract termination	1,589,059	769,939	30,745
Contract assignment	2,431	-	(77,586)
Sundry	239,962	3,187,390	(71,529)
Total other income and expenses, net	**8,326,810**	**14,518,992**	**(1,897,563)**

Note 31. 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 December 31, 2017, 2016 and 2015, is broken down as follows:

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Income tax	427,975,496	(20,593,981)	67,607,695
Deferred tax from temporary differences	(293,290,462)	16,526,078	(47,631,201)
Minimum Presumed Income tax write-off	(1,294,751)	(474,686)	-
Total Income tax	**133,390,283**	**(4,542,589)**	**19,976,494**

Deferred tax as of 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	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Tax loss from national source income	301,397,883	160,517,387	181,111,368
Property, plant and equipment	2,033,850	2,293,593	1,952,151
Finance lease valuation	10,760	11,962	-
Deferred income	2,566,937	23,067,776	-
Sundry provisions	18,385,699	5,363,592	-
Subtotal deferred tax assets	**324,395,129**	**191,254,310**	**183,063,519**
Deferred tax liabilities			
Financial costs	(17,817,245)	(34,884,377)	(30,240,903)
Inventories	(12,144,750)	(41,721,118)	(2,667,400)
Short-term investments	(38,285,897)	(685,632)	(748,399)
Bad debts	(344,835)	(402,307)	-
Foreign currency	(64,609,362)	(72,867,255)	(123,414,455)
Convertible corporate bonds	(306,505,750)	-	-
Investment property	(16,034,859)	(19,631,224)	-
Subtotal Deferred tax liabilities	**(455,742,698)**	**(170,191,913)**	**(157,071,157)**
Net position of deferred tax assets/(liabilities)	**(131,347,569)**	**21,062,397**	**25,992,362**

(amounts stated in Argentine pesos)

Note 31. Income tax and deferred tax (continued)

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

	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Income tax calculated at the prevailing tax rate on income before taxes	169,877,862	(3,261,705)	30,056,904
Minimum Presumed Income tax write-off	(1,294,751)	(474,687)	(10,776)
Income tax loss carryforward write-off	-	(59,273,303)	(3,348,326)
Understated provision for income tax	9,943	10,527	-
Interest	(530,916)	(2,452,397)	(1,459,380)
Directors' fees	(1,346,428)	(1,003,016)	(767,662)
Gain/loss on investments in associates	(15,134,876)	54,109,543	3,345,809
Translation difference	3,239,171	5,808,728	(7,288,241)
Inventories	1,822,541	4,192,150	-
Amortization of trademarks	(494)	(494)	(494)
Tax reform law No. 27430	(15,362,053)	-	-
Donations	-	-	(12,591)
Convertible corporate bonds	(161,527)	-	-
Sundry non-deductible expenses	(7,728,189)	(2,197,935)	(538,749)
Income tax	**133,390,283**	**(4,542,589)**	**19,976,494**

Tax losses resulting from national source income, and accumulated as of December 31, 2017, may be used up to the dates indicated below:

	Pesos
Year	2017
2019	69,939,409
2020	56,422,039
2021	11,280,700
2022	163,755,735
Total	301,397,883

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. The recoverability of any remaining tax losses will depend on timely compliance with the delivery of units in ASN, MPN and AST projects.

(amounts stated in Argentine pesos)

Note 32. 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:

RECEIVABLES FROM RELATED PARTIES – Non current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
OTHER RECEIVABLES				
FDB S.A. in foreign currency	1 and 37	-	-	38,634,491
TGLT Uruguay S.A. in foreign currency	1 and 37	-	-	52,027,319
Subtotal		-	-	90,661,810
Total Receivables from related parties – Non current		-	-	**90,661,810**
RECEIVABLES FROM RELATED PARTIES – Current				
RECEIVABLES FROM SALES				
AGL Capital S.A. in local currency		172,689	258,986	2,246,592
AGL Capital S.A. in foreign currency	37	1,058,668	-	-
Marina Río Luján S.A.		14,003	250	351,715
FDB S.A. in local currency		2,461,143	2,617,151	1,066,641
FDB S.A. in foreign currency	37	858,514	-	-
Individual shareholders		-	90,367	74,056
Subtotal		**4,565,017**	**2,966,754**	**3,739,004**
OTHER RECEIVABLES				
Individual shareholders		2,505,432	2,505,432	2,130,741
Other shareholders		3,540,727	3,543,512	3,439,061
Canfot S.A.		-	-	15,562,594
Marina Río Lujan S.A. in local currency		9,576,893	2,291,549	9,657,449
FDB S.A. in local currency		763,410	455,100	211,751
Marina Río Lujan S.A. in foreign currency	1 and 37	187,537,379	28,060,043	-
FDB S.A. in foreign currency	1 and 37	59,877,998	49,154,563	-
TGLT Uruguay S.A. in foreign currency	1 and 37	259,186,406	108,523,181	-
Subtotal		**522,988,245**	**194,533,380**	**31,001,596**
Total Receivables from related parties – Current		**527,553,262**	**197,500,134**	**34,740,600**
Total Receivables from related parties		**527,553,262**	**197,500,134**	**125,402,410**

(amounts stated in Argentine pesos)

Note 32. Related parties (continued)

