TGLT

CONDENSED INTERIM CONSOLIDATED AND STAND-ALONE FINANCIAL STATEMENTS

TGLT S.A.

AS OF JUNE 30, 2018

(PRESENTED COMPARATIVELEY)

Alberto López Gaffney

GrantThornton

TABLE OF CONTENTS

TGLT

REPORTING SUMMARY

TGLT S.A.

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

REPORTING SUMMARY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

I. BRIEF COMMENTS ON THE COMPANY'S OPERATIONS FOR THE PERIOD ENDED JUNE 30,2018

I.1. Significant events occurred during the period

I.1.1 *Significant event. TGLT S.A. becomes the parent company 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) 138,267,489 common, registered shares of nominal value $1 each and one vote per share, representing 82.32% of the share capital and voting rights of Caputo (the "Shares") in accordance with the provisions of the share purchase agreements applicable to the transaction referred to above (the "Transaction Documents" and the "Transaction", respectively). Consequently, by virtue of the Transaction, the Company has become the parent company of Caputo.

The price agreed amounted to 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 was paid on the transaction date, 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.

In accordance with the provisions of section 87 of the Capital Markets Law No. 26831 and section 8, article II, chapter II of title III of CNV Rules, on January 26, 2018 TGLT addressed a Public Offering in cash and Voluntary Share Swap (jointly, the "Offer") to all holders of common, registered shares of nominal value $1 and one vote per share.

The Offer consisted 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"). Shareholders could 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.

On April 12, 2018 the Board of Directors of the Company resolved to approve the formalization by the Company of a letter of credit or stand by letter of credit, issued by Banco Itaú Argentina S.A. and Itaú Unibanco S.A. Nassau Branch (jointly, the "Issuing Bank"), in favor of the shareholders selling shares of Caputo S.A.I.C. y F. ("Caputo") as collateral for the balance of the agreed price of the share purchase agreements dated January 19, 2018, whose execution was duly informed.

As counter-guarantees for the aforementioned stand by letter of credit, TGLT created in favor of the Issuing Bank: (i) a first degree pledge on 82.32% of Caputo shares, currently owned by TGLT; (ii) the transfer as collateral of the proceeds of certain construction contracts of which Caputo is a party; and (iii) the transfer as collateral of the proceeds of a contract of which TGLT is a party.

The operation described, approved by the Board of Directors of the Company on April 12, includes the execution of a contract with its subsidiary Caputo for the assignment of rights as security interest to implement the transfer as collateral of the proceeds of certain construction contracts mentioned above, in favor of the Issuing Bank of the stand by letter of credit. The execution of this contract between TGLT and Caputo and, in particular, the commission to be paid by TGLT to Caputo as consideration for the transfer as collateral of collection rights under the contracts subject-matter of the assignment, was duly submitted for the consideration of the Audit Committee of TGLT. Having received the favorable opinion of two independent appraisal firms (Columbus MB S.A. and BACS Banco de Crédito y Securitización S.A.), the Audit Committee resolved that the terms and conditions of the contract can be considered adequate and of an arm's length nature vis-à-vis similar transactions between independent parties in accordance with sections 72 and 73 of Capital Markets Law No. 26831. The Board of Directors of TGLT makes available to the Shareholders the opinions of both independent appraisal firms at the registered offices of the Company, from Monday to Friday, from 11 am to 5 pm.

On May 28, 2018, by application of the price adjustment procedure set forth in each of the Purchase Agreements, the price payable by TGLT to each of the Sellers per share of Caputo increased from US$ 0.7914 to US$ 0.799. Consequently, as the intention of TGLT is to offer under the Mandatory Acquisition of Shares in a Public Offering ("OPA") a price per Share equivalent to at least the price paid to the Sellers under the Purchase Agreements, TGLT has decided to increase the Price timely offered in the announcement published on the Financial Information Highway of the Argentine Securities Commission ("CNV") and the information systems of the relevant markets on January 26, 2018 and on the newspaper El Cronista Comercial on January 29, 30 and 31, 2018 (the "Announcement") and to offer to pay to the holders who decide to participate in the OPA a fixed price of US$ 0.799 per Share, which shall be paid 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).

In this regard, the on May 28, 2018, TGLT decided to waive the Voluntary Share Swap in a Public Offering because (a) TGLT has sufficient own resources to purchase all the Shares delivered to it as a result of the OPA; (b) due to the substantial difference in the changes in the price of shares of TGLT and Caputo (in the last case, a stable price resulting from the hedge implied by the price in US dollars offered under the OPA), any swap ratio attracting the shareholders of Caputo must include a dilution of the ownership interests of the current shareholders of TGLT in the Company's capital; (c) the current situation of the Argentine financial market reveals that investors are migrating massively from variable income assets to fixed income assets, which entail that the shareholders of Caputo might not be interested in participating in the Voluntary Share Swap; and (d) finally, the Voluntary Share Swap would make the Company incur in additional costs and processes that would not bring any substantial benefits either to TGLT, or to its shareholders, or to the holders of Shares of Caputo.

On July 24, 2018, the Board of the CNV approved the Public Offering for the acquisition of registered, common shares of Caputo S.A.I.C y F., with a nominal value of one peso ($1) each, and granting one vote per share, currently issued and outstanding, free of any encumbrance, pledge or injunction, not directly or indirectly owned by TGLT upon the offer launch, within the framework of File No. 347/2018 "CAPUTO S.A. S/ Oferta Pública de Adquisición por TGLT S.A.". The effective launching and start of the term of the OPA is subject to the compliance with the requirements made by the CNV in the file, including the filing of an offering memorandum in line with the comments made by the CNV. The investment public has been informed that once these requirements are met the Company will timely publish the OPA launching announcement. The Shares are listed on Bolsas y Mercados Argentinos S.A. ("BYMA") under the symbol "CAPU".

1) Mandatory Acquisition of Shares in a Public Offering

The Offer will consist of a mandatory acquisition in a Public Offering of the Shares at a price per Share to be paid in cash, in Pesos.

On January 25, 2018, the Board of TGLT decided (i) to conduct the Offer, stating that TGLT has sufficient resources to pay for the total price of the Mandatory Acquisition of Shares in a Public Offering, and (ii) to fix the price per Share under the Mandatory Acquisition of Shares in a Public Offering.

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 Offer is voluntary for the shareholders of Caputo. Therefore, shareholders could choose to participate in the Mandatory Acquisition of Shares in a Public Offering and/or maintain their shares.

2) 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 a price of USD 0.799 per Share (the "Offered Price"), which shall be paid 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 Settlement Date (as defined below). The applicable exchange rate and, therefore, the price per Share to be paid in pesos, shall be timely communicated by a publication on the Financial Information Highway of the CNV, together with the table required by Section 28, Chapter II, Title III of the CNV Rules.

3) Deadline and terms to accept the Offer

The Public Offering will extend for a term of twenty-five (25) business days ("Business Days"). The General Term of the Offer shall be twenty (20) Business Days. It shall start at 10 am on August 8, 2018 and end at 3 pm on September 5, 2018. The Additional Term of the Offer shall be five (5) Business Days. It shall start at 10 am on September 6, 2018 and end at 3 pm on September 12, 2018. The shareholders who have not accepted the Offer within the General Term of the Offer may accept it during the Additional Term of the Offer, by performing the same procedures and under the same conditions as in the General Term of the Offer. All the hours mentioned in this announcement relate to the time zone of the City of Buenos Aires, Argentina.

4) Guarantee

Pursuant to Section 33, Chapter II, Title III of the CNV Rules, the Company agreed with Banco Santander Río S.A. that a guarantee be granted as security for its obligations under the OPA, the standard form of which is accompanied as Exhibit I to the offering memorandum of the OPA (the "Guarantee" and the "Offering Memorandum", respectively). For more information, please see the section "Objective Elements of the Offer - Guarantees of the Mandatory Acquisition of Shares in a Public Offering" of the Offering Memorandum.

5) Agent of the Offer

Allaria Ledesma & Cía. S.A. (CNV Registration No. 24), domiciled at 25 de Mayo 359, City of Buenos Aires, Argentina, is the Agent of the Offer.

6) Terms of the Offer

The Offer is subject to the following conditions: (a) Termination of one or more Purchase Agreements shall not occur; and (b) Authorization of the Offer shall be maintained by the CNV; such authorization was granted by the resolution of the Board of the CNV on July 24, 2018 (date of formal approval of the Offer).

7) Tax withholdings

The Offered Price shall be paid net of any applicable income tax. Foreign beneficiaries residing in non-cooperative jurisdictions and invested funds coming from non-cooperative jurisdictions shall be subject to income tax on capital gains derived from the sale of Shares, at a rate of 35% on net income (as per Decree 279/2018 (Official Gazette 04.09.2018)). Moreover, General Resolution (AFIP) 4227/2018 (Official Gazette 04.12.2018) ruled -among other matters- the procedure applicable to the withholding and payment to the tax authorities of the capital gains tax obtained by part of the foreign beneficiaries. For more information, please see the "Tax Aspects" section of the offering memorandum.

8) Other considerations

The payment of the Offered Price shall be made within seven (7) Business Days after the end of the Additional Term of the Offer. The Offeror shall communicate the final payment date of the Offered Price in the Notice of Results (as defined in the offering memorandum).

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, 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.

This announcement and the information contained herein are for information purposes only and does not constitute and shall not be construed as an offer to acquire shares or as an invitation to transfer shares (including, without limitations, the Shares). The final terms and conditions of the Offer are described in the Offering Memorandum and in any other document related to the Offer.

I.1.2 Calls for Annual and Extraordinary Shareholders' Meeting of TGLT S.A.

At the meeting held on January 25, 2018, the Company's Board of Directors decided, among other matters, to call an Annual General and Extraordinary Shareholders' Meeting, to be held on February 28, 2018, at 10 am on first call, or March 14, 2018 at 10 am on second call (the second call only for the purposes of the Annual Meeting, in compliance with the provisions of section 237 of the Argentine Companies Law), at the registered offices of the Company located at Scalabrini Ortiz 3333, 1st floor, City of Buenos Aires, to discuss the following Agenda:

1) Appointment of shareholders to approve and sign the Minutes of the Meeting;

2) Consideration of the issuance of up to twenty-five million (25,000,000) new common, registered shares of nominal value $1 (one peso) each and one vote per share, to be paid in kind by transferring to the Company the shares held in Caputo by the shareholders who choose to participate in the Swap of Shares. Determination of the terms and range of prices where the Board of Directors shall establish the final subscription price, the stock premium and shall decide on the issuance of additional shares (including an adjustment to the swap ratio by +/-10%). Delegation on the Company's Board of Directors of the power to determine the other terms and conditions on the issuance of the Share Swap. Authorization granted to the Board of Directors to sub-delegate the powers referred to above on one or more of the Company's directors and/or managers. Consideration of the suspension of the right of first refusal with respect to the shares to be issued in relation to this item of the agenda (with respect to this matter, an extraordinary shareholders' meeting shall be held).

3) Ratification of the capital increase approved by the Annual and Extraordinary Shareholders' Meetings held on April 14, 2016 and April 20, 2017. Increase in the amount to be issued to a value of up to Pesos Five Hundred and Fifty Million (AR$ 550,000,000). Authorization granted to the Board of Directors to issue additional shares of TGLT S.A. in case the requests for the subscription of shares in TGLT S.A. exceed the amount of shares originally issued. Determination of the terms and range of prices where the Board of Directors shall establish the final subscription prices, the stock premiums and shall decide on the issuance of additional shares. Two (2) year extension of the delegation on the Board of Directors of the power to determine the dates and other terms and conditions on the issuances, up to the total authorized amount. Authorization granted to the Board of Directors to sub-delegate the powers referred to above on one or more of the Company's directors and/or managers. Consideration of the reduction in the term available to exercise the right of first refusal with respect to the shares to be issued in relation to this item of the agenda (with respect to this matter, the meeting shall be held as an extraordinary shareholders' meeting).

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

At the meeting held on March 8, 2018, the Company's Board of Directors decided, among other matters, to call an Annual General and Extraordinary Shareholders' Meeting, to be held on April 26, 2018, at 10 am on first call, and 11 am on second call (the second call only for the purposes of the Annual Meeting, in compliance with the provisions of section 237 of the Argentine Companies Law), at the registered offices of the Company located at Scalabrini Ortiz 3333, 1st floor, City of Buenos Aires, to discuss the following Agenda:

1) Appointment of two Shareholders to approve and sign the Minutes of the Meeting;

2) Consideration of the Letter to Shareholders and Reporting Summary; Inventory; Stand-alone Statements of Financial Position, Profit or Loss and Other Comprehensive Income, Changes in Shareholders Equity, and Cash Flows, and the related Notes to the Stand-alone Financial Statements; the Consolidated Statements of Financial Position, Profit or Loss and Other Comprehensive Income, Changes in Shareholders' Equity, and Cash Flows, and the related Notes to the Consolidated Financial Statements; the Auditor's Opinion; the Supervisory Committee's Report; and the Additional Information required by section 68 of the Rules of the Buenos Aires Stock Exchange for the fiscal year ended on December 31, 2017;

3) Destination of the loss for the fiscal year ended December 31, 2017;

4) Consideration of the performance of the Company's Board of Directors and Supervisory Committee for the fiscal year ended December 31, 2017 and as of the date of the Shareholders' Meeting;

5) Consideration of Directors' fees ($ 2,576,282.68, allocated amount) for the fiscal year ended December 31, 2017, which recorded a loss computable according to the rules of the Argentine Securities Commission (CNV). Consideration of Supervisory Committee members' fees.

6) Confirmation of the acts of the Supervisory Committee, according to section 258 of Law No. 19550, regarding the appointment of two (2) regular directors and two (2) alternate directors of the Company to replace the resigning directors, which was made on December 12, 2017;

7) Appointment of a new regular supervisory auditor and an alternate supervisory auditor in case of vacancies;

8) Consideration of the advance payment of Directors' fees for 2018;

9) Consideration of the fees payable to the auditor of the financial statements as of December 31, 2017;

10) Appointment of the external auditor for the fiscal year ending December 31, 2018, and determination of the related fees;

11) Consideration of the Audit Committee's budget for 2018;

12) Approval of the amendments to articles 7, 8, 9, and 10 of the Company's Bylaws (Extraordinary Shareholders' Meeting);

13) Consideration of the issue of purchase options for up to 5% of the shares to be issued as a result of the capital increase approved by the Annual General and Extraordinary Shareholders' Meeting held on February 28, 2018 (point 3) in favor of some executives and employees of the Company, with the simultaneous and implicit decision to increase capital in the proportion necessary to meet outstanding purchase options. Delegation to the Board of Directors of the authority to establish the issue terms and conditions and the rights to be granted.

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

I.1.3 Meeting of holders of subordinated corporate notes convertible into shares maturing in 2027, issued by TGLT S.A. in the total principal amount of US$ 150,000,000

At the meeting held on March 8, 2018, the Company's Board of Directors decided, among other matters, to call a meeting of holders of notes convertible into new common shares in the amount of US$ 150,000,000, maturing in 2027, authorized by Resolution No. 18773 of the Argentine Securities Commission ("CNV") dated June 13, 2017, and issued under the trust agreement dated August 3, 2017 entered into between TGLT, The Bank of New York Mellon and Banco Santander S.A. ("Indenture"), to be held March 27, 2018, at 10 am on first call, and at 11 am on second call, at the registered office of the Company located at Raul Scalabrini Ortiz No. 3333, 1st floor, City of Buenos Aires, in order to discuss the following Agenda:

1) Appointment of two holders to sign the minutes.

2) Amendment to paragraph (10) of the definition of "Permitted Indebtedness" included in article 101 of the Indenture, so that it reads as follows: "Debt incurred by the Company or any of its Subsidiaries in connection with the financing, refinancing, surety and/or guarantee of all or part of the purchase price, or cost of construction, development or improvement, of any asset of the Company or any of its Material Subsidiaries, including the acquisition of shares, units or interests in a trust that represents a special investment vehicle (including the purchase price of, and acquisition cost related to, materials, equipment and other goods required to complete constructions , developments or improvements, and any costs, expenses, interest or fees incurred in relation thereto)";

3) Addition of the following wording as paragraph (12) of the definition of "Permitted Indebtedness" included in article 101 of the Indenture: "Debt incurred by a Subsidiary of the Company prior to the date on which such Subsidiary became a Subsidiary of the Company, by any means whatsoever (including, but not limited to, the acquisition of shares of stock or units of interest by the Company or any of its Subsidiaries, or through a merger or consolidation with the Company or any of its Subsidiaries)";

4) Amendment to paragraph (13) of the definition of "Permitted Indebtedness" included in article 101 of the Indenture (former paragraph 12), so that it reads as follows: "Other debts not permitted by paragraphs 1 to 12 above, in a total amount not to exceed (from the Date of Issue) (a) US$ 40,000,000 (or its equivalent in other currencies), and (b) the Additional Capitalization, multiplied by 1.5";

5) Amendment to paragraph (13) of the definition of "Permitted Liens" included in article 101 of the Indenture, so that it reads as follows: "Liens created or levied on any property acquired or constructed by the Company or any of its Subsidiaries, but only if (a) the Lien guarantees only the principal amount (limited to the cost of acquisition or construction) incurred to finance or guarantee that acquisition or construction, together with the other costs, expenses, interest or fees incurred in relation thereto; and (b) the Lien (i) is created or levied within 120 days after the completion of the acquisition or construction; or (ii) it is created or levied in substitution of a Lien created or levied within the terms of subsection (i) above; or (iii) is an extension, renewal or refinancing of the Liens provided for in subsections (i) and (ii) above ";

6) Addition of the following wording as paragraph (14) of the definition of "Permitted Liens" included in article 101 of the Indenture: "Liens on property as of the date on which the Company or any of its Subsidiaries acquired such property, including any acquisition through a merger or consolidation with the Company or any of its Subsidiaries";

7) Authorization of certain Company officers to sign with the Trustee (as such term is defined in the Indenture) a supplement to the Indenture that reflects the aforementioned modifications and any other document evidencing the consent of the holders to the modifications above, and to perform any other additional act that is necessary or convenient to implement those modifications, including any additional filing; and

8) Appointment of a member of the Supervisory Committee as Chairman of the aforementioned meeting of holders.

On April 10, 2018, the meeting of holders of subordinated notes convertible into shares, issued by TGLT for a total initial amount of US$ 150,000,000, maturing in 2027, was held at the registered offices of the Company on second call. The issuance was authorized by Resolution No. 18773 of the Argentine Securities Commission ("CNV") dated June 13, 2017 (the "Convertible Notes") (the "Meeting").

The following modifications to the trust agreement signed between Bank of New York Mellon, Banco Santander Río and the Company for the issuance of the Notes (the "Indenture") were unanimously approved by the Meeting:

- Amendment to paragraph (10) of the definition of "Permitted Indebtedness" included in article 101 of the Indenture, so that it reads as follows: "Debt incurred by the Company or any of its Subsidiaries in connection with the financing, refinancing, surety and/or guarantee of all or part of the purchase price, or cost of construction, development or improvement, of any asset of the Company or any of its Material Subsidiaries, including the acquisition of shares, units or interests in a trust that represents a special investment vehicle (including the purchase price of, and acquisition cost related to, materials, equipment and other goods required to complete constructions , developments or improvements, and any costs, expenses, interest or fees incurred in relation thereto)";

- Addition of the following wording as paragraph (12) of the definition of "Permitted Indebtedness" included in article 101 of the Indenture: "Debt incurred by a Subsidiary of the Company prior to the date on which such Subsidiary became a Subsidiary of the Company, by any means whatsoever (including, but not limited to, the acquisition of shares of stock or units of interest by the Company or any of its Subsidiaries, or through a merger or consolidation with the Company or any of its Subsidiaries)";

- Amendment to paragraph (13) of the definition of "Permitted Indebtedness" included in article 101 of the Indenture (former paragraph 12), so that it reads as follows: "Other debts not permitted by paragraphs 1 to 12 above, in a total amount not to exceed (from the Date of Issue) (a) US$ 40,000,000 (or its equivalent in other currencies), and (b) the Additional Capitalization, multiplied by 1.5";

- Amendment to paragraph (13) of the definition of "Permitted Liens" included in article 101 of the Indenture, so that it reads as follows: "Liens created or levied on any property acquired or constructed by the Company or any of its Subsidiaries, but only if (a) the Lien guarantees only the principal amount (limited to the cost of acquisition or construction) incurred to finance or guarantee that acquisition or construction, together with the other costs, expenses, interest or fees incurred in relation thereto; and (b) the Lien (i) is created or levied within 120 days after the completion of the acquisition or construction; or (ii) it is created or levied in substitution of a Lien created or levied within the terms of subsection (i) above; or (iii) is an extension, renewal or refinancing of the Liens provided for in subsections (i) and (ii) above";

- Addition of the following wording as paragraph (14) of the definition of "Permitted Liens" included in article 101 of the Indenture: "Liens on property as of the date on which the Company or any of its Subsidiaries acquired such property, including any acquisition through a merger or consolidation with the Company or any of its Subsidiaries";

In addition, it was resolved to authorize certain Company officers to sign with the Trustee (as such term is defined in the Indenture) a supplement to the Indenture that reflects the aforementioned modifications and any other document evidencing the consent of the holders to the modifications above, and to perform any other additional act that is necessary or convenient to implement those modifications, including any additional filing.

On April 20, 2018, the Company executed with the Bank of New York Mellon an addendum (the "Supplemental Indenture") to the trust agreement entered into between Bank of New York Mellon, Banco Santander Río S.A. and the Company, for the issue of the subordinated notes convertible into shares, issued by TGLT for a total initial amount of US$ 150,000,000, maturing in 2027. The issuance was authorized by Resolution No. 18773 of the Argentine Securities Commission dated June 13, 2017 (the "Convertible Notes").

It is hereby made known that the Supplemental Indenture implemented the modifications approved by the Meeting of holders of the Convertible Notes carried held on April 10, 2018, whose decisions were duly informed in advance.

I.1.4.1 Extension of the Global Program for the Issuance of Notes

On April 20, 2017, the Shareholders' Meeting authorized the extension of the Program for a maximum outstanding amount of up to US$ 50,000,000 (or its equivalent in other currencies). In addition, on November 10, 2017, the Shareholders' Meeting approved (i) the update of the prospectus relating to the global program for the issuance of corporate notes; and (ii) the issuance of corporate notes under the program for a nominal value of up to one hundred and fifty million ($ 150,000,000) in one or more classes and/or series, as timely determined in the related price supplement (the "New Corporate Notes").

I.1.4.2 Issuance of Series XIV and XV Notes

On March 5, 2018, the Company filed with the CNV the price supplement for the issuance of Series XIV and XV of the Program for the issuance of Notes, which was approved that same day. On March 20, 2018, the XV series was issued for an amount of US$ 25,000,000 at an annual rate of 7.95%, maturing on March 20, 2020 and with a quarterly coupon. Series XIV has received no response (unsuccessful).

	Class XV
Issue date	3/20/2018
Amount issued	US$ 25,000,000
Outstanding principal amount	US$ 25,000,000
Payment currency	US dollars
Outstanding amount - Current (principal and interest)	US$ 1,987,500
Outstanding amount - Non-current (principal and interest)	US$ 26,491,986
Interest rate	7.95%
Maturity	3/20/2020
Amortization	Single payment March 20, 2020
Payment of interest	Quarterly coupon
Payment of principal	At par
Rating	BBB by FIX SCR S.A. Risk Rating Agent

For more information about the Program for the Issuance of Notes, see the prospectus "Global Program for the Issuance of Notes for a maximum amount outstanding at any time up to US$ 50,000,000 (or its equivalent in other currencies)." It is available to interested parties at the registered office of the Company located at Raúl Scalabrini Ortiz 3333, 1st Floor, City of Buenos Aires and on the website www.tglt.com. It can also be consulted on the CNV website (www.cnv.gob.ar) under "Financial Information" corresponding to the Company where it is published under ID 4-558768-D of January 18, 2018.

I.1.5 Changes in the parties to the Shareholders Agreement of TGLT S.A.

In relation to the shareholders agreement of TGLT formalized through the "Irrevocable Offer of Shareholders Agreement No. 001-2015", dated May 27, 2015 (the "Agreement"), duly informed as Relevant Event 4-309068-D of that same date, as amended through an addendum dated July 7, 2017, informed as Relevant Event 4-499911-D, we have been notified on April 23, 2018 by the shareholder Bienville Argentina Opportunities Master Fund LP of its intention to cease being a party to the Agreement, as it had reduced its shareholding in the Company below 13.50% of the share capital and the votes thereof, in accordance with the provisions of clause 6.13 (iv) of the Agreement.

I.1.6 Resignation of the regular and alternate directors and of the regular supervisory auditor. Designation of new directors and supervisory auditor.

On April 26, 2018, Mariano Gonzalez and Pablo Alejandro Melhem Marcote resigned as regular directors; Gustavo Casir and Pablo Ferraro Mila resigned as alternate directors; and Pablo Di Iorio resigned as regular supervisory auditor. All such resignations were grounded on personal reasons.

Therefore, at the Annual and Extraordinary Shareholders' Meeting held on that day, the Company decided to: (i) appoint Fernando Gustavo Sasiain as regular supervisory auditor and Alfredo Germán Klein and Diego María Serrano Redonnet as alternate supervisory auditors to fill the vacancies created; and (ii) approve the amendment of section seven of the Company's Bylaws, whereby it was resolved to reduce the number of Board Members to six (6) regular directors and six (6) alternate directors, thus maintaining the individuals appointed as such as of that date.

Consequently, the Company's Board of Directors will now be composed by:

DIRECTOR	POSITION AT TGLT S.A.	TERM OF OFFICE	DATE OF APPOINTMENT	AS
Federico Nicolás Weil	President and Regular Director	Shareholders' Meeting approving the Company's financial statements as of December 31, 2018.	Annual Shareholders' Meeting held on April 14, 2016.	Non-independent
Darío Ezequiel Lizzano	Vicepresident and Regular Director	Shareholders' Meeting approving the Company's financial statements as of December 31, 2018.	Annual Shareholders' Meeting held on April 14, 2016.	Non-independent
Mariano Sebastián Weil	Regular Director	Shareholders' Meeting approving the Company's financial statements as of December 31, 2018.	Annual Shareholders' Meeting held on April 14, 2016.	Non-independent
Carlos Alberto Palazón	Regular Director	Shareholders' Meeting approving the Company's financial statements as of December 31, 2018.	Annual Shareholders' Meeting held on April 14, 2016.	Non-independent
Alejandro Emilio Marchionna Faré	Regular Director	Shareholders' Meeting approving the Company's financial statements as of December 31, 2018.	Annual Shareholders' Meeting held on April 14, 2016.	Independent
Mauricio Wior	Regular Director	Shareholders' Meeting approving the Company's financial statements as of December 31, 2018.	Annual Shareholders' Meeting held on April 14, 2016.	Independent
Alejandro Belio	Alternate Director	Shareholders' Meeting approving the Company's financial statements as of December 31, 2018.	Annual Shareholders' Meeting held on April 14, 2016.	Non-independent
Rodrigo Javier Lores Arnaiz	Alternate Director	Shareholders' Meeting approving the Company's financial statements as of December 31, 2018.	Annual Shareholders' Meeting held on April 20, 2017.	Non-independent
Fernando Saúl Zoppi	Alternate Director	Shareholders' Meeting approving the Company's financial statements as of December 31, 2018.	Annual Shareholders' Meeting held on April 14, 2016.	Non-independent
Pedro Eugenio Aramburu	Alternate Director	Shareholders' Meeting approving the Company's financial statements as of December 31, 2018.	Annual Shareholders' Meeting held on April 14, 2016.	Non-independent
Daniel Alfredo Vicien	Alternate Director	Shareholders' Meeting approving the Company's financial statements as of December 31, 2018.	Annual Shareholders' Meeting held on April 14, 2016.	Independent
Luis Rodríguez Villasuso	Alternate Director	Shareholders' Meeting approving the Company's financial statements as of December 31, 2018.	Annual Shareholders' Meeting held on April 14, 2016.	Independent

Moreover, the Supervisory Committee will be structured as follows:

MEMBER	POSITION	PROFESSION	AS
Ignacio Fabián Gajst	Supervisory Auditor	Public Accountant	Regular
Ignacio Arrieta	Supervisory Auditor	Lawyer	Regular
Fernando Gustavo Sasiain	Supervisory Auditor	Lawyer	Regular
Silvana Elisa Celso	Supervisory Auditor	Public Accountant	Alternate
Diego María Serrano Redonnet	Supervisory Auditor	Lawyer	Alternate

MEMBER	POSITION	PROFESSION	AS
Alfredo Germán Klein	Supervisory Auditor	Lawyer	Alternate

<u>I.1.7 Sale of an item of real property located between streets Mercedes, Santo Tome and Arregui of the City of Buenos Aires.</u>

On May 8, 2018, the Company executed tittle deed No. 45, before notary public Adriana B. Colombo, in order to transfer title to two (2) adjoining pieces of land located in the City of Buenos Aires and identified as: (a) premises located facing Mercedes street No. 2346 / 2354 / 2360, corner of Santo Tomé street No. 4256 / 4260, corner of Arregui street No. 4219 / 4235; Real property registration number: District 15; section 81; block: 29; division: E; Real property identification number: 313059-04; and (b) item of real property located facing Santo Tomé street No. 4264, between Mercedes and Gualeguaychú streets; Real property registration number: District 15; section 81; block: 29; Parcel: 6-B; Real property identification number: 313061-09 The selling price of the item of real property amounted to six million one hundred thousand US dollars (USD 6,100,000).

