



**YPF ENERGÍA ELÉCTRICA S.A.  
CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS AS OF MARCH 31, 2019  
AND COMPARATIVE INFORMATION (UNAUDITED)**

**INDEX**

<b>Note</b>	<b>Description</b>	<b>Page</b>
	Glossary of terms .....	
	Legal Information.....	1
	Condensed interim consolidated statements of financial position.....	2
	Condensed interim consolidated statements of comprehensive income .....	3
	Condensed interim consolidated statements of changes in shareholders' equity.....	4
	Condensed interim consolidated statements of cash flow.....	6
	Notes to the condensed interim consolidated financial statements:	
1	General information, structure and organization of the business of the Group .....	7
2	Basis of preparation of the condensed interim consolidated financial statements.....	8
3	Seasonality of operations .....	11
4	Acquisitions and dispositions.....	11
5	Financial risk management .....	11
6	Segment information.....	11
7	Financial instruments by category.....	11
8	Intangible assets.....	12
9	Property, plant and equipment .....	13
10	Right of use assets.....	14
11	Investments in associates and joint ventures.....	14
12	Other receivables .....	17
13	Trade receivables.....	17
14	Cash and cash equivalents.....	17
15	Income Tax.....	18
16	Leases liabilities.....	20
17	Loans.....	20
18	Accounts payable .....	21
19	Revenues.....	21
20	Expenses by nature .....	22
21	Discontinued operations – Ramos consortium.....	23
22	Net financial results.....	23
23	Shareholders' equity .....	23
24	Earnings per share .....	24
25	Restriction on retained earnings.....	24
26	Main contractual and guarantees granted .....	24
27	Contingent liabilities .....	24
28	Main regulations and others.....	25
29	Balances and transactions with related parties.....	27
30	Assets and liabilities in currencies other than peso.....	29
31	Subsequent events.....	29

**GLOSSARY OF TERMS**

Term	Definition
AFIP	Argentine Tax Authority
Associate	Company over which YPF EE has significant influence as provided for in IAS 28
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A.
CDS	Related Party Central Dock Sud S.A.
CNV	Argentine Securities Commission
GE	General Electric Corporation, Inc., or any of its subsidiaries and/or affiliates
GE EFS	GE EFS Power Investments B.V., an affiliate of GE
Group	YPF EE and its subsidiaries
IAS	International Accounting Standard
IASB	International Accounting Standards Board
IDS	Joint Venture Inversora Dock Sud S.A.
IFRIC	International Financial Reporting Standards Committee
IFRS	International Financial Reporting Standard
IGJ	Argentine Superintendence of Corporations
Joint Venture	Company jointly owned by YPF EE as provided for in IFRS 11
LGS	Argentine General Corporations Law No. 19,550 (T.O. 1984), as amended
Loma Campana I	Loma Campana I thermal power plant located in the district of Añelo, Province of Neuquén.
Loma Campana II	Loma Campana II thermal power plant located in the district of Añelo, Province of Neuquén.
MW	Megawatts
MWh	Megawatts per hour
NO	Negotiable Obligations
OPESSA	Related party and non controlling interest Operadora de Estaciones de Servicios S.A.
PPA	Capacity and/or power purchase agreements
SE	Secretariat of Energy
SEC	U.S. Securities and Exchange Commission
SEE	Secretariat of Energy Electric
Subsidiary	Company controlled by YPF EE in accordance with the provisions of IFRS 10.
US\$	U.S. dollar
Y-GEN	Subsidiary Y-GEN Eléctrica S.A.U. (previously Y- GEN ELECTRICA S.R.L.)
Y-GEN II	Subsidiary Y-GEN Eléctrica II S.A.U. (previously Y- GEN ELECTRICA II S.R.L.)
YPF	YPF Sociedad Anónima
YPF EE	YPF Energía Eléctrica S.A. or the Company
YPF EE Comercializadora	Subsidiary YPF EE Comercializadora S.A.U.

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**



**LEGAL INFORMATION**

Legal address

111 Córdoba Av., 14th Floor – Buenos Aires – Argentina

Fiscal year

N° 7 beginning on January 1, 2019

Principal business of the Company

Generation, transport and commercialization of electric power from all kind of primary sources of production, and exploration and exploitation of oil and natural gas in the Ramos Area, province of Salta (operations related to Ramos Consortium constitute discontinued operations, see Note 3.a to the annual consolidated financial statements).

Tax identification code (“CUIT”): 30-71412830-9.

Registration date with the Public Commerce Registry:

- Of the articles of incorporation: August 26, 2013.
- Last amendment to bylaws: March 20, 2018

Registration with the IGJ: 16,440 of Book 65, Volume A of Corporations (“Sociedades Anónimas”).

Duration of the company: Through August 26, 2112.

Capital Stock

(Amounts expressed in Argentine Pesos - See Note 23)

<u>Class of shares</u>	<u>Subscribed, paid-in, issued and registered</u>
Commons, book entry shares, with a nominal value of 1 each and entitled to one vote per share:	
Class A	2,810,302,991
Class B	936,767,364
	<u>3,747,070,355</u>

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF MARCH 31, 2019, AND DECEMBER 31, 2018 (UNAUDITED)**

**YPF LUZ**

(Amounts expressed in thousands of Argentine Pesos)

	Notes	March 31, 2019	December 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment .....	9	48,503,937	37,650,465
Intangible assets .....	8	224,419	196,835
Right of use assets .....	10	527,130	-
Investments in associates and joint ventures .....	11	2,386,115	1,948,492
Other receivables .....	12	2,582,507	1,846,127
Investment in financial assets .....	7	41,571	69,901
Deferred income tax assets, net .....	15	36,029	54,153
<b>Total non-current assets .....</b>		<b>54,301,708</b>	<b>41,765,973</b>
<b>Current assets</b>			
Other receivables .....	12	1,626,910	6,234,304
Trade receivables .....	13	3,451,571	3,724,234
Other financial assets .....		1,750,466	1,489,031
Cash and cash equivalents .....	14	7,632,835	4,701,336
<b>Total current assets .....</b>		<b>14,461,782</b>	<b>16,148,905</b>
<b>TOTAL ASSETS .....</b>		<b>68,763,490</b>	<b>57,914,878</b>
<b>SHAREHOLDERS' EQUITY</b>			
Shareholders' contributions .....		8,411,982	8,411,982
Reserves, other comprehensive income and retained earnings .....		22,134,216	17,109,294
<b>TOTAL SHAREHOLDERS' EQUITY .....</b>		<b>30,546,198</b>	<b>25,521,276</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions .....		38,122	35,421
Deferred income tax liability .....	15	2,849,236	2,430,623
Leases liabilities .....	16	358,553	-
Loans .....	17	20,943,971	18,256,570
<b>Total non-current liabilities .....</b>		<b>24,189,882</b>	<b>20,722,614</b>
<b>Current liabilities</b>			
Taxes payable .....		281,960	340,436
Salaries and social security .....		136,040	151,256
Leases liabilities .....	16	100,748	-
Loans .....	17	6,809,814	6,514,408
Other liabilities .....		110,610	99,359
Accounts payable .....	18	6,588,238	4,565,529
<b>Total current liabilities .....</b>		<b>14,027,410</b>	<b>11,670,988</b>
<b>TOTAL LIABILITIES .....</b>		<b>38,217,292</b>	<b>32,393,602</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY .....</b>		<b>68,763,490</b>	<b>57,914,878</b>

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019 AND 2018 (UNAUDITED)**

(Amounts expressed in thousands of Argentine Pesos, except per share information, expressed in Argentine Pesos)

	Notes	For the three-month period ended March 31,	
		2019	2018
Revenues .....	19	2,691,682	644,389
Production costs .....	20	(892,818)	(233,720)
<b>Gross profit</b> .....		<b>1,798,864</b>	<b>410,669</b>
Administrative and selling expenses .....	20	(247,766)	(49,217)
Remeasurement of pre-existing equity interest .....		-	1,785,033
Other net operating results .....		33,838	(294)
<b>Operating profit</b> .....		<b>1,584,936</b>	<b>2,146,191</b>
Income from equity interest in associates .....	11	131,146	43,937
Finance income .....	21	515,756	269,750
Finance loss .....	21	(917,487)	(442,893)
Net financial results .....	21	(401,731)	(173,143)
<b>Profit before income tax from continuing operations</b> .....		<b>1,314,351</b>	<b>2,016,985</b>
Income tax .....	15	(197,080)	(113,147)
<b>Net profit for the period from continuing operations</b> .....		<b>1,117,271</b>	<b>1,903,838</b>
Profit after income tax for the period from discontinued operations .....	22	-	13,296
<b>Net profit for the period</b> .....		<b>1,117,271</b>	<b>1,917,134</b>
<b>Other comprehensive income for the period</b> .....			
<i>Items that may be reclassified to net income in subsequent periods</i>			
Fair value changes on derivatives instruments, net of tax effects <sup>(1)</sup> .....		(26,173)	24,810
<i>Items that may not be reclassified to net income in subsequent periods</i>			
Translation differences .....		3,933,824	332,988
<b>Net variation of other comprehensive income</b> .....		<b>3,907,651</b>	<b>357,798</b>
<b>Total comprehensive income for the period</b> .....		<b>5,024,922</b>	<b>2,274,932</b>
<b>Net income for the period attributable to shareholders</b>			
Continuing operations .....		1,117,271	1,903,838
Discontinued operations .....		-	13,296
<b>Total comprehensive income for the period attributable to shareholders</b>			
Continuing operations .....		5,024,922	2,261,636
Discontinued operations .....		-	13,296
<b>Basic and diluted earnings per share from continuing and discontinued operations:</b>			
Basic and diluted (Pesos) .....	24	0.298	0.665
<b>Basic and diluted earnings per share from continuing operations:</b>			
Basic and diluted (Pesos) .....	24	0.298	0.660

(1) Net of Income tax related to the period ended as of March 31, 2019 and March 31, 2018 for 9,100 and (8,627), respectively.

