



**YPF ENERGÍA ELÉCTRICA S.A.
CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS AS OF JUNE 30, 2020
AND COMPARATIVE INFORMATION (UNAUDITED)**

English translation of the condensed interim consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the condensed interim consolidated financial statements filed with the CNV prevail over this translation

YPF ENERGÍA ELÉCTRICA S.A.
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AS OF JUNE 30, 2020, AND COMPARATIVE INFORMATION (UNAUDITED)

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GLOSSARY OF TERMS

Term	Definition
ADR	American Depositary Receipt
AESA	Related party A-Evangelista S.A.
AFIP	Argentine Tax Authority
Associate	Company over which YPF EE has significant influence as provided for in IAS 28
BNR	BNR Infrastructure Co-Investment Limited
CAEE	Electric Energy Supply contract
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A.
CDS	Related Party Central Dock Sud S.A.
CGU	Cash Generation Unit
CNV	Argentine Securities Commission
COD	Respect to a thermal Power Plant, the commercial operation date
CPI	Consumer Price Index
Energía Base	Power generation from SEE Resolution 01/2019 and earlier, and SGE Resolution 70/2018
EUR	Euro
FACPC	Argentine Federation of Professional Councils of Economic Sciences
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
GW	Gigawatts
GWh	Gigawatts per hour
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
IGMP	Minimum presumed income tax
Joint Venture	Company jointly owned by YPF EE as provided for in IFRS 11
LGS	Argentine General Corporations Act 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.
Luz del León	Subsidiary Luz del León S.A.
MATER	Renewable energy forward market
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
PEN	Argentina's Executive Branch
SADI	Argentine Interconnection System
SE	Secretariat of Energy
SEE	Secretariat of Energy Electric
SGE	Government Secretary of Energy
SIC	Standing Interpretation Committee
Subsidiary	Company controlled by YPF EE in accordance with the provisions of IFRS 10.
US\$	US dollars
VAT	Value added tax
Y-GEN	Subsidiary Y-GEN Eléctrica S.A.U. (previously Y-GEN ELÉCTRICA S.R.L.)
Y-GEN II	Subsidiary Y-GEN Eléctrica II S.A.U. (previously Y-GEN ELÉCTRICA II S.R.L.)
Y-GEN III	Subsidiary Y-GEN Eléctrica III S.R.L.
Y-GEN IV	Subsidiary Y-GEN Eléctrica IV S.R.L.
YPF	YPF Sociedad Anónima
YPF EE . or the Company	YPF Energía Eléctrica S.A. or the Company
YPF EE Comercializadora	Subsidiary YPF EE Comercializadora S.A.U.

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AS OF JUNE 30, 2020, AND COMPARATIVE INFORMATION (UNAUDITED)

LEGAL INFORMATION

Legal address

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

Fiscal year

No. 8 beginning on January 1, 2020.

Principal business of the Company

Generation, transport and commercialization of electric power from all kind of primary sources of production.

Registration date with the Public Commerce Registry:

- Of the articles of incorporation: August 26, 2013.
- Last amendment to by laws: 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 22)

<u>Class of shares</u>	<u>Subscribed, paid-in, issued and registered</u>
Common, 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><u>3,747,070,355</u></u>

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YPF ENERGÍA ELÉCTRICA S.A.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS OF JUNE 30, 2020 (UNAUDITED) AND DECEMBER 31, 2019

(Amounts expressed in thousands of Argentine pesos)