I.2. Major landmarks in our real estate business during the period

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

Forum Alcorta

- All apartments were sold, and only 13 parking spots remain unsold in stock. All apartments were handed over.
- Some minor works are being completed so as to obtain all final work permits.
- A total of 38 title deeds were executed for Tower Building ONE and 22 remain pending execution.

Astor Núñez

- The Modification and Extension blueprints filed on April 11, 2018 are pending registration by the Government of the City of Buenos Aires, in order to restart and complete final works at Vedia Street.
- Two apartments in floor 29th (out of a total of 298) have not been handed over yet (in process).

Venice

- General masonry and completion works show an average progress of 93% in 4 out of the 5 buildings under construction, except for the Falúas building, where advances reach 83%.
- In building Goletas II, the company Obras y Sistemas is working to complete the concrete structure. To date, the slab on the sub-floor is being built.
- Construction of the entry structure to the building has also been started.
- As to infrastructure, earthmoving works have made great advances in the Entry and Boulevard areas. Pavement was placed in inner streets.
- Works in the electric power lines as well as in sewage and storm drains continue. Civil works at the effluent treatment plant and the mechanical part of the gas regulating plant are in execution. The aqueduct that will supply water to the building was completed.
- As of June 30, 2018, 323 apartments have already been sold, out of a total of 469 apartments offered.

Astor Palermo

- The building construction has been completed and all apartments were sold. Only three apartments granted to providers in exchange for their work are yet to be handed over.
- The floor subdivision plan was submitted again on July 24, 2018, with the corrections requested by the Government of the City of Buenos Aires in order to have them officially registered so as to start executing the related title deeds.

Astor San Telmo

- Excavation and earthmoving activities are undergoing Stage 02.
- Around 3,000 m2 of subsoil slabs have been concreted and 3,700 m2 will be completed by the end of July. Isolated bases and submural partitions continue to be built.
- Aluminum Carpentry and Elevators related works will soon be awarded to winning offerors; while the bidding process for Coatings and Sanitary Appliances will be starting shortly.
- As of June 30, 2018, 279 apartments (64% of the total) were sold.

Forum Puerto del Buceo

- Construction of Stage 02 is progressing as planned. Kitchen furniture was installed in the H area, wood floors were installed up to the seventh floor, and doors were installed in floors 1, 6 and 7. Walls in the Area G were plastered and painted for the first time until the fifth floor. The interior walls of apartments in the Area F were plastered and painted, and flagstones are being placed on terraces.
- Apartments continued being handed over during Stage 1 of the project, reaching 147 units handed over as of June 30, 2018 (43% of total units). Possession of apartments in Areas J and I of Stage 2 will be handed over in early August, jointly with most of the second subfloor.
- All utilities are ready to be used by apartment owners, and 111 owners/lessees are currently living in the premises.
- As of June 30, 2018, a total of 272 units (80% of the total) were sold.

Metra Puerto Norte (Masterplan Brisario)

- MPN Stage 1 (Tira): The building's construction was completed in February, and natural gas and central hot water are available since July. As of July, 10 apartments have been handed over and 5 have already been occupied. Proceedings were initiated to obtain interim final work permits.
- MPN Stage 2 (Tower): construction works are in progress. Foundations and undergrounds were completed, and the concrete structure will now be built.

Forum Puerto Norte

- The Building blueprints were already registered with the Municipal Registry of Tittles to Real Property, and as of the date of this report, they are being registered in the Provincial Registry of Tittles to real property, as this is one of the requirements to execute the tittle deed.

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

Concepción Live Art Work – La Manzana

- The Concepción Trust 2931 has accepted an offer letter from Caputo to build the "Edificio Concepción Arenal 2931" building; for which purposes five purchase orders were signed for a total amount of $884,980,377 + VAT, and 48 months of execution. The works to be completed are divided into five purchase orders as follows: 1) Construction work organization and concrete quality control in the mount of $144,687,206; level of progress as of March 31, 2018: 6.25%; 2) Earthmoving, groundwater drilling, shoring, demolitions, structure up to ground floor in the amount of $210,885,132, level of progress as of March 31, 2018: 7.94%; 3) Reinforced concrete structures from slab on first floor to roof and complementary items in the amount of $ 238,791,775; 4) Masonry, concrete partitions, parameters of gypsum rock, insulation, ventilation ducts, internal and external plasters and others in the amount of $150,823,408; 5) Ceiling, subfloors, folder, floors, baseboards, coatings, plaster, provisions and installation in the amount of $ 139,792,854.

OM Botánico

- In January 2018, a purchase order was signed regarding some premium housing and office buildings in Barrio Norte, City of Buenos Aires, where Los Azabaches S.A. would be acting as principal. Stage 1, Wet Works, totals $67,208,860 + VAT. To the date of this report, the demolition stage has been completed.

Consultatio Argentina S.A.U

- In June 2018, CONSULTATIO ARGENTINA S.A.U. accepted Caputo's offer to build the OCEANA Building at Puerto Madero. Such works involve the construction of a concrete structure, and the performance of masonry and other related works on a piece of real property owned by the Principal, which is located at Dique 2, Puerto Madero, City of Buenos Aires. The housing complex will be composed of two nine-story buildings with a salable surface of 26,000 m2. The offer amounted to $ 694,057,596 plus VAT, and indicated an execution term of 26 months.

Swiss Medical S.A.

- In July, Swiss Medical S.A. accepted Caputo's offer to build the first stage of a 20,000 m2 building in Nordelta (gated community in the Province of Buenos Aires) where a clinic would operate. This first stage comprises the completion of the foundations of a reinforced concrete structure, including piles and groundwater drilling. The amount of the contract is $ 72,810,807, plus VAT. Construction works must be completed in 100-day term. The selling department is currently working in the presentation of offers for the following stages.

I.4. Major landmarks in our investments in associates during the period

Desarrollos Caballito S.A.

- The Company acquired the premises located in the Seventh Circumscription of the City of Buenos Aires, facing Federico García Lorca street numbers 210, 234, 250, 254, 260, 284 and 290, the corner of General Martín de Gainza street numbers 209, 253, 279, 281, 283, 287 and 291, with a total surface of 10,447.25 m2, (Real property registration number: District 7; section 45; block 3; fraction D; Real property identification number: 177742), that will be allocated to the construction of a multi-family housing project composed of two tower buildings of 33 floors each with several amenities. In March 2008, the Company was engaged in the launching of the "Dos Plaza" project. As of June 30, 2018, the Company handed over possession of 263 apartments, out of a total of the 264 apartments of Tower Building I. The pre-sale of Tower Building II was launched in August 2014, after several months of delays resulting the complex scenario of the Argentine real estate market. As of June 30, 2018, the Company executed 164 purchase-sale agreements. Possession of 141 apartments was granted during this first half of the year, and the related title deeds are pending execution. In 2018, the Company is expected to hand over all apartments for which a purchase and sale agreement has been signed, and to make their best efforts to sell all other remaining units.

Altos del Puerto S.A.

- On October 21, 2016, such company entered into a purchase option offer with Argencons S.A. involving the premises located at Avenida Ramón S. Castillo 350 and Comodoro Pedro Zanni. The related title deed was executed on June 21, 2017, indicating a purchase price of US$ 23,000,000, as a base price, plus a contingent price. On November 29, 2017, the Company executed an amending deed to modify the purchase price with Allaria Ledesma Fondos Administrados Sociedad Gerente de Fondos Comunes de Inversión S.A., acting as escrow agent of Allaria Argencons Distrito Quartier Puerto Retiro Fondo Común de Inversión Cerrado Inmobiliario Ley 27.260, to annul the contingent price determination procedure set and to fix such price in the total and final amount of US$ 1,000,000, which was paid to the Company on January 31, 2018.

Logística Ambiental Mediterránea S.A

- On June 22, 2018, a new company named Logística Ambiental Mediterránea S.A., Argentine Branch was incorporated. Vega Engenharia Ambiental S.A., Argentine Branch holds 49% of the latter's capital stock, while Caputo holds the remaining 51%. The company's exclusive purpose will be providing urban hygiene and waste management services, including the collection of urban, household and other solid waste, their transport, streets sweeping, and cleaning of public roads and public spaces, related to the service contract to be entered into with the Municipality of Córdoba. The company's capital stock amounts to twenty-eight million Argentine pesos ($28,000,000), represented into 280,000 non-endorsable, registered, common shares, with a nominal value of $ 100 each and one vote per share

II. BALANCE SHEET STRUCTURE

(amounts stated in thousands of Argentine pesos)

	Jun 30, 2018	Jun 30, 2017	Jun 30, 2016	Jun 30, 2015	Jun 30, 2014
Non-current assets	5,520,097	1,038,232	546,911	424,920	411,620
Current assets	5,224,467	3,777,761	4,185,287	2,865,681	2,364,009
Total assets	**10,744,564**	**4,815,993**	**4,732,198**	**3,290,601**	**2,775,629**
Non-current liabilities	5,534,805	248,304	471,473	365,555	421,318
Current liabilities	5,100,291	4,215,170	4,134,744	2,647,549	2,053,008
Total liabilities	**10,635,096**	**4,463,474**	**4,606,217**	**3,013,104**	**2,474,326**
Attributable to parent company's owners	(227,603)	91,430	85,805	231,269	252,548
Attributable to the holders of non-controlling interest	337,071	261,089	40,176	46,228	48,755
Total shareholders' equity	**109,468**	**352,519**	**125,981**	**277,497**	**301,303**
Total liabilities and shareholders' equity	**10,744,564**	**4,815,993**	**4,732,198**	**3,290,601**	**2,775,629**

III. PROFIT AND LOSS STRUCTURE

(amounts stated in thousands of Argentine pesos)

	Jun 30, 2018	Jun 30, 2017	Jun 30, 2016	Jun 30, 2015	Jun 30, 2014
Operating income/loss	**352,556**	**(16,725)**	**(47,323)**	**30,357**	**(12,942)**
Investments in companies	162,768	-	-	-	-
Financial results:					
Exchange gains/losses	(1,121,145)	(417)	(3,041)	(20,944)	(36,194)
Financial income	38,473	6,649	6,294	32,322	56,080
Financial costs	(263,408)	(45,220)	(58,977)	(27,365)	(16,857)
Income/(loss) before income tax	**(830,756)**	**(55,713)**	**(103,047)**	**14,370**	**(9,913)**
Income tax	335,781	16,413	25,125	(18,764)	8,968
Income (loss) for the period	**(494,975)**	**(39,300)**	**(77,922)**	**(4,394)**	**(945)**
Other comprehensive profit or loss	(44,273)	(2,253)	(11,216)	(1,669)	195
Total comprehensive loss for the period	**(539,248)**	**(41,553)**	**(89,138)**	**(6,063)**	**(750)**

IV. CASH FLOW STRUCTURE

(amounts stated in thousands of Argentine pesos)

	Jun 30, 2018	Jun 30, 2017	Jun 30, 2016	Jun 30, 2015	Jun 30, 2014
Cash (used in) provided by operating activities	(259,895)	(122,445)	(98,475)	(9,334)	(58,640)
Cash (used in) provided by investing activities	(1,097,215)	71,134	(1,892)	(898)	(3,273)
Cash (used in) provided by financing activities	440,788	93,846	199,249	37,168	99,596
Total cash (used in) provided during the period	**(916,322)**	**42,535**	**98,882**	**26,936**	**37,683**

V. STATISTICAL DATA

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

	Jun 30, 2018	Jun 30, 2017	Jun 30, 2016	Jun 30, 2015	Jun 30, 2014
Residential M2 handed over (1)	3,315	16,667	8,302	14,163	13,577
Certified m2 of work and construction (2)	62,993	70,884	44,793	53,096	38,242

(1) Square meters handed over.

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

VI. MAIN INDICATORS, RATIOS OR INDEXES

Ratios	Formula	Jun 30, 2018	Jun 30, 2017	Jun 30, 2016	Jun 30, 2015	Jun 30, 2014
Liquidity	Current assets / Current liabilities	1.02	0.90	1.01	1.08	1.15
Solvency	Shareholder's equity / Liabilities	0.01	0.08	0.03	0.09	0.12
Fixed asset-to-equity capital ratio	Non-current assets / Total Assets	0.51	0.22	0.12	0.13	0.15

VII. PERSPECTIVES

The Company continues advancing with its growth plan, and is procuring the acquisition of land for the development of residential projects and of income-generating assets, always seeking to structure their acquisition by combining cash and square meters exchange to maximize value creation.

In addition, by acquiring Caputo S.A.C.I.yF. we seek to improve projects' construction capacity, while streamlining the cost structure and capturing construction margins, amid the significant expansion of the construction industry. Furthermore, it enables us to achieve an optimal position to capitalize the opportunities posed by the construction sector's growth in Argentina, both in the real estate and the large infrastructure works segments, including investments in public-private projects.

In addition, the Company continues strengthening its HHRR processes, systems and structure, so as to streamline their current operations as well as the management and/or development of new projects.

TGLT

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

TGLT S.A.

AS OF JUNE 30, 2018

(For the six-month period)

TGLT S.A.

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

City of Buenos Aires, Republic of Argentina

FISCAL YEAR NO. 14 BEGINNING JANUARY 1, 2018

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2018

OF TGLT GROUP, PRESENTED COMPARATIVELY

(amounts stated in Argentine pesos)

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

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

- Bylaws: June 13, 2005

- Last amendment: August 9, 2016

Registration number with the IGJ: 1,754,929

Bylaws expiration date: June 12, 2104

Taxpayer Identification Number: 30-70928253-7

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

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

Capital Structure

(amounts stated in pesos)

Shares	Issued, subscribed and paid in	Registered
Common, registered shares, one vote per share at a nominal value of $ 1 each $1	71,993,485	70,349,485
	71,993,485	70,349,485

TGLT

TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF JUNE 30, 2018 AND DECEMBER 31, 2017

(amounts stated in thousands of Argentine pesos)

	Notes	Jun 30,2018	Dec 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	5	39,751	1,407
Intangible assets	6	37,364	575
Investment property	36	1,527,815	15,828
Investments in companies	49	1,805,950	262,412
Goodwill	7	716,152	-
Inventories	8	743,386	929,723
Deferred tax assets	9	278,156	84,840
Other receivables	10	210,792	151,362
Receivables from related parties	30	114,069	-
Receivables from sales	11	46,662	-
Total non-current assets		5,520,097	1,446,147
Current assets			
Contract assets		600	-
Inventories	8	2,313,845	1,752,430
Other assets	39	-	26,990
Assets held for sale	47.1	-	73,331
Other receivables	10	611,770	274,256
Receivables from related parties	30	344,682	204,406
Receivables from sales	11	1,064,130	10,031
Other financial assets		-	194
Cash and cash equivalents	12	889,440	1,803,718
Total current assets		5,224,467	4,145,356
Total assets		**10,744,564**	**5,591,503**
SHAREHOLDERS' EQUITY			
Attributable to parent company's owners		(227,603)	449,146
Non-controlling interest		337,071	-
Total shareholders' equity		**109,468**	**449,146**
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	29	-	115,530
Other accounts payable	13	714,953	22,508
Payables to related parties	30	43,107	-
Contract liabilities	14	1,482,214	733,117
Loans	15	3,272,085	1,667,602
Other tax burden	16	12,090	12,168
Trade payables	17	10,356	21,997
Total non-current liabilities		5,534,805	2,572,922
Current liabilities			
Deferred tax liabilities	18	28,694	-
Provisions and allowances	19	150,146	47,281
Other accounts payable	13	874,633	39,275
Contract liabilities	14	2,145,431	1,661,924
Payables to related parties	30	6,890	287
Loans	15	1,055,848	645,139
Other tax burden	16	95,364	18,503
Payroll and social security contributions	20	60,530	26,111
Trade payables	17	682,755	130,915
Total current liabilities		5,100,291	2,569,435
Total liabilities		**10,635,096**	**5,142,357**
Total shareholders' equity and liabilities		**10,744,564**	**5,591,503**

Notes 1 to 52 are an integral part of these financial statements.

TGLT

TGLT S.A.

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

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2018 AND 2017

(amounts stated in thousands of Argentine pesos)

	Notes	SIX MONTHS		THREE MONTHS	
		Jun 30, 2018	Jun 30, 2017	**Jun 30, 2018**	Jun 30, 2017
Income from ordinary activities	23	1,577,907	646,942	872,424	334,067
Cost of ordinary activities	24	(1,432,580)	(590,362)	(851,654)	(313,628)
Gross profit		**145,327**	**56,580**	**20,770**	**20,439**
Selling expenses	25	(106,411)	(48,486)	(64,898)	(23,802)
Administrative expenses	26	(193,906)	(63,484)	(107,468)	(26,599)
Other operating costs	7	(957)	(42,988)	(957)	(17,047)
Other expenses		(482,803)	(309)	(478,594)	(228)
Investment property appraisal at fair value	36	912,553	35,049	912,553	66,926
Income from sale of investment property	36	-	43,627	-	-
Other income and expenses, net	28	78,753	3,286	73,791	766
Operating results		**352,556**	**(16,725)**	**355,197**	**20,455**
Investments in companies	49	162,768	-	123,043	-
Financial results					
Exchange gains/losses	27	(1,121,145)	(422)	(1,043,255)	6,756
Financial income	27	38,473	6,649	7,872	5,066
Financial costs	27	(263,408)	(45,220)	(157,715)	(21,135)
Income/loss for the period before income tax		**(830,756)**	**(55,718)**	**(714,858)**	**11,142**
Income tax	29	335,781	16,413	285,742	512
Income/loss for the period		**(494,975)**	**(39,305)**	**(429,116)**	**11,654**
Other comprehensive profit or loss reclassified as profit or loss					
Exchange gain/loss from a net investment abroad		(44,273)	(2,253)	(38,808)	(5,035)
Total other comprehensive gain/loss		**(44,273)**	**(2,253)**	**(38,808)**	**(5,035)**
Total comprehensive loss for the period		**(539,248)**	**(41,558)**	**(467,924)**	**6,619**
Income/loss for the period attributable to:					
Controlling interest		(558,507)	(46,802)	(479,950)	(6,573)
Non-controlling interest		63,532	7,497	50,834	18,227
Total for the period		**(494,975)**	**(39,305)**	**(429,116)**	**11,654**
Income/loss per share attributable to parent company's owners					
Basic	38	**(7.76)**	**(0.67)**	**(6.82)**	**(0.09)**
Diluted	38	**(1.60)**	**(0.67)**	**(1.60)**	**(0.09)**
Total comprehensive loss for the period attributable to:					
Controlling interest		(602,780)	(49,055)	(518,758)	(11,608)
Non-controlling interest		63,532	7,497	50,834	18,227
Total income/loss for the period		**(539,248)**	**(41,558)**	**(467,924)**	**6,619**

Notes 1 to 52 are an integral part of these financial statements.

TGLT

TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

(amounts stated in thousands of Argentine pesos)

	Capital						Reserves			Income/loss	Shareholders' equity attributable to		Total
	Share Capital	Stock premium	Buyback premium	Capital contribution	Total	Transactions between shareholders	Legal reserve	Optional reserve	Foreign currency translation reserve	Unappropriated retained income/loss	Controlling interest	Non-controlling interest	
Balance as of January 1, 2018	70,349	123,350	(96)	669,964	863,567	(19,801)	239	4,538	(47,426)	(351,974)	449,143	-	449,143
IFRS 15 transition effect (1)	-	-	-	-	-	-	-	-	-	(85,717)	(85,717)	-	(85,717)
Adjusted balances as of January 1, 2018	70,349	123,350	(96)	669,964	863,567	(19,801)	239	4,538	(47,426)	(437,691)	363,426	-	363,426
Income/loss for the period	-	-	-	-	-	-	-	-	-	(558,507)	(558,507)	63,532	(494,975)
Translation of shares (2)	1,644	14,761	-	(4,654)	11,751	-	-	-	-	-	11,751	-	11,751
Acquisition of companies (3)	-	-	-	-	-	-	-	-	-	-	-	273,539	273,539
Other comprehensive loss for the period, net of income tax	-	-	-	-	-	-	-	-	(44,273)	-	(44,273)	-	(44,273)
Comprehensive loss for the period									(44,273)	(558,507)	(602,780)	63,532	(539,248)
Balance as of June 30, 2018	**71,993**	**138,111**	**(96)**	**665,310**	**875,318**	**(19,801)**	**239**	**4,538**	**(91,699)**	**(996,198)**	**(227,603)**	**337,071**	**109,468**

(1) See Note 46
(2) See Note 43
(3) See Note 34.3

Notes 1 to 52 are an integral part of these financial statements.

TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017

(amounts stated in Argentine pesos)

	Capital							Reserves				Income/loss	Shareholders' equity attributable to		
Item	Share Capital	Treasury stock	Stock premium	Irrevocable contribution	Buyback premium	Capital contribution	Total	Transactions	Optional reserve	Foreign currency translation reserve	Legal reserve	Unappropriated retained income/loss	Controlling interest	Non-controlling interest	Total
Balance as of January 1, 2017	70,339	10	123,350	7,238	-	-	200,937	(19,801)	-	(38,171)		4,777	147,742	253,698	401,440
Resolution of Shareholders' Meeting (1)	-	-	-	-	-	-	-	-	4,538	-	239	(4,777)	-	-	-
Write-off of irrevocable contribution (2)	-	-	-	(7,453)	-	-	(7,453)	-	-	-	-	-	(7,453)	-	(7,453)
Income/loss for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury stock	10	(10)	-	215	(96)	-	119	-	-	-	-	-	119	-	119
Transactions with owners	-	-	-	-	-	76	76	-	-	-	-	-	76	(106)	(30)
Income/loss for the period	-	-	-	-	-	-	-	-	-	-	-	(46,802)	(46,802)	7,497	(39,305)
Other comprehensive loss for the period, net of income tax	-	-	-	-	-					(2,253)	-	-	(2,253)	-	(2,253)
Comprehensive loss for the period	-	-	-	-	-	-	-	-	-	(2,253)	-	(46,802)	(49,055)	7,497	(41,558)
Balance as of June 30, 2017	**70,349**	**-**	**123,350**	**-**	**(96)**	**76**	**193,679**	**(19,801)**	**4,538**	**(40,424)**	**239**	**(46,802)**	**91,429**	**261,089**	**352,518**

(1) The income/loss for fiscal year 2016 was dealt with at the Annual and Extraordinary Shareholders' Meeting held on April 20, 2017.
(2) See Note 44

Notes 1 to 52 are an integral part of these financial statements.

TGLT

TGLT S.A.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2018 AND 2017

(amounts stated in thousands of Argentine pesos)

	Jun 30, 2018	Jun 30, 2017
Operating activities		
Income/loss for the period	(494,975)	(39,305)
Adjustments to obtain the cash flow from operating activities		
Income tax	(335,781)	(16,413)
Depreciation of property, plant and equipment	4,595	1,411
Impairment of goodwill	-	42,988
Amortization of intangible assets	8,375	309
Depreciation of investment property for rent	470	-
Investments in companies	(162,768)	-
Loss from sale of other assets	(97,740)	(43,627)
Investment property appraisal at fair value	(912,553)	(35,049)
Fair value of investments in companies	(15,908)	-
Effect of financial statements conversion	(44,273)	(2,253)
Effect of conversion on cash flows	(127)	(36)
Exchange gains/losses and accrued interest	1,527,869	50,572
Other expenses	474,428	-
Changes in operating assets and liabilities		
Receivables from sales	(432,240)	(7,328)
Other receivables	(85,222)	(70,283)
Receivables from related parties	(316,293)	(300)
Other assets	-	(1,105)
Other financial assets	194	-
Inventories	(490,841)	246,306
Tax assets and liabilities	(86,094)	(4,734)
Contract assets	(600)	-
Assets held for sale	73,331	-
Trade payables	225,255	(15,173)
Payroll and social security contributions	5,722	(1,204)
Other tax burden	14,783	23,925
Payables to related parties	48,105	3,612
Contract liabilities	467,056	(262,449)
Provisions and allowances	(12,195)	(1,351)
Other accounts payable	377,532	10,261
Minimum presumed income tax	-	(1,219)
Net cash flows provided by/ (used in) operating activities	**(259,895)**	**(122,445)**
Investment activities		
Investments not considered as cash	(2,044)	(149)
Payments for purchase of investment property	(1,088)	-
Collections from sale of other assets	136,416	71,523
Payments for purchase of property, plant and equipment	(16,319)	(240)
Payments for purchase of intangible assets	(353)	-
Payments for purchase of companies	(1,336,513)	-
Dividends in associates	22,680	-
Increase in non-controlling interest	100,206	-
Contributions in associates	(200)	-
Net cash flow provided by / (used in) investment activities	**(1,097,215)**	**71,134**
Financing activities		
Loans	440,788	93,757
Collections from the sale of treasury stock	-	119
Payments for purchase of shares in subsidiaries	-	(30)
Net cash flow provided by / (used in) financing activities	**440,788**	**93,846**
Increase / (decrease) in cash and cash equivalents	(916,322)	42,535
Cash and cash equivalents at beginning of the period	1,799,984	81,098
Cash and cash equivalents at period-end (See Note 12)	**883,662**	**123,633**

Notes 1 to 52 are an integral part of these financial statements.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2018 PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 1. Corporate information

1.1. Introduction

TGLT S.A. 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 April 2015, Bienville Argentina Opportunities Master Fund LP and PointArgentum Master Fund LP. became shareholders. 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 eight 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 15:1.

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.

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.

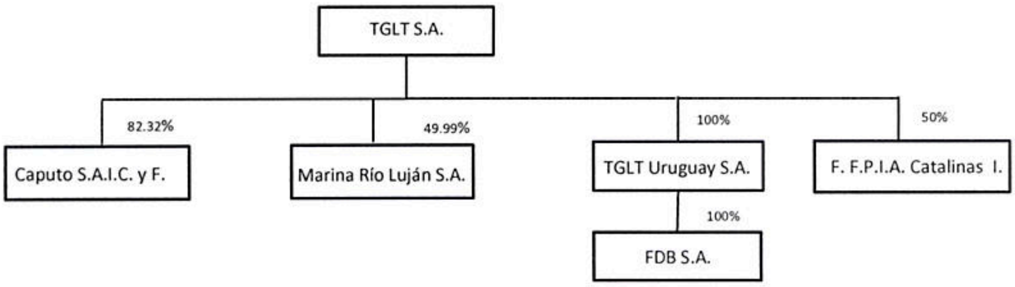
1.3. Real property development

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

Note 1. Corporate information (continued)

1.4. Corporate structure

As of June 30, 2018, the structure of the business group TGLT (hereinafter "the Group") is as follows:



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

Note 2. Statement of compliance with IFRS

These condensed interim consolidated financial statements of the Group have been prepared in accordance with the International Financing Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

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

The condensed consolidated statement of financial position as of June 30, 2018 and December 31, 2017 and the condensed consolidated statements of profit or loss and other comprehensive profit or loss, changes in shareholders' equity and cash flows as of June 30, 2018 and 2017 have been prepared in accordance with IFRS.

The condensed 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). Moreover, certain additional matters required by the Companies Law and/or CNV rules have been included. This information is included in the Notes to these consolidated financial statements, only for the purpose of compliance with regulatory requirements.

These condensed consolidated financial statements are related to the six-month period beginning January 1, 2018 and ended June 30, 2018. As per IFRS, the financial information is comparatively presented with the most recent fiscal year ended December 31, 2017, and the statements of profit or loss and other comprehensive profit or loss, changes in shareholders' equity and cash flows for the period ended June 30, 2018 are comparatively presented with the same previous period. The information as of June 30, 2017 is not comparative, as in such period the Company presented consolidated financial statements with Marina Río Luján S.A., and this situation changed as of December 31, 2017, as it was understood that the conditions set by IFRS 10 in relation to the "control" principle were not met.

The amounts and other information for the fiscal year ended December 31, 2017 and the period ended June 30, 2017 are an integral part of the above mentioned financial statements and are intended to be interpreted exclusively in connection with those financial statements.