PAYABLES TO RELATED PARTIES – Non current	Notes	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
LOANS				
Canfot S.A.		-	-	18,474,042
Canfot S.A. in foreign currency	37	-	-	42,613,749
Sitia S.A. in foreign currency	37	-	2,592,930	-
Subtotal		-	2,592,930	61,087,791
OTHER ACCOUNTS PAYABLE – INVESTMENTS IN ASSOCIATES				
TGLT Uruguay S.A.		62,533,171	91,288,673	66,104,509
Subtotal		62,533,171	91,288,673	66,104,509
Total payables to related parties – Non current		62,533,171	93,881,603	127,192,300
PAYABLES TO RELATED PARTIES – Current				
TRADE PAYABLES				
IRSA Inversiones y Representaciones S.A.		-	-	35,418,354
Subtotal		-	-	35,418,354
CUSTOMER ADVANCES				
Alto Palermo S.A.		-	-	236,645,106
IRSA Inversiones y Representaciones S.A.		-	-	60,287,590
Directors		-	3,129,739	504,152
Comisiones y Corretaje S.A.		-	22,504,620	-
Subtotal		-	25,634,359	297,436,848
OTHER ACCOUNTS PAYABLE				
Canfot S.A.		-	-	29,645
Marina Río Luján S.A.		287,093	2,691,509	-
Canfot S.A. in foreign currency	37	-	-	6,202,483
FDB S.A. in foreign currency	37	107,392,729	91,901,557	55,385,230
Subtotal		107,679,822	94,593,066	61,617,358
Total payables to related parties – Current		107,679,822	120,227,425	394,472,560
Total payables to related parties		170,212,993	214,109,028	521,664,860

(amounts stated in Argentine pesos)

Note 32. Related parties (continued)

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	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
FDB S.A.	Loans granted	-	(38,756,800)	(6,670,282)
Marina Río Luján S.A.	Loans granted	(130,859,467)	(24,195,000)	-
TGLT Uruguay S.A	Loans granted	(109,558,000)	-	(40,267,000)
Canfot S.A.	Loans granted	-	-	(18,250,000)
Canfot S.A.	Loans received	-	42,542,188	53,222,637
Sitia S.A.	Loans received	83,000	2,441,480	-
Individual shareholders	Loans received	7,452,900	-	-
AGL Capital S.A.	Collections received	633,573	2,246,792	757,996
Canfot S.A.	Collections received	-	3,057,142	25,546,321
Comisiones y Corretajes S.A.	Collections received	5,796,000	22,504,620	-
Senior Directors and Managers	Collections received	1,978,430	2,901,028	3,315,339
FDB S.A	Collections received	15,644,653	26,230,033	76,374,617
Marina Río Luján S.A.	Collections received	282,953	991,846	1,835,684
TGLT Uruguay S.A	Collections received	684,148	240,175	-
Individual shareholders	Collections received	106,163	-	39,774
Individual shareholders	Payments made	(7,804,458)	(208,927)	(117,696)
Canfot S.A.	Payments made	-	(86,921,287)	(13,590,619)
FDB S.A	Payments made	(9,332,077)	(4,391,748)	(36,279,432)
AGL Capital S.A.	Payments made	(172,689)	-	-
Marina Rio Luján S.A.	Payments made	(2,821,742)	-	(52,067)
Other shareholders	Payments made	-	(253,451)	(125,153)
Sitia S.A.	Payments made	(778,232)	-	(75,000)
Comisiones y Corretajes S.A.	Payments made	(34,605,750)	-	-
Canfot S.A.	Payments made by third parties	-	-	(10,285)
Marina Rio Luján S.A.	Assignment of units to third parties	4,363,182	14,378,986	6,400,459
Marina Rio Luján S.A.	Advances from assignment of units	(11,309,670)	(7,065,153)	(16,005,841)
Sitia S.A.	Liquidation compensation	2,210,063	-	-
Canfot S.A.	Advances from purchase of units	-	(18,457,440)	-
Total		**(268,007,020)**	**(62,715,516)**	**36,049,452**

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AS OF DECEMBER 31, 2017, PRESENTED COMPARATIVELY

(amounts stated in Argentine pesos)

Note 32. Related parties (continued)

- Transactions and their effects on profit/loss

Name of related party	Transaction	Profit/(Loss) Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Alto Palermo S.A.	Income from ordinary activities	-	29,292,123	-
Directors	Income from ordinary activities	-	-	3,312,687
AGL Capital S.A.	Services provided	1,044,305	258,986	262,511
FDB S.A.	Services provided	724,716	1,691,220	1,000,700
Marina Río Luján S.A.	Services provided	179,799	454,817	1,673,698
Canfot S.A.	Services provided	-	1,139,280	1,440,000
Canfot S.A.	Financial results	-	(8,743,303)	(8,036,625)
FDB S.A.	Financial results	1,830,954	(4,055,371)	16,561,773
Individual shareholders	Financial results	(335,762)	16,311	26,552
Marina Río Luján S.A.	Financial results	27,000,201	3,615,894	-
TGLT Uruguay S.A.	Financial results	41,789,366	17,979,237	11,760,319
Sitia S.A.	Financial results	(287,417)	(171,608)	-
AGL Capital S.A.	Financial results	103,197	-	-
Comisiones y Corretajes S.A.	Financial results	(3,444,030)	-	-
Comisiones y Corretajes S.A.	Commissions	(2,861,100)	-	-
Senior Directors and Managers	Income from units delivered	5,162,346	-	-
Other shareholders	Bad debts	(2,785)	(733,887)	-
Directors	Fees	(3,934,438)	(2,928,265)	(2,255,820)
Total		**66,969,352**	**37,815,434**	**25,745,795**

(amounts stated in Argentine pesos)

Note 32. Related parties (continued)