	Notes	June 30, 2020	December 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	8	110,320,565	82,019,814
Intangible assets	9	368,332	312,999
Right of use assets	10	841,657	749,123
Investments in joint ventures	11	4,283,017	4,064,410
Other receivables	12	3,325,874	1,531,942
Deferred income tax asset	15	134,515	-
Assets held for disposal	4	-	7,540,543
Total non-current assets		119,273,960	96,218,831
Current assets			
Other receivables	12	3,330,560	2,616,130
Trade receivable	13	6,936,789	6,857,677
Restricted cash and cash equivalents	14	3,131,747	2,448,153
Cash and cash equivalents	14	14,894,846	14,700,487
Total current assets		28,293,942	26,622,447
TOTAL ASSETS		147,567,902	122,841,278
SHAREHOLDERS' EQUITY			
Shareholders' contributions		8,411,982	8,411,982
Reserves, other comprehensive income and non-retained earnings		47,546,610	37,126,778
TOTAL SHAREHOLDERS' EQUITY		55,958,592	45,538,760
LIABILITIES			
Non-current liabilities			
Provisions		66,780	58,700
Deferred income tax liability, net	15	7,555,257	5,687,365
Leases liabilities	16	468,351	465,322
Loans	17	54,572,037	50,735,033
Other financial liabilities	7	28,132	10,430
Liabilities associated with assets held for disposal	4	-	842,191
Total non-current liabilities		62,690,557	57,799,041
Current liabilities			
Taxes payable		130,958	78,209
Salaries and social security		272,841	267,461
Leases liabilities	16	178,101	148,946
Loans	17	21,488,527	9,770,245
Other financial liabilities	7	89,841	9,824
Trade payable	18	6,758,485	9,228,792
Total current liabilities		28,918,753	19,503,477
TOTAL LIABILITIES		91,609,310	77,302,518
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		147,567,902	122,841,278

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

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YPF ENERGÍA ELÉCTRICA S.A.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE SIX AND THREE-MONTH PERIODS ENDED JUNE 30, 2020 AND 2019 (UNAUDITED)

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

	Notes	For the six-month period ended June 30,		For the three-month period ended June 30,	
		2020	2019	2020	2019
Revenues	19	9,164,361	6,567,165	4,717,146	3,321,106
Production costs	20	(4,216,867)	(2,864,618)	(2,198,994)	(1,448,285)
Gross profit		4,947,494	3,702,547	2,518,152	1,872,821
Administrative and selling expenses	20	(1,026,248)	(560,652)	(518,091)	(311,640)
Other operating results, net		166,881	46,438	28,393	42,216
Operating profit		4,088,127	3,188,333	2,028,454	1,603,397
Income from equity interest in joint ventures	11	63,774	247,891	(18,564)	116,745
Financial income	21	4,205,709	574,981	1,004,059	59,225
Financial loss	21	(4,517,770)	(1,355,601)	(1,743,341)	(438,114)
Net financial results	21	(312,061)	(780,620)	(739,282)	(378,889)
Profit before income tax		3,839,840	2,655,604	1,270,608	1,341,253
Income tax	15	(1,439,833)	(445,337)	(360,796)	(248,257)
Net profit for the period		2,400,007	2,210,267	909,812	1,092,996
Other comprehensive income / (loss) for the period					
<i>Items that may not be reclassified to net income in subsequent periods</i>					
Joint ventures' net monetary position results		(134,201)	-	(147,162)	-
Translation differences from assets and liabilities held for disposal...		149,205	-	83,521	-
Translation differences		8,073,761	3,222,243	4,505,163	(711,581)
<i>Items that may be reclassified to net income in subsequent periods</i>					
Fair value changes on derivatives instruments, net of tax effects ⁽¹⁾ ..		(68,940)	(66,784)	(6,937)	(40,611)
Net variation of other comprehensive income for the period		8,019,825	3,155,459	4,434,585	(752,192)
Total comprehensive income for the period		10,419,832	5,365,726	5,344,397	340,804
Net income for the period attributable to shareholders		2,400,007	2,210,267	909,812	1,092,996
Total comprehensive income for the period attributable to shareholders		10,419,832	5,365,726	5,344,397	340,804
Basic and diluted earnings per share:					
Basic and diluted (ARS)	23	0.641	0.59	0.235	0.292

(1) Net of income tax effect for the six and three-month periods ended June 30, 2020 of 25,213 and 2,793, respectively, and June 30, 2019 of 23,221 and (17,123), respectively.

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

English translation of the condensed interim consolidated financial statements originally filed in Spanish with the Argentine Securities Commission ("CNV"). In case of discrepancy, the condensed interim consolidated financial statements filed with the CNV prevail over this translation

YPF ENERGÍA ELÉCTRICA S.A.