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019 AND 2018 (UNAUDITED)**

(Amounts expressed in thousands of Argentine Pesos)



	For the three-month period ended March 31, 2019							
	Shareholders' contributions			Reserves		Other comprehensive income	Retained earnings	Total
	Subscribed capital	Share Premium	Other shareholders' contributions	Legal reserve	Voluntary reserves			
<b>As of January 1, 2019</b>	3,747,070	4,604,483	60,429	52,755	881,681	11,739,242	4,435,616 <sup>(1)</sup>	25,521,276
Other comprehensive income for the period	-	-	-	-	-	3,907,651	-	3,907,651
Net profit for the period	-	-	-	-	-	-	1,117,271	1,117,271
<b>As of March 31, 2019</b>	<b>3,747,070</b>	<b>4,604,483</b>	<b>60,429</b>	<b>52,755</b>	<b>881,681</b>	<b>15,646,893</b>	<b>5,552,887</b>	<b>30,546,198</b>

(1) Includes 11,532 corresponding to the initial adjustment for the implementation of IFRS, that was allocated to a special reserve by the shareholders' meeting held on May 7, 2019 that approved the financial statement as of December 31, 2018.

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

## YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019 AND 2018 (UNAUDITED) (Cont.)

(Amounts expressed in thousands of Argentine Pesos)

	For the three-month period ended March 31, 2018							Total
	Shareholders' contributions			Reserves		Other comprehensive income	Retained earnings	
	Subscribed capital	Share Premium	Other shareholders' contributions	Legal reserve	Voluntary reserves			
<b>As of January 1, 2018</b>	2,506,556	-	-	6,351	-	542,191	858,289 <sup>(1)</sup>	3,913,387
As decided by the General Extraordinary Shareholders' Meeting of January 12, 2018								
- Capital increase	303,747	-	-	-	-	-	-	303,747
As decided by the General Ordinary and Extraordinary Shareholders' Meeting of March 20, 2018								
- Capital increase	936,767	-	-	-	-	-	-	936,767
- Contribution in share premium	-	4,604,483	-	-	-	-	-	4,604,483
Sale of Ramos Consortium and Central Dock Sud S.A. interests in (Note 3.a. to the annual consolidated financial statements)	-	-	60,429	-	-	-	-	60,429
Other comprehensive income for the period	-	-	-	-	-	357,798	-	357,798
Net profit for the period	-	-	-	-	-	-	1,917,134	1,917,134
<b>As of March 31, 2018</b>	<b>3,747,070</b>	<b>4,604,483</b>	<b>60,429</b>	<b>6,351</b>	<b>-</b>	<b>899,989</b>	<b>2,775,423</b>	<b>12,093,745</b>

(1) Includes 11,532 corresponding to the initial adjustment for the implementation of IFRS, that was allocated to a special reserve by the shareholders' meeting held on May 7, 2019 that approved the financial statement as of December 31, 2018.

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

MARCOS BROWNE  
President



**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019 AND 2018 (UNAUDITED)**  
(Amounts expressed in thousands of Argentine Pesos)

**YPF LUZ**

	<b>For the three-month period ended March 31,</b>	
	<b>2019</b>	<b>2018</b>
<b>OPERATING ACTIVITIES</b>		
Net profit for the period from continuing operations	1,117,271	1,903,838
Net profit for the period from discontinued operations	-	13,296
Net profit for the period	<u>1,117,271</u>	<u>1,917,134</u>
Adjustments to reconcile net profit to net cash flows from operating activities:		
Income from equity interest in associates	(131,146)	(43,937)
Remeasurement of pre - existing equity interest	-	(1,785,033)
Depreciation of property, plant and equipment	503,964	68,756
Depreciation of right of use assets	31,253	-
Decreases of property, plant and equipment	-	2,167
Net financial results	401,731	173,143
Movements in provisions	2,701	28,971
Charge on income tax	197,080	115,229
Increase in provision for doubtful trade receivables	48,772	-
Income tax payments	(26,162)	-
Changes in operating assets and liabilities:		
Trade receivables	603,725	(554,484)
Other receivables	(627,993)	(92,743)
Accounts payable	(358,244)	471,448
Salaries and social security	(15,215)	17,979
Taxes payable	(32,314)	74,893
<b>Net cash flows from operating activities</b>	<u><b>1,715,423</b></u>	<u><b>393,523</b></u>
<b>INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(3,234,036)	(1,654,545)
Acquisition of interest in subsidiaries <sup>(1)</sup>	-	(1,453,542)
Advances to suppliers to property, plant and equipment	(849,999)	(6,071)
Other financial assets	(37,492)	-
Sales of interests in subsidiaries	-	283,247
Contributions in joint ventures	-	(4,076)
<b>Net cash flows used in investing activities</b>	<u><b>(4,121,527)</b></u>	<u><b>(2,834,987)</b></u>
<b>FINANCING ACTIVITIES</b>		
Proceeds for loans	-	2,125,003
Shareholders' contributions received	5,691,000	2,720,250
Payments of loans	(509,812)	(808,000)
Payments of leases liabilities	(27,984)	-
Payment of interest and other financial costs	(519,891)	(81,556)
<b>Net cash flows from financing activities</b>	<u><b>4,633,313</b></u>	<u><b>3,955,697</b></u>
<b>Net increase in cash and cash equivalents</b>	<u>2,227,209</u>	<u>1,514,233</u>
Effect of exchange difference variations on cash and cash equivalents	704,290	34,435
Cash and cash equivalents at the beginning of year	4,701,336	139,082
Cash and cash equivalents at the end of the period	<u><b>7,632,835</b></u>	<u><b>1,687,750</b></u>
<b>For the three-month period ended March 31,</b>		
	<b>2019</b>	<b>2018</b>
Acquisitions of property, plant and equipment pending to be cancelled at the beginning of the year	1,743,008	491,457
Acquisitions of property, plant and equipment pending to be cancelled at the end of the period	3,367,799	818,338
Transfer of advances for purchase of property, plant and equipment	416,184	150,225

(1) Net of cash and cash equivalents of 172,612, incorporated by business combination (See note3.b) to the annual consolidated financial statements).

Accompanying notes are an integral part of these condensed interim consolidated financial statements.

MARCOS BROWNE  
President

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**  
(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

**1. GENERAL INFORMATION, STRUCTURE AND ORGANIZATION OF THE BUSINESS OF THE GROUP**

General information

YPF Energía Eléctrica S.A. (hereinafter “the “Company” or “YPF EE”) is a Sociedad Anónima (Argentine business association type akin to a stock corporation) organized under the laws of Argentina. Its registered office is at 111 Córdoba Av., 14<sup>th</sup> Floor, Buenos Aires City.

YPF EE and the companies that make up the business Group are mainly engaged in (i) generating and selling electric power through three thermal generation plants located in the Province of Tucumán, two thermal generation plants and moto generators located in the Province of Neuquén, a cogeneration plant in the Province of Buenos Aires and a wind farm in the Province of Chubut (ii) building new thermal generation plants project in the Province of Tucumán and a cogeneration plant in La Plata; (iii) building wind farms in the Province of Santa Cruz and Buenos Aires; (iv) selling energy, (v) indirect participation through IDS in the generation and commercialization of electric energy through CDS thermal power plant; and (vi) exploring, exploiting, producing, transporting and/or storing liquid and gaseous hydrocarbons (discontinued operation, see Note 3.a) to the annual financial statements).

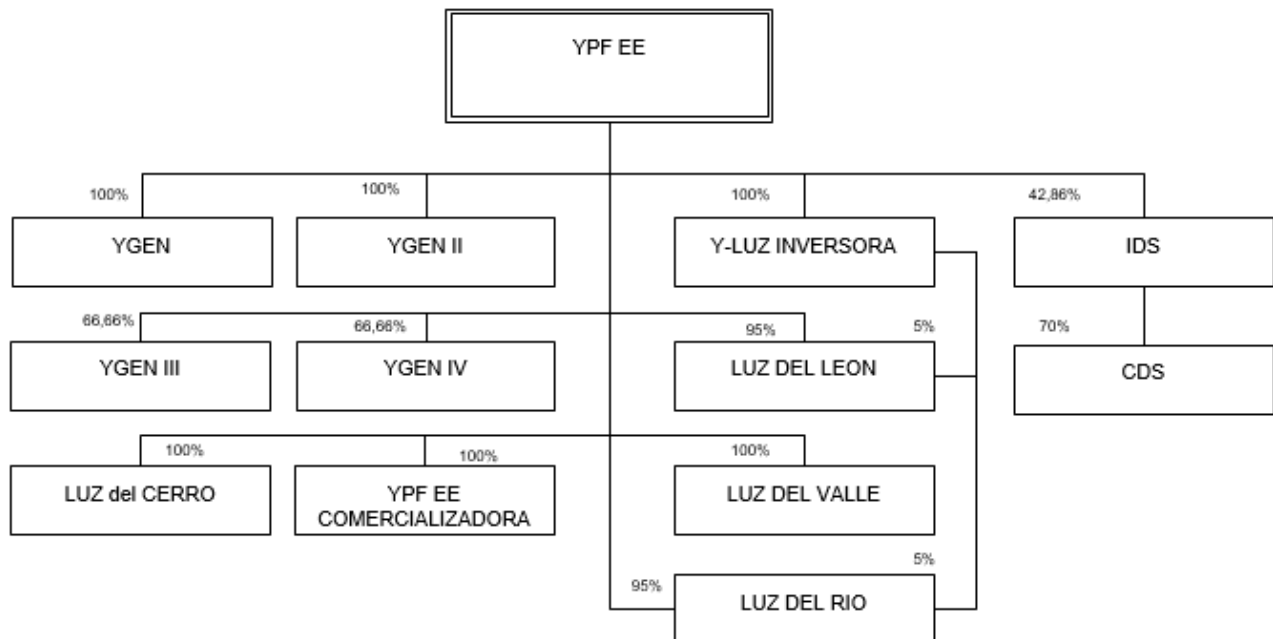
The Group has an installed capacity, at the date of issuance of these interim consolidated financial statements, of 1,819MW, representing approximately 6.6% of the maximum power and approximately 8.5% of the average energy demanded in Argentina, according to information published by CAMMESA.