1. **Loans granted**

						Amounts pending payment in pesos					
	Balances in foreign currency					Dec 31, 2017		Dec 31, 2016		Dec 31, 2015	
Bank	Credit line	Principal	Maturity	Disbursement	Annual rate	Current	Non current	Current	Non current	Current	Non current
FDB S.A.	01-2016	20,000,000	12/31/2017	2,947,600	8%	59,877,998	-	49,154,563	-	-	38,634,491
TGLT Uruguay S.A.	01-2015	20,000,000	12/31/2017	12,010,000	8%	259,186,406	-	108,523,181	-	-	52,027,319
Marina Rio Luján S.A.	01-2016	2,000,000	12/31/2017	1,349,382	15%	29,890,786	-	28,060,043	-	-	-
Marina Rio Luján S.A.	01-2016	2,000,000	07/14/2017	650,618	15%	16,199,597	-	-	-	-	-
Marina Rio Luján S.A.	01-2017	1,000,000	03/31/2018	95,402	15%	1,855,151	-	-	-	-	-
Marina Rio Luján S.A.	01-2017	1,000,000	03/31/2018	878,724	15%	16,910,678	-	-	-	-	-
Marina Rio Luján S.A.	02-2017	2,000,000	05/04/2018	929,793	15%	18,978,591	-	-	-	-	-
Marina Rio Luján S.A.	02-2017	2,000,000	06/08/2018	367,296	15%	7,397,746	-	-	-	-	-
Marina Rio Luján S.A.	02-2017	2,000,000	06/29/2018	426,829	15%	8,527,545	-	-	-	-	-
Marina Rio Luján S.A.	02-2017	2,000,000	08/14/2018	276,083	15%	5,415,525	-	-	-	-	-
Marina Rio Luján S.A.	03-2017	5,000,000	09/04/2018	771,930	15%	15,022,521	-	-	-	-	-
Marina Rio Luján S.A.	03-2017	5,000,000	10/03/2018	635,287	15%	12,220,932	-	-	-	-	-
Marina Rio Luján S.A.	03-2017	5,000,000	11/03/2018	861,079	15%	16,358,152	-	-	-	-	-
Marina Rio Luján S.A.	03-2017	5,000,000	12/04/2018	869,819	15%	16,315,784	-	-	-	-	-
Marina Rio Luján S.A.	04-2017	5,000,000	10/26/2018	258,769	15%	4,931,911	-	-	-	-	-
Marina Rio Luján S.A.	04-2017	5,000,000	11/08/2018	130,769	15%	2,479,205	-	-	-	-	-
Marina Rio Luján S.A.	04-2017	5,000,000	11/13/2018	229,951	15%	4,350,676	-	-	-	-	-
Marina Rio Luján S.A.	04-2017	5,000,000	11/29/2018	173,762	15%	3,266,085	-	-	-	-	-
Marina Rio Luján S.A.	04-2017	5,000,000	12/15/2018	201,729	15%	3,766,819	-	-	-	-	-
Marina Rio Luján S.A.	04-2017	5,000,000	12/22/2018	196,024	15%	3,649,675	-	-	-	-	-
	Total loans granted					**506,601,783**	**-**	**185,737,787**	**-**	**-**	**90,661,810**

2. **Loans received**

On August 1, 2016, the Company and Sitia S.A. entered into a Current Account Agreement, where the parties grant credit lines to each other. The amounts agreed under this contract are: (a) up to \$ 10,000,000 (the "Pesos Line") and (b) up to US \$ 1,000,000 (the "Dollars Line"), in both cases as principal.

As of December 31, 2017, no amounts remained outstanding as all pending balances were offset during the liquidation of Sitia S.A. (See Note 34.3 of the consolidated financial statements).

As of December 31, 2016, the outstanding balance (principal plus interest) for the loan in dollars amounted to \$ 2,592,930.

(amounts stated in Argentine pesos)

Note 33. 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	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
To become due			
Up to 3 months	66,187,029	71,723,459	8,027,404
From 3 to 6 months	54,701,380	6,103,939	21,911,141
From 6 to 9 months	30,814,354	5,874,604	8,721
From 9 to 12 months	394,320,241	194,127,180	585,239
Over 12 months	236,190,391	110,227,898	148,043,161
Without any established term	56,298,146	43,069,268	93,017,113
Past due			
From 3 to 6 months	16,199,294	-	-
Over 12 months	-	18,200	18,200
	854,710,835	431,144,548	271,610,979

Payables (except for customer advances to third and related parties)	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
To become due			
Up to 3 months	332,172,636	184,939,505	120,040,674
From 3 to 6 months	44,481,546	89,326,139	137,021,742
From 6 to 9 months	106,671,879	96,453,495	11,531,784
From 9 to 12 months	4,231,674	28,034,429	2,500,000
Over 12 months	1,900,613,557	270,727,316	234,963,123
Without any established term	463,331,416	356,837,170	331,484,125
Past due			
Up to 3 months	-	7,605,926	578,706
From 3 to 6 months	-	-	141,928
From 6 to 9 months	-	-	139,787
	2,851,502,708	1,033,923,980	838,401,869

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

Receivables/Tax assets	Dec 31, 2017	Dec 31, 2016	Dec 31, 2015
Interest bearing	472,273,263	176,846,912	89,901,944
Non-interest bearing	382,437,572	254,297,636	181,709,035
	854,710,835	431,144,548	271,610,979
Annual nominal average rate:	15%	15%	5%
Payables (except for customer advances to third and related parties)			
Interest bearing	1,816,060,849	302,093,231	311,646,086
Non-interest bearing	1,035,441,859	731,830,749	526,755,783
	2,851,502,708	1,033,923,980	838,401,869
Annual nominal average rate:	19%	28%	25%

Nota 34. Accounting policy used by the Company to recognize and measure the issuance of convertible corporate bonds

On April 20, 2017, the Annual and Extraordinary Shareholders' Meeting approved the issuance of corporate bonds convertible into book-entry, common shares, of $1 of nominal value, and carrying one vote each. Such shares of stock will be entitled to receive dividends in the same conditions as any other shares of common stock currently outstanding, as from the fiscal year in which the conversion right is exercised, and up to an aggregate amount of USD 150,000,000.

TGLT launched a domestic public offering exclusively addressed to "qualified investors" in Argentina, as defined in Section No 12, Article II, Chapter VI of the CNV Rules, acting through a Local Placement Agent. The Company also launched an international offering, not registered in the United States of America, acting through an International Placement Agent, who would serve as the Company's broker dealer. The international offering would be addressed to: (a) accredited investors in the United States of America, pursuant to the exemption from registration requirements under Regulation D of the U.S. Securities Act; and (b) non-US persons in transactions outside the United States of America, pursuant to the exemption from registration requirements under Regulation D of the U.S. Securities Act.