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2020 AND 2019 (UNAUDITED)**

(Amounts expressed in thousands of Argentine pesos)

	For the six-month period ended June 30, 2020								
	Shareholders' contributions			Reserves			Other comprehensive income	Retained earnings	Total
	Subscribed capital	Share premium	Other shareholders' contributions	Legal reserve	Special reserve RG No. 609 ⁽¹⁾	Reserve for future investments			
As of January 1, 2020	3,747,070	4,604,483	60,429	278,026	11,532	5,080,494	27,530,150	4,226,576	45,538,760
As decided by the General Ordinary Shareholders' Meeting on April 29, 2020:									
- Appropriation to legal reserve	-	-	-	211,329	-	-	-	(211,329)	-
- Appropriation to reserve for future investments	-	-	-	-	-	4,015,247	-	(4,015,247)	-
Other comprehensive income for the period	-	-	-	-	-	-	8,019,825	-	8,019,825
Net profit for the period	-	-	-	-	-	-	-	2,400,007	2,400,007
As of June 30, 2020	3,747,070	4,604,483	60,429	489,355	11,532	9,095,741	35,549,975	2,400,007	55,958,592

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

(2) Includes 149,205 from assets held for disposal and (134,201) and 664,092 corresponding to joint ventures' net monetary position results and translation effect, respectively.

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

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YPF ENERGÍA ELÉCTRICA S.A.

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2020 AND 2019 (UNAUDITED) (Cont.)**

(Amounts expressed in thousands of Argentine pesos)

	For the six-month period ended June 30, 2019								
	Shareholders' contributions			Reserves			Other comprehensive income	Retained earnings	Total
	Subscribed capital	Share Premium	Other shareholders' contributions	Legal reserve	Special reserve RG No. 609 ⁽¹⁾	Reserve for future investments			
As of January 1, 2019	3,747,070	4,604,483	60,429	52,755	-	881,681	11,739,242	4,435,616	25,521,276
As decided by the General Ordinary Shareholders' Meeting on May 7, 2019									
- Appropriation to RG N° 609 CNV special reserve	-	-	-	-	11,532	-	-	(11,532)	-
- Appropriation to legal reserve	-	-	-	225,271	-	-	-	(225,271)	-
- Appropriation to reserve for future investments	-	-	-	-	-	4,198,813	-	(4,198,813)	-
Other comprehensive income for the period	-	-	-	-	-	-	3,155,459	-	3,155,459
Net profit for the period	-	-	-	-	-	-	-	2,210,267	2,210,267
As of June 30, 2019	3,747,070	4,604,483	60,429	278,026	11,532	5,080,494	14,894,701	2,210,267	30,887,002

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

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YPF ENERGÍA ELÉCTRICA S.A.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2020 AND 2019 (UNAUDITED)

(Amounts expressed in thousands of Argentine pesos)