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

These condensed consolidated financial statements as of June 30, 2018, 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. For the preparation of these financial statements, the Company has adopted the option provided for in IAS 34, and has prepared them in a condensed form. Therefore, these condensed consolidated financial statements do not include all the information required for a set of annual complete financial statements and, consequently, their reading together with the annual financial statements as of December 31, 2017, is recommended. Such financial statements may be found in the Company's web page www.tglt.com.ar.

IAS 29 "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.

As per IAS 29, the characteristics of the economic environment of a country which indicate the existence of hyperinflation include: (1) the cumulative inflation rate over three years approaches, or exceeds, 100%, (ii) interest rates, wages, and prices are linked to a price index, or (iii) amounts of local currency held are immediately invested to maintain purchasing power, among others. These characteristics are not conclusive, but judgment shall be exercised to determine whether there is an hyperinflation environment. Regardless of the foregoing, the standard states that it is preferable that all entities that report in the currency of the same hyperinflationary economy apply the requirements of IA 29 from the same date and use the same price index to reflect changes in general purchasing power.

Levels of inflation in Argentina have been high, though showing a downward trend up to December 2017 and as of March 31, 2018. As a result of this, together with the evaluation of other qualitative factors, the Company's Board has concluded that the characteristics defined by IAS 29 were not clearly met to determine the existence of a hyperinflation environment requiring that the Argentine economy be deemed as highly inflationary to those dates. However, during the second quarter of 2018, several macroeconomic factors caused a reversal of the inflationary trend; accordingly, the cumulative inflation rates over three years exceed 100% and inflation projections confirm this trend. Additionally, the qualitative hyperinflation indicators mentioned by IAS 29 show no conclusive evidence to the contrary.

However, in the light of IAS 29, which states that it is preferable that all entities apply the requirements of such standard from the same date and using the same price index, and taking into account the existence of certain practical restrictions inherent to the Argentine context, the Company's Board considers, in line with the conclusions reached by certain national and international organizations and by the Argentine Federation of Professional Councils of Economic Sciences, that IAS 29 shall not be applied to the financial statements for the six-month period ended June 30, 2018, and that Argentina shall be considered an hyperinflationary economy under the terms of IAS 29 as from July 1, 2018.

To the date of presentation of these condensed financial statements, the Company is analyzing the impact and effects of applying the comprehensive inflation adjustment to the following periods.

Note 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.

(amounts stated in thousands of Argentine pesos)

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

4.2. Consolidation criteria

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

In the case of the financial statements of certain companies that were prepared in accordance with other accounting standards, 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 such companies 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 condensed 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 condensed financial statements. Income statement accounts were converted to Argentine pesos at the exchange rates prevailing to the dates of those transactions.

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	6/30/2018	12/31/2017
Caputo Sociedad Anónima, Industrial, Comercial y Financiera	Exclusive	82.32%	-
TGLT Uruguay S.A.	Exclusive	100.00%	100.00%

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.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2018 PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 5. Property, Plant and Equipment

	Furniture and fixtures	Hardware	Machinery and equipment	Improvements in third-party property	Vehicles	Showrooms	Formwork	Total
Original value								
Balance as of 1/1/2018	1,560	2,238	-	2,510	-	14,686	-	20,994
Acquisitions	81	563	8,688	1	1,361	(1)	5,626	16,319
Conversion adjustment	199	261	-	666	-	2,087	-	3,213
Incorporación Caputo S.A.I.C. y F.	438	1,149	28,401	11,602	8,109	-	1,887	51,586
Decreases	-	-	-	-	(163)	-	-	(163)
Total	2,278	4,211	37,089	14,779	9,307	16,772	7,513	91,949
Depreciation and impairment								
Balance as of 1/1/2018	(963)	(1,974)	-	(2,322)	-	(14,328)	-	(19,587)
Depreciation	(59)	(219)	(1,826)	(1,231)	(711)	(251)	(298)	(4,595)
Conversion adjustment	(170)	(232)	-	(666)	-	(2,087)	-	(3,155)
Incorporación Caputo S.A.I.C. y F.	(199)	(1,051)	(9,722)	(8,265)	(4,288)	-	(1,499)	(25,024)
Decreases	-	-	-	-	163	-	-	163
Total	(1,391)	(3,476)	(11,548)	(12,484)	(4,836)	(16,666)	(1,797)	(52,198)
Residual value as of Jun 30, 2018	**887**	**735**	**25,541**	**2,295**	**4,471**	**106**	**5,716**	**39,751**

	Furniture and fixtures	Hardware	Improvements in third-party property	Facilities	Showrooms	Total
Original value						
Balance as of 1/1/2017	1,530	2,319	2,105	6	20,056	26,016
Acquisitions	28	37	225	-	151	441
Conversion adjustment	54	71	180	-	564	869
Transfers	-	-	-	-	(2,536)	(2,536)
MRL deconsolidation	(52)	(189)	-	(6)	(3,549)	(3,796)
Total	1,560	2,238	2,510	-	14,686	20,994
Depreciation and impairment						
Balance as of 1/1/2017	(798)	(1,740)	(1,982)	(6)	(13,216)	(17,742)
Depreciation	(163)	(318)	(160)	-	(2,357)	(2,998)
Conversion adjustment	(44)	(58)	(180)	-	(517)	(799)
MRL deconsolidation	42	142	-	6	1,762	1,952
Total	(963)	(1,974)	(2,322)	-	(14,328)	(19,587)
Residual value as of Dec 31, 2017	**597**	**264**	**188**	**-**	**358**	**1,407**

(amounts stated in thousands of Argentine pesos)

Note 6. Intangible assets

	Software	Software development	Trademarks	Contractual rights	Total
Original value					
Balance as of January 1, 2018	950	2,786	39	-	3,775
Acquisitions	353	-	-	-	43,899
Incorporaciones Caputo S.A.I.C. y F.	4,044	-	-	43,546	4,044
Conversion adjustment	341	-	13	-	354
Total	5,688	2,786	52	43,546	52,072
Amortization and impairment					
Balance as of January 1, 2018	(706)	(2,459)	(35)	-	(3,200)
Amortization	(309)	(147)	(1)	(7,918)	(8,375)
Incorporaciones Caputo S.A.I.C. y F.	(2,848)	-	-	-	(2,848)
Conversion adjustment	(272)	-	(13)	-	(285)
Total	(4,135)	(2,606)	(49)	(7,918)	(14,708)
Residual value as of Jun 30, 2018	**1,553**	**180**	**3**	**35,628**	**37,364**

	Software	Software development	Trademarks	Total
Original value				
Balance as of January 1, 2017	810	2,793	36	3,639
Acquisitions	48	60	(1)	107
Conversion adjustment	92	-	4	96
MRL deconsolidation		(67)	-	(67)
Total	950	2,786	39	3,775
Amortization and impairment				
Balance as of January 1, 2017	(517)	(2,128)	(26)	(2,671)
Amortization	(127)	(398)	(6)	(531)
Conversion adjustment	(62)	-	(3)	(65)
MRL deconsolidation	-	67	-	67
Total	(706)	(2,459)	(35)	(3,200)
Residual value as of Dec 31, 2017	**244**	**327**	**4**	**575**

Note 7. Goodwill

	Caputo S.A.I.C. y F.
Original value	
Balance as of January 1, 2018	-
Increases	716,152
Decreases	-
Total	716,152
Impairment	
Balance as of January 1, 2018	-
Impairment loss	-
Total	-
Residual value as of Jun 30, 2018	**716,152**

(amounts stated in thousands of Argentine pesos)

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Note 7. Goodwill (continued)

	Marina Río Lujan S.A.	Pico y Cabildo S.A.	Canfot S.A.	Total
Original value				
Balance as of January 1, 2017	21,487	10,559	79,399	111,445
MRL deconsolidation	(21,487)	-	-	(21,487)
Total	-	10,559	79,399	89,958
Impairment				
Balance as of January 1, 2017	-	(1,092)	(29,601)	(30,693)
Impairment loss	-	(9,467)	(49,798)	(59,265)
Total	-	(10,559)	(79,399)	(89,958)
Residual value as of Dec 31, 2017	-	-	-	-

Note 8. Inventories

Non-current	Notes	Jun 30, 2018	Dec 31, 2017
Projects under construction			
Astor San Telmo	32.1.7	493,547	353,935
Metra Puerto Norte	32.1.3	154,299	354,842
Proa	32.1.3	95,540	220,833
Other projects		-	113
Total Inventory – Non-current		**743,386**	**929,723**
Current			
Projects under construction			
Forum Puerto del Buceo	32.6	2,215,896	1,405,193
Metra Puerto Norte	32.1.3	-	193,911
Other projects		2,137	-
Projects completed			
Metra Puerto Norte	32.1.3	155,116	-
Astor Núñez		20,693	103,601
Astor Palermo	32.1.2	26,730	34,429
Forum Alcorta		18,195	45,450
Forum Puerto Norte		4,042	4,390
Impairment			
Metra Puerto Norte		(119,456)	-
Astor Palermo		(2,040)	(8,201)
Forum Alcorta		(3,426)	(21,953)
Forum Puerto Norte		(4,042)	(4,390)
Total Inventory - Current		**2,313,845**	**1,752,430**
Total Inventory		**3,057,231**	**2,682,153**

Note 9. Deferred tax assets

		Jun 30, 2018	Dec 31, 2017
Minimum presumed income tax		54,752	54,752
Income tax		22,069	12,579
Minimum presumed income tax credit		18,169	17,509
Deferred tax assets	29	183,166	-
Total tax assets		**278,156**	**84,840**

(amounts stated in thousands of Argentine pesos)

TGLT

Note 10. Other receivables

Non-current	Notes	Jun 30, 2018	Dec 31, 2017
Advance payments to work suppliers		64,943	31,245
Prepayments for the purchase of real property		-	119,222
Accounts receivable from exchanges		141,041	-
Tax credits UTES		1,559	-
Security deposit	40	3,249	895
Subtotal other receivables – Non-current		**210,792**	**151,362**
Current			
Value added tax in local currency		58,302	45,747
Value added tax in foreign currency	40	204,340	124,217
Turnover tax		14,019	2,344
Wealth tax	40	3,580	7,325
Advance payments to work suppliers in local currency		125,432	2,116
Advance payments to work suppliers in foreign currency	40	105,223	52,793
Security deposits in local currency		325	255
Insurance to be accrued in local currency		18	118
Insurance to be accrued in foreign currency	40	3,042	650
Loans granted in foreign currency	40	28,971	-
Expenses to be rendered in local currency		14	14
Expenses to be rendered in foreign currency	40	1,904	1,061
Expenses to be recovered		5,084	3,341
Maintenance fees to be recovered in local currency		28,365	23,207
Maintenance fees to be recovered in foreign currency	40	7	-
Receivables from the sale of investment property	40 and 36	12,745	19,380
Receivable from a legal settlement	33.3	2,038	2,026
Accounts receivable from exchanges		6,400	-
Sundry receivables UTES		20,038	-
Tax credits UTES		5,999	-
Collectible equipment fund in local currency		1	1
Collectible equipment fund in foreign currency	40	1,682	1,118
Collectible operative fund in local currency		138	82
Collectible operative fund in foreign currency	40	8	5
Sundry in local currency		234	20
Allowance for doubtful receivables		(16,139)	(11,564)
Subtotal Other receivables – Current		**611,770**	**274,256**
Total Other receivables		**822,562**	**425,618**

Note 11. Receivables from sales

Non-current	Notes	Jun 30, 2018	Dec 31, 2017
Accounts receivable from services rendered in local currency		46,662	-
Subtotal accounts receivable from sales - Non-current		**46,662**	-
Accounts receivable from sales of units in local currency		12,797	1,382
Accounts receivable from sales of units in foreign currency	40	32,227	11,939
Accounts receivable from services rendered in local currency		1,026,669	163
Accounts receivable from services rendered in foreign currency	40	73	17
Allowance for bad debts in local currency		(2,417)	(2,709)
Allowance for bad debts in foreign currency	40	(5,219)	(761)
Subtotal accounts receivable from sales - current		1,064,130	**10,031**
Total Accounts receivable from sales		**1,110,792**	**10,031**

(amounts stated in thousands of Argentine pesos)

Note 11. Accounts receivable (continued)

Maturity of accounts receivable from sales is the following:

	Jun 30, 2018	Dec 31, 2017
Due within		
0 to 90 days	1,029,661	10,031
91 to 180 days	21,592	
More than 365 days	46,662	-
Past due		
More than 365 days	12,877	-
Total	**1,110,792**	**10,031**

Note 12. Cash and cash equivalents

	Notes	Jun 30,2018	Dec 31, 2017
Cash in local currency		919	106
Cash in foreign currency	40	1,107	699
Banks in local currency		28,751	8,946
Banks in foreign currency	40	199,132	22,793
Checks to be deposited in local currency		175	237
Checks to be deposited in foreign currency	40	-	387
Time deposits	32.5 and 40	5,778	3,734
Mutual funds in local currency		19,000	41,985
Mutual funds in foreign currency	40	7,189	692,981
Bonds and government securities in local currency		1,203	-
Bonds and government securities in foreign currency	40	626,186	1,031,850
Total Cash and cash equivalents		**889,440**	**1,803,718**

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

		Jun 30, 2018	Jun 30, 2017
Total Cash and cash equivalents		889,440	126,961
Time deposits in foreign currency due over 90 days	32.5	(5,778)	(3,328)
Total Cash and cash equivalents according to the statement of cash flows		**883,662**	**123,633**

Note 13. Other accounts payable

Non-current	Notes	Jun 30,2018	Dec 31, 2017
Payable for purchase of shares	34.3 and 40	702,417	22,379
Sundry creditors	40	12,432	-
Security deposits in local currency		104	-
Security deposits in foreign currency	40	-	129
Subtotal Other accounts payable – Non-current		**714,953**	**22,508**

(amounts stated in thousands of Argentine pesos)

Note 13. Other accounts payable (continued)

Current	Notes	Jun 30,2018	Dec 31, 2017
Sundry creditors in foreign currency	40	9,112	8,340
Purchase of shares in foreign currency	34.3 and 40	811,807	22,379
Security deposits in local currency		30	-
Security deposits in foreign currency	40	199	-
Dividends to be paid in cash		295	-
Contributions to be subscribed		7	-
Deferred income		8,556	8,556
Other payables		9	-
Other payables - UTES		44,618	-
Subtotal Other accounts payable – Current		**874,633**	**39,275**
Total Other accounts payable		**1,589,586**	**61,783**

Note 14. Contract liabilities

Non-current	Jun 30, 2018	Dec 31, 2017
Advanced collections	1,560,727	801,927
Equipment fund	35	33
Operative fund	-	2
Value added tax	(78,548)	(68,845)
Total contract liabilities - Non-current	**1,482,214**	**733,117**
Current		
Advanced collections	2,104,809	1,645,217
Equipment fund	21,608	23,873
Operative fund	9,869	7,751
Other contract liabilities	15,236	-
Value added tax	(6,091)	(14,917)
Total contract liabilities - Current	**2,145,431**	**1,661,924**
Total contract liabilities	**3,627,645**	**2,395,041**

Note 15. Loans

Non-current	Notes	Jun 30, 2018	Dec 31, 2017
Financial lease in local currency	3	4,356	681
Financial lease in foreign currency	40	306	-
Loans borrowed	1.1	9,781	-
Corporate notes	2 and 40	3,257,642	1,666,921
Subtotal Loans – Non-current		**3,272,085**	**1,667,602**

(amounts stated in thousands of Argentine pesos)

Note 15. Loans (continued)

Current	Notes	Jun 30, 2018	Dec 31, 2017
Financial lease in local currency	3	4,251	396
Financial lease in foreign currency	40	186	-
Loans received in local currency	1.1	22,929	-
Loans received in foreign currency	1.1 and 40	100,332	56,250
Mortgage backed banking loans	1.2 and 40	508,979	246,057
Bank overdrafts in local currency		19,054	-
Bank overdrafts in foreign currency	40	688	-
Other financial liabilities	1.3	1,540	-
Corporate notes in local currency	2.1	-	132,019
Corporate notes in foreign currency	2 and 40	397,889	210,417
Subtotal Loans – Current		**1,055,848**	**645,139**
Total Loans		**4,327,933**	**2,312,741**

The following is a breakdown of loans:

FOR THE PERIOD/YEAR	6 MONTHS Jun 30, 2018	12 MONTHS Dec 31, 2017
Balance at beginning of year	2,312,741	718,136
Inclusion of balances from the purchase of Caputo	58,287	-
New disbursements under existing loans	1,580,552	1,897,203
Accrued interest	281,235	183,240
Effects of exchange rate variation	1,246,637	132,335
Bank overdrafts	1,904	(32,022)
Payment of principal	(1,076,498)	(347,215)
Payment of interest	(227,436)	(153,690)
MRL deconsolidation	-	(134,540)
Conversion of corporate notes	(15,295)	-
Effect of financial statements conversion	165,806	49,294
Balance at period-end	**4,327,933**	**2,312,741**

(amounts stated in thousands of Argentine pesos)

Note 15. Loans (continued)

1. Loans borrowed

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

1.1 Loans borrowed

						Outstanding amount in pesos			
						Jun 30, 2018		Dec 31, 2017	
Entity	Loans	Maturity	Disbursement	Repayment	Annual rate	Non-current	Current	Non-current	Current
BBVA (a)	20,000	8/22/2020	20,000	(3,957)	19.00%	9,781	6,262	-	-
Provincia (a)	20,000	4/5/2019	20,000	(3,333)	25.00%	-	16,667	-	-
Santander (a)	10,000	3/25/2018	10,000	(10,000)	28.75%	-	-	-	-
Total in local currency						**9,781**	**22,929**	-	-
Galicia (a)	418	7/10/2018	418	-	4.20%	-	12,304	-	-
Itaú (b)	3,000	10/22/2018	3,000	-	2.94%	-	88,027	-	56,250
Total in foreign currency						-	**100,331**	-	**56,250**

a) Purchased by Caputo S.A.I.C. y F.

b) Purchased by FDB S.A.

1.2 Mortgage backed banking loans

					Amount pending settlement			
					Jun 30, 2018		Dec 31, 2017	
Bank	Loan amount	Maturity	Disburseme nt	Repayment	Non-current	Current	Non-current	Current
BBVA	15,000	(a)	14,075	5,268	-	253,975	-	122,986
Itaú	15,000	(a)	14,075	5,295	-	255,004	-	123,071
Total in foreign currency					-	**508,979**	-	**246,057**

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

Date of execution of the agreement	12/18/2015	1/24/2017
Banks	Banco Bilbao Vizcaya Argentaria Uruguay S.A (BBVA) and Banco Itaú Uruguay S.A.	
Maximum amount of loan	US$ 16,000	US$ 14,000
Amount disbursed by each Bank	US$ 8,000 each	US$ 7,000 each
Term	April 30, 2017	April 1, 2018
Interest rate	90-day Libor at the close of bank business day prior to each payment date, plus 3 percentage points, effective annually, with a minimum annual effective rate of 5%.	
Disbursements	According to the construction progress	
Amortization of principal and interest	Through partial payments according to the effective delivery of units to buyers, and for the amount necessary for the cancellation (or novation) of the mortgage of any unit sold.	
First mortgages in favor of Banks:	Up to US$ 16,000, on all the units comprising Stages I and III of Forum Puerto del Buceo project.	Up to US$ 14,000 on all the units comprising Stage II of the Forum Puerto del Buceo project.
Assignment	As collateral for each Bank's share in the Credit Line, of the outstanding amounts of the Purchase and Sale agreements of all the mortgaged units.	

(amounts stated in thousands of Argentine pesos)

Note 15. Loans (continued)

1. Loans received (continued)

1.2 Mortgage-backed bank loans (continued)

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

1.3 Other financial assets and liabilities

In TGLT Uruguay S.A., investments are made in different banks, which secure the disbursement of loans granted to FDB S.A. For the purposes of disclosure in the financial statements, such transactions are offset by recording their net position. As of June 30, 2018, the net position was a financial asset of $ 1,540, which is broken down as follows:

Bank	Type	Maturity	Rate	Principal plus interest in US$	Jun 30, 2018
BBVA	TB USA	12/6/2018	1.43%	9,576	275,777
BBVA	BTB	12/6/2018	2.13%	(9,610)	(276,761)
BBVA	TB USA	12/6/2018	1.00%	501	14,423
BBVA	BTB	12/6/2018	1.75%	(502)	(14,446)
BBVA	TB USA	12/6/2018	1.00%	300	8,647
BBVA	BTB	12/6/2018	1.75%	(300)	(8,653)
ITAU	CD Itau London	10/25/2018	2.49%	610	17,572
ITAU	BTB	10/25/2018	2.99%	(612)	(17,628)
ITAU	TB London	1/14/2019	2.75%	607	17,480
ITAU	BTB	1/14/2019	3.25%	(609)	(17,529)
ITAU	TB London	1/22/2019	2.77%	2,347	67,600
ITAU	BTB	1/22/2019	3.27%	(2,353)	(67,756)
ITAU	TB London	2/28/2019	3.05%	203	5,842
ITAU	BTB	2/28/2019	3.55%	(202)	(5,827)
ITAU	TB London	4/1/2019	3.12%	503	14,489
ITAU	BTB	4/1/2019	3.62%	(504)	(14,514)
ITAU	TB London	5/16/2019	3.11%	301	8,664
ITAU	BTB	5/16/2019	3.61%	(301)	(8,677)
Santander	Time deposit	7/30/2018	1.92%	9,681	278,824
Santander	BTB	7/30/2018	2.47%	(9,690)	(279,067)
		Total Other financial liabilities			(1,540)

2. Corporate notes

On December 20, 2011, the Shareholders Meeting approved the creation of a global program for the issuance of simple corporate notes, 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), or its equivalent in other currencies at any time On November 10, 2017, the Shareholders' Meeting approved (i) the update of the prospectus relating to the global program for the issuance of corporate notes; and (ii) the issuance of corporate notes under the program for a nominal value of up to US$ 50,000 in one or more classes and/or series, as timely determined in the related price supplement.

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

(amounts stated in thousands of Argentine pesos)

Note 15. Loans (continued)

2. Corporate notes (continued)

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 June 30, 2018.

Class	IX	XII	XV
Issue date	5/12/2015	7/22/2016	3/20/2018
Amount issued	$ 57,230	$ 96,667	US$ 25,000.
Outstanding principal amount	-	-	US$ 25,000.
Payment currency	Pesos	Pesos	Dollars
Interest rate	The higher of: a) 0.90 multiplied by the variation of the CAC Index; and b) Badlar + 600 bps.	Badlar rate + 600 bps.	7.95%
Maturity	5/14/2018	1/23/2018	3/20/2020
Amortization	4 equal and consecutive payments from 08/14/2017 in months 27, 30, 33, and 36	One-off payment 18 months from the issue and settlement date	One-off payment 24 months from the issue and settlement date
Payment of interest	Quarterly coupon		
Payment of principal	At par value		
Rating	BBB by FIX SCR S.A. Risk Rating Agency		

	Jun 30, 2018		Dec 31, 2017	
Class	Non-current	Current	Non-current	Current
IX	-	-	-	29,528
XII	-	-	-	102,491
Total in local currency	**-**	**-**	**-**	**132,019**
XV	659,485	54,472	-	-
Convertible corporate notes	2,598,157	343,417	1,666,921	210,417
Total in foreign currency	**3,257,642**	**397,889**	**1,666,921**	**210,417**

As mentioned in Note 43 to these financial statements, the amounts determined for such registration are as follows:

Component	Amount in US$	Amount in $
Liabilities (Loan in foreign currency)	US$ 93,930	$ 1,657,734
Capital contribution	US$ 54,159	$ 956,983

3. Finance leases

The Company maintains three finance leases for the acquisition of:

- A power unit installed the Astor Núñez project. The agreement was signed with Banco Supervielle. The value of the asset acquired was $ 1,132. 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.
- 60 rooms to be installed in Axion Campana project, signed with Banco Comafi. The value of the asset acquired was US$ 1,772. It is repayable in 49 years, in 49 consecutive and monthly installments. The calculation rate set is Badlar for term deposits of over one million pesos, daily series adjusted by 4.8 basis points, with an annual minimum base rate of 26.89%.
- A backhoe to be used in CNEA-Reactor Ezeiza project, signed with BBVA Frances bank. The value of the asset acquired was $ 1,644. It is repayable in 4 years, in 48 consecutive and monthly installments. The estimated annual nominal rate amounts to 27%.

(amounts stated in thousands of Argentine pesos)

Note 15. Loans (continued)

3. Financial lease (continued)

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

	Jun 30, 2018	Dec 31, 2017
Up to 1 year	6,516	458
Over 1 year and up to 5 years	5,688	1,279
	12,204	1,737
Future finance charges	(3,105)	(660)
Present value of finance lease liabilities	**9,099**	**1,077**

The fair value of finance lease liabilities is as follows:

	Jun 30, 2018	Dec 31, 2017
Up to 1 year	4,422	396
Over 1 year and up to 5 years	4,677	681
Fair value of finance lease liabilities	**9,099**	**1,077**

Note 16. Other tax burden

Non-current	Notes	Jun 30, 2018	Dec 31, 2017
National tax payment plan		11,971	11,971
Provincial tax payment plan		7	-
Municipal tax payment plan		112	197
Subtotal Other tax burden - Non-current		**12,090**	**12,168**
Current			
Value added tax		3	-
Turnover tax		23,307	1,572
Wealth tax		45	11
Provincial taxes		2,656	3,597
Stamp tax		4,432	2,790
Municipal taxes		1	13
National tax payment plan		37,306	2,488
Provincial tax payment plan		56	-
Municipal tax payment plan		159	3,495
National tax provision		6,273	-
Wealth tax provision in foreign currency	40	-	8
Withholdings and collections to be deposited in local currency		20,079	3,106
Withholdings and collections to be deposited in foreign currency	40	617	1,423
Other tax burden UTES		430	-
Subtotal Other tax burden - Current		**95,364**	**18,503**
Total Other tax burdens		**107,454**	**30,671**

(amounts stated in thousands of Argentine pesos)

Note 17. Trade payables

Non-current	Notes	Jun 30, 2018	Dec 31, 2017
Contingency fund in local currency		-	4,455
Contingency fund in foreign currency	40	10,356	17,542
Subtotal trade payables - Non-current		**10,356**	**21,997**
Current			
Suppliers in local currency		204,137	5,548
Suppliers in foreign currency	40	132,053	24,979
Deferred checks in local currency		51,358	34,953
Deferred checks in foreign currency	40	273	184
Provision for expenses in local currency		2,665	3,128
Provision for expenses in foreign currency	40	5,688	4,553
Provision for works in local currency		180,828	21,410
Provision for works in foreign currency	40	25,719	22,385
Insurance payable in local currency		15	6
Insurance payable in foreign currency	40	1,998	50
Contingency fund in local currency		55,522	13,414
Contingency fund in foreign currency	40	472	305
Trade payables UTES		22,027	-
Subtotal Trade payables - Current		**682,755**	**130,915**
Total Trade payables		**693,111**	**152,912**

Note 18. Deferred tax liabilities

Current	Jun 30, 2018	Dec 31, 2017
Income tax payable	28,694	-
Total tax liabilities	**28,694**	**-**

Note 19. Provisions and allowances

	Notes	Legal claims	Onerous contracts (I)	Jun 30, 2018	Dec 31, 2017
In local currency					
Balance as of January 1, 2018		46,908	-	46,908	2,778
Incorporaciones Caputo S.A.I.C. y F.		115,060	-	3,222	-
Additions (II)		3,999	-	115,837	45,726
Recoveries (II)		(15,068)	-	(15,068)	-
Used during the period		(1,330)	-	(1,330)	(1,596)
Provisions in local currency		149,569	-	149,569	46,908
In foreign currency					
Balance as of January 1, 2018		-	373	373	4,862
Used during the period		-	-	-	(5,566)
Effects of exchange rate variation		-	204	204	1,077
Provisions in foreign currency	40	-	577	577	373
Total Provisions		**149,569**	**577**	**150,146**	**47,281**

(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.

(amounts stated in thousands of Argentine pesos)

Note 20. Payroll and social security contributions

	Notes	Jun 30, 2018	Dec 31, 2017
Salaries payable in local currency		15,455	12,148
Salaries payable in foreign currency	40	2,243	1,582
Social security contributions payable in local currency		16,603	5,550
Social security contributions payable in foreign currency	40	392	255
Provision for thirteenth month salary and vacation pay in local currency		23,180	4,853
Provision for thirteenth month salary and vacation pay in foreign currency	40	1,337	911
Provision for Directors' fees		2,688	1,127
Advances to personnel		(1,368)	(315)
Total payroll and social security contributions		**60,530**	**26,111**

Note 21. Share capital

The Company's share capital is distributed as follows:

	Jun 30, 2018		Dec 31, 2017	
	Shares	Interest	Shares	Interest
Federico Nicolás Weil	13,807	19.2%	13,807	19.6%
The Bank of New York Mellon ADRS (1)				
-PointArgentum Master Fund LP	*10,161*	14.1%	*9,561*	*13.6%*
- Bienville Argentina Opportunities Master Fund LP	-	-	*9,561*	*13.6%*
- Other holders of ADRS (2)	*18,556*	25.8%	*20,555*	*29.2%*
Bienville Argentina Opportunities Master Fund LP (3)	9,478	13.2%	-	-
IRSA Propiedades Comerciales S.A.	3,004	4.2%	5,310	7.5%
Other holders of common shares	16,988	23.5%	11,556	16.5%
Total Share capital	**71,993**	**100%**	**70,349**	**100%**

(1) US deposit certificates representative of common shares under the custody of The Bank of New York Mellon.
(2) It includes shareholders such as Michael Tennenbaum, Serengeti Asset Management, among others.
(3) It includes MSCO for Bienville Global OPP Fund and MSCO for Bienville QP LP.