The following is a summary of the main characteristics of the instrument:

- **Total amount offered:** US$ 150,000,000.
- **Issue currency:** United States Dollars.
- **Subscription and payment currency:** United States Dollars.
- **Right of first refusal:** According to Section 11 of the Corporate Bonds Law, shareholders with rights of first refusal or accretion in the subscription of new common shares (the "existing shareholders") may exercise such rights when subscribing Convertible Corporate Bonds, during the first ten calendar days of the subscription period, which took place between July 15 and July 25, 2017. Pursuant to the provisions of Section No. 194 of the Companies Law, the Company offered Convertible Corporate Bonds to its shareholders by publishing notices for three days in the Argentine Official Gazette and in a leading newspaper before the subscription period. On the first business day of the subscription period, Caja de Valores S.A., acting as the subscription agent appointed by the Company, recorded the coupons representing the rights of first refusal and accretion related to the holdings of each of the Company's shareholders, as well as the Convertible Corporate Bonds issuance, in the Company's shareholders register (in case of holdings appearing therein) or in the client's account of the relevant depository agents in Caja de Valores S.A. (in case of holdings under a collective deposit system). The existing shareholders could trade and dispose of, and assign and/or transfer such coupons in accordance with the practices of the subscription agent.
- **Voluntary conversion:** At the holder's option, Convertible Corporate Bonds 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$ 1,000, in full or in part. However, if any amount of principal, interest, additional amounts, or other amounts owned under the Convertible Corporate Bonds remain outstanding after the maturity date, such conversion right shall be extended until such amounts are paid in full.
- **Mandatory Conversion:** Should the Company make an initial public offering or IPO in a U.S. stock exchange or market, Convertible Corporate Bonds 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:** By a "supplementary notice" published on July 11, 2017, the Company informed investors that the conversion price of the Convertible Corporate Bonds is US$ 0.50. Therefore, and according to the provisions in the Offering Memorandum, if bondholders decide to convert their Convertible Corporate Bonds into new common shares of the Issuer, each holder will have the right to receive 2,000 new common shares for every US$ 1,000 of Convertible Corporate Bonds (nominal value).

Note 34. Accounting policy used by the Company to recognize and measure the issuance of convertible corporate bonds

- **Conversion right:** At the bondholder's option, Convertible Corporate Bonds (or any portion thereof) may be converted into shares of common stock with a nominal value of $1 each, carrying the right to one vote each, at any time as from the date of issuance; as long as they are converted before their maturity date and for amounts not lower than their minimum denomination.

After assessing the features of convertible corporate bonds, 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 the contractual obligation to deliver cash, which is assumed by the Company.
- 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.

The determination of the conversion option value calls for the determination of variables arising from the behavior of TGLT's shares. Due to the low liquidity levels thereof, any conclusion as to the option value may be unreliable. Therefore, Management believes it is more reliable to measure the equity component as the residual amount obtained after deducting, from the fair value of the combined instrument, the amount determined separately for the financial liability measured at its fair value.

Once the value of both components was determined as above mentioned, the liability component was recorded according to the guidelines of IAS 39 in item "Loans" (Note 19) in a total amount of US$ 93,929,509 (net of related expenses), which are equivalent to $ 1,659,734,424. The equity component was recorded in item "Capital Contribution" in a total amount of US$ 54,158,649 (net of related expenses) equivalent to $ 957,983,330, 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.

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 Bonds as of December 31, 2017, generating income in the amount of $ 47,849,166, which was included in line "Tax Reform Law No. 27430", as per IAS 12 "Income Tax" and SIC-25 — "Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders".

As of the date of issuance of these financial statements, TGLT has used the funds obtained in an aggregate amount of USD 50,4 million, as follows: (i) issue expenses: USD 1.9 million; (ii) working capital USD 29.8 million; (iii) discharge of financial debt: USD 12.5 million; and (iv) new investments: USD 6.2 million.

Note 35. Lawsuits

See Note 33 of the consolidated financial statements.

Note 36. Astor Caballito - Agreement to annul previous contractual obligation

On June 29, 2011, the Company and IRSA Inversiones y Representaciones S.A. (hereinafter IRSA) entered into a barter and conveyance of title deed, whereby IRSA transferred to TGLT S.A. title to some premises located at Mendez de Andes street, between Rojas and Colpayo streets, in the neighborhood of Caballito. The company would use such premises to develop a real estate project called "Astor Caballito".

On November 30, 2015, the Company was notified of the decision of the first instance court sustaining a complaint filed by the Association of Neighbors. This decision was appealed by TGLT and the Government of the City of Buenos Aires (GCBA) on December 3 and 4, 2015, respectively. Both remedies were granted. The case was submitted to the Court of Appeals in Administrative Matters of the City of Buenos Aires and was filed in Panel III of that Court. On May 26, 2016, Panel III of the Court decided to reject the appeals filed by the GCBA and TGLT, confirming the decision of the First Instance Court. On June 16, 2016, TGLT filed a motion for declaration of unconstitutionality against the final judgment, and so did the GCBA on June 15, 2016. These remedies are pending resolution by the Court of Appeals, which shall decide on the case.

Likewise, in view of the aforementioned situation and the time elapsed, on December 30, 2016 IRSA and TGLT signed an agreement establishing the execution of a deed to annul the barter provided certain conditions are met. If so, IRSA will pay the Company, as compensation, the sum of US$ 3,300,000, as follows:

a) The sum of US$ 300,000 at the execution of the deed.
b) The sum of US$ 2,000,000 18 months after the execution thereof.
c) The sum of US$ 1,000,000 18 months after the execution of the deed or once TGLT complies with the obligations arising from the barter signed on December 16, 2010.

In addition, at the execution of the deed to annul the barter, TGLT shall return the property and IRSA shall receive it free of liens and encumbrances, and TGLT will have the right to record the amounts described above.

As of the date of these financial statements, the deed to annul the barter has not been signed yet, and it will be executed within a period of 90 working days from the date TGLT notifies the termination of the obligations still in force, which shall be fulfilled within 12 months after signing the agreement.

The costs incurred in the premises as of the date of the agreement were reclassified to "Other assets" in the amount of $ 78,191,027. Such costs include the historical cost of the purchase of the land, plus the costs incurred in the construction until the suspension thereof. Such asset is net of the Company's liability in kind with IRSA, in an amount of $ 51,747,468. As of the date of these financial statements, there is no other monetary obligation to be paid by TGLT, except for the costs of land maintenance which as of December 31, 2017 and December 31, 2016 amount to $ 26,443,545 and $ 24.779.680, respectively.