	For the six-month period ended June 30,	
	2020	2019
OPERATING ACTIVITIES		
Net profit for the period	2,400,007	2,210,267
Adjustments to reconcile net profit to net cash flows from operating activities:		
Income from equity interest in joint ventures	(63,774)	(247,891)
Depreciation of property, plant and equipment	1,909,866	1,016,567
Depreciation of right of use assets	36,568	42,205
Decreases of property, plant and equipment	43,478	6,515
Net financial results	312,061	780,620
Net increase in provisions	8,080	5,502
Increase in provision for doubtful trade receivables	-	48,772
Charge on income tax	1,551,260	445,337
Charge on income tax related with assets held for disposal	(111,427)	-
Dividends collected	374,849	-
Changes in operating assets and liabilities:		
Trade receivable	740,506	367,166
Other receivable	(1,107,132)	(788,186)
Trade payables	(823,224)	141,328
Salaries and social security	5,380	21,972
Taxes payable	52,749	(165,385)
Assets and liabilities held for disposal	120,204	-
Income tax payments	-	(107,612)
Net cash flows from operating activities	5,449,451	3,777,177
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(7,325,768)	(9,395,517)
Acquisition of property, plant and equipment related with assets held for disposal	(1,478,081)	-
Advances to suppliers of property, plant and equipment	(2,072,927)	(909,191)
Advances to suppliers of property, plant and equipment related with assets held for disposal ..	(34,400)	-
Acquisition of interest in other companies	-	(53,261)
Acquisition of securities	(5,175,781)	-
Settlements of securities	7,192,053	-
Interest collected	208,289	-
Restricted cash and cash equivalents	(164,968)	(45,463)
Net cash flows used in investing activities	(8,851,583)	(10,403,432)
FINANCING ACTIVITIES		
Proceeds from loans	5,885,018	4,903,671
Proceeds from loans related with assets held for disposal	3,685,453	-
Capital contributions and share premium collected	-	5,691,000
Payments of loans	(5,253,009)	(1,457,178)
Payments of leases liabilities	(75,716)	(58,526)
Payment of interest and other financial loss	(2,758,393)	(1,007,464)
Net cash flows from financing activities	1,483,353	8,071,503
Net (decrease) increase in cash and cash equivalents	(1,918,779)	1,445,248
Effect of exchange difference variations on cash and cash equivalents	2,091,944	583,374
Cash and cash equivalents of assets held for disposal	21,194	-
Cash and cash equivalents at the beginning of fiscal year (Note 14)	14,700,487	4,701,336
Cash and cash equivalents at the end of the period (Note 14)	14,894,846	6,729,958
	2020	2019
Acquisitions of property, plant and equipment outstanding at the beginning of the fiscal year	4,586,004	1,743,008
Acquisitions of property, plant and equipment outstanding at the end of the period	2,654,313	2,444,818
Transfer of advances to suppliers of property, plant and equipment	863,785	971,961
Capitalized borrowing costs	961,361	414,341

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

YPF ENERGÍA ELÉCTRICA S.A.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS****AS OF JUNE 30, 2020, 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 GROUPGeneral information

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

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, and (v) generation and commercialization of electric energy through CDS thermal power plant, through its indirect participation in IDS.

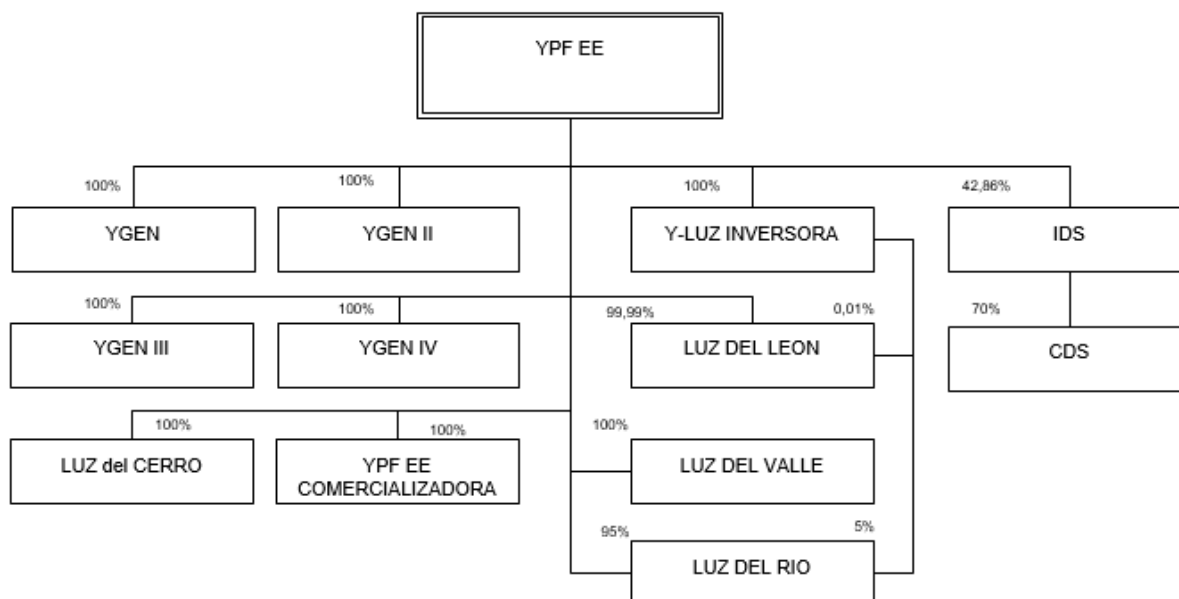
Currently, the Group has an installed capacity, at the date of issuance of these interim consolidated financial statements, of 1,819 MW, representing 4.5% of the installed capacity and 5.5% of the energy demanded in Argentina, according to information published by CAMMESA.