Additionally, the Group has projects under construction with an installed capacity of more than 634MW.

The Group’s assets and generation projects portfolio are located in the provinces of Tucumán, Neuquén, Buenos Aires, Chubut and Santa Cruz.

Structure and organization of the economic group

The following chart shows the organizational structure, including the main companies of the Group, as of March 31, 2019:



**2. BASIS OF PREPARATION OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS****2.a) Basis of preparation**

The condensed interim consolidated financial statements of YPF EE for the three-month period ended March 31, 2019, are presented in accordance with IAS 34 "Interim Financial Reporting". These condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Group as of December 31, 2018 prepared in accordance with IFRS as issued by IASB and interpretations issued by the IFRIC.

Likewise, additional disclosures required by the LGS and/or CNV regulations have been included with the only purposes of complying with such regulatory requirements.

These condensed interim consolidated financial statements were approved by the Board of Directors' meeting and authorized to be issued on May 8, 2019.

These condensed interim consolidated financial statements for the three-month period ended March 31, 2019 are unaudited. The Company's Management believes that they include all necessary adjustments to reasonably present the results of each period on a basis consistent with the audited annual consolidated financial statements. Net income for the three-month period ended on March 31, 2019 does not necessarily reflect the proportion of the Group's full-year income.

**2.b) Significant Accounting Policies**

The most significant accounting policies are described in Note 2.3 to the annual consolidated financial statements.

The accounting policies adopted for the preparation of these condensed interim consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements. Likewise, as from January 1, 2019, the Group has applied the guidelines of the IFRS 16, "Leases". See detailed accounting policy below.

Functional and reporting currency

As mentioned in Note 2.3.1. to the annual consolidated financial statements, YPF EE has defined the U.S. dollar as its functional currency. Additionally, according to CNV Resolution No. 562, YPF EE must present its financial statements in Argentine pesos.

Adoption of new standards and interpretations effective as of January 1, 2019

The Group has adopted new and revised standards and interpretations, issued by the IASB, relevant to its operations application is effective as of March 31, 2019, as specified in Note 2.6 to the annual consolidated financial statements. The aforementioned new standards and interpretations that have had an effect on these condensed interim consolidated financial statements are described below:

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

**- IFRS 16 - Leases**

The model introduced by this standard is based on the definition of lease, which is mainly related to the concept of control. IFRS 16 distinguishes between lease agreements and service contracts based on whether an identified asset is under the client control, which exists as long as the customer has the right to: i) obtain substantially all the economic benefits from the use of the asset; and ii) to direct the use of that asset.

The Group as lessee:

Once the lease is identified, the Group recognizes the following items:

- Right of use assets, whose cost includes:
  - a. the amount of the initial measurement of the lease liability;
  - b. any lease payments made to the lessor prior to the start date or on the same date, after discounting any incentive received for the lease;
  - c. any initial direct costs incurred by the lessee; and
  - d. an estimate of costs to be incurred in dismantling and removing of the underlying asset, restoring the location in which the underlying asset is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless incurred costs when producing inventories. The Group may incur obligations for these costs either at the beginning date or as a consequence of having used the underlying asset during a given period.

Subsequently, the valuation of the right of use assets will be based on the cost model or the revaluation model set in IAS 16 "Property, plant and equipment" (recognizing therefore depreciation and impairment in the profit and loss account and, in case of application of the revaluation model, those revaluations in equity). Depreciation is calculated following the straight-line method based on the lease term of each contract, unless the useful life of such underlying asset is shorter.

The lease agreements in which the Group is a lessee correspond mainly to the rental of:

- o Usufruct contracts for the land in which the Group is building its wind farms.  
These contracts have an average term of 17 years, with the option to renew for other 20 years, and do not have contingent canons.
- o Rental contracts for the Group administrative offices  
These contracts establish monthly payments and last three years.
- o Rental contracts for motor generator equipment  
These contracts have a 5 - year term with a purchase option at the end of the term. They do not have contingent canons.
- Lease liabilities, measured as the sum of the future lease payments, discounted using the incremental borrowing rate of the lessee given the complexity of determining the interest rate implicit in the leases. The Group applied to the lease liabilities recognized in the statement of financial position the incremental borrowing rate of the lessee since the date of initial application.

The lease liabilities include:

- a. fixed payments (including essentially fixed payments), less any lease incentive receivable;
- b. variable payments, which depend on an index or a rate, initially measured using the index or rate at the commencement date of the contract;
- c. amounts that the Group expects to pay as residual value guarantees;
- d. the exercise price of a purchase option if the Group is reasonably certain of exercising that option; and
- e. payment of penalties for terminating the lease, if the lease period reflects that the Group will exercise an option to terminate it (ie, because there is reasonable certainty in this respect).

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

Subsequently, the Group increases the liability for the lease to reflect the accrued interest (and recognized in the statement of comprehensive income), deducts the payments that are paid from the liability and recalculates the book value to reflect any revision, modification of the lease or revision of the so-called "in substance" fixed payments, applying a revised discount rate if applicable.

The Group reviews the lease liability in the following cases:

- a. when there is a change in the expected amount to be paid under a residual value guarantee;
- b. when there is a change in future lease payments resulting from a change in an index or an interest rate used to determine those payments (including, for example, a market rent review);
- c. when there is a change in the lease term as a result of a change in the non-cancelable period of the lease (for example, if the lessee does not exercise an option previously included in the determination of the lease term); or
- d. when there is a change in the evaluation of the purchase option of the underlying asset.

The Group recognized right of use assets and lease liabilities of 206,006 as of January 1, 2019 in the statement of financial position, measured at the present value of future payments. In addition, the Group reclassified 282,278 from property, plant and equipment to right of use assets, and reclassified 210,166 from loans to lease liabilities.

The application of this standard had no effect on the accumulated results since the Group applied the simplified model without restating the comparative figures, recognizing a right of use asset equivalent to the lease liability on the initial date of transition (January 1, 2019). There were no adjustments to be made due to impairment arising from onerous contracts related to these right of use assets.

For leases that qualify as short-term leases, and leases with low-value underlying assets, the Group continues to recognize them as straight-line expense over the term of the lease, unless another systematic basis is more representative, in accordance with the option indicated by the rule. The group did not identify low value leases other than those whose underlying assets respond to printers, cell phones, computers, photocopiers, among them, which amounts are not significant.

The Group applied the practical solution of the rule by which those leases whose term ends within 12 months from the date of initial application, regardless of the original date, and fulfilling the conditions to be classified as short term, continue the treatment described in the previous paragraph.

The Group as a lessor

IFRS 16 requires the lessor to classify the lease as operating or financial. A financial lease is a lease in which all the risks and benefits derived from the ownership of the asset are substantially transferred. A lease will be classified as operating if it does not transfer substantially all the risks and rewards inherent in the ownership of an underlying asset.

The classification of the lease is made on the date of commencement of the agreement and is evaluated again only if there is a modification of the lease. Changes in estimates (for example, changes in economic life or in the carrying value of the underlying asset) or changes in circumstances (for example, default by the lessee) will not result in a new classification of the lease for accounting purposes.

The Group does not have significant assets leased to third parties.

**2.c) Accounting Estimates and Judgments**

The preparation of financial statements at a certain date requires Management to make estimates and assessments affecting the amount of assets and liabilities recorded, contingent assets and liabilities disclosed at such date, as well as income and expenses recorded during the period. Actual future results might differ from the estimates and assessments made as of the date of preparation of these condensed interim consolidated financial statements.

In preparing these condensed interim consolidated financial statements, significant estimates and judgments were made by Management in applying the Group's accounting policies and the main sources of uncertainty were consistent with those applied by the Group in the preparation of the annual consolidated financial statements, which are disclosed in Note 2.4 to the annual consolidated financial statements.

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

**2.d) Comparative information**

Amounts and other information corresponding as of December 31, 2018 and to the three-month period ended March 31, 2018 are an integral part of these condensed interim consolidated financial statements and are intended to be read only in relation to these financial statements.

**3. SEASONALITY OF OPERATIONS**

The Company's revenue for the three-month period ended March 31, 2019 is not significantly affected by seasonal effects.

**4. ACQUISITIONS AND DISPOSITIONS**

During the three-month period ended March 31, 2019, there have been no acquisitions or dispositions. Details of the transactions carried out in 2018 are described in Note 3 to the annual consolidated financial statements.

**5. FINANCIAL RISK MANAGEMENT**

The Group's activities are exposed to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group maintains an organizational structure and systems that allow for the identification, measurement and adoption of the necessary actions in order to minimize the risks to which it is exposed.