NOTES TO THE STAND ALONE FINANCIAL STATEMENTS

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(amounts stated in Argentine pesos)

Note 37. Assets and liabilities in foreign currency

Item	Dec 31, 2017 Type and amount of foreign currency		Dec 31, 2017 Prevailing Exchange rate	Dec 31, 2017 Recorded amount in pesos	Dec 31, 2016 Recorded amount in pesos	Dec 31, 2015 Recorded amount in pesos
ASSETS						
Non- current assets						
Other receivables:						
Security deposits	US$	47,600	18,549	882,932	710,550	-
Receivables from related parties						
Other receivables	US$	-	18,549	-	-	90,661,810
Total non-current assets				**882,932**	**710,550**	**90,661,810**
Current Assets						
Cash and cash equivalents:						
Cash	US$	35,539	18,549	659,220	3,158,000	-
Banks	US$	519,666	18,549	9,639,282	2,370,377	1,396,048
Time deposits	US$	200,223	18,649	3,733,957	3,179,694	2,584,383
Mutual funds	US$	37,359,454	18,549	692,980,510	3,947,492	6,051,016
Bonds and government securities	US$	52,606,146	18,549	975,791,399	-	5,046,600
Accounts receivable from sales:						
Receivables from services rendered	US$	472	18,549	8,758	6,048	4,956
Receivables from sale of units	US$	182,122	18,549	3,378,185	8,885,098	-
Other receivables:						
Advance payments for the purchase of real property	US$	-	18,549	-	-	19,410,000
Receivables from sale of investment property	US$	1,044,779	18,549	19,379,607	29,541,402	-
Prepaid insurance	US$	28,836	18,549	534,874	732,872	744,123
Advance payments to work suppliers	US$	203	18,549	3,773	121,637	388,200
Security deposits	US$	-	18,549	-	-	582,300
Collectible equipment fund	US$	60,263	18,549	1,117,816	3,724,901	-
Collectible operative fund	US$	270	18,549	5,008	-	-
Receivables from related parties:						
Receivables from sales	US$	103,358	18,549	1,917,182	90,367	74,056
Other receivables	US$	27,311,541	18,549	506,601,783	185,737,787	-
Total current assets				**2,215,751,354**	**241,495,675**	**36,281,682**
Total assets				**2,216,634,286**	**242,206,225**	**126,943,492**

(amounts stated in Argentine pesos)

Note 37. Assets and liabilities in foreign currency (continued)

Item	Dec 31, 2017				Dec 31, 2016	Dec 31, 2015
	Type and amount of foreign currency		Prevailing Exchange rate	Recorded amount in pesos	Recorded amount in pesos	Recorded amount in pesos
LIABILITIES						
Non-current liabilities						
Payables with related parties:						
Loans	US$	-	18,649	-	2,592,930	42,613,749
Other accounts payable:						
Payable for purchase of shares	US$	1,200,000	18,649	22,378,800	46,081,000	46,944,000
Security deposit	US$	6,900	18,649	128,678	400,428	-
Sundry creditors	US$	-	18,649	-	1,687,321	-
Loans:						
Corporate Bonds	US$	89,383,924	18,649	1,666,920,793	-	-
Total non-current liabilities				1,689,428,271	50,761,679	89,557,749
Current liabilities						
Trade payables:						
Suppliers	US$	135,000	18,649	2,517,608	6,432,901	592,769
Provision for works	US$	53,491	18,649	997,552	469,245	-
Provision for expenses	US$	112,300		2,094,283	-	-
Insurance payable	US$	2,678	18,649	49,951	1,477,837	1,424,833
Contingency fund	US$	16,377	18,649	305,408	260,225	-
Creditors for sale of real property	US$	15,494,791	18,649	288,962,361	246,212,221	205,964,067
Loans:						
Corporate bonds	US$	11,283,001	18,649	210,416,684	-	27,311,236
Other tax burdens:						
Municipal tax payment plan	US$	-	18,649	-	10,129,436	-
Payables to related parties:						
Loans	US$	-	18,649			
Other payables	US$	5,758,632	18,649	107,392,729	91,901,557	61,587,713
Provisions	US$	20,000	18,649	372,980	4,861,546	-
Other payables:						
Payable for purchase of shares	US$	1,200,001	18,649	22,378,810	34,958,009	9,128,007
Sundry creditors	US$	447,224	18,649	8,340,278	8,642,100	2,584,383
Total current liabilities				643,828,644	405,345,077	308,593,008
Total liabilities				2,333,256,915	456,106,756	398,150,757

Note 38. Assets held for sale

After conducting a profitability analysis on the Metra Devoto project, the Company's Management decided not to continue with the development of such project, and to sell the plot of land acquired. Consequently, the value of the plot of land acquired plus the costs incurred as of December 31, 2017, for a total amount of $ 73,330,556, were reclassified as "Assets held for sale" in current assets, as they are expected to be realized in 2018. As of the date of issuance of these financial statements, all contracts entered into with clients had been successfully terminated.

Note 39. Resolutions at Shareholders' Meetings

- At the Extraordinary General Shareholders' Meeting held on April 14, 2016, shareholders approved a capital increase by means of the issuance of new shares of the Company to be placed by public offering in Argentina and/or abroad, considering the current context of the Company and the capital markets. The increase was approved for up to a nominal value of $ 345,000,000, that is, from $ 70,349,485 to up to $ 415,349,485, through the issuance of up to 345,000,000 book-entry common shares, of $1 (one peso) of nominal value each and one vote per share, with right to dividends on equal terms as the rest of the shares outstanding at the time of issuance and with a stock premium of $ 13 minimum and $ 24 maximum per share. These shares shall be offered in a public bid in Argentina and/or abroad. Therefore, the subscription price of the new shares, that is, the nominal value of each share plus the relevant stock premium, shall be determined by the Board of Directors or by an officer of the Company authorized by the Board of Directors, within the stock premium range indicated above.