Additionally, the Group has projects under construction with a power capacity of 637 MW.

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 June 30, 2020:



As of June 30, 2020, the Group had a negative working capital of 624,811, as a consequence of being in the process of construction of the wind farms and thermal plants related to the projects detailed in Note 25. The Board of Directors and the Management of the Company understand that this situation will be reversed once the projects under construction are finished and the assets are operational on the estimated dates without the need to raise additional financing. Notwithstanding this, in the event of delays in the completion of projects, the Group has available credit lines.

YPF ENERGÍA ELÉCTRICA S.A.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2020, AND COMPARATIVE INFORMATION (UNAUDITED)**

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

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

The condensed interim consolidated financial statements (“interim financial statements”) of YPF EE for the six-month period ended June 30, 2020, 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, 2019 prepared in accordance with IFRS as issued by IASB and interpretations issued by the IFRIC.

Additional disclosures required by the LGS and/or CNV regulations have been included with the only purpose of complying with such regulatory requirements.

These interim financial statements were approved by the Board of Directors’ meeting and authorized to be issued on August 7, 2020.

These interim financial statements for the six-month period ended June 30, 2020 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 six-month period ended on June 30, 2020 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 interim financial statements are consistent with those used in the preparation of the annual consolidated financial statements.

The new accounting policies applied are detailed below.

Functional and reporting currency and tax effect on other comprehensive income

Based on parameters set out in IAS 21 “The effects of change in foreign exchange rates”, YPF EE has defined the US dollar as its functional currency. According to CNV Resolution No. 562, YPF EE must present its financial statements in Argentine pesos.

• Effects of the translation of investments in joint ventures with functional currency corresponding to a hyperinflationary economy

Under IAS 21, the financial statements of a subsidiary with the functional currency of a hyperinflationary economy have to be restated according to IAS 29 before they are included in the consolidated financial statements of its parent company with a functional currency of a non-hyperinflationary economy, except for their comparative figures. Therefore, the results and financial position of subsidiaries with the Peso as functional currency were translated into U.S. dollars by the following procedures: all amounts were translated at the exchange rate effective at the closing date of the financial statements, except for comparative amounts, which were presented as current amounts in the financial statements of the previous fiscal year (i.e., these amounts were not be adjusted to reflect subsequent variations in price levels or exchange rates). Thus, the effect of the restatement of comparative amounts was recognized in other comprehensive income. These criteria were also implemented by the Group for its investments in joint ventures. When an economy ceases to be hyperinflationary and an entity ceases to restate its financial statements in accordance with IAS 29, it will use the amounts restated according to the price level of the date on which the entity ceases to make such restatement as historical costs, in order to translate them into the presentation currency.

• Tax effect on Other Comprehensive Income

Results included in Other Comprehensive Income in connection with translation differences and result from net monetary position generated by investments in subsidiaries, associates and joint ventures whose functional currency is other than U.S. dollar as well as conversion differences arising from the translation of YPF EE’s financial statements into its presentation currency (Argentine Pesos), have no effect on the income tax or in the deferred tax since at the time they were generated, the relevant transactions did not have any impact accounting or tax results.