The condensed interim consolidated financial statements do not include all the information and disclosures on financial risk management. Therefore, they should be read in conjunction with the Group's annual consolidated financial statements.

There have been no significant changes in risk management or risk management policies applied by the Group since the last fiscal year end. See Note 4 to the annual consolidated financial statements.

**6. SEGMENT INFORMATION**

For management purposes, the Group is organized as a single business segment to generate and sell electric energy. The Group discloses only the information about this activity in its operating profit on the consolidated statement of comprehensive income.

**7. FINANCIAL INSTRUMENTS BY CATEGORY**Fair value measurements

Fair value measurements are described in Note 5 to the annual consolidated financial statements.

The tables below show the Group's financial assets measured at fair value as of March 31, 2019 and December 31, 2018, and their allocation to fair value hierarchies:

Financial assets	As of March 31, 2019			
	Level 1	Level 2	Level 3	Total
Cash and Cash equivalents:				
- Mutual funds .....	6,326	-	-	6,326
Investments in financial assets:				
- Hedging Instruments .....	-	-	41,571	41,571
	<b>6,326</b>	<b>-</b>	<b>41,571</b>	<b>47,897</b>
Financial assets	As of December 31, 2018			
	Level 1	Level 2	Level 3	Total
Investments in financial assets:				
- Hedging Instruments .....	-	-	69,901	69,901
	<b>-</b>	<b>-</b>	<b>69,901</b>	<b>69,901</b>

The Group has no financial liabilities at fair value.

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

Fair value estimates

From December 31, 2018 until March 31, 2019, there have been no significant changes in the commercial or economic circumstances affecting the fair value of the Group's assets and financial liabilities, whether measured at fair value or amortized cost.

Furthermore, during the three-month period ended March 31, 2019, there were no transfers between the different hierarchies used to determine the fair value of the Group's financial instruments.

Fair value of financial assets and financial liabilities measured at amortized cost

The estimated fair value of loans, considering interest rates offered to the Group (Level 3) for its financial loans, amounted approximately to 27,231,986 and 24,569,978 as of March 31, 2019 and December 31, 2018, respectively.

The fair value of other receivables, trade receivables, cash and cash equivalents, accounts payable and other liabilities do not differ significantly from their book value.

**8. INTANGIBLE ASSETS**

Changes in the Group's intangible assets for the three-month period ended March 31, 2019 and the year ended December 31, 2018 are as follows:

	<u>Intangible assets</u>
<b>Balances as of December 31, 2017</b> .....	<u>-</u>
<u>Cost</u>	
Increases .....	143,385
Translation effect .....	53,450
Cost .....	196,835
Accumulated amortization .....	-
<b>Balances as of December 31, 2018</b> .....	<u>196,835</u>
<u>Cost</u>	
Translation effect .....	27,584
Cost .....	224,419
Accumulated amortization .....	-
<b>Balances as of March 31, 2019</b> .....	<u>224,419</u>

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)



**9. PROPERTY, PLANT AND EQUIPMENT**

Changes in Group's property, plant and equipment for the three-month period ended March 31, 2019 and the year ended December 31, 2018 are as follows:

	Land and buildings	Mineral property, wells and related equipment <sup>(3)</sup>	Production facilities, machinery, equipment and spare parts of power plants	Transportation equipment	Materials and equipment in ware house	Work in progress	Furniture, fixtures, computer and communication equipment	Total
Cost.....	28,667	395,476	4,051,063	10,446	205,092	2,388,215	10,295	7,089,254
Accumulated depreciation.....	3,701	336,576	1,503,638	4,698	-	-	5,918	1,854,531
<b>Balances as of December 31, 2017...</b>	<b>24,966</b>	<b>58,900</b>	<b>2,547,425</b>	<b>5,748</b>	<b>205,092</b>	<b>2,388,215</b>	<b>4,377</b>	<b>5,234,723</b>
<b>Cost</b>								
Increases .....	-	-	708,481	8,090	736,145	8,410,746 <sup>(2)</sup>	14,548	9,878,010
Business combination.....	-	-	8,664,782	-	-	-	-	8,664,782
Translation effect .....	30,011	-	11,777,620	9,601	321,773	4,972,124	9,505	17,120,634
Transfers .....	220	2,583	8,219,391	-	-	(8,222,194)	-	-
Disposals.....	(764)	(398,059)	-	(1,662)	(49,572)	(19,316)	(1,350)	(470,723)
<b>Accumulated depreciation</b>								
Increases .....	1,054	3,407 <sup>(1)</sup>	1,275,173	2,424	-	-	1,216	1,283,274
Translation effect.....	3,474	-	1,822,951	4,219	-	-	5,646	1,836,290
Disposals .....	(636)	(339,983)	-	(1,320)	-	-	(664)	(342,603)
Cost.....	58,134	-	33,421,337	26,475	1,213,438	7,529,575	32,998	42,281,957
Accumulated depreciation.....	7,593	-	4,601,762	10,021	-	-	12,116	4,631,492
<b>Balances as of December 31, 2018...</b>	<b>50,541</b>	<b>-</b>	<b>28,819,575</b>	<b>16,454</b>	<b>1,213,438</b>	<b>7,529,575</b>	<b>20,882</b>	<b>37,650,465</b>
<b>Cost</b>								
Increases .....	-	-	22,039	11,877	48,695	5,367,574 <sup>(2)</sup>	-	5,450,185
Translation effect .....	8,736	-	5,133,519	5,101	275,513	1,540,191	4,959	6,968,019
Transfers and reclassifications .....	-	-	(251,875)	-	38,267	(68,670)	-	(282,278) <sup>(4)</sup>
Disposals.....	-	-	-	-	-	-	-	-
<b>Accumulated depreciation</b>								
Increases .....	389	-	501,477	1,480	-	-	618	503,964
Translation effect .....	1,182	-	773,761	1,661	-	-	1,886	778,490
Cost.....	66,870	-	38,325,020	43,453	1,575,913	14,368,670	37,957	54,417,883
Accumulated depreciation.....	9,164	-	5,877,000	13,162	-	-	14,620	5,913,946
<b>Balances as of March 31, 2019 .....</b>	<b>57,706</b>	<b>-</b>	<b>32,448,020</b>	<b>30,291</b>	<b>1,575,913</b>	<b>14,368,670</b>	<b>23,337</b>	<b>48,503,937</b>

(1) Depreciation has been calculated using the unit-of-production method (Note 2.3.7.2. to the annual consolidated financial statements). Corresponds to discontinued operations.

(2) Includes 175,174 and 517,606 of financial cost related to financing from third parties for extended works in progress for the period ended March 31, 2019 and the year ended December 31, 2018, respectively.

(3) Discontinued operation (See Note 3.a to annual consolidated financial statements).

(4) Corresponds to machinery and equipment reclassified to Right of use assets, by IFRS 16 application (See Note 10).



**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**  
(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

**YPF LUZ**

**10. RIGHT OF USE ASSETS**

Changes in Group's right of use assets for the three-month period ended March 31, 2019 are as follows:

	Buildings	Land	Machinery and equipment	Total
<b>Balances as of December 31, 2018</b> .....	-	-	-	-
<b>Cost</b>				
Increases .....	56,313	149,693	-	206,006
Translation effect .....	8,462	22,494	42,417	73,373
Reclassifications <sup>(1)</sup> .....	-	-	282,278	282,278
<b>Accumulated depreciation</b>				
Increases .....	5,497	609	25,147	31,253
Translation effect .....	577	63	2,634	3,274
Cost .....	64,775	172,187	324,695	561,657
Accumulated depreciation .....	6,074	672	27,781	34,527
<b>Balances as of March 31, 2019</b> .....	<b>58,701</b>	<b>171,515</b>	<b>296,914</b>	<b>527,130</b>

(1) Reclassifications from Property, plant and equipment, according to IFRS 16.

**11. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES**

The following table shows the value of the investments in associates and joint ventures at an aggregate level, as of March 31, 2019 and December 31, 2018:

	March 31, 2019	December 31, 2018
Amount of investments in associates and joint ventures .....	2,386,115	1,948,390
<b>Total</b> .....	<b>2,386,115</b>	<b>1,948,390</b>
Disclosed in Investment in associates and Joint ventures	2,386,115	1,948,492
Disclosed in Accounts payable – YPF EE Comercializadora S.A.U.	-	(102)

The main movements during the three-month period ended March 31, 2019 and for the year ended December 31, 2018, which affected the value of the aforementioned investments, correspond to:

	Investments in associates and joint ventures
<b>Amount as of December 31, 2017</b> .....	<b>2,424,677</b>
Shareholders' contributions .....	4,076
Income on investments in associates and joint ventures .....	292,825
Translation differences .....	1,026,147
Dividends distribution .....	(53,996)
Decrease due to acquisition of control .....	(1,439,691) <sup>(1)</sup>
Dispositions .....	(305,648)
<b>Amount as of December 31, 2018</b> .....	<b>1,948,390</b>
Income on investments in associates and joint ventures .....	131,146
Translation differences .....	306,579
<b>Amount as of March 31, 2019</b> .....	<b>2,386,115</b>

(1) See Note 3.b to the annual consolidated financial statements.