  As a result of this capital increase, shareholders resolved to shorten the term to exercise their right of first refusal and accretion with respect to the subscription of the new shares to ten calendar days, in accordance with the provisions of section 194 of the Companies Law for companies offering their shares publicly.

  The Extraordinary Shareholders' Meeting also resolved to amend the following sections of the Bylaws in order to adapt it to the Company's new development and growth plan, as detailed in the Reporting Summary: Section Four (Purpose), Five (Capital), Seven (Management and Representation), Nine (Powers of the Board of Directors), Ten (Supervisory Committee), Eleven (Shareholders' Meetings), Twelve (Audit Committee), Thirteen (Fiscal Year End), and Fourteen (Dissolution and Liquidation).

  These amendments were registered on August 9, 2016 before the Superintendence of Corporations.

- On April 20, 2017, the Annual and Extraordinary Shareholders' Meeting approved, among other matters: (i) to increase capital as detailed in the first paragraph; (ii) to extend the term of the Global Program for the issuance of Corporate Bonds for a maximum outstanding amount of up to US$ 50,000,000 (or its equivalent in other currencies) for a 5-year term; (iii) to issue corporate bonds convertible into book-entry common shares, with a nominal value of $ 1 (one peso) each and one vote per share, and with dividend rights on equal terms as common shares currently outstanding as from the fiscal year in which the conversion right is exercised, for up to a total amount of US$ 150,000,000 or its equivalent in other currencies, in one or more series; (iv) to reduce the term to exercise the right of first refusal and accretion for the subscription of the Convertible Bonds to ten calendar days, in accordance with the provisions of section 194 of the Companies Law No. 19550; (v) to modify and approve the parameters within which the Board of Directors shall set stock premium within a range of $ 13 minimum and $ 35 maximum per share.

  It was decided to approve the allocation of profits of $ 4,776,567 for the fiscal year ended December 31, 2016 to the setting up of a legal reserve for $ 238,828, and an optional reserve of $ 4,537,739. The item "Other comprehensive income/(loss)" was not considered, since as long as it exists and presents negative balances, profits should be allocated to a reserve that supports losses.

(amounts stated in Argentine pesos)

Note 40. 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 Stand-alone 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 products sold	Note 25
Exhibit G - Assets and liabilities in foreign currency	Note 37
Exhibit H - Ordinary selling, administrative and financing expenses	Notes 27, 28 and 29

Note 41. Amendment of Corporate Bylaws

All amendments to the Bylaws have been described in Note 39 to these stand-alone financial statements. Those amendments have been registered with the IGJ on August 9, 2016.

Note 42. Subsequent events

See Note 55 to the consolidated financial statements.

TGLT S.A.

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

(amounts stated in 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 December 31, 2017.

3. Regarding the classification of receivables and payables balances by maturity, see Note 33 to the stand-alone financial statements.

4. Regarding the classification of receivables and payables balances on the basis of their financial effects, see Note 33 to the stand-alone financial statements.

a) A breakdown of investments, receivables and payables in foreign currency as of December 31, 2017, is disclosed in Note 36 to the stand-alone 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 ° 19550 as of December 31, 2017 (for further information see Note 4.2 to the consolidated financial statements of the Company):

Company	As	Interest	
		% Capital	% Votes
Marina Río Luján S.A.	Shareholder	49.99 %	49.99 %
TGLT Uruguay S.A.	Shareholder	100.00 %	100.00 %
Sitia S.A.	Shareholder	100.00 %	100.00 %

A breakdown of the shares of interest held in the capital of the Company is presented in Note 21 to the consolidated financial statements of TGLT S.A.

6. There are no trade receivables from 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 December 31, 2017, the Company owns five buildings in the City of Buenos Aires and two items of real property in the City of Rosario, which were included in the "Inventories" item for an amount of $ 929,722,920 as non-current, and $347,236,281 as current.

No provisions related to the aforementioned properties have been recorded, except for the impairments mentioned in Note 4.13 to the consolidated financial statements

8. Regarding the valuation criteria for inventories, property, plant and equipment, and investments, please refer to Notes 4.13, 4.10 and 4.9 to the consolidated financial statements of the Company.

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 $ 1,286,398

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

(amounts stated in Argentine pesos)

11. As of December 31, 2017, the Company held permanent investments in the amount of $259,835,443. As of that date, the Company had exceeded the limit established by section 31 of Law No. 19550.

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. Participations, whether in interest, units or shares exceeding 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 December 31, 2017, the Company held interests in companies whose corporate purposes complement and/or include the corporate purpose of the Company, so the limit to the interest held in other companies set forth by Section 31 of Law No. 19550 does not apply, based on what is mentioned in the preceding paragraph.

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

13. Insurances

	Risk covered	Amount insured	
		$	US$
Building	Fire Astor Núñez building	-	55,000,000
Building	Fire Brisario building	32,955,000	-
Building	Fire Astor Palermo building	-	62,000,000
Building	Fire TGLT Rosario office	-	330,000
Building	Fire Forum Puerto Norte building	46,800,000	-
Building	Fire Forum Puerto Norte building	-	96,015,000
Building	Fire rented buildings	-	2,210,000
Building	Fire general contents	19,818,500	-
Building	Fire general contents	-	550,000
Building	Robbery general contents	62,500	-
Building	Robbery general contents	-	57,300
Building	Water damages and glass insurance	93,750	-
Building	Water damages and glass insurance	-	223,100
Building	Special charges	-	15,229,066
Building	Rubble removal	-	10,030,163
Facilities	Technical insurance	312,500	-

(amounts stated in Argentine pesos)