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

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 notes, the Company may not declare or perform, nor agree to perform, whether directly or indirectly, any payment of dividends prior to any scheduled full payment of principal of its corporate notes.

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

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

(amounts stated in thousands of Argentine pesos)

Note 23. Income from ordinary activities

	SIX MONTHS		THREE MONTHS	
	Jun 30, 2018	Jun 30, 2017	**Jun 30, 2018**	Jun 30, 2017
Income from the delivery of units	219,560	640,431	109,511	330,181
Income from services rendered	1,358,347	6,511	762,913	3,886
Total Income from ordinary activities	**1,577,907**	**646,942**	**872,424**	**334,067**

Note 24. Cost of ordinary activities

	SIX MONTHS		THREE MONTHS	
	Jun 30, 2018	Jun 30, 2017	**Jun 30, 2018**	Jun 30, 2017
Units completed at the beginning of fiscal year	132,696	494,621	110,857	345,425
Plus:				
Cost capitalized during the period	290,901	302,034	215,801	175,121
Cost of services rendered	1,104,795	1,072	620,808	447
Less:				
Finished units at period-end	(95,812)	(207,365)	(95,812)	(207,365)
Total cost of ordinary activities	**1,432,580**	**590,362**	**851,654**	**313,628**

Note 25. Selling expenses

	SIX MONTHS		THREE MONTHS	
	Jun 30, 2018	Jun 30, 2017	**Jun 30, 2018**	Jun 30, 2017
Payroll and social security contributions	25,471	6,798	16,140	3,179
Other payroll expenses	142	207	82	93
Rent and building maintenance fees	511	460	282	228
Professional fees	5,101	1,629	1,330	1,175
Taxes, rates and contributions	49,909	10,083	31,572	2,064
Transport and per diem	1,653	180	1,492	93
Information technology and services expenses	678	460	522	209
Equipment maintenance expenses	78	-	41	-
Contractual agreements	4,042	3,169	2,443	3,012
Depreciation of property, plant and equipment	251	1,065	110	708
Office expenses	224	225	42	116
Insurance	40	68	25	68
Advertising expenses	3,636	4,462	2,759	1,463
Sales expenses	3,309	9,328	1,992	5,806
Building management fees	7,459	4,518	3,279	418
Bidding related expenses	989	-	815	-
Post sales expenses	2,683	5,834	1,893	5,170
General expenses	235	-	79	-
Total selling expenses	**106,411**	**48,486**	**64,898**	**23,802**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2018 PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 26. Administrative expenses

	SIX MONTHS		THREE MONTHS	
	Jun 30, 2018	Jun 30, 2017	**Jun 30, 2018**	Jun 30, 2017
Payroll and social security contributions	102,364	31,858	62,165	15,037
Other payroll expenses	918	904	436	425
Rent and building maintenance fees	9,236	2,379	4,961	1,128
Professional fees	20,034	6,060	11,299	3,549
Directors' fees	3,523	2,194	1,089	1,010
Supervisory Audit Committee's fees	772	711	350	376
Public offering expenses	1,050	438	566	322
Taxes, rates and contributions	5,247	6,071	(828)	(1,600)
Transport and per diem	727	431	411	168
Information technology and services expenses	2,583	2,003	1,275	1,059
Depreciation of property, plant and equipment	4,344	346	2,322	192
Office expenses	2,412	1,591	1,319	964
Equipment maintenance expenses	270	-	109	-
Bank expenses	3,500	985	2,432	380
Tax on bank account debits and credits	22,864	5,639	10,119	1,878
Other bad debts	6,422	1,071	4,711	1,035
Insurance	3,008	773	2,213	679
Investment property maintenance expenses	-	30	-	(3)
General expenses	4,632	-	2,519	-
Total administrative expenses	**193,906**	**63,484**	**107,468**	**26,599**

Note 27. Financial results

	Profit/(Loss)			
	SIX MONTHS		THREE MONTHS	
	Jun 30, 2018	Jun 30, 2017	**Jun 30, 2018**	Jun 30, 2017
Exchange gains/losses				
Exchange gains	721,916	49,638	574,674	37,236
Exchange losses	(1,843,061)	(50,060)	(1,617,929)	(30,480)
Total Exchange gains/losses	**(1,121,145)**	**(422)**	**(1,043,255)**	**6,756**
Financial income				
Interest	25,361	6,407	1,754	5,001
Gain from holding of cash equivalents	10,113	-	3,881	44
Gain from sales of cash equivalents	2,435	191	1,684	-
Present value	564	51	553	21
Total Financial income	**38,473**	**6,649**	**7,872**	**5,066**
Financial costs				
Interest	(215,886)	(43,199)	(110,936)	(20,839)
Subtotal Interest	**(215,886)**	**(43,199)**	**(110,936)**	**(20,839)**
Other financial costs				
Loss from discounted trade documents	-	(133)	-	-
Gain from holding of cash equivalents	-	(44)	-	(44)
Gain from sales of cash equivalents	(1,900)	(1,844)	(1,223)	(252)
Present value	(45,622)	-	(45,556)	-
Subtotal other financial costs	**(47,522)**	**(2,021)**	**(46,779)**	**(296)**
Total financial costs	**(263,408)**	**(45,220)**	**(157,715)**	**(21,135)**

(amounts stated in thousands of Argentine pesos)

Note 28. Other income and expenses, net

	Profit/(Loss)			
	SIX MONTHS		THREE MONTHS	
	Jun 30, 2018	Jun 30, 2017	**Jun 30, 2018**	Jun 30, 2017
Rental income	2,168	2,367	1,438	1,190
Debt forgiveness	-	(32)	-	56
Contract termination	465	834	(1,308)	-
Contract compliance guarantee	(27,501)	-	(27,501)	-
Expense refund	6,789	878	6,040	564
Recovery of provision for expenses	1,948	-	(267)	-
Sale of property, plant and equipment	261	-	87	-
Depreciation of investment property	(470)	-	(459)	-
Damage repair	-	-	-	(353)
Sale of other assets	97,740	-	97,740	-
Lawsuits and other contingencies	(94)	(673)	(94)	(673)
Sundry	(2,553)	(88)	(1,885)	(18)
Total other income and expenses, net	**78,753**	**3,286**	**73,791**	**766**

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 June 30, 2018 and 2017, is broken down as follows:

	Jun 30, 2018	Jun 30, 2017
Income tax	645,478	61,205
Deferred tax	(309,697)	(42,103)
Statute of limitations on tax loss carryforwards	-	(2,689)
Total Income tax	**335,781**	16,413

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

Deferred tax assets	**Jun 30, 2018**	Dec 31, 2017
Tax loss from national source income	1,029,048	301,398
Tax loss from foreign source income	49,648	15,959
Property, plant and equipment	2,165	2,184
Finance lease valuation	41	11
Provision for sundry expenses	186,393	18,386
Deferred income	91,947	37,969
Subtotal Deferred tax assets	**1,359,242**	**375,907**
Deferred tax liabilities		
Bad debts	(345)	(346)
Cash equivalents	(56,686)	(38,286)
Inventories	(71,029)	(47,838)
Foreign currency	(145,579)	(64,609)
Financial costs	(25,350)	(17,817)
Investment property	(351,916)	(16,035)
Corporate notes	(472,166)	(306,506)
Trusts	(8,775)	-
Other receivables	(35,323)	-
Intangible assets	(8,907)	-
Subtotal Deferred tax liabilities	(1,176,076)	(491,437)
Net position of deferred tax assets/(liabilities)	**183,166**	**(115,530)**

(amounts stated in thousands of Argentine pesos)

Note 29. Income tax and deferred tax (continued)

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 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.

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

	Jun 30, 2018	Jun 30, 2017
Income tax calculated at the tax rate prevailing in each country:	306,114	7,957
Impairment of and statute of limitations on income tax loss carryforwards	-	(2,689)
Understated provision for income tax	60	78
Non-deductible expenses	(1,543)	(1,761)
Presumed interest	(260)	(276)
Directors' fees	(153)	(733)
Inventories	3,373	6,697
Effect of the conversion of financial statements	9,649	7,140
Adjustment Tax Reform Law No. 27430	18,529	-
Sundry	12	-
Income tax	**335,781**	**16,413**

Tax losses from national and foreign-source income accumulated as of June 30, 2018 may be used up to the dates indicated below:

	Pesos
Year	2018
2019	85,052
2020	63,753
2021	38,485
2022	163,768
2023	727,637
Total	**1,078,695**

(amounts stated in thousands of Argentine pesos)

Note 30. Related parties

As of June 30, 2018 and December 31, 2017, 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	Jun 30, 2018	Dec 31, 2017
OTHER RECEIVABLES			
Inversiones y Representaciones S.A.		74,014	-
America Pavilion S.A.		40,055	-
Total Receivables from related parties – Non-current		**114,069**	-
RECEIVABLES FROM RELATED PARTIES – CURRENT			
ACCOUNTS RECEIVABLE FROM SALES			
AGL Capital S.A. in local currency		-	173
AGL Capital S.A. in foreign currency	40	-	1,059
Marina Río Luján S.A.		2	14
		2	1,246
OTHER RECEIVABLES			
Marina Río Lujan S.A.		9,525	9,577
Marina Río Lujan S.A. in foreign currency	40	160,377	187,537
Individual shareholders		2,505	2,505
Other shareholders		3,541	3,541
Newbery 3431 S.A. in foreign currency	40	127,946	-
SES S.A.		7,500	-
Limp Ar Rosario S.A.		1,276	-
Logística Ambiental Mediterranea S.A.		3,570	-
UTE Echeverrria		17,004	-
UTE Procrear		8,703	-
Eleprint S.A.		415	-
Surcursal Uruguay – Caputo S.A.I.C. y F.		2,318	-
Total Receivables from related parties – Current		344,680	203,160
Total Receivables from related parties		**344,682**	**204,406**
PAYABLES TO RELATED PARTIES – Non-current			
OTHER ACCOUNTS PAYABLE			
Newbery 3431 S.A.		41,714	-
America Pavilion S.A.		1,393	-
Total payables to related parties – Non-current		43,107	-
PAYABLES TO RELATED PARTIES – Current			
OTHER ACCOUNTS PAYABLE			
Marina Río Lujan S.A.		287	287
Limp Ar Rosario S.A.		1,442	-
		1,729	287
LOANS			
Altos del Puerto S.A.	40	5,161	-
		5,161	-
Total payables to related parties – Current		6,890	287
Total Payables to related parties		**49,997**	**287**

(amounts stated in thousands of Argentine pesos)

Note 30. Related parties (continued)

b) As of June 30, 2018 and 2017, 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		Jun 30, 2018	Jun 30, 2017
AGL Capital S.A.	Collections from services rendered	-	369
Directors	Loans borrowed	-	7,453
Altos del Puerto S.A.	Loans borrowed	4,402	-
UTE Echeverría	Financial contributions	(277)	-
UTE Procrear	Return of financial contributions	271	-
Sucursal Uruguay	Financial contributions	(155)	-
Directors and Managers	Receivables from sale of units	-	1,978
Comisiones y Corretajes S.A.	Collections from sale of units	-	5,796
AGL S.A.	Collections received	2,311	-
Limp Ar Rosario S.A.	Collections received	805	-
Marina Rio Luján S.A.	Collections received	66	-
Newbery 3431 S.A.	Loans granted	(72,069)	-
Logística Ambiental Mediterranea S.A.	Loans granted	(3,570)	-
AGL S.A.	Payments made	(295)	-
SES S.A.	Collections from dividends	7,682	-
Limp Ar Rosario S.A.	Collections from dividends	6,350	-
Fideicomiso Nuevo Quilmes	Collections from dividends	658	-
Marina Rio Luján	Capitalization of loan	191,061	-
Total		**137,240**	**15,596**

- Transactions and their effect on profit/loss

Name of related company	Transaction	Profit/(Loss) Jun 30, 2018	Jun 30, 2017
SES S.A.	Dividends voted	15,182	-
Limp Ar Rosario S.A.	Dividends voted	6,840	-
AGL Capital S.A.	Income from services rendered	711	490
AGL Capital S.A.	Financial results	(100)	26
Marina Río Luján	Financial results	70,106	-
Sucursal Uruguay	Financial results	848	-
Altos del Puerto S.A.	Financial results	(50)	-
Limp Ar Rosario S.A.	Structure expenses	(696)	-
Directors and Managers	Professional fees	(571)	(941)
Limp Ar Rosario S.A.	Income from services rendered	785	5,162
Newberry 3431 S.A.	Financial results	41,838	(1,921)
Total		**134,893**	**2,816**

c) As of June 30, 2018 and 2017, transactions with key personnel are as follows:

	Jun 30, 2018	Jun 30, 2017
Payroll	10,209	5,766
Social security contributions	1,978	818
Total	**12,187**	**6,584**

(amounts stated in thousands of Argentine pesos)

Note 30. Related parties (continued)

c) As of June 30, 2018 and 2017, transactions with key personnel are as follows:

On December 13, 2011, the Company's Board of Directors established that senior management, under the provisions of section 270 of the Companies Law, are the following:

- General Management
- Administrative and Financial Management
- Operations Management
- Business Support Management
- Legal Management

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

In April 2016, Federico Well 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 Wiel.

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	Jun 30, 2018	Dec 31, 2017
Due within		
Up to 3 months	1,262,918	124,072
From 3 to 6 months	274,810	54,701
From 6 to 9 months	93,271	30,814
From 9 to 12 months	45,857	75,256
Over 12 months	649,680	236,203
Without any established term	276,578	187,840
Past due		
Up to 3 months	21,450	16,199
From 3 to 6 months	8,608	-
Over 12 months	37,092	-
	2,670,264	**725,085**

Payables (except for contract liabilities)	Jun 30, 2018	Dec 31, 2017
Due within		
Up to 3 months	1,539,941	608,891
From 3 to 6 months	37,952	51,845
From 6 to 9 months	1,194,632	114,035
From 9 to 12 months	67,659	60,489
Over 12 months	4,052,591	1,839,805
Without any established term	102,131	361,213
Past due		
Up to 3 months	12,412	-
	7,007,318	**3,036,278**

(amounts stated in thousands of Argentine pesos)

Note 31. Receivables, tax assets and payables broken down by maturity and interest rates (continued)

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

Receivables/Tax assets	Jun 30, 2018	Dec 31, 2017
Interest bearing	302,258	172,760
Non-interest bearing	2,368,005	552,323
	2,670,263	**725,083**
Annual nominal average rate:	**6%**	**15%**

Payables (except for customer advances)	Jun 30, 2018	Dec 31, 2017
Interest bearing	5,170,444	2,116,673
Non-interest bearing	1,836,874	919,605
	7,007,318	**3,036,278**
Annual nominal average rate:	**17%**	**17%**

Note 32. Restricted assets and guarantee transactions

32.1 Restricted assets

1. As collateral for the obligations assumed by the Company as a result of the acquisition of the real property where the Astor 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 Canfot S.A. (merged into TGLT S.A.).

   On April 26, 2018, TGLT and IRSA executed a deed for the mutual rescission of a barter agreement, whereby the real property where the Astor Caballito project was developed was reverted to IRSA, and the first mortgage was extinguished. Furthermore, by means of a supplementary agreement executed on the same date, the pledge agreement mentioned above was terminated.

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.

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

4. 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 previous owners. The amount of the mortgage is US$ 4,800.

   On May 7, 2018, TGLT paid off the debt owed to the Company's previous owners for the purchase of the Company, and the previous owners executed a deed to release the mortgage on the land. See Note 47.1

TGLT

Note 32. Restricted assets and guarantee transactions (continued)

32.1 Restricted assets (continued)

5. As a result of certain demolition activities carried out in September 2006 in the premises of the Astor Núñez project, 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 $ 440. On August 24, 2012, the Court granted a motion to dismiss filed by the Company based on the statute of limitations. This decision has been appealed by the plaintiff. The case file was remitted to the Court of Appeals. At present, it is at the production of evidence stage. As a result of TGLT's acquisition of shares in the company Pico y Cabildo S.A. and to guarantee resolution of the contingency mentioned above, the former shareholders made a fixed term deposit in the name of the Company, which shall be exclusively allocated to the settlement of the liabilities that might arise during the resolution of the complaint against the Company. In light of the foregoing, the Company includes in current assets as of June 30, 2018 and December 31, 2017, the amount of $ 5,778 and $ 3,734, respectively, under "Cash and cash equivalents", and the amount of $ 4,035 and $ 3,734, respectively in current liabilities, under "Other accounts payable".
6. As a result of the financing obtained by FDB S.A. by means of the Construction Project Financing Agreement with a mortgage executed with Banco Bilbao Vizcaya Argentaria Uruguay S.A (BBVA) and Banco ITAU Uruguay S.A., the Company created a first mortgage on a piece of property of its own.
7. As collateral for the obligations assumed by the Company as a result of the acquisition of the real property where the Astor San Telmo project was being developed, the Company created a first mortgage on the property in favor of the former owners. The amount of the mortgage is US$ 12,400.
8. The company Inversión Desarrollos Caballito S.A. has created a first pledge on 7,819,500 shares in favor of Pegasus Realty S.A. according to Inversiones Desarrollos Caballito S.A. Agreement executed between Pegasus Realty S.A. And Caputo S.A.I.C. y F.

32.2 Guarantee transactions

1. Machinery, equipment and vehicles in the amount of $ 13,961, acquired through finance leases, are disclosed in Property, plant and equipment. The related liabilities are disclosed in Loans. See Note 15.3
2. In October 2016, Caputo agreed to act as surety in favor of Nación Leasing S.A. to guarantee the transactions to be undertaken by Limp Ar Rosario S.A., a company in which Caputo S.A.I.C. y F hold shares, in the amount of up to $ 37,340 as a result of the execution of four lease agreements. See Note 15.3
3. On October 4, 2017, América Pavilion (AP) and Fundación Universidad de San Andrés (FUDESA) signed offer letter No. 3/2017 in connection with a sales transaction. Caputo S.A.I.C. and F. guaranteed all payment obligations owed by AP to FUDESA up to a maximum amount equivalent to its ownership in AP´s capital, equivalent to US$ 909.
4. On October 23, 2017, América Pavilion (AP) and Laura María Eugenia Mayorga, Armando Pedro José Mayorga, Ofelia Teresita Bellati, Félix Javier Bellati and María Bellati, jointly "Grupo Familia" signed an "Agreement for real property barter in connection with units to be built". Caputo S.A.I.C and F guaranteed all the payment obligations owed by AP to Grupo Familia up to a maximum amount equivalent to its interest in AP's capital, equivalent to US$ 1,339.
5. In February 2018, Caputo agreed to act as surety in favor of Nación Leasing S.A. to guarantee the transactions to be undertaken by Limp Ar Rosario S.A., a company in which Caputo S.A.I.C. y F hold shares, in the amount of up to $ 25,231 as a result of the execution of two lease agreements. By the end of March 2018, the surety bond was executed. See Note 15.3

Note 32. Restricted assets and guarantee transactions (continued)

32.2 Guarantee transactions (continued)

6. On April 12, 2018, the Company's Board of Directors approved the execution of an agreement for the transfer as collateral of the proceeds of certain construction contracts in favor of the banks (Banco Itaú Argentina S.A. and Itaú Unibanco S.A. Nassau Branch) that, in turn, will issue one or several stand-by letters of credit in favor of the shareholders selling their non-endorsable, registered, common shares with a nominal value of $ 1 (one peso) each and granting 1 (one) vote per share, representative of eighty two point thirty two percent (82.32%) of Caputo S.A.I.C. Y F's capital stock in order to secure the payment by TGLT S.A. of the price balance -including the applicable price adjustment- in the amount of US$ 57,249, pursuant to the related agreements for the acquisition of shares, which were duly executed by and between the shareholders, as sellers, and TGLT, as buyer. The company will receive a commission from TGLT as valuable consideration for the transfer as collateral of the proceeds of certain construction contracts.
7. In May 2018, Caputo S.A.I.C. y F became surety and primary obligor of the liabilities arising from a transaction for the acquisition of a piece of real property conducted between America Pavilion and Silvia María Rosa Mayorga, Laura María Eugenia Mayorga, Ofelia Teresita Bellati, Félix Javier Bellati, and María Bellati ("GRUPO FAMILIA") up to the maximum amount of their ownership interest percentage in such company's capital.
8. The company Pegasus Realty S.A. has created a first pledge on 23,458,500 shares in favor of Caputo S.A.I.C. y F. according to Inversiones Desarrollos Caballito S.A. Agreement executed between Pegasus Realty S.A. And Caputo S.A.I.C. y F.

Note 33. Lawsuits

33.1. Health and safety

There are no updates with respect to the financial statements issued on December 31, 2017.

33.2. Labor issues

There are no updates with respect to the financial statements issued on December 31, 2017.

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 and $ 1,294, 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 June 30, 2018, and December 31, 2017, the Company has a claim amounting to $ 2,038 and $ 2,026, respectively, which is disclosed in current assets under "Other receivables".

Note 33. Lawsuits (continued)

33.4. Astor Caballito project on action for the protection of constitutional rights [*Amparo*]

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. As this is an action for the 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, on July 4, 2018, the aforementioned Court resolved to upheld the claim made by TGLT, thus revoking the judgments rendered by the First Instance Court and the Court of Appeals.

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, and since a favorable judgment has been rendered, there is no amount payable under these proceedings.

As a result of the rescission agreement executed between TGLT and IRSA on April 26, 2018, TGLT assigned and transferred to IRSA all the rights, claims and litigation proceedings relating to the aforementioned case.

33.5. Other lawsuits

Find below a detail of "other claims" updated during the present three-month period.

- 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. Having the closing arguments been presented on June 22, 2018, the case is ready for judgment.

- On July 27, 2015, the Company was served with notice of the lawsuit captioned "Blegger, Nancy c/ Maltería del Puerto S.A. s/ damages". 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 for repairs in her unit and resulting damages. To this date, the case has been open for trial.

- On July 6, 2016, Canfot S.A. (merged into 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. As a consequence, 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. 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.

Note 33. Lawsuits (continued)

33.5. Other lawsuits (continued)

- 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 Forum 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 TLGT S.A..

- 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 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/ damages", for the amount of $ 124 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 answered 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 "Cachan Santiago c/ TGLT S.A. s/ damages." The plaintiff claims damages caused by a banner of METRA while he was running along the coastal road in Rosario. The complaint was answered in December 2016. To date, the case has been open for trial.

- On June 14, 2017, the Company was served with summons and a complaint under the case "Commodities S.A. C/ Canfot S.A. s/ Declaration of Certainty and Compensation of Damage", 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. The related answer was filed and is currently pending before the Arbitration Tribunal of the City of Rosario. On July 26, 2018, the closing arguments were presented and the case was set for judgment.

- 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/ Demand of Consumer Right", 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 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 has not been opened for trial, yet

- "Bresca Isaac Mario C/ Maltería 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.

Note 33. Lawsuits (continued)

33.5. Other lawsuits (continued)

- 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.

As regards construction defects of Forum Alcorta, the complaint was filed in the amount of $ 26,996, 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 $ 42,373 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 claims was considered uncertain by the legal advisors and Management. On October 31, 2017, TGLT filed an answer to the motion filed, and on November 15, 2017, an answer to the counterclaim was filed. To this date, the legal deadlines have been suspended.

In addition, as regards construction defects in Forum Puerto Norte, the claim amounts to $ 17,222 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. To this date, the legal deadlines have been suspended.

- "Mercade, Pablo Adrian c/ Mata, Juan Jose s/Damages", 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. Notice was received on September 19, 2017, and it was duly answered by TGLT.

The amount claimed is $ 248, 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 Venice work conducted by the Company, which will cause the overflow of rainwater. The claims 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.

- "SADAIC c/ TGLT s/ Money Collections". Copyrights on the musical piece Metra, used in TGLT's spots on its YouTube channel. Summons of the complaint have been served in February 2018, and the related answer was filed on March 1, 2018. The court held that notice should be served on Landia and Remolino so that they might take part in the proceedings. Once such notice has been served, the case will be opened for trial.

Note 33. Lawsuits (continued)

33.5. Other lawsuits (continued)

- On March 14, 2014, AGIP's officers initiated a tax audit on TGLT S.A. As a result of such tax audit, a resolution was issued ordering the assessment of turnover tax for fiscal period 2011 by the Tax Authorities' own initiative. AGIP proposed the related tax adjustment on the grounds that the Company's business activities should receive a different treatment for tax purposes. On December 21, 2016, TGLT filed the related answer and defense. However, on December 12, 2017, AGIP raised objections against the tax returns filed by TGLT, assessed tax in the amount of $ 400 and impose fines equivalent to 100% of the amount of unpaid tax. On January 17, 2018. The Company filed a motion for reconsideration was filed. At present, the case is under analysis. Additionally, on MARCH 10, 2014, AGIP initiated another tax audit to assess turnover tax for fiscal periods 2012 and 2014 in the amount of $ 15,054, plus interest and fines. AGIP's objections are the same as those described above. On September 20, 2017, the Company filed a note with AGIP reiterating the arguments in support of the construction activity. In addition, it filed certifications extended by the Professional Council of Architecture and Urbanism, and offer letters to evidence the categories of the different buildings for tax purposes. The Company's legal and tax advisors consider that the likelihood of occurrence of an unfavorable outcome is remote.

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 shares of "Green Urban Homes S.A." (GUHSA). GUHSA's main asset was a piece of real property located in the City of Buenos Aires. The total purchase price for GUHSA's shares totaled US$ 4.800, payable by TGLT according to the following schedule: (a) US$ 500 on January 6, 2015; (b) US$ 700 on January 5, 2016; (c) US$ 1,200 on January 5, 2017; (d) US$ 1,200 on January 5, 2018, and (e) US$ 1.200 on January 5, 2019. As of June 30, 2018, the debt has been settled in full. As of December 31, 2017, outstanding liabilities amounted to $ 44,758, disclosed in "Other accounts payable".

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 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 non-endorsable, registered, common shares, with a nominal value of $ 1 each and one vote per share, representing 5% of the total capital stock and voting rights.

The amount paid for all the shares acquired was $ 30. This resulted in income in the amount of $ 76 for TGLT, as the equity value of the 5% ownership interest in Sitia at the time of acquisition was $ 106. 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.

(amounts stated in thousands of Argentine pesos)

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

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

On January 19, 2018, the Company acquired from certain shareholders of Caputo Sociedad Industrial, Comercial y Financiera ("Caputo") shares representing 82.32% of the 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 US$ 110,473. On January 19, 2018, 48.90% of the price (i.e. US$ 53,509) 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.

As of June 30, 2018, outstanding liabilities amounted to $ 1,514,224, out of which the amount of $ 811,807 is disclosed as current liabilities, and $ 702,417 is disclosed as non-current liabilities in "Other accounts payable".
On April 12, 2018 the Company's Board of Directors resolved to approve the formal execution by the Company of a letter of credit or stand by letter of credit, issued by Banco Itaú Argentina S.A and Itaú Unibanco S.A. Nassau Branch (jointly, the "Issuing Bank") in favor of the shareholders selling Caputo shares, as collateral for the balance of the agreed price of the share purchase agreements dated January 19, 2018, whose execution was duly informed.

As counter-guarantees for the aforementioned stand by letter of credit, TGLT: (i) created a first degree pledge on 82.32% of Caputo shares, currently owned by TGLT; (ii) transferred as collateral the proceeds of certain construction contracts to which Caputo is a party; and (iii) transferred as collateral the proceeds of a contract to which TGLT is a party, in favor of the issuing bank.

The operation described, approved by the Board of Directors of the Company, included the execution of a contract with its subsidiary Caputo for the assignment of rights as security interest to implement the transfer as collateral of the proceeds of certain construction contracts mentioned above, in favor of the issuing bank of the stand by letter of credit.

On July 24, 2018, the CNV approved the Public Offering for the acquisition of shares aimed at all the holders of registered, common shares of Caputo, with a nominal value of one peso each, and granting one vote per share, currently issued and outstanding. The Public Offering will extend for a term of 25 business days. The general term, which comprises of 20 business days, started on August 8, 2018 and will end on September 5, 2018. The Public Offering will be extended for an additional term of 5 business days, thus closing on September 12, 2018.