YPF ENERGÍA ELÉCTRICA S.A.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2020, AND COMPARATIVE INFORMATION (UNAUDITED)**

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

Adoption of new standards and interpretations effective as of January 1, 2020

The Group has adopted new and revised standards and interpretations, issued by the IASB, relevant to its operations and whose application is effective as of June 30, 2020, as specified in Note 2.5 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:

- **Amendments to IAS 1 “Presentation of financial statements” and IAS 8 “Accounting policies, changes in accounting estimates and errors” – Definition of material**

In October 2018, the IASB issued amendments that are applicable to fiscal years beginning on or from January 1, 2020, allowing for its anticipated application.

The amendments to the definitions of “material” or “with relative importance” seek to unify the definition of such concepts to the definitions of Conceptual Framework, also amended in 2018.

- **Amendments to References to the Conceptual Framework for Financial Reporting**

In March 2018, the IASB issued the revised Conceptual Framework applicable to annual periods beginning on or after January 1, 2020. This revision process did not imply a substantial change in the set of definitions, concepts and guidelines used as a basis for preparing financial information.

The implementation of these amendments has not affected the interim consolidated financial statements.

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 interim financial statements.

In preparing these interim 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 about estimates and accounting judgements.

2.d) Comparative information

Amounts and other information corresponding as of December 31, 2019 and to the six-month period ended June 30, 2019 are an integral part of these interim financial statements and are intended to be read only in relation to these financial statements.

3. SEASONALITY OF OPERATIONS

The demand for electric energy fluctuates according to the season of the year and may be affected significantly and adversely by climatic factors. In summer (from December to March), the demand for electric energy can increase substantially due to the use of air conditioning equipment. In winter (from June to August), the demand for electric energy may fluctuate, due to lighting and heating needs. Consequently, seasonal changes may affect the results of operations and the financial situation of the Group.

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4. ACQUISITIONS AND DISPOSITIONS

Details of transactions carried out in 2019 are described in Note 4 to the annual consolidated financial statements. During the six-month period ended June 30, 2020, there have been no significant acquisitions or dispositions.

Notwithstanding this, according to the Stock Subscription Agreement detailed in Note 4.f) to the annual consolidated financial statements dated on August 5, 2019 between the Company and Luz del León S.A., Y-Luz Inversora and Wind Power AS, a subsidiary of Equinor A.S.A., a company incorporated in the Kingdom of Norway ("Equinor"), it was established that, subject to fulfillment of certain precedent conditions, Equinor would subscribe shares in Luz del León S.A. in order to obtain a 50% participation equity in such company, contributing to that effect US\$ 30 million, of which US\$ 20 million would be considered as equity and US\$ 10 million as share premium. The parties had originally agreed the closing date for the subscription of shares as December 31, 2019, but this period was successively postponed until April 30, 2020. A written communication was required from either party to terminate the agreement.

On May 28, 2020, the agreement was terminated upon the communication by Equinor to the Company of its intention to exercise this right of termination.

In accordance with the IFRS 5 guidelines, in the annual consolidated financial statements and in the condensed interim consolidated financial statements as of March 31, 2020, the Company disclosed in the "Assets held for disposal" and "Liabilities associated with assets held for disposal" the assets and liabilities of its subsidiary Luz del León S.A., respectively. It should be noted that as of the closing and issuance date of those financial statements, the Company had assessed, based on the available evidence, that compliance with the conditions of the preceding clauses of the Stock Subscription Agreement was probable. Among other facts considered to establish such probability, the Company had taken into consideration the possibility to obtain financing for the project, as described in Note 17, and the will of Equinor to successively extend the terms for completion of the transaction while negotiating the compliance with the preceding clauses. However, expired extension date, as a consequence of the partial cancellation of the financing of the project by United States International Development Finance Corporation (hereinafter "DFC") and the receipt of the aforementioned communication of termination of the Shares' Subscription Agreement by Equinor, events occurred in the three-month period ended June 30, 2020, the Company has re-consolidated the assets and liabilities of said subsidiary line by line in these interim financial statements as of June 30, 2020.