MARCOS BROWNE  
President

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

The following table shows the principal amounts of the results of the investments in associates and joint ventures of the Group, calculated according to the equity method therein, for the three-month period ended March 31, 2019 and 2018. The Group has adjusted, if applicable, the figures reported by these companies to adapt them to the accounting principles used by the Group for the calculation of the equity method as of the abovementioned dates:

	<b>Associates and Joint Ventures</b>	
	<b>for the three-month period ended March 31,</b>	
	<b>2019</b>	<b>2018</b>
Net income .....	131,146	43,937
Other comprehensive income – Fair value changes on derivatives instruments .....	-	24,810
Comprehensive income for the period .....	131,146	68,747
Translation differences .....	306,477	185,172
<b>Total comprehensive income for the period .....</b>	<b>437,623</b>	<b>253,919</b>

The Group does not own investments in associates and joint ventures that are significant, with the exception of the investment in IDS.

The assets and liabilities as of March 31, 2019 and December 31, 2018 of IDS are detailed below:

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Non-current assets .....	20,397	15,901
Current assets .....	5,546,622	4,529,672
<b>Total assets .....</b>	<b>5,567,019</b>	<b>4,545,573</b>
Current liabilities .....	568	162
<b>Total liabilities .....</b>	<b>568</b>	<b>162</b>
<b>Total shareholders' equity .....</b>	<b>5,566,451</b>	<b>4,545,411</b>
<b>Investment book value</b>	<b>2,385,881</b>	<b>1,948,163</b>

MARCOS BROWNE  
President

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**  
(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

The following table shows information of investment in joint ventures as of March 31, 2019 and December 31, 2018.

Name and issuer	03.31.2019				12.31.2018		
	Class	Face value	Amount	Book value	Cost	Book value	Cost
<b>Investments under common control:</b>							
Inversora Dock Sud S.A.	Common	1	335,270,372	2,385,881	538,065	1,948,163	538,065
<b>Other companies:</b>							
Miscellaneous <sup>(1)</sup>				234	234	329	329
				<b>2,386,115</b>	<b>538,199</b>	<b>1,948,492</b>	<b>538,494</b>

Name and issuer	Registered address	Main business	Information of the issuers				Holding in capital stock
			Date	Last available financial statements		Shareholders' equity	
				Capital stock	Net profit / (loss)		
<b>Investments under common control:</b>							
Inversora Dock Sud S.A.	San Martín 140, P.2º, Buenos Aires.	Realization of financial and investment operations.	03/31/2019	828,942	880,661	6,946,623	42.86%

(1) Includes Y-GEN Eléctrica III S.R.L., Y-GEN Eléctrica IV S.R.L., Y-Luz Inversora S.A.U. and Luz del Río S.A.

MARCOS BROWNE  
President

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**  
(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

**YPF LUZ**

**12. OTHER RECEIVABLES**

	March 31, 2019		December 31, 2018	
	Non-current	Current	Non-current	Current
Loans and advances to employees .....	-	6,594	-	6,309
Advances to suppliers to property, plant and equipment.....	1,967,939	-	1,231,559	-
Minimum presumed income tax .....	161,687	-	161,687	-
Related parties (Note 29) .....	452,881	139,344	452,881	5,374,731
Tax credits .....	-	853,335	-	736,536
Advances to suppliers .....	-	10,161	-	4,179
Trust .....	-	96,263	-	27,116
Recovery of insurance claims receivables.....	-	49,446	-	5,526
Prepaid expenses.....	-	15,662	-	71,490
Miscellaneous.....	-	459,161	-	11,473
	<b>2,582,507</b>	<b>1,629,966</b>	<b>1,846,127</b>	<b>6,237,360</b>
Provision for doubtful receivables .....	-	(3,056)	-	(3,056)
	<b>2,582,507</b>	<b>1,626,910</b>	<b>1,846,127</b>	<b>6,234,304</b>

**13. TRADE RECEIVABLES**

	March 31, 2019	December 31, 2018
	Current	Current
Trade receivables.....	82,534	71,305
Related Parties (See note 29) .....	3,417,809	3,652,929
	<b>3,500,343</b>	<b>3,724,234</b>
Provision for doubtful trade receivables.....	(48,772)	-
	<b>3,451,571</b>	<b>3,724,234</b>

The following is the evolution of the provision for doubtful trade receivables during the three-month period ended March 31, 2019:

	Provision for doubtful trade receivables
As of December 31, 2018 .....	-
Increases with impact on net income .....	48,772
As of March 31, 2019 .....	<b>48,772</b>

**14. CASH AND CASH EQUIVALENTS**

For the purpose of the consolidated statement of financial position and the consolidated statement of cash flow, cash and cash equivalents comprise the following items:

	March 31, 2019	December 31, 2018
Mutual funds .....	6,326	-
Fixed interest deposits .....	7,413,980	4,209,240
Cash and banks .....	212,529	492,096
	<b>7,632,835</b>	<b>4,701,336</b>

Bank balances accrue interest at variable rates based on the bank deposits daily rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash needs of the Group and bear interest at the respective fixed rates for short-term deposits.

MARCOS BROWNE  
President

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**  
(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

**YPF LUZ**

**15. INCOME TAX**

The calculation of the income tax expense accrued for the three-month period ended March 31, 2019 and 2018 is as follows:

	For the three-month period ended March 31,	
	2019	2018
Deferred income tax .....	(197,080)	(115,228)
<b>Income Tax</b> .....	<b>(197,080)</b>	<b>(115,228)</b>
	For the three-month period ended March 31,	
	2019	2018
Income tax from continued operations .....	(197,080)	(113,147)
Income tax from discontinued operations (Note 22) .....	-	(2,081)
<b>Income Tax</b> .....	<b>(197,080)</b>	<b>(115,228)</b>

The reconciliation between the charge to income tax expense for the three-month period ended March 31, 2019 and 2018 and the one that would result from applying the prevailing tax rate on income before income tax arising from the consolidated statements of comprehensive income for those periods is as follows:

	For the three-month period ended March 31,	
	2019	2018
Income before income tax from continued operations .....	1,314,351	2,016,985
Income before income tax from discontinued operations .....	-	15,377
<b>Profit for the period before income tax</b> .....	<b>1,314,351</b>	<b>2,032,362</b>
Statutory tax rate .....	30%	30%
Income tax charge at statutory tax rate .....	(394,305)	(609,709)
Effects of the valuation of non-monetary assets in its functional currency .....	(699,858)	(84,912)
Exchange differences .....	918,372	79,294
Income on investments in associates .....	39,344	13,181
Remeasure of pre-existing equity interest .....	-	535,510
Effect by change of tax rate <sup>(1)</sup> .....	(61,379)	(19,120)
Other .....	746	(29,472)
<b>Income tax for the period</b> .....	<b>(197,080)</b>	<b>(115,228)</b>

- (1) Effect of applying the changes in the enacted tax rate established by Law No. 27,430, as described in Note 25 to the annual consolidated financial statements, to the deferred assets and liabilities, according to its expected term of realization and settlement, respectively.

Breakdown of deferred income tax as of March 31, 2019 and December 31, 2018 is as follows:

	March 31, 2019	December 31, 2018
<b>Deferred tax assets</b>		
Provisions for doubtful receivables .....	12,957	764
Tax Losses carryforward <sup>(1)</sup> .....	1,903,096	1,465,492
Miscellaneous .....	10,278	9,386
<b>Total deferred tax assets</b> .....	<b>1,926,331</b>	<b>1,475,642</b>
<b>Deferred tax liabilities</b>		
Receivables from deferred income .....	(43,412)	(43,412)
Property, plant and equipment .....	(4,685,400)	(3,790,713)
Subsidiaries hedging instruments .....	(10,726)	(17,987)
<b>Total deferred tax liabilities</b> .....	<b>(4,739,538)</b>	<b>(3,852,112)</b>
<b>Total assets and liabilities deferred tax</b> .....	<b>(2,813,207)</b>	<b>(2,376,470)</b>

- (1) The main increase is due to the exchange difference caused by foreign currency other than the Argentine peso that generate a tax bases loss and, therefore, an increase of tax losses carryforward.

MARCOS BROWNE  
President

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**



(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

Deferred tax assets and liabilities are disclosed net when: a) a legal right to compensate asset and liabilities exists and; b) when tax assets and liabilities are against the same tax authority.

As of March 31, 2019, and December 31, 2018, 36,029 and 54,153 have been classified as deferred tax assets, respectively, and 2,849,236 and 2,430,623 as deferred tax liabilities, respectively, arising from net deferred tax positions of each of the companies that are included in these consolidated condensed interim financial statements.

As of March 31, 2019, the Group estimated a tax loss carryforward of 1,903,096 at the tax rate. Deferred income tax assets are recognized for tax loss carryforwards to the extent their set off through future taxable profits is probable. Tax loss carryforwards in Argentina expire within 5 years.

In order to fully realize the deferred income tax asset, the Group will need to generate taxable income. Based upon the level of historical taxable income and projections for future over the years in which the deferred income tax is deductible, Management of the Company believes that as of March 31, 2019 it is probable that the Group will realize all of the deferred income tax assets.

As of March 31, 2019, Group's tax loss carryforwards at the expected recovery rate were as follows:

<u>Date of generation</u>	<u>Date of expiration</u>	<u>Amount</u>
2016	2021	7,183
2017	2022	226,721
2018	2023	1,231,588
2019	2024	437,604
		<u><u>1,903,096</u></u>

As of March 31, 2019, and December 31, 2018, the causes that generate charges to other comprehensive income, did not create temporary differences for income tax.