13. Insurances (continued):

	Risk covered	Amount insured $	Amount insured US$
Facilities	Technical insurance	-	61,710
IT	Robbery – mobile equipment and valuables	-	56,210
Personal	Liability insurance directors & officers (D&O)	-	14,250,000
Personal	Liability insurance errors & omissions (E&O)	-	7,125,000
Personal	Liability insurance employer	2,400,000	-
Personal	Directors' bonds	800,000	-
All risks construction	Physical injury property Astor Palermo	-	24,000,000
All risks construction	Physical injury property Astor Nuñez	-	300,000
Business overhead expense	Project "Metra Puerto Norte" Stage I	-	8,700,000
Operations	Liability insurance	-	9,612,078
Operations	Liability insurance	10,150,000	-
Mandatory life insurance	Employees	3,103,100	-
Guarantee bond	Contracts enforcement	260,000	-
Guarantee bond	Contracts enforcement	-	5,530,001
Guarantee bond	Legal claims	11,611,870	-
Guarantee bond	Professional fees	54,475	-
Guarantee bond	Rent guarantee	-	334,396

14. Provisions exceeding 2% of the Company's equity were recorded at the criteria of the Company's Management, based on the opinion of its legal advisors. See Note 23 to the stand-alone financial statements.

15. The Company's Management 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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INDEPENDENT AUDITOR'S REPORT

(Free translation from the original Report issued in Spanish for local purposes, submitted to local Regulator: Comisión Nacional de Valores – CNV. Original Report was tailored to address particular objective of financial statements of issuer)

To the President and Board of Directors of
TGLT S.A.
Legal Address: Av. Scalabrini Ortiz 3333 - Floor 1°
City of Buenos Aires

1. REPORT ON THE FINANCIAL STATEMENTS

We have audited the attached consolidated financial statements of **TGLT S.A.** and its subsidiaries (as described in note 4.2 to these consolidated financial statements) which comprise the consolidated balance sheet as of December 31, 2017, the corresponding statement of operations and of other comprehensive income, statement of changes in equity and statement of cash flows for the fiscal year then ended and the information included in notes 1 to 55.

The amounts and other information corresponding to the fiscal years ending December 31, 2016 and 2015 are an integral part of the previously mentioned audited financial statements and therefore should be considered in relation to those financial statements.

2. MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"), adopted by the Federación Argentina de Consejos Profesionales de Ciencias Económicas ("FACPCE"), as approved by the International Accounting Standards Board ("IASB") as professional accounting standards and incorporated by the Comisión Nacional de Valores (CNV) to their standards. Additionally, management is responsible for establishing the internal control necessary to enable preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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3. AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the attached consolidated financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing which have been adopted in Argentina by the FACPCE through Technical Resolution N° 32. Those standards require that we comply with the ethical requirements as well as plan and execute the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the entity´s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. OPINION

In our opinion, the consolidated financial statements present fairly, in all material respects, the balance sheet of **TGLT S.A** as of December 31, 2017 and its results of operations, the changes in equity and cash flows for the year then ended in accordance with the International Financial Reporting Standards.

5. EMPHASIS OF MATTERS DISCLOSED IN THE FINANCIAL STATEMENTS

Without modifying our opinion, we draw attention to the information included in the following notes to the consolidated financial statements:

i) Note 29: "Income tax and deferred tax expense" where it is reported that the use of tax credits will depend on the concretion of business projections which permit its recoverability;

ii) Note 45: "Accounting policy used by the Company to recognize and measure the issuance of convertible corporate bonds" where it is reported that the Company classified a portion of the funds received as a component of equity; and

iii) Note 48: "Deconsolidation of Marina Río Luján S.A." where it is reported that management does not consider the control principal to be met and as such, the participation in the entity is reflected in the line "Investments in Associates."

City of Buenos Aires, March 8, 2018.

Adler, Hasenclever & Asociados S.R.L.
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INDEPENDENT AUDITOR'S REPORT

(Free translation from the original Report issued in Spanish for local purposes, submitted to local Regulator: Comisión Nacional de Valores – CNV. Original Report was tailored to address particular objective of financial statements of issuer)

To the President and Board of Directors of
TGLT S.A.
Legal Address: Av. Scalabrini Ortiz 3333 - Floor 1°
City of Buenos Aires

1. REPORT ON THE FINANCIAL STATEMENTS

We have audited the attached stand-alone financial statements of **TGLT S.A.** which comprise the stand-alone balance sheet as of December 31, 2017, the corresponding statement of operations and of other comprehensive income, statement of changes in equity and statement of cash flows for the fiscal year then ended and the information included in notes 1 to 42.

The amounts and other information corresponding to the fiscal years ending December 31, 2016 and 2015 are an integral part of the previously mentioned audited financial statements and therefore should be considered in relation to those financial statements.

2. MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"), adopted by the Federación Argentina de Consejos Profesionales de Ciencias Económicas ("FACPCE"), as approved by the International Accounting Standards Board ("IASB") as professional accounting standards and incorporated by the Comisión Nacional de Valores (CNV) to their standards. Additionally, management is responsible for establishing the internal control necessary to enable preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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3. AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the attached stand-alone financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing which have been adopted in Argentina by the FACPCE through Technical Resolution N° 32. Those standards require that we comply with the ethical requirements as well as plan and execute the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. OPINION

In our opinion, the stand-alone financial statements present fairly, in all material respects, the balance sheet of **TGLT S.A** as of December 31, 2017 and its results of operations, the changes in equity and cash flows for the year then ended in accordance with the International Financial Reporting Standards.

5. EMPHASIS OF MATTERS DISCLOSED IN THE FINANCIAL STATEMENTS

Without modifying our opinion, we draw attention to the information included in the following notes to the stand--alone financial statements:

i) Note 31: "Income tax and deferred tax expense" where it is reported that the use of tax credits will depend on the concretion of business projections which permit its recoverability; and

ii) Note 34: "Accounting policy used by the Company to recognize and measure the issuance of convertible corporate bonds" where it is reported that the Company classified a portion of the funds received as a component of equity.

City of Buenos Aires, March 8, 2018.