The main classes of assets and liabilities included in non-current assets and liabilities held for disposal as of December 31, 2019 are detailed below:

Assets held for disposal:

	December 31, 2019
Property, plant and equipment.....	6,142,610
Deferred tax asset	23,088
Other receivables.....	1,353,651
Cash and cash equivalents.....	21,194
Total	7,540,543

Liabilities associated with the assets held for disposal:

	December 31, 2019
Loans.....	5,608,620
Taxes payable	519
Trade payable.....	900,669
Subtotal	6,509,808
Eliminations	(5,667,617)
Total	842,191

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 performs risk management activities concerning financial risks arisen from financial instruments to which the Group is exposed during a period or as of a specific date.

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The interim 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 are no significant changes in risk management or risk management policies applied by the Group since the last fiscal year end. See Note 5 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.

7. FINANCIAL INSTRUMENTS BY CATEGORYFair value measurements

Fair value measurements are described in Note 7 to the annual consolidated financial statements.

The tables below show the Group's financial assets and liabilities measured at fair value as of June 30, 2020 and December 31, 2019, and their allocation to fair value hierarchies:

Financial assets	As of June 30, 2020	
	Level 1	Total
Cash and cash equivalents:		
- Mutual funds.....	4,411,165	4,411,165
- Foreign treasury bonds ⁽¹⁾	228,670	228,670
	4,639,835	4,639,835

(1) Corresponds to United States treasury bonds which accrues interest at a variable rate of return.

Financial liabilities	As of June 30, 2020	
	Level 3	Total
Other financial liabilities:		
- Hedging instruments.....	117,973	117,973 ⁽¹⁾
	117,973	117,973

(1) As of June 30, 2020, 28,132 were classified as Non-current liabilities and 89,841 were classified as Current liabilities.

Financial assets	As of December 31, 2019	
	Level 1	Total
Cash and cash equivalents:		
- Mutual funds.....	89,000	89,000
	89,000	89,000

Financial liabilities	As of December 31, 2019	
	Level 3	Total
Other financial liabilities:		
- Hedging instruments.....	20,254	20,254 ⁽¹⁾
	20,254	20,254

(1) As of December 31, 2019, 10,430 were classified as Non-current liabilities and 9,824 were classified as Current liabilities.

Fair value estimates

From December 31, 2019 until June 30, 2020, the changes in the commercial and economic circumstances have not significantly affected the fair value of the Group's assets and financial liabilities, whether measured at fair value or amortized cost.

During the six-month period ended June 30, 2020, there were no transfers among the different hierarchies used to determine the fair value of the Group's financial instruments.

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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 for its financial loans, amounted to 66,296,823 and 50,062,130 as of June 30, 2020 and December 31, 2019, respectively.

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

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8. PROPERTY, PLANT AND EQUIPMENT

Changes in Group's property, plant and equipment for the six-month period ended June 30, 2020 and the fiscal year ended December 31, 2019 are as follows:

	Land and buildings	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.....	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)
Balances as of December 31, 2018	50,541	28,819,575	16,454	1,213,438	7,529,575	20,882	37,650,465
Cost							
Increases	9,667	153,757	15,217	2,003,827	22,184,216 ⁽¹⁾	8,202	24,374,886
Translation effect	33,832	19,887,884	21,462	885,885	9,396,373	15,716	30,241,152
Transfers	-	2,818,852	-	(1,016,090)	(1,802,762)	-	-
Disposals and reclassifications.....	-	(365,454) ⁽²⁾	(183)	(107,870)	(3,535,629) ⁽³⁾	(2,612)	(4,011,748)
Accumulated depreciation							
Increases	(2,435)	(2,792,977)	(8,759)	-	-	(2,843)	(2,807,014)
Translation effect	(5,080)	(3,407,803)	(7,443)	-	-	(7,784)	(3,428,110)
Disposals and reclassifications	-	-	183	-	-	-	183
Cost.....	101,633	55,916,376	62,971	2,979,190	33,771,773	54,304	92,886,247
Accumulated depreciation.....	(15,108)	(10,802,542)	(26,040)	-	-	(22,743)	(10,866,433)
Balances as of December 31, 2019	86,525	45,113,834	36,931	2,979,190	33,771,773	31,561	82,019,814
Cost							
Increases	-	45,275	-	181,973	6,549,825 ⁽¹⁾	-	6,777,073
Translation effect	17,969	9,934,039	11,131	539,764	6,274,271	9,608	16,786,782
Transfers	-	883,552	-	(12,463)	(871,184)	95	-
Disposals and reclassifications	-	(30,419)	-	(13,059)	8,828,464 ⁽⁴⁾	-	8,784,986
Accumulated depreciation							
Increases	(932)	(1,900,154)	(6,199)	-	-	(2,581)	(1,909,866)
Translation effect	(2,763)	(2,125,935)	(5,167)	-	-	(4,359)	(2,138,224)
Cost.....	119,602	66,748,823	74,102	3,675,405	54,553,149	64,007	125,235,088
Accumulated depreciation.....	(18,803)	(14,828,631)	(37,406)	-	-	(29,683)	(14,914,523)
Balances as of June 30, 2020	100,799	51,920,192	36,696	3,675,405	54,553,149	34,324	110,320,565