The fair value of identifiable assets and liabilities in Caputo at the date of acquisition was:

	January 19, 2018
Non-current assets	1,391,306
Current assets	1,014,374
	2,405,680
Non-current liabilities	151,088
Current liabilities	707,428
Non-controlling interest	273,539
	1,132,055
	1,273,626
Goodwill	716,152
Acquisition value	1,989,778

The greater value of the assets and liabilities identified was mainly related to the properties owned by Caputo, the accounts receivable equivalent to square meters of projects under construction, the value of the construction contracts identified in the acquisition, the contingencies, the fair value of the interests of Caputo in SES S.A. and Limp Ar S.A.

Note 35. Risks - Financial risk management

The Company is exposed to market and financial risks inherent to the nature of the business as well as to the financial instruments used for the financing of the 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 and construction industry both in Argentina and in Uruguay. These risks include, among others:

Risk of increase in construction costs

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

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

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

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

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

Risk associated with the demand for our products

The demand for our products depends on several external factors, such as the macroeconomy and market conditions. We are continuously controlling the speed of our sales and making adjustments to 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 may 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 also to refinance existing debt, were 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 real estate projects in Argentina and Uruguay and, therefore, we are exposed to foreign exchange rate fluctuations.

Note 35. Risks - Financial risk management (continued)

35.2. Financial risks (continued)

Exchange rate risks (continued)

At the date of issuance of these financial statements, the Company recorded payables denominated in US dollars in Argentina amounting to 180.7 million, mainly made up of a new issue of series XV corporate notes in the amount of US$ 25 million and the corporate notes issued during the third quarter of 2017 in the amount of US$ 150 million, out of which US$ 54.2 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$ 17.7 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 $ 141.3 million, expensed for the six-month period ended June 30, 2018.

Interest rate risks

The group has a reduced exposure to the volatility of interest rates, with less than 1% of our financial liabilities tied to a variable reference rate, such as the private BADLAR or the bank interest rate.

Credit risks

The Company's exposure to credit risk is closely linked to the financial capacity of its customers to meet its contractual commitments.

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.

With respect to receivables from construction works, the Company usually sets forth in its contracts one or more financial advances that allow it to have sufficient working capital to start a project or work, and at the same time it makes sure it will have a positive financial position in the course of the work that allows for negotiating favorable conditions in the event of late payment.

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 receivable balances to be collected after the delivery of possession of the unit. Allowances for bad debts are set up based on such agreements in the total amount of $4.4 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 notes in August of 2017.

For the 2018 six-month period, the Company recorded an operating cash use for $ 259.9 million, mainly due to receivables from related parties and contract liabilities. In addition, it obtained financing in the amount of $ 440.8 million, mainly through the new issue of series XV corporate notes in the amount of US$ 25 million. Furthermore, $ 1,336.5 million were used for the acquisition of companies. As a result, as of June 30, 2018, the cash and cash equivalent balance was $ 883.7 million.

(amounts stated in thousands of Argentine pesos)

Note 36. Investment property

As of June 30, 2018 and December 31, 2017, changes in investment property were as follows:

	Capital appreciation (1)	In construction (2)	In rent (3)	Total
As of January 1, 2018	-	15,828	-	15,828
Acquisitions of the period	-	4,175	-	4,175
Transfer from Inventory	127,555	-	-	127,555
Addition of Caputo S.A.I.CyF	27,930	-	1,828	29,758
Costs on existing investment property		-	-	-
Fair value adjustments	912,553	-		912,553
Depreciation of property for rent	-	-	(470)	(470)
Transfer to Inventory	-	(6,933)	-	(6,933)
Higher value as per business combinations	407,741	-	37,608	445,349
Total as of June 30, 2018	**1,475,779**	**13,070**	**38,966**	**1,527,815**

	Capital appreciation (1)	In construction (2)	In rent (3)	Total
As of January 1, 2017	808,801	13,797	54,033	876,631
Acquisitions for the year	-	2,031	-	2,031
Fair value adjustments	-	-	(2,640)	(2,640)
Transfer to Inventory	-	-	(51,393)	(51,393)
MRL deconsolidation	(808,801)	-	-	(808,801)
Total as of December 31, 2017	**-**	**15,828**	**-**	**15,828**

The expenses relating to investment property recognized in the statement of profit or loss are the following:

	June 30, 2018	June 30, 2017
Maintenance and repair expenses	-	1,592
Total investment property expenses	-	1,592

The Company maintains as investment property the following items:

1- Investment property for capital appreciation:

In June 2018, the Company's Board of Directors decided a strategic change in the use of assets called Brisario, which consisted in reducing the saleable area affected to the urban development project by 49.65% and maintaining the remaining 50.35% as a reserve to increase its value. As a consequence of the aforementioned change, the proportional part included in inventories for a total of $ 127,555 was transferred to the Investment Property line item.

On June 26, 2018, the Company made a reliable measurement of the fair value of this property, based on an appraisal carried out by an independent expert with recognized professional capacity and expertise in this type of properties. The investment property was adjusted at fair value, in compliance with IFRS requirements, which resulted in income in the amount of $ 607,295, which is disclosed in Investment property stated at fair value. Such measurement does not exceed its recoverable value. To the date of issuance of these financial statements, the parties are discussing the possibility of adjusting the business plan, in line with the current market context.

As a consequence of this change, Management analyzed the impact on the rights and obligations arising from the agreement for the purchase-sale of the piece of land, in particular, the obligation to deliver a certain number of square meters. Considering the construction costs involved, the Company has recorded a loss of $ 474,428 in relation to existing liabilities, disclosed in Other expenses.

As of June 30, 2018, the Company discloses three pieces of land located in Buenos Aires, and a piece of land located in the City of Rosario, Province of Santa Fe.

Note 36. Investment property (continued)

2- Investment property under construction

The Company's Management 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 salable 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

As of June 30, 2018 a property located at the intersection of Juan B. Justo and Nicaragua is included. As of December 31, 2017, the portion of land acquired for the development of the Astor San Telmo project is included. 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 Property was transferred to Inventories.

Note 37. Segment information

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

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

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

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

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

	Construction and services	Real estate development	June 30, 2018	Construction and services	Real estate development	June 30, 2017
Income from ordinary activities	1,356,642	221,265	**1,577,907**	-	646,942	**646,942**
Cost of ordinary activities	(1,104,606)	(327,974)	**(1,432,580)**	-	(590,362)	**(590,362)**
Gross profit	**252,036**	**(106,709)**	**145,327**	**-**	**56,580**	**56,580**
Administrative, selling, and other operating expenses (excluding amortization and depreciation)	(153,342)	(143,337)	**(296,679)**	-	(153,547)	**(153,547)**
Other expenses (excluding amortization)	-	(474,428)	**(474,428)**	-	-	**-**
Depreciation	(4,047)	(548)	**(4,595)**	-	(1,411)	**(1,411)**
Amortization	-	(8,375)	**(8,375)**	-	(309)	**(309)**
Investment property appraisal at fair value	-	912,553	**912,553**	-	35,049	**35,049**
Income from sale of investment property	-	-	**-**	-	43,627	**43,627**
Other income and expenses, net	3,755	74,998	**78,753**	-	3,286	**3,286**
Operating results	**98,402**	**254,154**	**352,556**	**-**	**(16,725)**	**(16,725)**
Gain/loss on investments in companies	48,331	114,437	**162,768**	-	-	**-**
Financial results	29,195	(1,375,275)	**(1,346,080)**	-	(38,988)	**(38,988)**
Income/(loss) for the period before income tax	**175,928**	**(1,006,684)**	**(830,756)**	**-**	**(55,713)**	**(55,713)**

(amounts stated in thousands of Argentine pesos)

Note 37. Segment information (continued)

	Construction and services	Real estate development	June 30, 2018	Construction and services	Real estate development	Dec 31, 2017
ASSETS						
Non-current assets	325,848	5,194,249	**5,520,097**	-	1,446,147	**1,446,147**
Current assets	1,307,418	3,917,049	**5,224,467**	-	4,145,356	**4,145,356**
Total assets	**1,633,266**	**9,111,298**	**10,744,564**	-	**5,591,503**	**5,591,503**
LIABILITIES						
Non-current liabilities	26,059	5,508,746	**5,534,805**	-	2,572,922	**2,572,922**
Current liabilities	1,044,585	4,055,706	**5,100,291**	-	2,569,435	**2,569,435**
Total liabilities	**1,070,644**	**9,564,452**	**10,635,096**	-	**5,142,357**	**5,142,357**
SHAREHOLDERS' EQUITY						
Total shareholders' equity	**562,622**	**(453,154)**	**109,468**	-	**449,146**	**449,146**

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

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

	Argentina	Uruguay	June 30, 2018	Argentina	Uruguay	June 30, 2017
Income from ordinary activities	1,548,212	29,695	**1,577,907**	303,705	343,237	**646,942**

	Argentina	Uruguay	June 30, 2018	Argentina	Uruguay	Dec 31, 2017
Inventories	743,386	-	**743,386**	929,723	-	**929,723**
Receivables from sales	46,662	-	**46,662**	-	-	**-**
Other receivables	210,775	17	**210,792**	151,350	12	**151,362**
Investment property	1,527,815	-	**1,527,815**	15,828	-	**15,828**
Property, plant and equipment	39,597	154	**39,751**	1,286	121	**1,407**
Intangible assets	37,195	169	**37,364**	405	170	**575**
Tax assets	232,836	45,320	**278,156**	66,368	18,472	**84,840**
Investments in companies	1,805,950	-	**1,805,950**	262,412	-	**262,412**
Goodwill	716,152	-	**716,152**	-	-	**-**
Receivables from related parties	114,069	-	**114,069**	-	-	**-**
NON-CURRENT ASSETS	**5,474,437**	**45,660**	**5,520,097**	**1,427,372**	**18,775**	**1,446,147**

Note 38. Earnings per share

Earnings per basic and diluted 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.

(amounts stated in thousands of Argentine pesos)

Note 38. Earnings per share (continued)

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:

	June 30, 2018	June 30, 2017
Result used for calculating earnings per share		
Result used for calculating basic earnings per share	(558,507)	(46,802)
Financial results of potential common shares with dilutive effects	159,600	-
Result used in the calculation of diluted earnings per share	(406,238)	(46,802)
Weighted average of ordinary shares		
For earnings per basic share purposes	71,993	70,349
Potential shares	300,000	-
Weighted average since issue date	0.61	-
Weighted potential shares	182,418	-
For earnings per diluted share purposes		
Earnings per basic share	**(7.76)**	**(0.67)**
Earnings per diluted share	**(0.87)**	**(0.67)**

As of June 30, 2018, the diluted weighted average of shares was 182,418, as a result of the issuance of convertible notes dated August 3, 2017. (See Note 43)

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

Note 39. 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 in the neighborhood of Caballito, where the Company would develop a real estate project called Astor Caballito.

On April 26, 2018, TGLT and IRSA executed a deed of annulment of barter agreement whereby TGLT reverted the property to IRSA, free of liens and third party rights, thus extinguishing the obligations arising from the mortgage-backed barter deed. IRSA will pay the Company, as compensation, US$ 3,300 in the following manner: a) the sum of US$ 300 at the execution of the deed, b) the sum of US$ 2,000 18 months after the execution thereof, and c) the sum of US$ 1,000 18 months after the execution of the deed or once TGLT complies with the obligations arising from the barter signed on December 16, 2010. On that date, income derived from the transaction in the amount of $ 52,244 was recognized.

(amounts stated in thousands of Argentine pesos)

TGLT

Note 40. Assets and liabilities in foreign currency

	June 30, 2018				Dec 31, 2017
	Type and amount of foreign currency		Exchange rate prevailing	Amount in pesos	Amount in pesos
ASSETS					
Non-current assets					
Other receivables:					
Security deposit	US$	112	28.75	3,232	883
	U $	19	0.915	17	12
				3,249	895
Receivables from related parties					
Other receivables	US$	2,574	28.75	74,014	-
Total non-current assets				77,263	895
Current assets					
Other receivables:					
Value added tax	U$	223,255	0.915	204,340	124,217
Net worth tax	U$	3,913	0.915	3,580	7,325
Advance payments to work suppliers	US$	3,230	28.75	93,020	33,778
	U $	13,333	0.915	12,203	19,015
				105,223	52,793
Prepaid insurance policies	US$	106	28.75	3,042	650
Loans granted	US$	1,008	28.75	28,971	-
Expenses to be rendered	US$	5	28.75	133	86
	U $	1,936	0.915	1,771	975
				1,904	1,061
Receivables for sale of Investment property	US$	443	28.75	12,745	19,380
Equipment fund receivable	US$	59	28.75	1,682	1,118
Receivables from related parties:					
Receivables from sales	US$	-	28.75	-	1,059
Other receivables	US$	10,029	28.75	288,323	187,537
Accounts receivable from sales:					
Receivables from sale of units	US$	1,119	28.75	32,227	11,939
Receivables for services rendered	US$	3	28.75	73	17
Allowance for bad debts	US$	(181)	28.75	(5,219)	(761)
Other financial assets					
Other financial assets	US$	-	28.75	-	194
Cash and cash equivalents:					
Cash	US$	37	28.75	1,063	672
	U $	48	0.915	44	27
				1,107	699
Uncashed checks	US$	-	28.75	-	387
Banks	US$	6,909	28.75	198,701	22,368
	U $	472	0.915	431	425
				199,132	22,793
Time deposits	US$	200	28.75	5,778	3,734
Mutual funds	US$	250	28.75	7,189	692,981
Bonds and government securities	US$	21,775	28.75	626,186	1,031,850
Total current assets				1,516,283	2,158,973
Total assets				**1,593,546**	**2,159,868**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2018 PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 40. Assets and liabilities in foreign currency (continued)

	June 30, 2018				Dec 31, 2017
	Type and amount of foreign currency		Exchange rate prevailing	Amount in pesos	Amount in pesos
LIABILITIES					
Non-current liabilities					
Other accounts payable:					
Payable for purchase of shares	US$	24,347	28.85	702,417	22,379
Security deposit	US$	-	28.85	-	129
Sundry creditors in foreign currency	US$	431	28.85	12,432	-
Loans:					
Notes	US$	112,917	28.85	3,257,642	1,666,921
Finance lease	US$	11	28.85	306	-
Accounts payable:					
Contingency fund	US$	98	28.85	2,811	1,656
	U$	8,243	0.915	7,545	15,886
				10,356	17,542
Total non-current liabilities				3,983,153	1,706,971
Current liabilities					
Provisions and allowances:	US$	-	28.85	-	373
Other accounts payable:					
Sundry creditors	US$	316	28.85	9,112	8,340
Payable for purchase of shares	US$	28,139	28.85	811,807	22,379
Security deposit	US$	7	28.85	199	-
Loans:					
Loans borrowed	US$	3,483	28.85	100,332	56,250
Mortgage backed banking loans	US$	17,673	28.85	508,979	246,057
Other financial liabilities	US$	53	28.85	1,540	-
Bank overdraft	US$	24	28.85	688	-
Corporate notes	US$	13,792	28.85	397,889	210,417
Finance lease	US$	6	28.85	186	-
Other tax burdens:					
Provision for net worth tax	U$	-	-	-	8
Withholdings and collections to be deposited	U$	674	0.915	617	1,423
Payroll and social security contributions:					
Salaries payable	U$	2,451	0.915	2,243	1,582
Social security contributions payable:	U$	429	0.915	392	255
Provision for thirteenth month salary and vacations	U$	1,461	0.915	1,337	911
Accounts payable:					
Suppliers	US$	1,482	28.85	42,690	21,286
	U$	97,635	0.915	89,363	3,693
				132,053	24,979
Deferred checks	US$	4	28.85	4	-
	U$	9	0.915	269	184
				273	184
Provision for expenses	US$	194	28.85	5,600	4,306
	U$	96	0.915	88	247
				5,688	4,553
Provision for works	US$	25	28.85	714	3,188
	U$	27,320	0.915	25,005	19,197
				25,719	22,385
Insurance payable	US$	69	28.85	1,998	50
Contingency fund	US$	16	28.85	472	305
Real property purchase payable	US$	-	28.85	-	288,962
Total current liabilities				2,001,524	889,413
Total liabilities				5,984,677	**2,596,384**

(amounts stated in thousands of Argentine pesos)

TGLT

Note 41. Determination of fair value

A. Financial instruments by category

The following are financial assets and liabilities per financial instrument category and a reconciliation with the appropriate line shown in the consolidated balance sheet, where applicable.
The financial assets and liabilities as of June 30, 2018 and December 31, 2017 were as follows:

Item	Financial assets at fair value through profit or loss	Amortized cost	Investments held to maturity	Total
FINANCIAL ASSETS				
Cash and cash equivalents	653,578	230,084	5,778	889,440
Other financial assets	-	-	-	-
Receivables from sales	-	1,110,792	-	1,110,792
Other receivables	-	822,562	-	822,562
Receivables from related parties	-	458,751	-	458,751
Total assets as of June 30, 2018	**653,578**	**2,622,189**	**5,778**	**3,281,545**

Item	Financial liabilities at fair value through profit or loss	Financial liabilities at amortized cost	Total
FINANCIAL LIABILITIES			
Accounts payable	-	693,111	693,111
Loans (not including finance leases)	-	4,318,834	4,318,834
Other accounts payable	-	1,589,586	1,589,586
Payables to related parties	-	49,997	49,997
Total liabilities as of June 30, 2018	**-**	**6,651,528**	**6,651,528**

Item	Financial assets at fair value through profit or loss	Amortized cost	Investments held to maturity	Total
FINANCIAL ASSETS				
Cash and cash equivalents	1,766,815	33,172	3,734	1,803,721
Other financial assets	194	-	-	194
Receivables from sales	-	10,031	-	10,031
Other receivables		443,125		443,125
Receivables from related parties	-	204,406	-	204,406
Total assets as of December 31, 2017	**1,767,009**	**690,734**	**3,734**	**2,461,477**

(amounts stated in thousands of Argentine pesos)

Note 41. Determination of fair value (continued)

Item	Financial liabilities at fair value through profit or loss	Financial liabilities at amortized cost	Total
FINANCIAL LIABILITIES			
Accounts payable	-	441,874	441,874
Loans (not including finance leases)	-	2,312,740	2,312,740
Other accounts payable	-	61,783	61,783
Total liabilities as of December 31, 2017	**-**	**2,816,397**	**2,816,397**

A. Financial instruments by category

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

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

B. Determination of fair value

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

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

The assets and liabilities measured at their fair value as of June 30, 2018 and December 31, 2017 are shown below:

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	653,578	-	-	653,578
Financial instruments	-	-	-	-
Total as of June 30, 2018	653,578	-	-	653,578

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	1,766,815	-	-	1,766,815
Financial instruments	194	-	-	194
Total as of December 31, 2017	**1,767,009**	**-**	**-**	**1,767,009**

Note 42. Refund of Minimum Presumed Income Tax credit

On November 4, 2016, the Federal Administration of Public Revenue ("AFIP"), sustained the action for refund the Company had filed on July 23, 2014 thus confirming the 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 $ 14,750, 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 business days, so the Company would have to lodge an appeal with the Tax Court. Documentation was added to the file during the subsequent months. As of June 30 and March 31, 2018, the Company holds credit balances in the amounts of $18,169 and $ 17,949, respectively, which are disclosed in "Other receivables" within Non-current assets.

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

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

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

Since the Income Tax provision and the accounting records of TGLT S.A. for fiscal 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]. As the same circumstances took place as of June 30 and March 31, 2018, the Company decided not to set up any provision for that tax in those years. Consequently, the financial statements as of December 31, 2016 to date do not include such liabilities, as the Company will file its annual tax returns showing no balance in favor of the Tax Authorities, and will serve formal notice of such decision to the Tax Authorities. Based on the business revenue projections for the next fiscal years, the Company expects to offset the remaining balance not subject to refund.

Note 43. Accounting policy used by the Company to recognize and measure the issuance of convertible corporate notes

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

The main features of such instrument are as follows:

- **Total amount offered:** US$ 150,000.
- **Issue currency:** United States Dollars.
- **Subscription and payment currency:** United States Dollars.
- **Right of first refusal:** According to Section 11 of the Corporate Notes Law, shareholders with rights of first refusal or accretion in the subscription of new common shares, may have exercised such rights when subscribing convertible corporate notes between July 15 and July 25, 2017.
- **Voluntary conversion:** At the holder's option, the convertible corporate notes may be converted into new common shares at any time as from the date of issuance, but always before the maturity date, and for an amount not lower than a minimum denomination equal to US$ 1, in full or in part.

Note 43. Accounting policy used by the Company to recognize and measure the issuance of convertible corporate notes (continued)

- **Mandatory Conversion:** Should the Company make an initial public offering or IPO in a U.S. stock exchange or market, convertible corporate notes shall be automatically converted into new common shares or into ADRs (at the holder's option), at the conversion price, adjusted as necessary at the IPO's closing date.
- **Conversion price:** The conversion price will be US$ 0.50, i.e. 2,000 new common shares will be received for every US$ 1,000 in convertible corporate notes.

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

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

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

Once the value of both components was determined as above mentioned, the liability component was recorded according to the guidelines of IAS 39 in "Loans" (Note 15) in a total amount of US$ 93,930 (net of related expenses), which are equivalent to $ 1,659,734. The equity component was recorded in line "Capital Contribution" for the total amount of US$ 54,159 (net of related expenses) equivalent to $ 956,983, following the guidelines of IAS 32, as set forth by IAS 39 for this type of components, and in accordance with the provisions of the Regulatory framework of the CNV. This amount is disclosed in the Statement of Changes in Shareholder's Equity, net of the deferred tax effect arising from the application of IAS 12, totaling $ 334,944. In addition, as of December 31, 2017, the Company disclosed, in the Statement of Changes in Shareholders' Equity, the impact of the amendments introduced by the Tax Reform Law No. 27430. As per such amendments, the income tax rate applicable to fiscal years beginning as from January 1, 2018, and up to December 31, 2019, was reduced from 35% to 30%, and to 25% as from 2020. Such reduced tax rate affected the net deferred tax related to corporate notes as of December 31, 2017, 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".

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

Note 44. Resolutions at Shareholders' Meetings

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, in order to issue up to 25,000 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 by transferring to the Company the shares held in Caputo by the shareholders who choose to participate in the Swap of Shares. Such increase will account for up to 35.038% of the share capital after the foreseen capital increase is completed.

(amounts stated in thousands of Argentine pesos)

Note 44. Resolutions at Shareholders' Meetings (cont.)

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. At the Shareholders' Meeting, a capital increase previously approved by the Annual and Extraordinary General Shareholders' Meetings held on April 14, 2016 and April 20, 2017 was ratified, and it was decided to increase the company's capital up to a nominal value of $ 550,000, by issuing up to 550,000 common, registered shares of nominal value $1 (one peso) each, granting one vote per share and dividends on the same terms as the rest of the shares outstanding at the time of issuance, to be offered in a public offering in Argentina and/or abroad, in one or more opportunities, to be paid in cash, and with a stock premium between $ 10 and $ 35 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.

At the Annual and Extraordinary General Shareholders' Meeting held on April 26, 2018, it was decided to approve the following articles of the bylaws: (i) the current structure of the Board of Directors as described in Section Seven (Management and Representation) is modified, from 8 regular directors and 8 alternate directors to 6 regular directors and 6 alternate directors, a Second Vice-president is appointed apart from the current Vice-president who will now be designated as First Vice-president; a new quorum requirement will be set up for Board of Directors meetings, as 75% of Directors must be present to hold valid meetings instead of the absolute majority previously required; (ii) The name of Law No. 19550 shall be modified in Section Eight (Guarantees), and the fixed guarantee amount of $10,000 shall be changed to the minimum amount allowed by the regulations in force; (iii) Section Nine (Boar d of Director's Powers) shall state that the Second Vice-president shall be the Company's legal representative if the First Vice-president or President are absent; and (iv) Section Ten (Surveillance) shall indicate that the chair of the Supervisory Committee shall be held by each one of the designated supervisory auditors at a time. In addition, it was decided to approve (i) the issuance of Call Options that will be offered to Executives for the purchase of up to 5% of the shares to be issued as a result of the capital increase approved by the Annual and Extraordinary General Shareholders' Meeting held on February 28, 2018, jointly with the simultaneous and implicit decision to increase capital in the proportion necessary to meet the exercise of such call options, and to delegate the following tasks to the Board of Directors (a) determining how such incentive will be implemented, (b) issuing the shares necessary to increase capital so as to be able to honor the call options that may be exercised, (c) filing a public offering request with the CNV, the Buenos Aires Stock Exchange, and/or any other similar foreign institution to offer the shares that will be issued for the Call Options; and (d) designating the Executives who will be entitled to exercise such Call Options; (ii) the issuance of Call Options in favor of Executives under the terms described, jointly with the simultaneous and implicit decision to increase the share capital in the necessary proportion to meet the Call Options that may be exercised, which together will entitle their holders to subscribe a number of shares equivalent to up to five (5%) of the shares that will be issued due to the capital increase approved in section 3 of the agenda of the Annual and Extraordinary General Shareholders' Meeting held on February 28, 2018; and (iii) that Call Options will be issued without requiring payment of any amounts.

Note 45. CNV General Resolution No. 622

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

Exhibit A - Property, plant and equipment	Note 5
Exhibit B -Intangible assets	Note 6
Exhibit C - Investments in shares	Not applicable
Exhibit D - Other investments	Not applicable
Exhibit E - Allowances and provisions	Notes 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 46. Newly Issued Standards and Interpretations

IFRS 9 Financial instruments

IFRS 9 Financial Instruments was issued in November 2009 and amended in October 2010. It introduces new requirements to classify, measure and write off financial assets and liabilities. IFRS 9 sets forth that all financial assets within the scope of IAS 39 Financial Instruments (recognition and measurement) be subsequently carried at amortized cost or fair value. Specifically, debt investments, which are held in accordance with a business model designed to collect contractual cash flows that represent payments of principal or interest on the outstanding principal only, are usually stated at amortized cost at the end of each subsequent fiscal year. All the remaining debt or equity investments are carried at 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 the registration of changes in the fair value of financial liabilities (designated as financial liabilities at fair value 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 at fair value through profit or loss, the change amount in the fair value of financial liabilities attributable to changes in the credit risk of such liabilities is recognized through other comprehensive profit or loss, unless the recognition of changes in the credit risk of such liabilities 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 financial instruments accounting project. Changes include the elimination of the effective date (as from January 1, 2015), so that the IASB may have more time to complete other aspects of the financial instruments accounting project. On July 24, 2014, the IASB published the final version of IFRS 9 which includes the classification and measurement, and the impairment and hedge accounting of financial assets under the 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 Company has analyzed the impact of this new standard in the financial statements as of June 30, 2018, and no adjustments in the Company's assets and liabilities have been identified. Credit risks have been analyzed, and no further impacts on the financial statements have been identified, other than the ones already registered by the Company pursuant to their policy on provisions.

IFRS 15 Revenue from contracts with clients

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

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

As per the transition methods of this new rule, the Company has used the retroactive method by recognizing the accumulated effect on the date of initial application; therefore, comparative balances were not modified.

Note 46. Newly Issued Standards and Interpretations (continued)

Revenue recognition

The Company's revenue recognition process involves: (i) identifying the contract; (ii) identifying the performance obligations; (iii) determining the price of the transaction; (iv) determining the price of the transaction among the different performance obligations; and (v) recognizing revenues.

The revenue recognition process per Group business segment is detailed below.

Business segment: Real estate development

The Company obtains income from purchase-sale agreements involving apartments in the residential buildings named: Forum, Astor and Metra.
For every contract, and based on projects' characteristics, the Company's Management has identified the following performance obligations:

- Commitment to hand over apartments: it includes the commitment to hand over an apartment and parking spot, among others, and to transfer the right to use certain common spaces essential to possession;
- Commitment to transfer the right to use certain common spaces not essential to possession (amenities);

Taking into account the projects where apartments are currently ready to be handed over: Astor Núñez, Astor Palermo, Astor San Telmo, Forum Alcorta, Forum Puerto del Buceo and Metra Puerto Norte, the Company's Management has decided that amenities are not included in a performance obligation different from the obligation to hand over the apartment.

The Company's Management will evaluate if the performance obligations identified in future projects will represent two independent obligations or if they might be considered a single obligation.

The Company recognizes ordinary income arising from the execution of contracts when each all of the following conditions are met:

- The Company transferred to the buyer the significant risks and advantages 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 ordinary income can be measured reliably.
- It is probable that the Company will receive the economic benefits associated with the transaction.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

The price of the transaction is defined as the aggregate of the amounts collected and to be collected as of the date of the transaction plus all financial components.