The evolution of deferred tax assets and liabilities as of March 31, 2019 and December 31, 2018 is as follows:

	<u>Total</u>
<b>Amount as of December 31, 2017</b>	<b>(347,288)</b>
Other comprehensive income	(5,047)
Business combination (Note 3.b to annual consolidated financial statements)	(952,166)
Conversion effect on business combination assets	(783,713)
Charge to net income of the year	(288,256)
<b>Amount as of December 31, 2018</b>	<b>(2,376,470)</b>
Other comprehensive income	7,261
Conversion effect on business combination assets	(246,918)
Charge to net income of the period	(197,080)
<b>Amount as of March 31, 2019</b>	<b>(2,813,207)</b>

MARCOS BROWNE  
 President

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**  
(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)



## 16. LEASES LIABILITIES

The following is a breakdown of the lease liabilities recorded by the Group as of March 31, 2019, with identification of the term of the lease and each rates:

Lease term	Monthly effective rate used	March 31, 2019
Two to three year .....	7.87%	126,459
Three to four year .....	7.75% - 8.35%	227,621
More than five years.....	9.88% - 9.90%	105,221
<b>Total</b>		<b>459,301</b>

The financial accretion accrued in the three-month period ended March 31, 2019, arising from lease contracts, amounts to 6,564, which are exposed in the line "Financial accretion" in the "Financial loss" included in "Net financial results" of the statement of comprehensive income (see Note 21).

As of March 31, 2019, the maturities of the liabilities related to lease agreements are:

	March 31, 2019
Up to one year.....	100,748
<b>Current leases liabilities</b>	<b>100,748</b>
One to five years .....	256,010
From the 6th year onwards .....	102,543
<b>Non current leases liabilities</b>	<b>358,553</b>
<b>Total</b>	<b>459,301</b>

## 17. LOANS

	Interest rate <sup>(1)</sup>	March 31, 2019		December 31, 2018	
		Noncurrent	Current	Noncurrent	Current
Financial loans .....	4.19% - 8.40%	20,943,971	6,809,814	18,096,828	6,463,984
Financial leases.....	8.35%	-	-	159,742	50,424
		<b>20,943,971</b>	<b>6,809,814</b>	<b>18,256,570</b>	<b>6,514,408</b>

(1) Annual interest rate as of March 31, 2019.

The description of the Group's principal loans is included in Note 13 to the annual consolidated financial statements.

The evolution of the Group's loans as of the three-month period ended on March 31, 2019 and for the year ended December 31, 2018 is as follows:

	Loans
<b>Amount as of December 31, 2017</b> .....	<b>4,080,979</b>
Proceeds from loans .....	9,877,729
Payments of loans .....	(2,355,833)
Payments of interest.....	(949,923)
Accrued interest <sup>(1)</sup> .....	1,114,414
Non-cash transactions <sup>(3)</sup> .....	(352,971)
Incorporation by business combinations <sup>(2)</sup> .....	4,176,661
Net exchange differences and translation .....	9,179,922
<b>Amount as of December 31, 2018</b> .....	<b>24,770,978</b>
Payments of loans.....	(509,812)
Payments of interest.....	(519,891)
Accrued interest <sup>(1)</sup> .....	535,182
Net exchange differences and translation .....	3,687,494
Reclassifications <sup>(4)</sup> .....	(210,166)
<b>Amount as of March 31, 2019</b> .....	<b>27,753,785</b>

(1) Includes capitalized financial costs.

(2) See Note 3.b) to the annual consolidated financial statements.

(3) The "Non-cash transactions" includes the loans capitalization with YPF and the offsetting effect of the loan with YPF related to disposal of the interest in the Ramos Consortium. The group classifies interest paid as cash flows from financing activities.

(4) Corresponds to reclassification of lease liabilities, according to IFRS 16.

MARCOS BROWNE  
President

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**  
(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)



**18. ACCOUNTS PAYABLE**

	<b>March 31, 2019</b>	<b>December 31, 2018</b>
	<b>Current</b>	<b>Current</b>
Trade <sup>(1)</sup> .....	776,616	934,147
Related parties <sup>(1) (2)</sup> .....	5,811,622	3,631,382
	<b>6,588,238</b>	<b>4,565,529</b>

(1) Commercial accounts payable do not accrue interest and are normally cancelled within 90 days.

(2) For information on related parties, see Note 29.

**19. REVENUES**

<b>Type of good or services</b>	<b>For the three-month period ended March 31,</b>	
	<b>2019</b>	<b>2018</b>
Energía Base <sup>(1)</sup>	926,128	551,522
Revenues under PPAs	1,629,260	11,870
Steam sales	136,294	60,239
Other services income	-	20,758
	<b>2,691,682</b>	<b>644,389</b>

<b>By Customer</b>	<b>For the three-month period ended March 31,</b>	
	<b>2019</b>	<b>2018</b>
CAMMESA <sup>(2)</sup>	1,977,170	551,522
YPF <sup>(2)</sup>	621,962	70,926
Y-GEN <sup>(2) (3)</sup>	-	10,209
Y-GEN II <sup>(2) (3)</sup>	-	10,549
UT Loma Campana <sup>(2)</sup>	26,170	1,183
Profertil S.A. <sup>(2)</sup>	22,152	-
Coca-Cola FEMSA de Buenos Aires S.A.	13,866	-
Toyota Argentina S.A.	12,668	-
Other	17,694	-
	<b>2,691,682</b>	<b>644,389</b>

(1) Power generation from Res. SEE 01/2019 and earlier

(2) Related companies (See Note 29).

(3) Companies controlled since March 31, 2018.

**Target Market**

The Group's revenues are aimed at the domestic market as a whole.

MARCOS BROWNE  
President



**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

**20. EXPENSES BY NATURE**

The Group presents the statement of comprehensive income by classifying expenses according to their function as part of the “Production Costs” and “Administrative and selling expenses” lines. The following additional information is disclosed as required, on the nature of the expenses and their relation to the function within the Group for the three-month period ended March 31, 2019 and 2018:

	<b>For the three-month period ended March 31, 2019</b>		
	<b>Production costs</b>	<b>Administrative and selling expenses</b>	<b>Total</b>
Depreciation of property, plant and equipment	503,964	-	503,964
Depreciation of right of use assets	25,756	5,497	31,253
Consumable materials and supplies	28,772	2,129	30,901
Banking expenses	-	101	101
Rentals	175	3,094	3,269
Fees and compensation for services	5,424	7,005	12,429
Other personnel expenses	7,309	13,137	20,446
Preservation, repair and maintenance	31,718	21	31,739
Insurance	39,507	87	39,594
Salaries and social security taxes	96,943	70,961	167,904
Operation services and other contracts	102,741	-	102,741
Transportation, products and charges	30,923	-	30,923
Fuel, gas, energy and miscellaneous	11,849	-	11,849
Provision for doubtful trade receivables	-	48,772	48,772
Taxes, rates and contributions	2,423	92,030	94,453
Publicity and advertising expenses	-	713	713
Miscellaneous	5,314	4,219	9,533
<b>Total 2019</b>	<b>892,818</b>	<b>247,766</b>	<b>1,140,584</b>

	<b>For the three-month period ended March 31, 2018</b>		
	<b>Production costs <sup>(1)</sup></b>	<b>Administrative and selling expenses <sup>(1)</sup></b>	<b>Total</b>
Depreciation of property, plant and equipment	65,996	-	65,996
Consumable materials and supplies	2,114	216	2,330
Banking expenses	-	198	198
Rentals	54	136	190
Fees and compensation for services	217	3,981	4,198
Other personnel expenses	31,501	2,415	33,916
Preservation, repair and maintenance	11,525	471	11,996
Insurance	7,324	-	7,324
Salaries and social security taxes	70,131	17,533	87,664
Operation services and other contacts	15,987	-	15,987
Transportation, products and charges	18,689	-	18,689
Fuel, gas, energy and miscellaneous	653	-	653
Taxes, rates and contributions	4,639	16,891	21,530
Publicity and advertising expenses	-	24	24
Miscellaneous	4,890	7,352	12,242
<b>Total 2018</b>	<b>233,720</b>	<b>49,217</b>	<b>282,937</b>

(1) Net of discontinued operations (Note 22).

MARCOS BROWNE  
President

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)****YPF LUZ**

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

**21. NET FINANCIAL RESULTS**

	For the three-month period ended March 31,	
	2019	2018
<b>Finance income</b>		
Interest income <sup>(1)</sup> .....	71,640	10,637
Exchange differences <sup>(2)</sup> .....	444,116	259,113
<b>Total finance income</b> .....	<b>515,756</b>	<b>269,750</b>
<b>Finance loss</b>		
Interest loss .....	(399,995)	(28,958)
Exchange differences <sup>(2)</sup> .....	(510,928)	(413,935)
Finance accretion .....	(6,564)	-
<b>Total finance loss</b> .....	<b>(917,487)</b>	<b>(442,893)</b>
<b>Total net financial results</b> .....	<b>(401,731)</b>	<b>(173,143)</b>

(1) Includes interest of financial asset at fair value through profit or loss for 17,571 and 3,396 as of March 31, 2019 and 2018 respectively.

(2) The breakdown as of March 31, 2019 and March 31, 2018 are: finance asset and liabilities at amortized cost 113,589 and (148,017), financial asset at fair value through profit or loss (716) and (11,537); and non financial asset and liabilities (179,685) and 4,372, respectively.

**22. DISCONTINUED OPERATIONS – RAMOS CONSORTIUM**

	For the three-month period ended March 31,	
	2019	2018
Revenues .....	-	41,502
Production costs .....	-	(22,048)
<b>Gross profit</b> .....	-	19,454
Administrative expenses and selling expenses .....	-	(4,077)
<b>Net profit for the period before income tax from discontinued operations</b> .....	-	15,377
Income tax for the period .....	-	(2,081)
<b>Net profit for the period from discontinued operations</b> .....	-	<b>13,296</b>

**23. SHAREHOLDERS' EQUITY**

As of March 31, 2019, the common stock of the Company amounted to 3,747,070,355 represented by ordinary shares with a par value of 1, with the right to one vote per share, which is subscribed, integrated, issued and registered.