Adler, Hasenclever & Asociados S.R.L.
Argentine member firm of Grant Thornton International

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. 19550, and the Regulations of the Buenos Aires Stock Exchange, we have examined the documents detailed in the following section. 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) Stand-alone statement of financial position as of December 31, 2017.
b) Stand-alone statement of profit or loss and other comprehensive profit or loss for fiscal year ended December 31, 2017.
c) Stand-alone statement of changes in shareholders' equity for fiscal year ended December 31, 2017.
d) Stand-alone statement of cash flows for fiscal year ended December 31, 2017.
e) Notes to the stand-alone financial statements as of December 31, 2017.
f) Consolidated statement of financial position as of December 31, 2017.
g) Consolidated statement of profit or loss and other comprehensive profit or loss for fiscal year ended December 31, 2017.
h) Consolidated statement of changes in shareholders' equity for fiscal year ended December 31, 2017.
i) Consolidated statement of cash flows for fiscal year ended December 31, 2017.
j) Notes to the consolidated financial statements as of December 31, 2017.
k) Letter to Shareholders' and Reporting Summary for the financial statements as of December 31, 2017.
l) Inventories as of December 31, 2017.
m) Additional information required by Section No. 68 of the Buenos Aires Stock Exchange Regulations.

The amounts and other information for the fiscal year ended December 31, 2016 and 2015 are an integral part of the above mentioned 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:

a) the 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"). In addition, the Board of Directors is also responsible for the implementation of all the internal controls they may deem necessary to prepare financial statements free of significant misstatements due to errors and irregularities.

b) the 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"). In addition, the Board of Directors is also responsible for the implementation of all the internal controls they may deem necessary to prepare financial statements free of significant misstatements due to errors and irregularities.

SUPERVISORY COMMITTEE'S REPORT (continued)

III- RESPONSIBILITY AND SCOPE OF THE REVIEW

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 financial statements be examined in conformity with the auditing standards in force, 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 the bylaws in their formal and documentary aspects.

In order to perform our professional work on the documents detailed in section I above, we have considered the audit conducted by Adler, Hasenclever & Asociados S.R.L., the external auditors of TGLT S.A., who issued an unqualified audit report on March 8, 2018, in compliance with the International Auditing Standards (IAS) adopted by the FACPCE, through Technical Resolution No. 32 and Notices of Implementation.

Such review included the verification of the work plan, the nature, scope, and timing of the procedures performed, and the results of the audit conducted by such professional auditors. Our work also included assessing the reasonableness of the significant information contained in the documents examined, agreeing its consistency with the information on corporate decisions, as well as the compliance of such decisions with Argentine law and the by-laws in their formal aspects.

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

We consider that the evidence obtained provides an adequate and sufficient basis for our professional opinion.

In addition, we have verified that the Letter to Shareholders for fiscal year ended December 31, 2017 includes all the information required by section 66 of the Companies Law and that, insofar as it relates to our area of responsibility, all the figures stated therein agree to the Company's records and other relevant supporting documentation.

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

IV- CONCLUSION

Based on our review, with the scope detailed in Section III, we report that:

a) The stand-alone financial statements mentioned in paragraph I, items a) to e) present fairly, in all material respects, the financial position of TGLT S.A, as of December 31, 2017, the results of its operations, the changes in shareholders' equity and cash flows for the fiscal year then ended, in conformity with the IFRS.

b) The consolidated financial statements mentioned in paragraph I, items f) to j) present fairly, in all material respects, the consolidated financial position of TGLT S.A, as of December 31, 2017, the consolidated comprehensive results of its operations, the consolidated changes in shareholders' equity and cash flows for the fiscal year then ended, in conformity with the IFRS.

V- EMPHASIS ON CERTAIN MATTERS DISCLOSED IN THE FINANCIAL STATEMENTS

Without modifying our conclusion, we wish to highlight:

a) The information included in the following notes to the stand-alone financial statements: i) Note 31 "Income tax and deferred tax" indicating that the use of tax losses will depend on the fulfillment of all business projections allowing for their recoverability; and ii) Note 34 "Accounting policy used by the Company to recognize and measure the issuance of convertible corporate bonds" indicating that the Company's Management considered a portion of the amounts collected as part of the Shareholders' Equity.

b) The information included in the following notes to the consolidated financial statements: i) Note 29 "Income tax and deferred tax" indicating that the use of tax losses will depend on the fulfillment of all business projections allowing for their recoverability; ii) Note 45: "Accounting policy used by the Company to recognize and measure the issuance of convertible corporate bonds" indicating that the Company's Management considered a portion of the amounts collected as part of the Shareholders' Equity; and iii) Note 48: "Desonsolidation of Marina Río Luján S.A." indicating that the Company considers that the control principle is not complied with; therefore, the Company's share in María Río Luján S.A. is disclosed under "Investments in Companies".

SUPERVISORY COMMITTEE'S REPORT (continued)

VI- INFORMATION ON COMPLIANCE WITH PROVISIONS IN FORCE

a) 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.

b) The financial statements mentioned in paragraph I, items a) to e) 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.

c) The stand-alone and consolidated financial statements of TGLT S.A. 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) Inventories are pending transcription into the Inventory Book.

e) We have verified that the Letter to Shareholders and Reporting Summary for fiscal year ended December 31, 2017 includes all the information required by section 66 of the Companies Law and the CNV's regulations, and that, insofar as it relates to our area of responsibility, all the figures stated therein agree to the Company's records and other relevant supporting documentation. We have no remarks to make as it relates to our area of responsibility; as all assertions about future events are the exclusive responsibility of the Board of Directors.

f) As required by General Resolution No. 340 of the CNV regarding the independence of external auditors, and the quality of the auditing standards applied and of the Company's accounting policies, the previously mentioned external auditors' report includes a representation that the International Auditing Standards adopted by Technical Resolution No. 32 of the FACPCE have been applied and that they comply with all independence requirements. In addition, such report does not contain any qualifications as to the application of these standards or differences from other professional accounting standards.

g) In exercise of our legal supervision duties, during this year we performed all the procedures set forth in section 294 of Law 19550 that were considered necessary under the circumstances, and, in this respect, we have no observations to make.

h) we have performed the anti-money laundering and terrorist financing procedures set forth by the applicable professional standards issued by the FACPCE.

Alberto López Gaffney