- *Business segment: Construction and services*

The Company obtains income from long-term construction contracts (generally involving 2 or 3 years) entered into with clients from the private (primarily) as well as the public sectors in the Republic of Argentina. The Company considers that such contracts involve a single performance obligation.

By entering into works contracts, the Company and its subsidiaries provide construction services on the clients' assets. Therefore, as services are provided over time, revenues are recognized periodically up to the limit of the progress of works. The selection of the method used to measure the rate of progress achieved requires the opinion of professionals, and is based on the nature of the service provided. The Company calculates the rate of progress achieved based on the physical progress of the work. This method requires the Company's Management to prepare cost budgets for the works, and to reliably measure the rate of progress achieved. All possible modifications to estimated costs are periodically included in the update of estimated costs during the term of the contract. The statement of profit or loss shows the revenues and costs recognized for the works at the end of each year. The costs incurred represent work performed, which relates to the transfer of control to the client. Revenues are recorded in proportion to the rate of progress of construction works. Operating costs include labor, materials, cost of subcontractors, and other direct and indirect costs. Given the nature of the work required to fulfill the Company's performance obligations, estimating the work's income and costs is a complex process, subject to a large number of variables and requiring a significant level of professional opinion.

(amounts stated in thousands of Argentine pesos)

Note 46. Newly Issued Standards and Interpretations (continued)

The Company estimates variables considering the most probable amounts to be collected, and up to the maximum amount estimated that will not be reversed.
Management makes estimates with all available information.

Effects on unappropriated retained income/loss

As already mentioned, in order to start applying this standard, the Company selected the retroactive method with cumulative effect; therefore, the unappropriated retained income/loss as of January 1, 2018 was modified, as applicable.

According to the aforementioned, the impact as of such date was as follows:

Item	Breakdown	Amount
Customer advances (liabilities)	Financial costs implicit in contracts	(112,823)
Financial costs (shareholders' equity)	Implicit financial costs not capitalized	(112,823)
Contract liabilities (liabilities)	Incremental contract revenues	(9,629)
Income from services rendered (shareholders' equity)	Incremental contract revenues	(9,629)
Deferred tax liabilities (liabilities and shareholders' equity)	Impact of previous changes	36,736
Unappropriated retained income/loss (shareholders' equity)	**Net decrease in previous changes**	**(85,716)**

Breakdown of income

- ***Real estate development***

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

Trademarks	SIX MONTHS	THREE MONTHS
Forum	62,076	27,664
Astor	126,115	50,478
Metra	18,598	18,598
Other	14,476	14,417
Total income per trademark - Real estate development segment	**221,265**	**111,157**

Geographic distribution	SIX MONTHS	THREE MONTHS
Argentina		
City of Buenos Aires	172,248	72,585
Rosario	19,322	18,830
Uruguay (Montevideo)	29,695	19,742
Total income per geographic distribution - Real estate development segment	**221,265**	**111,157**

- ***Construction and services segment***

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

Type of project	SIX MONTHS	THREE MONTHS
Housing	735,489	280,001
Industrial	496,504	251,087
Business	94,705	48,952
Other	29,944	15,334
Total income per project - Construction segment	**1,356,642**	**595,374**

(amounts stated in thousands of Argentine pesos)

Note 46. Newly Issued Standards and Interpretations (continued)

Breakdown of income (cont.)

- ***Construction and services segment (cont.)***

Type of client	SIX MONTHS	THREE MONTHS
Private	986,975	409,249
Public	369,667	186,125
Total income per client - Construction segment	**1,356,642**	**595,374**

Type of contract	SIX MONTHS	THREE MONTHS
Costs formula	438,381	196,749
CAC ratio	727,980	302,406
Other	190,281	96,219
Total income per contract - Construction segment	**1,356,642**	**595,374**

Status of Contracts

	Status as of January 1, 2018	(+) New contracts	(-) Income	(+) Price adjustments	Status as of June 30, 2018
Construction	4,520,100	111,133	(1,356,716)	944,733	4,219,250
Real estate development (1)	2,573,464	295,663	(116,835)	-	2,752,292
Contracts balances	**7,093,564**	**406,796**	**(1,473,551)**	**944,733**	**6,971,542**

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

Note 47. Changes in projects

47.1 Decision not to develop the Metra Devoto project and sale of the related item of real property

The Company's Board, after a new analysis of profitability, decided against developing the Metra Devoto project. On May 8, 2018, TGLT sold the plot of land in the amount of US$ 6,100, which were collected as follows: US$ 1,000 on March 23, 2018 and the remaining balance of US$ 5,100 on the date on which title deed was executed.

47.2 Changes in Metra Puerto Norte Project

In light of the conditions prevailing in the real estate market in Argentina, including long-term financing for final clients by means of mortgage-backed loans called UVA, the Company's Board has decided to modify the Metra Puerto Norte Project. Consequently, the construction of two of the four buildings originally included in the project would be discontinued, and an analysis would be conducted to decide on the best use of the plot of land where such buildings would have been built. As to project advances, the first building is completely sold and built, and as of the date of these financial statements some apartments have already been handed over; whereas the second building is still in the construction stage. All clients who acquired apartments in any of the two buildings whose construction was discontinued have been contacted by the Company, and have been offered an apartment in building two or a refund of the amounts paid plus the related compensation.

As of June 30, 2018, this situation has been considered and is included in the Financial Statements issued as of such date.

(amounts stated in thousands of Argentine pesos)

Note 48. Real property awarded in a public bidding process and Trust creation

On October 26, 2017, the "Catalinas Norte Project" was awarded to TGLT S.A. in the public bidding process No. 33/17 organized by 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 Company offered US$ 40,500 for the item of real property. The award of the item of real property was approved by the Chief of the Cabinet of Ministers on February 1, 2018.

On March 13, 2018, TGLT and BA Developmente II Gmbh, both acting as trustors, and Promotora Fiduciaria S.A., acting as trustee, entered into a Private Real Estate Financial Trust to Manage Catalinas I (the "Trust") in order to allocate the assets contributed by trustors to the payment of the premises, the later development, construction, exploitation and/or sale of one or several real estate projects to be developed on the plot of land awarded to TGLT. The trust will be valid for a term of 30 days as from the date of the contract. The assets held in trust are composed of the contributions made by TGLT, the rights and liabilities derived from their nature of awardee of the premises awarded, and any amounts already paid to AABE for the price of the premises,, as well as of the founds contributed by BA to complete payment of the premises price. Both of them hold a 50% share in the Trust..

As of June 30, 2018, TGLT disclosed its share on the Trust in item Investment in companies.

Note 49. Information on investments in companies

49.1 Investment in associates

As a result of the interest held in Caputo, the Company also holds indirect ownership interest in the following associates:

Company name	Share capital and voting stock
Limp Ar Rosario S.A.	40%
America Pavilion S.A.	20%
Altos del Puerto S.A.	32%
Desarrollos Caballito S.A.	25%
Urbanizadora del Sur S.A.	35%
Fideicomiso Nuevo Quilmes	35%

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

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

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

Note 49. Information on investments in companies (continued)

49.1 Investment in associates (continued)

The Company formally initiated the provision of the urban hygiene and waste management service in the northern area of the city of Rosario in the aforementioned date.

It is to note that Limp AR Rosario S.A. is not responsible for the treatment, nor the final disposal of the waste collected by it. Once collected, urban waste is taken to transfer areas, which are the responsibility of the Municipality, and then they are sent for treatment and/or final disposal. Industrial, commercial or hazardous waste are not included in this objective.

As from September 17, 2013, the provision of SEPARE program services was awarded to Limp AR Rosario S.A. by the Municipality of Rosario. Such service consists in the separation of waste in its two modes of collection: door to door and in reception centers.

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

Altos del Puerto S.A. was incorporated on June 28, 2007, and is primarily engaged in the real estate development known as "Hospital Ferroviario", which is located at Avenida Ramón S. Castillo 350 and Comodoro Pedro Zanni. Such development was completely sold during the fiscal year ended October 31, 2017.

Desarrollos Caballitos S.A. acquired an item of real property located in the City of Buenos Aires, facing Federico García Lorca street at the corner of General Martín de Gainza street will a total surface of 10,447 m2, to be allocated to a multi-family housing construction project composed of two building towers of 33 floors each with several amenities. In March 2008, the Company was engaged in the launching of the "Dos Plaza" project.

Urbanizadora del Sur S.A. entered into several trust contracts to manage as trustee the New Quilmes, the Aquaterra and the Qualia Trusts for the purpose of organizing and completing the construction of a gated community and a set of buildings in the premises composed of 4 parcels, with an approximate surface of 100 hectares, located near the Don Bosco station, Quilnes, Province of Buenos Aires. The trustee's responsibility involved the acquisition of 60% of the undivided premises, jointly with Asociación Civil Nuevo Quilmes S.A. who acquired the remaining percentage, as well as the organization and development of a real estate project on such premises, which are now part of the estate held in trust.

Fideicomiso Nuevo Quilmes: the trustee (Urbanizadora del Sur S.A.) was instructed to acquire the undivided premises located in Quilmes, Province of Buenos Aires; to settle the mortgage levied on such premises; to develop a real estate project on such premises (a gated community that will be called Barrio Cerrado Nuevo Quilmes); to hold in trust the premises and their related assets; to sell, by themselves or by third parties retained for such purposes, the assets held in trust; and to deliver to the beneficiaries any relevant benefits. As of June 30, 2018, the total number of single-family plots of land were sold (666 plots of land), possession has already been handed over to 631 of them, while infrastructure and common areas works are fully completed.

In addition, as approved by the Addenda to the Trust Contract, the trustee has also developed, within those same premises, a multi-family residential building under the condominium property law No. 13512, and has set up a council of condominium owners Such residential dwellings will be composed of five buildings of five floors each, with a total of 102 apartments each. This real estate project will be called "Aquavento". As of June 30, 2018, all construction works were completed and the last apartments were sold and handed over.

(amounts stated in thousands of Argentine pesos)

Note 49. Information on investments in companies (continued)

49.1 Investment in associates (continued)

The net assets of the companies where the Company holds interest as of June 30, 2018 are listed below:

	Limp Ar Rosario S.A.	America Pavilion S.A.	Altos del Puerto S.A.	Desarrollos Caballito S.A.	Urbanizadora del Sur S.A.	Fideicomiso Nuevo Quilmes
Non-current assets	105,503	743,261	13,685	542	-	14,361
Current assets	184,962	85,606	6,908	296,528	73,703	51,292
Non-current liabilities	49,949	778,965	33	5,281	-	-
Current liabilities	158,170	41,667	6,842	161,338	51,476	27,662
Shareholder's equity	**82,346**	**8,235**	**13,718**	**130,451**	**22,227**	**37,991**
			Profit/(Loss)			
Income from ordinary activities	315,014	-	-	411,589	-	-
Cost of sales	(260,414)	-	-	(296,458)	-	-
Gain/loss on sale of investment property	-	-	19,121	-	-	-
Selling expenses	-	-	(584)	(2,300)	-	(638)
Administrative expenses	(17,516)	-	(1,832)	(7,125)	(39,182)	(1,467)
Financial results, net	(8,392)	23,545	5,170	18,595	-	12,745
Other income/loss	-	(14,616)	(965)	(116)	-	(478)
Income/(loss) before income tax	28,692	8,929	20,910	124,185	(39,182)	10,162
Income tax	(8,805)	(3,125)	(7,313)	(37,277)	-	-
Income/loss for the period	**19,887**	**5,804**	**13,597**	**86,908**	**(39,182)**	**10,162**

49.2 Joint operations

As a result of the interest held in Caputo, the Company takes indirect part in joint operations instrumented by means of a Temporary Union of Enterprises (UTE, by its Spanish acronym).

As of June 30, 2018, the joint agreements entered into by the Company are as follows:

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

On November 17, 2009, a temporary union of enterprises was formed by Caputo S.A.I.C. y F., Farallon S.A. and SES S.A., the main purpose of which is to set up rules that may govern the implementation of project "Construcción y Equipamiento de la Primera Etapa del Plan Director del Hospital Nacional Profesor Dr. Alejandro Posadas - El Palomar - Morón - Provincia de Buenos Aires" (construction and equipment provisioning of the first stage of the Director Plan of national hospital Profesor Dr. Alejandro Posadas - El Palomar - Morón - Province of Buenos Aires). As of June 30, 2018, the UTE conducted no activities and the only activity left is the settlement of debts, which was disclosed net of contributions, in line "Other accounts payable" under current liabilities.

(amounts stated in thousands of Argentine pesos)

Note 49. Information on investments in companies (continued)

49.2 Joint operations (continued)

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

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

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

As of June 30, 2018, the net assets added by these joint operations are as follows:

	Hospital Posadas	Hospital del Bicentenario	Museo Islas Malvinas	Procerar
Non-current assets	271	-	-	4,678
Current assets	1,046	35,325	20,815	64,559
Non-current liabilities	-	-	-	-
Current liabilities	14,595	40,335	27,381	40,618
Net	**(13,278)**	**(5,010)**	**(6,566)**	**28,619**
Net loss for the period	**(3,474)**	**(534)**	**(3,317)**	**(31,267)**

49.3 Investment in joint operations

Company name	Ownership Interest
Newbery 3431 S.A.	50.00%
Marina Río Lujan S.A.	49.99%
S.E.S. S.A.	50.00%

The summarized financial information of Newbery 3431 S.A. is as follows:

	Jun 30, 2018
Non-current assets	258,000
Current assets	1,078
Current liabilities	258,678
Shareholders' equity	**400**

In addition, the Company holds 49.99% interest in Marina Rio Lujan S.A., a company whose main business is the construction and sale of all types of real property. The plot of land where it is located is in the Municipality of Tigre, province of Buenos Aires. The urban project under development is called "Venice".

Venice is developed on a plot of land of around 8 hectares, where single-family housing dwellings, housing and office buildings, as well as some common entertainment and transit areas will be built. Venice Masterplan was designed by architects Duany Plater-Zyberk & Company (Miami, USA) and Bodas, Miani, Anger Arquitectos (Buenos Aires).

(amounts stated in thousands of Argentine pesos)

Note 49. Information on investments in companies (continued)

49.3 Investment in joint operations (continued)

The preliminary project was designed by Estudio McCormack & Asociados and is being executed by Obras y Sistemas S.R.L. It involves the construction of 13 buildings with 639 apartments, 693 parking spots, 76 moorings, and 149 storage rooms. Finally, it will include an outdoor recreational area composed of a central park, channels, pedestrian streets and decks, and 2,270 internal square meters. The first stage, currently ongoing, involves the construction of 302 apartments in five buildings. The summarized financial information of Marina Rio Luján S.A. is as follows:

	Jun 30, 2018
Current assets	735,477
Non-current assets	1,701,157
Current liabilities	795,514
Non-current liabilities	594,167
Shareholders' equity	**1,046,953**

	Profit/(Loss)
Selling expenses	(5,527)
Administrative expenses	(8,461)
Gain/loss on appraisal of investment property at fair value	495,491
Financial results, net	(1,294)
Other income/loss	(5,015)
Income before income tax	475,194
Income tax	(200,170)
Income/loss for the period	**275,024**

In addition, the Company holds indirect interest of 50% in S.E.S. S.E.S.S.A. was founded in 1991 as a construction company and has carried out some important works throughout the country. Currently, the company's business is primarily related to the construction of buildings and the performance of works, as well as the provision of services to third parties. It develops its business plan directly by itself and by taking part in other companies and temporary unions of enterprises. The summarized financial information of S.E.S. S.A. is as follows:

	Jun 30, 2018
Non-current assets	114,505
Current assets	538,946
Non-current liabilities	8,680
Current liabilities	291,795
Shareholders' equity	**352,976**

	Profit/(Loss)
Income from ordinary activities	484,432
Cost of sales	(344,694)
Selling expenses	(2,232)
Administrative expenses	(23,536)
Financial results, net	(20)
Other income/loss	1,356
Income/(loss) before income tax	115,306
Income tax	(34,596)
Income/loss for the period	**80,710**

(amounts stated in thousands of Argentine pesos)

Note 49. Information on investments in companies (continued)

49.3 Investment in joint operations (continued)

Finally, as of June 30, 2018, the Company holds 50% units of interest in the private real estate financial trust called "Fideicomiso Financiero Privado Inmobiliario de Administración Catalinas I", which was created on March 13, 2018, and is focused on the development of a real estate project on the "Catalinas Norte" plot of land. To the date of issuance of these financial statements the (i) price of the plot of land has been completely paid off and, (ii) the trust has performed no operations.

	Jun 30, 2018
Current assets	138
Non-current assets	827,446
Current liabilities	6
Non-current liabilities	-
Shareholders' equity	**827,578**

	Profit/(Loss)
Administrative expenses	(351)
Financial results, net	55
Income/(loss) before income tax	(296)
Income tax	89
Income/loss for the period	**(207)**

Note 50. Negative shareholders' equity attributable to parent company's owners and business plans

During the period ended June 30, 2018, TGLT S.A. recorded significant losses that gave rise to a negative shareholders' equity attributable to parent company's owners; thus, the company falls within the scope of subsection 5, section 94 of the Companies Law No. 19550. If such circumstances remain unmodified as of December 31, 2018, the Company would be subject to the mandatory termination provisions of such law, which must be addressed at the forthcoming Shareholders' Meeting. However, the Company's Board believes the business plans are capable to revert the circumstances described.

Note 51. Financial statements approval

These condensed interim consolidated financial statements as of June 30, 2018, as well as the stand-alone financial statements as of that date, were approved by the Board of Directors at their meeting held on August 10, 2018.

Note 52. Subsequent events

No events or transactions have occurred from year-end to the date of issuance of these financial statements that would have a material effect on the financial position of the Company as of June 30, 2018, or the results of its operations at such period-end.

TGLT

CONDENSED INTERIM STAND-ALONE FINANCIAL STATEMENTS

TGLT S.A.

AS OF JUNE 30, 2018

(PRESENTED COMPARATIVELY)

TGLT S.A.

CONDENSED STAND-ALONE STATEMENT OF FINANCIAL POSITION

AS OF JUNE 30, 2018 AND DECEMBER 31, 2017

(amounts stated in thousands of Argentine pesos)

	Notes	Jun 30, 2018	Dec 31, 2017
Non-current assets			
Property, plant and equipment	5	1,243	1,286
Intangible assets	6	606	405
Investment property	7	747,920	15,828
Investments in companies	8	3,273,106	259,835
Inventories	11	743,386	929,723
Deferred tax assets	12	447,905	84,840
Contract assets		600	-
Other receivables	13	66,312	151,350
Receivables from related parties	32	74,014	-
Total non-current assets		5,355,092	1,443,267
Current assets			
Inventories	11	95,812	347,237
Other assets		-	26,990
Assets held for sale		-	73,331
Other receivables	13	103,113	88,745
Receivables from related parties	32	703,683	527,553
Receivables from sales	14	14,723	2,223
Cash and cash equivalents	15	721,362	1,734,079
Total current assets		1,638,693	2,800,158
Total assets		6,993,785	4,243,425
SHAREHOLDERS' EQUITY		(227,603)	449,143
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	16	-	131,347
Contract liabilities	18	1,482,214	1,022,079
Other accounts payable	17	702,417	22,508
Payables to related parties	32	132,569	62,533
Loans	19	3,258,569	1,667,602
Other tax burden	20	12,083	12,168
Trade payables	22	-	4,455
Total non-current liabilities		5,587,852	2,922,692
Current liabilities			
Provisions and allowances	23	34,008	47,281
Other accounts payable	17	826,340	39,275
Contract liabilities	18	123,177	209,663
Payables to related parties	32	138,790	107,680
Loans	19	398,475	342,832
Other tax burden	20	12,491	17,072
Payroll and social security contributions	21	19,829	23,363
Trade payables	22	80,426	84,424
Total current liabilities		1,633,536	871,590
Total liabilities		7,221,388	3,794,282
Total shareholders' equity and liabilities		6,993,785	4,243,425

Notes 1 to 39 are an integral part of these financial statements.

TGLT S.A.

CONDENSED STAND-ALONE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE PROFIT OR LOSS

FOR THE PERIODS ENDED JUNE 30, 2018 and 2017

(amounts stated in thousands of Argentine pesos)

		SIX MONTHS		THREE MONTHS	
	Notes	**Jun 30, 2018**	Jun 30, 2017	**Jun 30, 2018**	Jun 30, 2017
Income from ordinary activities	25	178,527	304,172	78,369	133,704
Cost of ordinary activities	26	(285,726)	(306,370)	(197,927)	(147,911)
Gross profit		**(107,199)**	**(2,198)**	**(119,558)**	**(14,207)**
Selling expenses	27	(45,194)	(38,530)	(28,809)	(19,373)
Administrative expenses	28	(71,264)	(47,498)	(34,278)	(22,678)
Other operating costs		(2,400)	-	(2,400)	-
Other expenses		(474,580)	(255)	(474,480)	(201)
Investment property appraisal at fair value	7	607,295	2,473	607,295	3,810
Income from sale of investment property	7	-	43,627	-	-
Other income and expenses, net	30	75,023	3,302	70,997	1,106
Operating results		**(18,319)**	**(39,079)**	**18,767**	**(51,543)**
Gain/loss on investments in companies		407,373	615	349,275	31,022
Financial and holding results, net					
Exchange gains/losses	29	(1,174,820)	(13,687)	(1,089,027)	908
Financial income	29	27,415	6,354	10,521	3,318
Financial costs	29	(248,177)	(34,748)	(153,283)	(14,245)
Income/loss for the period before income tax		**(1,006,528)**	**(80,545)**	**(863,747)**	**(30,540)**
Income tax	31	448,021	33,743	383,797	23,967
Income/loss for the period		**(558,507)**	**(46,802)**	**(479,950)**	**(6,573)**
Other comprehensive loss					
Foreign exchange gain (loss) of a net investment abroad		(44,273)	(2,253)	(38,808)	(5,035)
Total other comprehensive gain/loss		(44,273)	(2,253)	(38,808)	(5,035)
Total comprehensive loss for the period		**(602,780)**	**(49,055)**	**(518,758)**	**(11,608)**
Income/loss per share attributable to parent company's owners					
Basic		**(7.76)**	**(0.67)**	**(6.82)**	**(0.09)**
Diluted		**(1.60)**	**(0.67)**	**(1.60)**	**(0.09)**

Notes 1 to 39 are an integral part of these financial statements.

TGLT

TGLT S.A.

CONDENSED STAND-ALONE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE PERIOD ENDED JUNE 30, 2018

(amounts stated in thousands of Argentine pesos)

	Capital					Reserves				Results	
Item	Share capital	Stock premium	Buyback premium	Capital contribution	Total	Transactions between Shareholders	Legal reserve	Optional reserve	Foreign currency translation reserve	Unappropriate d retained income/loss	Total
Balances as of January 1, 2018	70,349	123,350	(96)	669,965	863,568	(19,801)	239	4,538	(47,426)	(351,975)	449,143
IFRS 15 transition effect (1)	-	-	-	-	-	-	-	-	-	(85,717)	(85,717)
Balance as of January 1, 2018	70,349	123,350	(96)	669,965	863,568	(19,801)	239	4,538	(47,426)	(437,692)	363,426
Conversion of corporate notes (2)	1,644	14,761		(4,654)	11,751	-	-	-	-		11,751
Income (loss) for the period	-	-	-	-	-	-	-	-	-	(558,507)	(558,507)
Other comprehensive loss for the period, net of income tax	-	-	-	-	-	-	-	-	(44,273)	-	(44,273)
Comprehensive loss for the period	-	-	-	-	-	-	-	-	(44,273)	(558,507)	(602,780)
Balance as of June 30, 2018	**71,993**	**138,111**	**(96)**	**665,311**	**875,319**	**(19,801)**	**239**	**4,538**	**(91,699)**	**(996,199)**	**(227,603)**

(1) See Note 46 to the consolidated financial statements.
(2) See Note 43 to the consolidated financial statements.

Notes 1 to 39 are an integral part of these financial statements.

TGLT S.A.

CONDENSED STAND-ALONE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE PERIOD ENDED JUNE 30, 2017

(amounts stated in thousands of Argentine pesos)

	Capital							Reserves				Results	
Item	Share capital	Treasury stock	Stock premium	Irrevocable contributions	Buyback premium	Capital contribution	Total	Transactions between Shareholders	Foreign currency translation reserve	Legal reserve	Optional reserve	Unappropriated retained income/loss	Total
Balance as of January 1, 2017	70,339	10	123,350	7,238	-	-	200,937	(19,801)	(38,171)	-	-	4,777	147,742
Resolution of Shareholders' Meeting										239	4,538	(4,777)	-
Irrevocable contribution	-	-	-	(7,453)	-	-	(7,453)	-	-	-	-	-	(7,453)
Purchase of treasury stock	10	(10)	-	215	(96)	-	119	-	-	-	-	-	119
Transactions	-	-	-	-	-	76	76	-	-	-	-	-	76
Income/loss for the period	-	-	-	-	-	-	-	-	-	-	-	(46,802)	(46,802)
Other comprehensive loss for the period, net of income tax	-	-	-	-	-	-	-	-	(2,253)	-	-	-	(2,253)
Comprehensive loss for the period	-	-	-	-	-	-	-	-	(2,253)	-	-	(46,802)	(49,055)
Balance as of June 30, 2017	**70,349**	**-**	**123,350**	**-**	**(96)**	**76**	**193,679**	**(19,801)**	**(40,424)**	**239**	**4,538**	**(46,802)**	**91,429**

Notes 1 to 39 are an integral part of these financial statements.

TGLT

TGLT S.A.

CONDENSED STAND-ALONE STATEMENT OF CASH FLOWS

FOR THE PERIODS ENDED JUNE 30, 2018 and 2017

(amounts stated in thousands of Argentine pesos)

	Jun 30, 2018	Jun 30, 2017
Operating activities		
Income/loss for the period	(558,507)	(46,802)
Adjustments to obtain the cash flow from operating activities		
Income tax	(448,021)	(33,743)
Depreciation of property, plant and equipment	525	950
Impairment of goodwill	-	42,988
Exchange gains/losses and accrued interest	1,500,095	15,962
Amortization of intangible assets	152	255
Investments in companies	(363,101)	(41,350)
Translation gain/loss	(44,273)	(2,253)
Investment property appraisal at fair value	(607,295)	(2,473)
Income from sale of investment property	-	(43,627)
Gain/loss on sale of property, plant and equipment	(88)	-
Loss from sale of other assets	(97,740)	-
Changes in operating assets and liabilities		
Receivables from sales	(12,500)	5,539
Other receivables	(48,552)	(13,378)
Other assets	-	(1,105)
Receivables from related parties	(188,500)	(64,120)
Inventories	314,053	222,840
Contract assets	(600)	-
Tax assets and liabilities	(9,655)	(1,073)
Trade payables	(199,861)	12,101
Fringe benefits	(3,534)	(1,979)
Other tax burden	(4,666)	15,325
Payables to related parties	31,110	16,090
Other accounts payable	533,634	10,261
Provisions and allowances	(13,273)	(1,351)
Contract liabilities	251,197	(174,165)
Net cash flows (used in) / provided by operating activities	**30,600**	**(85,108)**
Investment activities		
Investments not considered as cash	(2,044)	(149)
Payments of investment property	(1,088)	(498)
Collections from sale of investment property	-	71,523
Collections from sale of other assets	136,416	-
Collections from sale of property, plant and equipment	88	-
Payments for purchase of property, plant and equipment	(482)	(240)
Payments for purchase of intangible assets	(353)	-
Acquisition of ownership interest in other companies	(1,336,164)	-
Net cash flow (used in) / provided by investment activities	**(1,203,627)**	**70,636**
Financing activities		
Loans (Note 19)	158,266	8,119
Payments for purchase of shares in subsidiaries	-	(30)
Collection from the sale of treasury stock	-	119
Net cash flows (used in) / provided by financing activities	**158,266**	**8,208**
Net (Decrease) / Increase in cash and cash equivalents	(1,014,761)	(6,264)
Cash and cash equivalents at beginning of the period	1,730,345	12,953
Cash and cash equivalents at period-end (see Note 15)	**715,584**	**6,689**

Notes 1 to 39 are an integral part of these financial statements.

NOTES TO THE CONDENSED INTERIM STAND-ALONE FINANCIAL STATEMENTS

AS OF JUNE 30, 2018 PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 1. Purpose of the financial statements

On October 14, 2010, the Argentine Securities and Exchange Commission ("CNV") authorized the 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") authorized the listing of TGLT S.A.'s shares as of October 19, 2010.

These condensed interim stand-alone financial statements as of , June 30, 2018 (hereinafter the "financial statements"), have been prepared by the Company's Board of Directors 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. Statement of compliance with IFRS

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

Note 3. Company's business

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

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

Note 4. Basis for the presentation of the stand-alone financial statements

These condensed 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 controlled companies, the Company's Board of Directors recommends that these stand-alone financial statements be read together with the previous consolidated financial statements.