As of March 31, 2019 the shareholders of YPF EE are as follows:

Shareholder	Number of Shares	Participation in the common stock	Class of Share
YPF	2,723,826,879	72.69218%	A
OPESSA	86,476,112	2.30783%	A
GE	936,767,364	24.99999%	B
<b>Total</b>	<b>3,747,070,355</b>	<b>100.00000%</b>	

On May 7, 2019, the Ordinary Shareholder's Meeting approved the financial statements of YPF EE for the fiscal year ended December 31, 2018 and decided regarding profit allocation, as follows: a) allocate the sum of 11,532 corresponding to the initial adjustment for the implementation of the IFRS to constitute a special reserve in accordance with the provisions of General Resolution No. 609 of the CNV. b) allocate the sum of 225,271 to constitute a legal reserve in accordance with the provisions of Article 70, first paragraph of the LGS, c) allocate the sum of 4,198,813 to constitute a Reserve for investments under the terms of Article 70, third paragraph of the LGS.

MARCOS BROWNE  
President

## 24. EARNINGS PER SHARE

The following table shows the net income and the number of shares that have been used for the calculation of the basic and diluted earnings per share:

	For the three-month period ended	
	March 31,	
	2019	2018
Net profit for the period attributable to holders of the parent company:		
Continuing operations	1,117,271	1,903,838
Discontinuing operations	-	13,296
	<u>1,117,271</u>	<u>1,917,134</u>
Weighted average per share	<u>3,747,070</u>	<u>2,884,297</u>
Basic and diluted earnings per share from continued and discontinued operations:		
- Basic and diluted	0.298	0.665
Basic and diluted earnings per share from continued operations		
- Basic and diluted	0.298	0.660

Basic and diluted earnings per share are calculated as shown in Note 20 to the annual consolidated financial statements.

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of issuance of these condensed interim consolidated financial statements that may produce a dilution effect.

## 25. RESTRICTION ON RETAINED EARNINGS

Pursuant to the Argentine Companies Act and the corporate bylaw, 5% of the net profit for the year must be allocated to the legal reserve until such reserve reaches 20% of the capital stock.

## 26. MAIN CONTRACTUAL COMMITMENTS AND GUARANTEES GRANTED

Contractual commitments are described in Note 23 to the annual consolidated financial statements.

## 27. CONTINGENT LIABILITIES

Within the framework of the Contract to Close the Gas Turbine Cycle of El Bracho, Province of Tucumán ("Cycle Closing Contract"), celebrated between General Electric Parts & Products GmbH, as equipment supplier ("GEPP"), General Electric Suc. Arg., as contractor of the work ("GESA" and, together with GEPP, "GE") and Y-GEN II, as acquirer and commissioner respectively, YGEN II was notified on March 20, 2019 by GE that on March 10, 2019 a fire started on the deck of the ship "Grande America" that belonged to maritime company Grimaldi Group, which led to its subsequent sinking, on March 12, 2019, 150 nautical miles off the coast of France. This vessel was transporting essential equipment to complete the cycle closure of El Bracho Gas Turbine, object of the Cycle Closing Contract whose invoice value amounted to an approximate sum of € 9.6 million. In accordance with the Cycle Closing Contract, the risk of equipment loss is under the responsibility of GE until they are received at the construction site. Likewise, GE contracted an insurance policy giving coverage to the possible damages and / or material losses that the equipment could have during the transport and whose beneficiary is YGEN II. As of the date of these financial statements, GE is analyzing different mitigation plans for the risks associated with this collapse and its impact on the terms and prices in the Cycle Closing Contract.

## 28. MAIN REGULATIONS AND OTHERS

Main regulations and others are described in Note 24 to the annual consolidated financial statements. Updates for the three-month period ended March 31, 2019 are described below:

### 28.a) Regulatory framework for the electric industry

- **Resolution 1-SRRyME/2019:** On February 28, 2019, with the purpose of securing sustainability of the wholesale electricity market, the Secretariat of Renewable Resources and Electricity Market issued Resolution No. 1-SRRyME/2019, pursuant to which the remuneration criteria established in Resolution 19/2017 of the former Secretary of Electric Energy were adjusted to economically reasonable and efficient conditions, which may be assigned and/or transferred to the demanding parties in the electricity market.

Like Resolution No. 19/2017, Resolution No. 1 will be provisionally applied until gradual definition and implementation of the regulatory mechanisms to achieve the autonomous, competitive and sustainable operation of the electricity market that will allow for the free interaction of supply and demand, and a technical, economic and operating functioning towards the integration of the different generation technologies to ensure a reliable system at a minimum cost.

The remuneration to authorized thermal generators is composed of a payment for the monthly available power, a payment for generated power and another for operated power.

a. Remuneration for available power

Power availability remuneration is subdivided into a base price associated to Actual Power Availability (DRP, by its acronym in Spanish) and a price for guaranteed power in compliance with the Offered Guaranteed Power (DIGO, by its acronym in Spanish). Power remuneration will be adjusted depending on the actual usage factor of generation equipment.

The DRP remuneration will range from 3,050 to 5,200 U\$/MW-month, according to the technology made available for the system and the DIGO remuneration will be 7,000 U\$/MW-month for winter and summer periods and 5,500 U\$/MW for the rest of the year.

b. Remuneration for Generated Energy

The remuneration for conventional thermal generation will contemplate as a maximum, per type of fuel consumed by each generation unit, the non-fuel variable costs, which are 4 U\$/MW hour for equipment consuming Natural Gas, 7 U\$/MW hour for Fuel Oil or Gasoil, 10 U\$/MW hour for Biofuels and 12 U\$/MW hour for mineral coal.

c. Remuneration for Operated Energy

Additionally, generators will receive a monthly remuneration for Operated Energy, represented by the integration of hourly power capacities for the period, valued at 1.4 U\$/MWh for any type of fuel. The hourly volume of Operated Energy must correspond to the optimum dispatch in order to comply with the energy and reserves assigned.

A generation plant that has declared the option to purchase fuels for the generation of energy, which upon request does not have sufficient fuel for the delivery, will lose its delivery order until, if necessary, CAMMESA shall assign fuel to it for its operation, and the remuneration concepts mentioned above will be reduced by 50% of their value.

Remuneration is denominated in US Dollars and is payable at the reference exchange rate of the date prior to maturity date.

**28.b) Other regulatory requirements**

• **Regulatory Frame CNV (N.T. 2013)**

a) General Resolution No. 622 of CNV

- i. In accordance with the requirements of Article 1, Chapter III, Title IV of the aforementioned resolution, the notes to the consolidated financial statements that set forth the information requested by the Resolution in the form of appendix are detailed below.

Appendix A – Property, plant and equipment .....	Note 9 Property, plant and equipment
Appendix B – Intangible assets.....	Note 8 Intangible assets
Appendix C – Investments in shares .....	Note 11 Investments in Associates and Joint Ventures
Appendix D – Other Investments .....	Note 7 Financial Instruments by category
Appendix E – Provisions .....	Note 13 Trade receivables
	Note 12 Other receivables
Appendix F – Cost of sales and services	Note 20 Expenses by nature
Appendix G – Assets and liabilities in currencies other than peso.....	Note 30 Information required by article 63 of Law No. 19,550 - Assets and liabilities in currencies other than peso

b) General Resolution No. 629 of CNV

As a result of General Resolution No. 629 of the CNV, we inform that the supporting documentation of the Company's operations that is not located at the registered office is in the deposits of the following companies:

- Adea S.A., located in Plant 3 – Route 36, Km 31.5 – Florencio Varela – Buenos Aires Province.
- File S.R.L. located in Panamericana and R. S. Peña – Blanco Encalada – Luján de Cuyo – Mendoza Province.

Likewise, it is recorded that the detail of the documentation given in the custody is available at the registered headquarters, as well as the documentation referred to in article 5 clause a.3), Section I of Chapter V of Title II of the Regulations of the CNV.

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**  
(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

**29. BALANCES AND TRANSACTIONS WITH RELATED PARTIES**

The information detailed in the tables below shows the balances with associates and joint ventures as of March 31, 2019 and December 31, 2018 and transactions with those parties for the three-month period ended March 31, 2019 and 2018.