There are no new developments to report regarding the accounting policies applied to the preparation of the stand-alone financial statements as of June 30, 2018, except for the provisions of Note 46 to the consolidated financial statements.

Note 4. Basis for the presentation of the stand-alone financial statements (cont.)

Presentation basis

The CNV, as stated in Title IV, Chapter I, Section I, article b.1) of the CNV Rules ("NT 2013") approved by General Resolution No. 622/13, established the application of Technical Resolutions No. 26 of the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE") and their amendments, adopted by the IFRS for entities included in the public offering system.

These condensed stand-alone financial statements have been prepared in accordance with the provisions of IAS 34, issued by the IASB.

These condensed stand-alone interim financial statements as of, June 30, 2018, have been prepared by the Company's Board of Directors 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. For the preparation of these financial statements, the Company has adopted the option provided in IAS 34, and has prepared them in a condensed form. Therefore, these financial statements do not include all the information required for a set of annual complete financial statements and, consequently, their reading together with the annual financial statements as of December 31, 2017, is recommended. Such financial statements may be found in the Company's web page www.tglt.com.ar.

IAS 29 "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.

As per IAS 29, the characteristics of the economic environment of a country which indicate the existence of hyperinflation include: (1) the cumulative inflation rate over three years approaches, or exceeds, 100%, (ii) interest rates, wages, and prices are linked to a price index, or (iii) amounts of local currency held are immediately invested to maintain purchasing power, among others. These characteristics are not conclusive but judgment shall be exercised to determine whether there is a hyperinflation environment. Regardless of the foregoing, the standard states that it is preferable that all entities that report in the currency of the same hyperinflationary economy apply the requirements of IAS 29 from the same date and using the same price index to reflect changes in general purchasing power.

Levels of inflation in Argentina have been high, though showing a downward trend up to December 2017 and as of March 31, 2018. As a result of this, together with the evaluation of other qualitative factors, the Company's Board has concluded that the characteristics defined by IAS 29 were not clearly met to determine the existence of a hyperinflation environment requiring that the Argentine economy be deemed as highly inflationary to those dates. However, during the second quarter of 2018, several macroeconomic factors caused a reversal of the inflationary trend; accordingly, the cumulative inflation rates over three years exceed 100% and inflation projections confirm this trend. Additionally, the qualitative hyperinflation indicators mentioned by IAS 29 show no conclusive evidence to the contrary.

However, in the light of IAS 29, which states that it is preferable that all entities apply the requirements of such standard from the same date and using the same price index, and taking into account the existence of certain practical restrictions inherent to the Argentine context, the Company's Board considers, in line with the conclusions reached by certain national and international organizations and by the Argentine Federation of Professional Councils of Economic Sciences, that IAS 29 shall not be applied to the financial statements for the six-month period ended June 30, 2018, and that Argentina shall be considered an hyperinflationary economy under the terms of IAS 29 as from July 1, 2018.

To the date of presentation of these condensed financial statements, regulators have not issued any opinion, and the Company is analyzing the impact and effects of applying the comprehensive inflation adjustment to the following periods.

These condensed interim stand-alone financial statements have been approved by the Board of Directors at their meeting held on August 10, 2018.

(amounts stated in thousands of Argentine pesos)

Note 5. Property, plant and equipment

	Furniture and fixtures	Hardware	Improvements in third-party property	Showrooms	Total
Original value					
Balance as of January 1, 2018	1,198	1,762	1,296	10,881	15,137
Acquisitions	-	482	-	-	482
Total	1,198	2,244	1,296	10,881	15,619
Depreciation and impairment					
Balance as of January 1, 2018	(659)	(1,561)	(1,107)	(10,524)	(13,851)
Depreciation	(32)	(153)	(88)	(252)	(525)
Total	(691)	(1,714)	(1,195)	(10,776)	(14,376)
Residual value as of Jun 30, 2018	**507**	**530**	**101**	**105**	**1,243**

	Furniture and fixtures	Hardware	Improvements in third-party property	Showrooms	Total
Original value					
Balance as of January 1, 2017	1,170	1,725	1,071	13,267	17,233
Acquisitions	28	37	225	-	290
Transfers	-	-	-	(2,386)	(2,386)
Total	1,198	1,762	1,296	10,881	15,137
Depreciation and impairment					
Balance as of January 1, 2017	(542)	(1,325)	(947)	(8,887)	(11,701)
Depreciation	(117)	(236)	(160)	(1,637)	(2,150)
Total	(659)	(1,561)	(1,107)	(10,524)	(13,851)
Residual value as of Dec 31, 2017	**539**	**201**	**189**	**357**	**1,286**

Note 6. Intangible assets

	Software	Software development	Trademarks	Total
Original value				
Balance as of January 1, 2018	305	2,809	15	3,129
Acquisitions	353	-	-	353
Total	658	2,809	15	3,482
Amortization and impairment				
Balance as of January 1, 2018	(254)	(2,459)	(11)	(2,724)
Amortization	(4)	(147)	(1)	(152)
Total	(258)	(2,606)	(12)	(2,876)
Residual value as of Jun 30, 2018	**400**	**203**	**3**	**606**

(amounts stated in thousands of Argentine pesos)

Note 6. Intangible assets (continued)

	Software	Software development	Trademarks	Total
Original value				
Balance as of January 1, 2017	258	2,749	15	3,022
Acquisitions	47	60	-	107
Total	305	2,809	15	3,129
Amortization and impairment				
Balance as of January 1, 2017	(238)	(2,061)	(10)	(2,309)
Amortization	(16)	(398)	(1)	(415)
Total	(254)	(2,459)	(11)	(2,724)
Residual value as of Dec 31, 2017	**51**	**350**	**4**	**405**

Note 7. Investment property

As of June 30, 2018 and December 31, 2017, changes in investment property were as follows:

	Investment property under construction (1)	Investment properties for capital appreciation (3)	Total
Investment property as of January 1, 2018	15,828	-	15,828
Plus:			
Acquisitions of the period	4,175	-	4,175
Transfers from inventories	-	127,555	127,555
Fair value adjustment	-	607,295	607,295
Less:			
Transfer to Inventory	(6,933)	-	(6,933)
Total Investment property as of June 30, 2018	**13,070**	**734,850**	**747,920**

	Investment property under construction (1)	Investment property for rent (2)	Total
Investment property as of January 1, 2017	13,797	54,033	67,830
Plus:			
Acquisitions	2,031	-	2,031
Fair value adjustments	-	(2,640)	(2,640)
Transfer to Inventory	-	(51,393)	(51,393)
Total investment property as of December 31, 2017	**15,828**	**-**	**15,828**

Note 7. Investment property (continued)

The Company maintains as investment property the following items:

1- Investment property under construction

The Company's Board of Directors 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 salable 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.

2- Investment property for rent

As of December 31, 2017, it includes 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.

3- Investment properties for 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.

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. Therefore, as of June 30, 2017, TGLT S.A. recorded $ 43,627,000 from the sale of investment property.

In June 2018, the Board of Directors of the Company decided a strategic change in the use of assets called Brisario, which consisted in reducing the saleable area affected to the urban development project by 49.65% and maintaining the remaining 50.35% as a reserve to increase its value. As a consequence of the aforementioned change, the proportional portion included in inventories for a total of $ 127,555 was transferred to the Investment Property line item.

On June 26, 2018, the Company made a reliable measurement of the fair value of this property, based on an appraisal carried out by an independent expert with recognized professional capacity and expertise in this type of properties. The investment property was adjusted at fair value, in compliance with IFRS requirements, which resulted in income in the amount of $ 607,295, which is disclosed in Investment property stated at fair value. This measurement does not exceed its recoverable value. To the date of issuance of these financial statements, the parties are discussing the possibility of adjusting the business plan, in line with the current market context.

As a consequence of this change, Management analyzed the impact on the rights and obligations arising from the agreement for the purchase-sale of the piece of land, in particular, the obligation to deliver a certain number of square meters. Considering the construction costs involved, the Company has recorded a loss of $ 474,428 in relation to existing liabilities, disclosed in Other expenses.

As of June 30, 2018, the Company discloses three pieces of land located in Buenos Aires, and a piece of land located in the City of Rosario, Province of Santa Fe.

(amounts stated in thousands of Argentine pesos)

TGLT

Note 8. Investments in companies

	Notes	June 30, 2018	Dec 31, 2017
Fideicomiso Financiero Privado Inmobiliario de Administración Catalinas I			
Investments	10	399,192	-
		399,192	-
Caputo S.A.I.C .y F.			
Investments	10	1,569,439	-
Goodwill	9	716,152	-
		2,285,591	-
Marina Río Luján S.A.			
Investments	10	588,323	259,835
		588,323	259,835
Total investments in companies		**3,273,106**	**259,835**

(1) As of June 30, 2018 and December 31, 2017, the total liabilities with TGLT Uruguay S.A. Recorded by the Company amount to $ 132,569 and $ 62,533, respectively. Such liabilities are disclosed in "Balances with related parties" within non-current liabilities (Note 32).

Note 9. Goodwill

	Caputo S.A.I.C .y F.	Total
Original value		
Balance as of January 1, 2018	-	-
Acquisitions	716,152	716,152
Total	716,152	716,152
Residual value as of June 30, 2018	716,152	716,152

	Pico y Cabildo S.A.	Canfot S.A.	Total
Original value			
Balance as of January 1, 2017	10,559	79,399	89,958
Acquisitions	-	-	-
Total	10,559	79,399	89,958
Impairment			
Balance as of January 1, 2017	(1,092)	(29,601)	(30,693)
Impairment loss	(9,467)	(49,798)	(59,265)
Total	(10,559)	(79,399)	(89,958)
Residual value as of December 31, 2017	-	-	-

NOTES TO THE CONDENSED INTERIM STAND-ALONE FINANCIAL STATEMENTS

AS OF JUNE 30, 2018 PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 10. Information on investment in companies

				Information on issuer						
				According to last financial statement issued (1)						
Name of issuer and description of securities	Nominal value	June 30, 2018	Dec 31, 2017	Main business	Address	Closing date	Share capital	Income/loss for the period	Equity	Ownership Interest
Caputo S.A.I.C. y F.	$100 with 1 vote each	595,800	-	Construction and services	Miñones 2177 - City of Buenos Aires – Republic of Argentina	6/30/2018	167,959	156,983	723,758	82.32%
Fideicomiso Financiero Privado Inmobiliario de Administración Catalinas I		399,192	-	Real estate development	San Martin 674 1°A - City of Buenos Aires – Republic of Argentina	6/30/2018	827,083	(207)	827,578	50%
Marina Río Luján S.A. (5)	$100 with 1 vote each	566,837	238,348	Construction and sale of real property	Enrique Butty 220 - 11th floor - Suite A - City of Buenos Aires – Rep. Argentina	6/30/2018	384,539	270,716	1,046,953	49.99%
TGLT Uruguay S.A (2) and (3)	$U with 1 vote each (4)	(132,569)	(62,533)	Investor	Plaza Independencia 811 P.B. – Montevideo – Uruguay	6/30/2018	18,778	28,156	137,228	100%
Total		1,429,260	175,815							

(1) Information as per the financial statements prepared without applying Technical Resolution No. 26.
(2) Included in "Payables to related parties" within non-current liabilities.
(3) Information as per the financial statements prepared under IFRS.
(4) $U: Uruguayan pesos.
(5) On June 19, 2018, the capitalization of 70% of the balances of the lines of credit between Marina Rio Luján and its shareholders as of April 1, 2018, in the total amount of three hundred and eighty two million one hundred and twenty one thousand four hundred and ninety four peso ($ 382,121,494), out of which the amount of one hundred and ninety one million sixty thousand seven hundred and forty seven pesos ($ 191,060,747) is associated with the credit line between the Company and Marina Río Luján.

(amounts stated in thousands of Argentine pesos)

Note 11. Inventories

Non-current	June 30, 2018	Dec 31, 2017
Projects under construction		
Astor San Telmo	493,547	353,935
Metra Puerto Norte	154,299	354,842
Proa	95,540	220,833
Other projects	-	113
Subtotal inventories – non-current	**743,386**	**929,723**
Current		
Projects under construction		
Metra Puerto Norte	-	193,911
Projects completed		
Astor Núñez	20,693	103,601
Astor Palermo	26,730	34,429
Forum Alcorta	18,195	45,450
Forum Puerto Norte	4,042	4,390
Metra Puerto Norte	155,116	-
Impairment		
Astor Palermo	(2,040)	(8,201)
Forum Alcorta	(3,426)	(21,953)
Forum Puerto Norte	(4,042)	(4,390)
Metra Puerto Norte	(119,456)	-
Subtotal Inventories - Current	**95,812**	**347,237**
Total Inventories	**839,198**	**1,276,960**

Note 12. Deferred tax assets

	June 30, 2018	Dec 31, 2017
Income tax	22,069	12,579
Minimum presumed income tax	54,752	54,752
Deferred tax	352,915	-
Minimum presumed income tax - Refund	18,169	17,509
Total tax assets	**447,905**	**84,840**

Note 13. Other receivables

Non-current	Notes	June 30, 2018	Dec 31, 2017
Security deposits in foreign currency	37	1,369	883
Advance payments to work suppliers		64,943	31,245
Advance payments for the purchase of real property (1)		-	119,222
Subtotal other receivables – Non-current		**66,312**	**151,350**

(1) Such advance payments have been made to Fideicomiso Financiero Privado Inmobiliario de Administración Catalinas I as of June 30, 2018.

(amounts stated in thousands of Argentine pesos)

Note 13. Other receivables (continued)

Current	Notes	June 30, 2018	Dec 31, 2017
Value added tax		58,304	45,747
Turnover tax		1,238	2,344
Receivables from the sale of investment property	37	12,745	19,380
Insurance to be accrued in local currency		18	118
Insurance to be accrued in foreign currency	37	3,040	535
Advance payments to work suppliers in local currency		7,032	2,116
Advance payments to work suppliers in foreign currency	37	3	4
Expenses to be rendered		14	14
Expenses to be recovered		4,353	3,341
Maintenance fees to be recovered		28,365	23,207
Security deposits in local currency		255	255
Collectible equipment fund in local currency		1	1
Collectable fund for equipment acquisition in foreign currency	37	1,682	1,118
Collectible operative fund in local currency		138	82
Collectible operative fund in foreign currency	37	8	5
Receivables under litigation proceedings		2,038	2,026
Sundry		18	16
Allowance for doubtful receivables		(16,139)	(11,564)
Subtotal Other receivables – Current		**103,113**	**88,745**
Total Other receivables		**169,425**	**240,095**

Note 14. Receivables from sales

	Notes	June 30, 2018	Dec 31, 2017
Accounts receivable from services rendered in local currency		136	163
Accounts receivable from services rendered in foreign currency	37	20	9
Accounts receivable from sales of units in local currency		12,797	1,382
Accounts receivable from sales of units in foreign currency	37	6,247	3,378
Allowance for bad debts		(1,229)	(2,709)
Allowance for bad debts in foreign currency	37	(3,248)	-
Total accounts receivable from sales		**14,723**	**2,223**

Maturity of accounts receivable from sales is the following:

	June 30, 2018	Dec 31, 2017
To become due		
0 to 3 months	1,847	2,223
Past due		
More than 365 days	12,876	-
Total	**14,723**	**2,223**

(amounts stated in thousands of Argentine pesos)

TGLT

Note 15. Cash and cash equivalents

	Notes	June 30, 2018	Dec 31, 2017
Cash in local currency		126	106
Cash in foreign currency	37	1,022	659
Banks in local currency		21,983	8,946
Banks in foreign currency	37	138,362	9,639
Uncashed checks		175	237
Term deposits in foreign currency	37	5,778	3,734
Mutual funds in local currency		19,000	41,985
Mutual funds in foreign currency	37	7,189	692,981
Bonds and government securities in foreign currency	37	527,727	975,792
Total Cash and cash equivalents		**721,362**	**1,734,079**

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

	June 30, 2018	June 30, 2017
Total cash and cash equivalents	721,362	10,017
Time deposits in foreign currency due over 90 days	(5,778)	(3,328)
Total Cash and cash equivalents according to the statement of cash flows	**715,584**	**6,689**

Note 16. Deferred tax liabilities

	June 30, 2018	Dec 31, 2017
Deferred tax	-	131,347
Total deferred tax liabilities	**-**	**131,347**

Note 17. Other accounts payable

Non-current	Notes	June 30, 2018	Dec 31, 2017
Purchase of shares in foreign currency	37	702,417	22,379
Security deposits in foreign currency	37	-	129
Subtotal other accounts payable – Non-current		**702,417**	**22,508**
Current			
Purchase of shares in foreign currency	37	811,807	22,379
Sundry creditors in foreign currency	37	5,778	8,340
Security deposits in foreign currency	37	199	-
Deferred income		8,556	8,556
Subtotal other accounts payable – Current		**826,340**	**39,275**
Total other accounts payable		**1,528,757**	**61,783**

NOTES TO THE CONDENSED INTERIM STAND-ALONE FINANCIAL STATEMENTS

AS OF JUNE 30, 2018 PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 18. Contract liabilities

Non-current	June 30, 2018	Dec 31, 2017
Advanced collections	1,560,727	1,090,889
Equipment fund	35	33
Operative fund	-	2
Value added tax	(78,548)	(68,845)
Subtotal contract liabilities - Non-current	**1,482,214**	**1,022,079**
Current		
Advanced collections	92,194	199,180
Equipment fund	16,735	20,727
Operative fund	5,103	4,673
Other contract liabilities	15,236	-
Value added tax	(6,091)	(14,917)
Subtotal contract liabilities - Current	**123,177**	**209,663**
Total contract liabilities	**1,605,391**	**1,231,742**

Note 19. Loans

Non-current	Notes	June 30, 2018	Dec 31, 2017
Finance lease in local currency		621	681
Finance lease in foreign currency	37	306	-
Corporate notes	37	3,257,642	1,666,921
Subtotal loans – Non-current		**3,258,569**	**1,667,602**
Current			
Finance lease in local currency		400	396
Finance lease in foreign currency	37	186	-
Corporate notes in local currency		-	132,019
Corporate notes in foreign currency	37	397,889	210,417
Subtotal loans – Current		**398,475**	**342,832**
Total Loans		**3,657,044**	**2,010,434**

The following is a breakdown of loans and financing:

FOR THE FISCAL PERIOD/YEAR	6 MONTHS	12 MONTHS
	June 30, 2018	Dec 31, 2017
Balance at beginning of year	2,010,434	300,585
New loans and financing arrangements	498,126	1,635,924
Accrued interest	257,646	169,856
Effects of exchange rate variation	1,242,450	132,335
Bank overdrafts	-	(32,022)
Payment of principal	(128,133)	(143,571)
Payment of interest	(208,184)	(52,673)
Conversion of corporate notes	(15,295)	-
Balance at period-end	**3,657,044**	**2,010,434**

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

NOTES TO THE CONDENSED INTERIM STAND-ALONE FINANCIAL STATEMENTS

AS OF JUNE 30, 2018 PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 20. Other tax burdens

Non-current	June 30, 2018	Dec 31, 2017
Municipal tax payment plan	112	197
Federal tax payment plan	11,971	11,971
Subtotal other tax burden – Non-current	**12,083**	**12,168**
Current		
Withholdings and collections to be deposited	1,791	3,106
Wealth tax	45	11
Turnover tax	2,107	1,572
Stamp tax	4,432	2,790
Provincial taxes	2,656	3,597
Municipal taxes	1	13
Municipal tax payment plan	159	3,495
Provision for federal taxes	1,300	2,488
Subtotal other tax burden – Current	**12,491**	**17,072**
Total Other tax burdens	**24,574**	**29,240**

Note 21. Payroll and social security contributions

	June 30, 2018	Dec 31, 2017
Salaries payable	12,148	12,148
Social security contributions payable:	5,563	5,550
Provision for vacations	2,298	4,853
Provision for Directors' fees	167	1,127
Advances to personnel	(347)	(315)
Total Payroll and social security contributions	**19,829**	**23,363**

Note 22. Trade payables

Non-current	Notes	June 30, 2018	Dec 31, 2017
Contingency fund		-	4,455
Subtotal accounts payable – Non-current		**-**	**4,455**
Current			
Suppliers in local currency		5,550	5,548
Suppliers in foreign currency	37	887	2,518
Deferred checks		20,985	34,953
Provision for expenses in local currency		2,226	3,128
Provision for expenses in foreign currency	37	2,365	2,094
Provision for works in local currency		25,841	21,410
Provision for works in foreign currency	37	271	998
Insurance payable in local currency		15	6
Insurance payable in foreign currency	37	1,998	50
Contingency fund in local currency		19,816	13,414
Contingency fund in foreign currency	37	472	305
Subtotal accounts payable – Current		**80,426**	**84,424**
Total Trade payables		**80,426**	**88,879**

(amounts stated in thousands of Argentine pesos)

Note 23. Provisions and allowances

	Notes	Legal claims (I)	Onerous contracts (II)	June 30, 2018	Dec 31, 2017
In local currency					
Balances as of January 1, 2018		46,908	-	46,908	2,778
Additions (III)		2,921	-	2,921	45,726
Recoveries (III)		-	-	-	-
Used during the fiscal period/year		(16,398)	-	(16,398)	(1,596)
Subtotal in local currency		**33,431**	**-**	**33,431**	**46,908**
In foreign currency					
Balances as of January 1, 2018		-	373	373	4,862
Additions (III)		-	-	-	-
Recoveries (III)		-	-	-	-
Used during the fiscal period/year		-	-	-	(5,566)
Effect of foreign currency variation		-	204	204	1,077
Subtotal in foreign currency	37	**-**	**577**	**577**	**373**
Total provisions		**33,431**	**577**	**34,008**	**47,281**

(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 "Selling expenses", line "Contractual agreements".

Note 24. Share capital

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

	June 30, 2018	Dec 31, 2017
Fully paid-in common shares	71,993	70,349
Total fully paid-in common shares	**71,993**	**70,349**

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

Note 25. Income from ordinary activities

	SIX MONTHS		THREE MONTHS	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
Revenue from delivery of goods	177,093	298,812	76,997	131,467
Income from services rendered	1,434	5,360	1,372	2,237
Total Income from ordinary activities	**178,527**	**304,172**	**78,369**	**133,704**

NOTES TO THE CONDENSED INTERIM STAND-ALONE FINANCIAL STATEMENTS

AS OF JUNE 30, 2018 PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 26. Cost of ordinary activities

	SIX MONTHS		THREE MONTHS	
	June 30, 2018	June 30, 2017	**June 30, 2018**	June 30, 2017
Units completed at the beginning of fiscal year	132,696	494,621	110,857	-
Plus:				
Cost capitalized during the period	248,653	18,043	182,693	9,405
Cost of services rendered	189	1,072	189	447
Minus:				
Units completed at fiscal period-end	(95,812)	(207,366)	(95,812)	138,059
Total cost of ordinary activities	**285,726**	**306,370**	**197,927**	**147,911**

Note 27. Selling expenses

	SIX MONTHS		THREE MONTHS	
	June 30, 2018	June 30, 2017	**June 30, 2018**	June 30, 2017
Payroll and social security contributions	8,193	6,181	5,626	2,870
Other payroll expenses	141	193	82	90
Rent and building maintenance fees	397	460	220	228
Professional fees	3,904	1,149	820	933
Taxes, rates and contributions	14,318	6,562	11,093	711
Depreciation of property, plant and equipment	251	699	110	525
Transport and per diem	1,377	110	1,355	41
Information technology and service expenses	659	422	515	192
Sales expenses	2,807	8,481	1,991	5,208
Advertising expenses	2,195	2,989	1,538	978
Office expenses	145	195	65	103
Building maintenance fees	4,846	2,018	1,823	(756)
Post sales expenses	2,683	5,834	1,893	5,170
Insurance	-	68	-	68
Contractual agreements	3,261	3,169	1,661	3,012
General expenses	17	-	17	-
Total selling expenses	**45,194**	**38,530**	**28,809**	**19,373**

NOTES TO THE CONDENSED INTERIM STAND-ALONE FINANCIAL STATEMENTS

AS OF JUNE 30, 2018 PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 28. Administrative expenses

	SIX MONTHS		THREE MONTHS	
	June 30, 2018	June 30, 2017	**June 30, 2018**	June 30, 2017
Payroll and social security contributions	33,790	27,286	15,591	12,482
Other payroll expenses	813	733	384	343
Rent and building maintenance fees	3,148	2,258	1,715	1,091
Professional fees	11,272	3,703	6,855	2,403
Directors' fees	571	1,921	342	961
Supervisory audit committee's fees	772	682	350	361
Taxes, rates and contributions	692	1,025	372	254
Depreciation of property, plant and equipment	274	252	149	145
Transport and per diem	412	413	263	157
Information technology and service expenses	1,842	1,797	819	929
Public offering expenses	1,050	438	566	322
Office expenses	1,777	830	1,150	399
Investment property maintenance expenses	-	30	-	(3)
Bank expenses	2,093	666	1,359	244
Tax on bank account debits and credits	8,584	3,712	1,896	899
Other bad debts	1,565	1,071	443	1,035
Insurance	2,609	681	2,024	656
Total administrative expenses	**71,264**	**47,498**	**34,278**	**22,678**

Note 29. Financial results

	Profit/(Loss)			
	SIX MONTHS		THREE MONTHS	
	June 30, 2018	June 30, 2017	**June 30, 2018**	June 30, 2017
Exchange gains/losses				
Exchange gains	634,812	27,512	500,387	22,027
Exchange losses	(1,809,632)	(41,199)	(1,589,414)	(21,119)
Total exchange gains/losses	**(1,174,820)**	**(13,687)**	**(1,089,027)**	**908**
Financial income				
Interest	21,463	6,303	6,797	3,267
Present value of credits	564	51	553	51
Gain from holding of short term investments	5,388	-	3,171	-
Total financial income	**27,415**	**6,354**	**10,521**	**3,318**
Financial costs				
Interest	(200,655)	(32,771)	(106,504)	(13,962)
Subtotal Interest	**(200,655)**	**(32,771)**	**(106,504)**	**(13,962)**
Other financial costs				
Gain from sales of cash and cash equivalents	(1,900)	(1,844)	(1,223)	(253)
Present value of credits	(45,622)	-	(45,556)	(30)
Loss from discounted trade documents	-	(133)	-	-
Subtotal other financial costs	**(47,522)**	**(1,977)**	**(46,779)**	**(283)**
Total financial costs	**(248,177)**	**(34,748)**	**(153,283)**	**(14,245)**

(amounts stated in thousands of Argentine pesos)

Note 30. Other income and expenses, net

	Profit/(Loss)			
	SIX MONTHS		THREE MONTHS	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
Sale of property, plant and equipment	88	-	88	-
Lawsuits and other contingencies	(94)	(673)	(94)	(673)
Payment of damages	-	-	-	(353)
Debt forgiveness	-	(32)	-	56
Rental income	-	2,367	-	1,191
Recovery of expenses	6,789	878	6,040	878
Recovery of provision for expenses	1,948	-	(268)	-
Sale of other assets	97,740	-	97,740	-
Contract compliance guarantee	(31,179)	-	(31,179)	-
Contract termination	465	834	(1,308)	-
Sundry	(734)	(72)	(22)	7
Total other income and expenses, net	**75,023**	**3,302**	**70,997**	**1,106**

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 June 30, 2018 and 2017, is broken down as follows:

	June 30, 2018	June 30, 2017
Income tax	691,409	49,212
Deferred tax from temporary differences	(243,388)	(15,469)
Total Income tax	**448,021**	**33,743**

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	June 30, 2018	Dec 31, 2017
Tax loss from national source income	1,029,048	301,398
Property, plant and equipment	1,995	2,034
Finance lease valuation	(2)	11
Deferred income	7,138	2,567
Sundry provisions	153,235	18,386
Subtotal deferred tax assets	**1,191,414**	**324,396**
Deferred tax liabilities		
Financial costs	(25,350)	(17,817)
Inventories	26,003	(12,145)
Cash and cash equivalents	(56,686)	(38,286)
Bad debts	(345)	(345)
Foreign currency	(145,579)	(64,609)
Convertible corporate notes	(472,166)	(306,506)
Investment property	(164,376)	(16,035)
Subtotal deferred tax liabilities	**(838,499)**	**(455,743)**
Net position of deferred tax assets/(liabilities)	**352,915**	**(131,347)**

(amounts stated in thousands of 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:

	June 30, 2018	June 30, 2017
Income tax calculated at the prevailing tax rate on income before taxes	301,958	28,191
Interest	(260)	(252)
Directors' fees	(153)	(642)
Gain/loss on investments in companies	124,106	215
Inventories	7,929	6,697
Tax reform law No. 27430	18,985	-
Sundry non-deductible expenses	(4,556)	(476)
Sundry	12	10
Income tax	**448,021**	**33,743**

Tax losses resulting from national source income, and accumulated as of June 30, 2018, may be used up to the dates indicated below:

	Pesos
Year	2018
2019	69,939
2020	56,422
2021	11,281
2022	163,768
2023	727,638
Total	**1,029,048**

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

NOTES TO THE CONDENSED INTERIM STAND-ALONE FINANCIAL STATEMENTS

AS OF JUNE 30, 2018 PRESENTED COMPARATIVELY

(amounts stated in thousands of 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	June 30, 2018	Dec 31, 2017
OTHER RECEIVABLES			
Inversiones y Representaciones S.A. In foreign currency	37	74,014	-
Subtotal		**74,014**	-
Total receivables from related parties – Non-current		**74,014**	-
RECEIVABLES FROM RELATED PARTIES – Current			
RECEIVABLES FROM SALES			
AGL Capital S.A. in local currency		-	173
AGL Capital S.A. in foreign currency	37	-	1,059
Marina Río Luján S.A.		2	14
FDB S.A. in local currency		2,461	2,461
FDB S.A. in foreign currency	37	1,465	859
Subtotal		**3,928**	**4,566**
OTHER RECEIVABLES			
Individual shareholders		2,505	2,505
Other shareholders		3,541	3,541
FDB S.A. in local currency		823	763
FDB S.A. in foreign currency	1 and 37	94,823	59,878
Marina Río Lujan S.A. in local currency		9,525	9,577
Marina Río Lujan S.A. in foreign currency	1 and 37	160,377	187,537
TGLT Uruguay S.A. in foreign currency	1 and 37	428,161	259,186
Subtotal		**699,755**	**522,987**
Total receivables from related parties – Current		**703,683**	**527,553**
Total receivables from related parties		**777,697**	**527,553**

PAYABLES TO RELATED PARTIES – Non-current	Notes	June 30, 2018	Dec 31, 2017
OTHER ACCOUNTS PAYABLE – INVESTMENTS IN COMPANIES			
TGLT Uruguay S.A.		132,569	62,533
Subtotal		**132,569**	**62,533**
Total payables to related parties – Non-current		**132,569**	**62,533**
PAYABLES TO RELATED PARTIES – Current			
OTHER ACCOUNTS PAYABLE			
Marina Río Luján S.A.		287	287
FDB S.A.	37	131,903	107,393
Caputo S.A.I.C. y F.		6,600	
Subtotal		**138,790**	**107,680**
Total payables to related parties – Current		**138,790**	**107,680**
Total payables to related parties		**271,359**	**170,213**

(amounts stated in thousands of 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	June 30, 2018	June 30, 2017
Marina Río Luján S.A.	Loans granted	(91,300)	(27,298)
TGLT Uruguay S.A	Loans granted	(13,614)	(54,508)
Individual shareholders	Loans borrowed	-	7,453
Sitia S.A.	Loans borrowed	-	83
AGL Capital S.A.	Collections received	2,311	369
Comisiones y Corretajes S.A.	Collections received	-	5,796
Senior Directors and Managers	Collections received	-	1,978
FDB S.A	Collections received	189	15,457
Marina Rio Luján S.A.	Collections received	66	66
TGLT Uruguay S.A	Collections received	830	170
FDB S.A	Payments made	(25,833)	(351)
AGL Capital S.A.	Payments made	(295)	-
Caputo S.A.I.C. y F.	Payments made	(4,593)	-
FDB S.A	Compensation	-	14,312
Marina Río Luján S.A.	Compensation	-	11,597
Marina Río Luján S.A.	Advances from assignment of units	-	(11,597)
Marina Río Luján S.A.	Write-off due to capitalization	191,061	-
Total		**58,822**	**(36,473)**

- Transactions and their effects on profit/loss

		Profit/(Loss)	
Name of related party	**Transaction**	**June 30, 2018**	June 30, 2017
AGL Capital S.A.	Services provided	711	490
FDB S.A.	Services provided	133	355
Marina Río Luján S.A.	Services provided	1	124
Caputo S.A.I.C. y F.	Services received	(2,753)	-
Caputo S.A.I.C. y F.	Commissions	(3,678)	-
FDB S.A.	Financial results	(14,675)	(3,748)
Individual shareholders	Financial results	-	(941)
Marina Río Luján S.A.	Financial results	70,106	(683)
TGLT Uruguay S.A.	Financial results	156,189	10,411
Sitia S.A.	Financial results	-	(241)
AGL Capital S.A.	Financial results	(100)	26
Senior Directors and Managers	Income from units delivered	-	5,162
Directors	Professional fees	(571)	(1,921)
Total		**205,363**	**9,034**

(amounts stated in thousands of Argentine pesos)

TGLT

Note 32. Related parties (continued)

1. **Loans granted**

On April 1, 2018, the Company capitalized seventy (70%) percent of the principal balances (excluding interest) of Offer Letters 1/16, 1/17, 2/17, 3/17 and 4/17, instrumenting the credit line agreements of up to US$ 15,000 entered into with Marina Rio Lujan to finance works at the Venice Project. Such balances amount to $191,060,700, at the US dollar exchange rate set by the Banco Nación de la República Argentina prevailing on the day before the date on which balances were capitalized (US$1 = $20.149). The interest rate applicable to credit lines was reduced to an annual rate of 0.05%.

		Balances in foreign currency					Jun 30, 2018		Dec 31, 2017	
Entity	**Credit line**	**Capital US$**	**Maturity**	**Capitalization**	**Disbursement US$**	**Rate**	**Current**	**Non-current**	**Current**	**Non-current**
FDB S.A. (1)	01-2016	20,000	12/31/2018	-	2,948	5.35%	94,823	-	59,878	-
TGLT Uruguay (1)	01-2015	20,000	12/31/2018	-	13,810	5.35%	428,160	-	259,186	-
MRL (2)	01-2016	2,000	8/14/2018	(2,000)	2,000	0.05%	19,657	-	46,090	-
MRL	01-2017	1,000	10/2/2018	(974)	974	0.05%	2,138	-	18,765	-
MRL	02-2017	2,000	8/14/2018	(2,000)	2,000	0.05%	7,174	-	40,319	-
MRL	03-2017	5,000	2/5/2019	(4,508)	4,885	0.05%	18,394	-	59,917	-
MRL	04-2017	5,000	3/13/2019	-	3,852	0.05%	113,573	-	22,444	-
							683,919	**-**	**506,602**	**-**

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

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	**Jun 30, 2018**	Dec 31, 2017
Due within		
Up to 3 months	29,533	66,187
From 3 to 6 months	577,366	54,701
From 6 to 9 months	48,649	30,814
From 9 to 12 months	45,289	394,320
Over 12 months	588,231	236,190
Without any established term	68,587	56,298
Past due		
Up to 3 months	6,395	-
From 3 to 6 months	8,608	16,199
Over 12 months	37,092	-
	1,409,750	**854,709**

(amounts stated in thousands of Argentine pesos)

Note 33. Receivables, tax assets and payables broken down by maturity and interest rates (Cont.)

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

Payables (except for customer advances to third and related parties)	Jun 30, 2018	Dec 31, 2017
Due within		
Up to 3 months	275,837	332,173
From 3 to 6 months	15,340	44,482
From 6 to 9 months	1,000,527	106,672
From 9 to 12 months	13,458	4,232
Over 12 months	4,105,638	1,900,614
Without any established term	205,197	463,331
	5,615,997	**2,851,504**

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

Receivables/Tax assets	Jun 30, 2018	Dec 31, 2017
Interest bearing	603,367	472,273
Non-interest bearing	806,383	382,438
	1,409,750	**854,711**
Annual nominal average rate:	**15%**	**15%**
Payables (except for customer advances to third and related parties)		
Interest bearing	3,468,757	1,816,061
Non-interest bearing	2,147,240	1,035,442
	5,615,997	**2,851,503**
Annual nominal average rate:	**16%**	**19%**

Note 34. Negative shareholders' equity and business plans

During the period ended June 30, 2018, TGLT S.A. recorded significant losses that gave rise to a negative shareholders' equity; thus, the company falls within the scope of subsection 5, section 94 of the Companies Law No. 19550. If such circumstances remain unmodified as of December 31, 2018, the Company would be subject to the mandatory termination provisions of such law, which must be addressed at the forthcoming Shareholders' Meeting. However, the Company's Board believes the business plans are capable to revert the circumstances described.

Note 35. Lawsuits

See Note 33 of the consolidated financial statements.

Note 36. 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 services provided	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

NOTES TO THE CONDENSED INTERIM STAND-ALONE FINANCIAL STATEMENTS

AS OF JUNE 30, 2018 PRESENTED COMPARATIVELY

(amounts stated in thousands of Argentine pesos)

Note 37. Assets and liabilities in foreign currency

Item	Jun 30, 2018 Type and amount of foreign currency		Jun 30, 2018 Prevailing exchange rate	Jun 30, 2018 Recorded amount in pesos	Dec 31, 2017 Recorded amount in pesos
ASSETS					
Non-current assets					
Other receivables:					
Security deposit	US$	48	28.75	1,369	883
Receivables from related parties					
Other receivables	US$	2,574	28.75	74,014	-
Total non-current assets				75,383	883
Current assets					
Other receivables:					
Receivables from the sale of investment property	US$	443	28.75	12,745	19,380
Prepaid insurance	US$	106	28.75	3,040	535
Advance payments to work suppliers	US$	0.10	28.75	3	4
Collectible equipment fund	US$	59	28.75	1,682	1,118
Collectible operative fund	US$	0.27	28.75	8	5
Receivables from related parties					
Receivables from sales	US$	51	28.75	1,465	1,918
Other receivables	US$	23,769	28.75	683,361	506,601
Accounts receivable from sales:					
Receivables from services rendered	US$	1	28.75	20	9
Receivables from sale of apartments	US$	217	28.75	6,247	3,378
Allowance for bad debts in foreign currency	US$	(113)	28.75	(3,248)	-
Cash and cash equivalents:					
Cash	US$	36	28.75	1,022	659
Banks	US$	4,813	28.75	138,362	9,639
Time deposits	US$	200	28.75	5,778	3,734
Mutual funds	US$	250	28.75	7,189	692,981
Bonds and government securities	US$	18,356	28.75	527,727	975,792
Total current assets				1,385,401	**2,215,753**
Total assets				**1,460,784**	**2,216,636**

(amounts stated in thousands of Argentine pesos)

Note 37. Assets and liabilities in foreign currency (continued)

Item	Jun 30, 2018				Dec 31, 2017
	Type and amount of foreign currency		Prevailing exchange rate	Recorded amount in pesos	Recorded amount in pesos
LIABILITIES					
Non-current liabilities					
Other payables:					
Payable for purchase of shares	US$	24,347	28.85	702,417	22,379
Security deposit	US$	-	28.85	-	129
Loans:					
Corporate notes	US$	112,917	28.85	3,257,642	1,666,921
Finance lease	US$	11	28.85	306	-
Total non-current liabilities				**3,960,365**	**1,689,429**
Current liabilities					
Provisions and allowances	US$	20	28.85	577	373
Other payables:					
Payable for purchase of shares	US$	28,139	28.85	811,807	22,379
Sundry creditors	US$	200	28.85	5,778	8,340
Security deposit	US$	7	28.85	199	-
Contract liabilities					
Equipment fund	US$	-	28.85	-	1,152
Payables with related parties:					
Other accounts payable	US$	4,572	28.85	131,903	107,393
Loans:					
Corporate notes	US$	13,792	28.85	397,889	210,417
Finance lease	US$	6	28.85	186	-
Trade payables:					
Suppliers	US$	31	28.85	887	2,518
Provision for expenses	US$	82	28.85	2,365	2,094
Provision for works	US$	9	28.85	271	998
Insurance payable	US$	69	28.85	1,998	50
Contingency fund	US$	16	28.85	472	305
Total current liabilities				**1,354,332**	**356,019**
Total liabilities				**5,314,697**	**2,045,448**

Note 38. Risks - Financial risk management

The Company is exposed to market and financial risks inherent to the nature of the business, as well as to the financial instruments used for the financing of the real estate projects developed by it. The Company's 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 based on market changes and on the needs of the organization.

38.1 Market risks

Our activities are exposed to different risks inherent to the real estate development industry. 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 per apartments sold and the lists of prices by the CAC index (construction cost index) on a monthly basis.

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

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

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

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

Risk associated with the demand for our products

The demand for our products depends on several external factors, such as the macroeconomy and market conditions. 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 may carry out construction activities in 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.

38.2. 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.

Note 38. Risks - Financial risk management (continued)

Exchange rate risks

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

To the date of issuance of these financial statements, the Company recorded payables denominated in US dollars in Argentina amounting to 180.7 million, mainly made up of the newly issued series XV corporate notes in the amount of US$ 25 million and the corporate notes issued during the third quarter of 2017 in the amount of US$ 150 million, out of which US$ 54.2 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$ 17.7 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 $ 141.3 million, which would be charged to income/loss for the six-month period ended June 30, 2018.

Interest rate risks

The group is slightly exposed to interest rate volatility, as less than 1% of our financial liabilities are subject to a variable reference rate such as the Private BADLAR or overdraft interest rates.

Credit risks

The Company's exposure to credit risk is closely linked to the financial capacity of its customers to meet its contractual commitments.

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.

With respect to receivables from construction works, the Company usually sets forth in its contracts one or more financial advances that allow it to have sufficient working capital to start a project or work, and at the same time it makes sure it will have a positive financial position in the course of the work that allows for negotiating favorable conditions in the event of late payment.

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 result, we do not register high levels of uncollectibilty or default in payments. Some specific agreements provide for the collection of outstanding balances after the transfer of possession of apartments. Allowances for bad debts are set up based on such agreements in the total amount of $4.4 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 notes in August of 2017.

For the six-month period of 2018, the Company recorded an operating cash use for $ 259.9 million. In addition, it obtained financing for $ 440.8 million, mainly through the new issue of series XV corporate notes for US$ 25 million. In addition, 1,336.5 million were used to acquire companies; therefore, the cash and cash equivalent balance totaled $883.7 million as of June 30, 2018.

Note 39. Subsequent events

No events or transactions have occurred from year-end to the date of issuance of these financial statements that would have a material effect on the financial position of the Company as of June 30, 2018, or the results of its operations at such period-end.

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

(amounts stated in thousands of Argentine pesos)

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

2. There are no significant changes in the activity of the Company as of June 30, 2018.

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 June 30, 2018, is disclosed in Note 37 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 June 30, 2018 (for further information see Note 4.2 to the consolidated financial statements of the Company):

Company	As	Interest	
		% Capital	% Votes
Caputo Sociedad Anónima, Industrial, Comercial y Financiera	Shareholder	82.32%	82.32%
Fideicomiso Financiero Privado Inmobiliario de Administración Catalinas I	Trustor	50%	-
Marina Río Luján S.A.	Shareholder	49.99 %	49.99 %
TGLT Uruguay S.A.	Shareholder	100.00 %	100.00 %

A breakdown of the shares 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 June 30, 2018, the Company owns five items of real property in the City of Buenos Aires and two in the City of Rosario, which were included in the "Inventories" item for an amount of $ 743,387 as non-current, and $95,812 as current.

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

8. Regarding the valuation criteria for inventories, property, plant and equipment, and investments, please refer to the consolidated financial statements of the Company as of December 31, 2017. No changes have taken place as from such date up to the date of presentation of these financial statements.

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

10. There are no obsolete property, plant and equipment. The total residual value of property, plant and equipment amounts to $ 1,243.

TGLT S.A.

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

11. As of June 30, 2018, the Company held investments companies in the amount of $3,140,537. 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 June 30, 2018, the Company held interest in companies whose corporate purposes complement and/or include the corporate purpose of the Company, so the limit to the percentage interest that may be held in other companies set forth by Section 31 of Law No. 19550 is not applicable, based on what is mentioned in the preceding paragraph.

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

13. Insurance (stated in thousands):

	Risk covered	Amount insured	
		$	US$
Building	Fire Astor Núñez building	-	55,000
Building	Fire Brisario building	-	9,000
Building	Fire Astor Palermo building	-	62,000
Building	Fire Forum Puerto Norte building	46,800	-
Building	Fire Forum Puerto Norte building	-	96,015
Building	Fire rented buildings	-	2,210
Building	Fire general contents	18,720	-
Building	Fire general contents	-	614
Building	Robbery general contents	-	55
Building	Water damages and glass insurance	-	238
Building	Special charges	-	15,096
Building	Rubble removal	-	10,011
Facilities	Technical insurance	-	73
IT	Robbery – mobile equipment and valuables	-	46
Personal	Liability insurance directors & officers (D&O)	-	14,250
Personal	Liability insurance errors & omissions (E&O)	-	7,125
Personal	Liability insurance employer	34,200	-
Personal	Directors' bonds	600,000	
All risks construction	Physical injury property Metra Puerto Norte	-	21,500
All risks construction	Physical injury property Astor Palermo	-	54,000
Operations	Liability insurance	9,750	-
Operations	Liability insurance	-	10,584
Mandatory life insurance	Employees	3,135	-
Guarantee bond	Contracts enforcement	260	-
Guarantee bond	Contracts enforcement	-	4,000
Guarantee bond	Legal claims	11,612	-
Guarantee bond	Professional fees	54	-
Guarantee bond	Rent guarantee	-	289

TGLT

TGLT S.A.

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

(amounts stated in thousands of Argentine pesos)

14. Provisions exceeding 2% of the Company's equity were recorded at the criteria of the Company's Board of Directors, based on the opinion of its legal advisors. See Note 23 to the stand-alone financial statements.

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

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

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

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

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LIMITED REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS

To the President and Directors of
TGLT S.A.
Taxpayer Identification Number (CUIT): 30-70928253-7
Legal address: Av. Scalabrini Ortiz 3333 – 1st Floor
City of Buenos Aires, March 8, 2018.

1. Report on the financial statements

a) We have performed a limited review of the attached condensed interim stand-alone financial statements of TGLT S.A. (hereinafter, indistinctly, "TGLT S.A." or the "Company") which include (a) the condensed interim statement of financial position as of June 30, 2018, (b) the condensed interim statement of profit or loss and other comprehensive profit or loss for the six and three-month period then ended, (c) the condensed interim statements of changes in equity and of changes in cash flows for the six-month period ended as of the above date, and (d) the supplementary information contained in notes 1 to 39.

The amounts and other information for the fiscal year ended December 31, 2017 and for the six and three-month period ended June 30, 2017 are an integral part of the above mentioned condensed financial statements and are intended to be interpreted exclusively in connection with these condensed interim financial statements.

b) We have performed a limited review of the attached condensed interim consolidated financial statements of TGLT S.A. with its controlled companies (detailed in Note 4.2 to the consolidated financial statements), which include (a) the condensed interim consolidated statement of financial position as of June 30, 2018, (b) the condensed interim consolidated statement of profit or loss and other comprehensive profit or loss for the six and three-month period then ended, (c) the condensed interim statements of changes in equity and of changes in cash flows for the six-month period ended as of the above date, and (d) the supplementary information contained in notes 1 to 52.

LIMITED REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS – Continued

1. Report on the financial statements – Continued

The amounts and other information for the fiscal year ended December 31, 2017 and the six and three-month period ended June 30, 2017, are an integral part of the above mentioned condensed interim consolidated financial statements, and are intended to be interpreted exclusively in connection with those financial statements.

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

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

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

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

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

3. AUDITORS' RESPONSIBILITY

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

LIMITED REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS – Continued

3. AUDITORS' RESPONSIBILITY - Continued

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

4. CONCLUSION

Based on our review, as indicated in section 3 of this report, we are in a position to report that:

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

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

5. 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 condensed interim stand-alone financial statements:

i) Note 34: "Negative shareholders' equity and business plans", where it is indicated that the Company has incurred in significant losses as of June 30, 2018, which have resulted in a negative net equity to that date. If this situation is not reversed as of December 31, 2018, there will be grounds for dissolution. Therefore, the equity restoration will depend on the successful completion of the business plans considered by the Company's Board of Directors;

ii) Note 7: "Investment property", where it is indicated that the Board of Directors has reclassified certain plots of land of Bisario project, the development of which has not been planned, and that will be maintained for value appreciation. Consequently, it has been stated at fair value and recorded income in the amount of $ 607 million. The Company's Board of Directors is under negotiation with the holder of the mortgage to readjust the business plan to the new scenario;

iii) Note 38: "Risks - Financial risk management", relating to financial and market risks and how the Company's Board of Directors analyzes them, designs strategies and policies for mitigation, and the level of exposure to those risks.

5. EMPHASIS ON CERTAIN MATTERS DISCLOSED IN THE FINANCIAL STATEMENTS - Continued

iv) Note 31: "Income tax and deferred tax" indicating that the recoverability of tax losses will depend on the fulfillment of all business projections allowing for their use;

v) Note 4: "Presentation basis", where it is indicated that the Argentine economy should be deemed as an hyperinflationary economy under the terms of IAS 29 as from July 1, 2018, and that the Company's Board of Directors is analyzing the potential effects of applying such standard.

b) The information included in the following notes to the condensed interim consolidated financial statements:

i) Note 50: "Negative shareholders' equity attributable to parent company's owners and business plans", where it is indicated that the Company has incurred in significant losses as of June 30, 2018, which have resulted in a negative net equity to that date, attributable to the owners of the parent company. If this situation is not reversed as of December 31, 2018, there will be grounds for dissolution. Therefore, the equity restoration will depend on the successful completion of the business plans considered by the Company's Board of Directors;

ii) Note 36: "Investment property", where it is indicated that the Board of Directors has reclassified certain plots of land of Bisario project, the development of which has not been planned, and that will be maintained for value appreciation. Consequently, it has been stated at fair value and recorded income in the amount of $ 607 million. The Company's Board of Directors is under negotiation with the holder of the mortgage to readjust the business plan to the new scenario;

iii) Note 35: "Risks - Financial risk management", relating to financial and market risks and how the Company's Board of Directors analyzes them, designs strategies and policies for mitigation, and the level of exposure to those risks.

iv) Note 29: "Income tax and deferred tax" indicating that the recoverability of tax losses will depend on the fulfillment of all business projections allowing for their use;

iv) Note 3: "Presentation basis", where it is indicated that the Argentine economy should be deemed as an hyperinflationary economy under the terms of IAS 29 as from July 1, 2018, and that the Company's Board of Directors is analyzing the potential effects of applying such standard.

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LIMITED REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS – Continued

6. INFORMATION ON COMPLIANCE WITH PROVISIONS IN FORCE

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

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

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

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

d) as of June 30, 2018, the accrued liability for retirement and pension contributions payable to the Argentine Pension Fund System arising from the accounting records was $ 1,974,625.32, no amounts being due as of that date. In addition, as of June 30, 2018, the accrued consolidated liability for retirement and pension contributions payable to the Argentine Pension Fund System arising from the accounting records was $ 9,859,627.93, no amounts being due as of that date.

City of Buenos Aires, August 10, 2018.

Adler, Hasenclever & Asociados S.R.L.
Public Accountants
C.P.C.E.C.A.B.A. 168

Christian Martin (Partner)
Public Accountant (U.N.L.Z.)
C.P.C.E.C.A.B.A.

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 I. The preparation and presentation of said documents is the responsibility of the Board of Directors in the exercise of its exclusive functions.

I. DOCUMENTS SUBJECT TO EXAMINATION

a) Condensed interim stand-alone statement of financial position as of June 30, 2018.
b) Condensed interim stand-alone statement of profit or loss and other comprehensive profit or loss for the six-month period ended June 30, 2018.
c) Condensed interim stand-alone statement of changes in shareholders' equity for the six-month period ended June 30, 2018.
d) Condensed interim stand-alone statement of cash flows for the six-month period ended June 30, 2018.
e) Notes to the condensed interim stand-alone financial statements as of June 30, 2018.
f) Condensed interim consolidated statement of financial position as of June 30, 2018.
g) Condensed consolidated statement of profit or loss and other comprehensive profit or loss for the six-month period ended June 30, 2018.
h) Condensed consolidated statement of changes in shareholders' equity for the six-month period ended June 30, 2018.
i) Condensed consolidated statement of cash flows for the six-month period ended June 30, 2018.
j) Notes to the condensed interim consolidated financial statements for the six-month period ended June 30, 2018.
k) Additional information required by Section No. 68 of the Buenos Aires Stock Exchange Regulations.
l) Reporting summary required by the CNV.

The amounts and other information for the fiscal year ended December 31, 2017 and the six- and three-month periods ended June 30, 2017 are an integral part of the above mentioned condensed interim consolidated and stand-alone financial statements, and are intended to be interpreted exclusively in connection with those financial statements.

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

The Company's Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards (IFRS), which were adopted by the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE") as professional accounting standards and incorporated by the CNV to its regulations, as approved by the International Accounting Standards Board ("IASB"), and, therefore, the Board of Directors is responsible for the fair preparation and presentation of the attached interim financial statements as provided for by the International Accounting Standard 34, "Interim Financial Reporting" (IAS 34).
The Board of Directors is also responsible for the existence of such internal control as it may deem necessary to allow for the preparation of the financial statements free of material misstatements resulting from errors and irregularities.

III. SCOPE OF THE LIMITED REVIEW REPORT

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

SUPERVISORY COMMITTEE'S REPORT (CONTINUED)

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

To perform our professional task on the documents listed in Section I, we have reviewed the task performed by TGLT S.A.'s external auditors, Adler, Hasenclever & Asociados S.R.L., who issued their limited review report dated August 10, 2018, in accordance with the International Standards on Review Engagements ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", which was adopted as review standard in Argentina by FACPCE Technical Resolution No. 33, and stated that nothing had come to their attention that would have made them believe that the condensed interim stand-alone financial statements and the condensed interim consolidated financial statements of TGLT S.A. were not prepared in accordance with International Accounting Standard 34.

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

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

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

I. CONCLUSION

Based on our review, within the scope detailed in Section III, we are in a position to inform that nothing has come to our attention that would have made us believe that the condensed interim stand-alone financial statements of TGLT S.A. as of June 30, 2018, and its condensed interim consolidated financial statements as of such date, referred to in Section I, were not prepared in accordance with International Accounting Standard 34.

II. 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 condensed interim stand-alone financial statements:

i) Note 34: "Negative shareholders' equity and business plans", where it is indicated that the Company has incurred in significant losses as of June 30, 2018, which have resulted in negative net equity to that date. If this situation is not reversed as of December 31, 2018, there will be grounds for dissolution. Therefore, the equity restoration will depend on the successful completion of the business plans considered by the Company's Board of Directors;

ii) Note 7: "Investment property", where it is indicated that the Board of Directors has reclassified certain plots of land of Bisario project, the development of which has not been planned, and that will be maintained for value appreciation. Consequently, it has been stated at fair value and recorded income in the amount of $ 607 million. The Company's Board of Directors is under negotiation with the holder of that mortgage to readjust the business plan to the new scenario;

iii) Note 38: "Risks - Financial risk management", relating to financial and market risks and how the Company's Board of Directors analyzes them, designs strategies and policies for mitigation, and the level of exposure to those risks.

iv) Note 31: "Income tax and deferred tax" indicating that the recoverability of tax losses will depend on the fulfillment of all business projections allowing for their use;

v) Note 4: "Presentation basis", where it is indicated that the Argentine economy should be deemed as an hyperinflationary economy under the terms of IAS 29 as from July 1, 2018, and that the Company's Board of Directors is analyzing the potential effects of applying such standard.

b) The information included in the following notes to the condensed interim consolidated financial statements:

i) Note 50: "Negative shareholders' equity attributable to parent company's owners and business plans", where it is indicated that the Company has incurred in significant losses as of June 30, 2018, which have resulted in negative net equity to that date. If this situation is not reversed as of December 31, 2018, there will be grounds for dissolution. Therefore, the equity restoration will depend on the successful completion of the business plans considered by the Company's Board of Directors;

ii) Note 36: "Investment property", where it is indicated that the Board of Directors has reclassified certain plots of land of Bisario project, the development of which has not been planned, and that will be maintained for value appreciation. Consequently, it has been stated at fair value and recorded income in the amount of $ 607 million. The Company's Board of Directors is under negotiation with the holder of that mortgage to readjust the business plan to the new scenario;

iii) Note 35: "Risks - Financial risk management", relating to financial and market risks and how the Company's Board of Directors analyzes them, designs strategies and policies for mitigation, and the level of exposure to those risks.

iv) Note 29: "Income tax and deferred tax" indicating that the recoverability of tax losses will depend on the fulfillment of all business projections allowing for their use;

iv) Note 3: "Presentation basis", where it is indicated that the Argentine economy should be deemed as an hyperinflationary economy under the terms of IAS 29 as from July 1, 2018, and that the Company's Board of Directors is analyzing the potential effects of applying such standard.

IV. INFORMATION ON COMPLIANCE WITH PROVISIONS IN FORCE

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

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

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

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

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

Alberto López Gaffney