	As of March 31, 2019			
	Other receivables		Trade receivables	Accounts payable
	Non Current	Current	Current	Current
<b>Joint controlling shareholder:</b>				
YPF S.A.	-	-	939,125	645,771
GE EFS Power Investment B.V.	-	-	-	-
<b>Associates:</b>				
Y-GEN Eléctrica III S.R.L.	-	-	-	-
Y-GEN Eléctrica IV S.R.L.	-	-	-	-
Refinería del Norte S.A.	-	-	24,176	-
Metroenergía S.A.	-	-	4,588	-
A-Evangelista S.A.	-	-	-	231,257
Bajo del Toro II S.R.L.	-	-	-	-
U.T. Loma Campana	-	-	26,447	-
General Electric International Inc.	-	-	-	3,528
GE Global Parts and Products GmbH	-	-	-	2,318,753
GE Water & Process Technologies SC	-	-	-	7,809
GE Energy Parts Inc.	-	-	-	866
GE Packaged Power Inc.	-	-	-	33,098
GE International Inc. Sucursal Argentina	-	-	-	823,170
GE Wind Energy Equipment	-	-	-	1,742,676
GE Intelligent Platforms	-	-	-	367
GE Sensing & Inspection Technologies	-	-	-	592
GE Jenbacher GMBH & CO OG	-	-	-	3,082
YPF Tecnología S.A.	-	-	-	653
Profertil S.A.	-	-	17,441	-
<b>Argentine federal government-controlled entities:</b>				
CAMMESA	452,881	139,344	2,406,032	-
<b>Total</b>	<b>452,881</b>	<b>139,344</b>	<b>3,417,809</b>	<b>5,811,622</b>

MARCOS BROWNE  
President

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

**YPF LUZ**

	As of December 31, 2018			
	Other receivables		Trade receivables	Accounts payable
	Current	Non Current	Current	Current
<b>Joint controlling shareholder:</b>				
YPF S.A.	-	-	1,758,720	1,819,452
GE EFS Power Investment B.V.	5,250,000	-	-	-
<b>Associates:</b>				
Y-GEN Eléctrica III S.R.L.	-	-	-	-
Y-GEN Eléctrica IV S.R.L.	-	-	-	-
Refinería del Norte S.A.	-	-	25,558	-
Metroenergía S.A.	-	-	2,892	-
A-Evangelista S.A.	-	-	-	342,895
Bajo del Toro II S.R.L.	-	-	-	-
U.T. Loma Campana	-	-	38,290	-
General Electric International Inc.	-	-	-	3,067
GE Global Parts and Products GmbH	-	-	-	822,572
GE Water & Process Technologies SC	-	-	-	6,502
GE Energy Parts Inc.	-	-	-	753
GE Packaged Power Inc.	-	-	-	18,750
GE International Inc. Sucursal Argentina	-	-	-	615,538
GE Intelligent Platforms	-	-	-	367
GE Sensing & Inspection Technologies	-	-	-	397
GE Jenbacher GMBH & CO OG	-	-	-	683
YPF Tecnología S.A.	-	-	-	406
Profertil S.A.	-	-	11,138	-
<b>Argentine federal government-controlled entities:</b>				
CAMMESA	124,731	452,881	1,816,331	-
<b>Total</b>	<b>5,374,731</b>	<b>452,881</b>	<b>3,652,929</b>	<b>3,631,382</b>

(1) Companies consolidated since March 31, 2018. See note 3.b) to the annual consolidated financial statements.

	For the three-month period ended March 31					
	2019			2018		
	Revenues	Purchases of goods and services	Interest gain (loss) net	Revenues	Purchases and services	Interest gain (loss) net
<b>Joint controlling shareholder:</b>						
YPF S.A.	621,962	28,742	-	70,926	42,702	(320)
GE EFS Power Investment B.V.	-	-	-	-	-	-
<b>Associates:</b>						
Y-GEN Eléctrica III S.R.L.	-	-	-	-	-	-
Y-GEN Eléctrica IV S.R.L.	-	-	-	-	-	-
Refinería del Norte S.A.	-	-	-	-	-	-
Metroenergía S.A.	-	-	-	-	-	-
A-Evangelista S.A.	-	192,453	-	-	67,441	-
Bajo del Toro II S.R.L.	-	-	-	-	-	(14,031)
U.T. Loma Campana	26,170	-	-	1,183	-	-
General Electric International Inc.	-	738,082	-	-	-	-
GE Global Parts and Products GmbH	-	1,209,301	-	-	-	-
GE Water & Process Technologies SC	-	4,387	-	-	-	-
GE Wind Energy Equipment	-	1,389,044	-	-	-	-
GE Energy Parts Inc.	-	-	-	-	-	-
GE Packaged Power Inc.	-	50,602	-	-	-	-
GE International Inc. Sucursal Argentina	-	90,578	-	-	-	-
GE Intelligent Platforms	-	-	-	-	-	-
GE Sensing & Inspection Technologies	-	123	-	-	-	-
GE Jenbacher GMBH & CO OG	-	2,248	-	-	-	-
YPF Tecnología S.A.	-	454	-	-	-	-
Profertil S.A.	22,152	-	-	-	-	-
<b>Argentine federal government-controlled entities:</b>						
CAMMESA	1,977,170	12,319	14,613	551,522	14,982	4,970
<b>Subsidiaries:</b>						
Y-GEN Eléctrica S.A.U. <sup>(1)</sup>	-	-	-	10,209	-	-
Y-GEN II Eléctrica S.A.U. <sup>(1)</sup>	-	-	-	10,549	-	-
<b>Total</b>	<b>2,647,454</b>	<b>3,718,333</b>	<b>14,613</b>	<b>644,389</b>	<b>125,125</b>	<b>(9,381)</b>

(1) Companies consolidated since March 31, 2018. See note 3.b) to the annual consolidated financial statements.

 MARCOS BROWNE  
President

**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**  
(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)

**Remuneration of the Administration**

During the three-month period ended March 31, 2019, the Directors' fees and compensation to key executives amounted to 25,399, respectively, being the same short-term benefits and constituting the only benefits granted to directors and key executives.

**30. ASSETS AND LIABILITIES IN CURRENCIES OTHER THAN PESO**

Account	03.31.2019			12.31.2018	
	Class and amount of currencies other than peso	Exchange rate <sup>(1)</sup>	Booked amount in pesos	Class and amount of currencies other than peso	Booked amount in pesos
<b>NON-CURRENT ASSETS</b>					
Investment in financial assets	US\$	963	43.15	41,571	US\$ 1,864 69,901
<b>Total of Non-Current Assets</b>				<b>41,571</b>	<b>69,901</b>
<b>CURRENT ASSETS</b>					
Other receivables	US\$	20	43.15	878	US\$ 140,751 5,278,163
Trade receivables	US\$	59,223	43.15	2,555,452	US\$ 95,756 3,590,857
Other financials assets	US\$	40,567	43.15	1,750,466	US\$ 39,707 1,489,031
Cash and cash equivalents	US\$	175,280	43.15	7,563,341	US\$ 107,679 4,037,970
<b>Total of Current Assets</b>				<b>11,870,137</b>	<b>14,396,021</b>
<b>Total of Assets</b>				<b>11,911,708</b>	<b>14,465,922</b>
<b>NON-CURRENT LIABILITIES</b>					
Loans	US\$	485,087	43.35	21,028,516 <sup>(2)</sup>	US\$ 487,868 18,392,637 <sup>(2)</sup>
Leases liabilities	US\$	8,271	43.35	358,553	US\$ - -
<b>Total of Non-Current Liabilities</b>				<b>21,387,069</b>	<b>18,392,637</b>
<b>CURRENT LIABILITIES</b>					
Accounts payable	US\$	85,933	43.35	3,725,183	US\$ 51,076 1,925,556
	EUR	37,687	48.71	1,835,728	EUR 5,986 258,375 <sup>(3)</sup>
Loans	US\$	158,581	43.35	6,874,469 <sup>(3)</sup>	US\$ 173,694 6,548,279
Other Liabilities	US\$	2,544	43.35	110,294	US\$ 2,631 99,189
Leases liabilities	US\$	2,324	43.35	100,748	US\$ - -
<b>Total of Current Liabilities</b>				<b>12,646,422</b>	<b>8,831,399</b>
<b>Total of Liabilities</b>				<b>34,033,491</b>	<b>27,224,036</b>

US\$: US Dollar.

EUR: Euro.

(1) Exchange rate in force at March 31, 2019 according to Banco Nación Argentina.

(2) Corresponds to the nominal amount owed, which is disclosed under loans for 20,943,971 and 18,256,570 as of March 31, 2019 and December 31, 2018, respectively, net of commissions and costs demanded by the transaction.

(3) Corresponds to the nominal amount owed, which is disclosed under loans for 6,809,814 and 6,514,408 as of March 31, 2019 and December 31, 2018, respectively, net of commissions and costs demanded by the transaction.

**31. SUBSEQUENT EVENTS**

On April 17, 2019, the Board of Directors of National Securities Commission (CNV) approved the YPF EE registration into the Public Offering regime for securities, and the launch of a Global Program for the Issuance of Simple Negotiable Obligations (non-convertible in shares) up to 1,500,000,000 dollars (or its equivalent in other currencies). With this resolution, the Company should comply with the regulations established by the CNV's Regulatory Framework as its new regulatory body and it is authorized to seek financing in local or international capital markets.

On April 30, 2019, the Board of Directors approved, within the framework of the abovementioned Global Program in circulation at any time, the issuance and placement by public offering of negotiable obligations for an amount of up to US \$ 100,000,000 (or its equivalent in other currencies), in one or more classes and / or series, in the terms that are determined in the respective price supplements.

MARCOS BROWNE  
President



**YPF ENERGÍA ELÉCTRICA SOCIEDAD ANÓNIMA****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
AS OF MARCH 31, 2019, AND COMPARATIVE INFORMATION (UNAUDITED)**

(Amounts expressed in thousands of Argentine Pesos, except as otherwise indicated)



On May 7, 2019, the Company issued Class I Negotiable Obligations (the "NO"), under the mentioned Global Programme. The placement reached 75,000,000 million dollars, at a 10.24% rate with a maturity date on 2021. The obtained financing will be allocated to the investments the Group is currently developing.

As of the date of issuance of these condensed interim consolidated financial statements, there have been no other significant subsequent events, whose effect on the Group's financial position and the results of operations for the three months periods ended March 31, 2019 and 2018 or their disclosure in these condensed interim consolidated financial statements, if applicable, have not been considered in accordance with IFRS.

MARCOS BROWNE  
President