(1) Includes 961,361 and 1,142,274 of financial cost related to financing from third parties for extended works in progress for the six-month period ended June 30, 2020 and the fiscal year ended December 31, 2019, respectively.

(2) Includes 282,278 corresponding to machinery and equipment reclassified to Right of use assets due to IFRS 16 application (See Note 10).

(3) Corresponds to work in progress reclassified to Assets held for disposal (See Note 4).

(4) Corresponds to work in progress related to Assets held for disposal as of June 30, 2020, reclassified to property, plant and equipment thereon.

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YPF LUZ**9. INTANGIBLE ASSETS**

Changes in the Group's intangible assets for the six-month period ended June 30, 2020 and the fiscal year ended December 31, 2019 are as follows:

	Intangible assets
Balances as of December 31, 2018	196,835
<u>Cost</u>	
Translation effect	116,164
Cost	312,999
Balances as of December 31, 2019	312,999
<u>Cost</u>	
Translation effect	55,333
Cost	368,332
Balances as of June 30, 2020	368,332

10. RIGHT OF USE ASSETS

Changes in Group's right of use assets for the six-month period ended June 30, 2020 and the fiscal year ended December 31, 2018 are as follows:

	Buildings	Land	Machinery and equipment	Total
Balances as of January 1, 2019 due to the initial application of IFRS 16	56,313	149,693	-	206,006
<u>Cost</u>				
Increases	-	64,640	-	64,640
Reclassifications ⁽¹⁾	-	-	282,278	282,278
Translation effect	33,233	90,929	166,589	290,751
<u>Accumulated amortization</u>				
Increases	(27,006)	(4,993)	(36,642)	(68,641)
Translation effect	(6,574)	(742)	(18,595)	(25,911)
Cost	89,546	305,262	448,867	843,675
Accumulated amortization	(33,580)	(5,735)	(55,237)	(94,552)
Balances as of December 31, 2019	55,966	299,527	393,630	749,123
<u>Cost</u>				
Translation effect	15,830	53,966	79,353	149,149
<u>Accumulated amortization</u>				
Increases	(18,109)	(6,356)	(12,103)	(36,568)
Translation effect	(7,585)	(1,594)	(10,868)	(20,047)
Cost	105,376	359,228	528,220	992,824
Accumulated amortization	(59,274)	(13,685)	(78,208)	(151,167)
Balances as of June 30, 2020	46,102	345,543	450,012	841,657

(1) Reclassifications from Property, plant and equipment, according to IFRS 16. See Note 8.

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11. INVESTMENTS IN JOINT VENTURES

The following table shows the value of the investments in joint ventures at an aggregate level, as of June 30, 2020 and December 31, 2019:

	June 30, 2020	December 31, 2019
Amount of investments in joint ventures	4,283,017	4,064,410
Total	4,283,017	4,064,410

The main movements during the six-month period ended June 30, 2020 and for the fiscal year ended December 31, 2019, which affected the value of the aforementioned investments, correspond to:

	Investments in joint ventures
Amount as of December 31, 2018	1,948,390
Income on investments in joint ventures	778,173
Translation differences	1,337,847
Amount as of December 31, 2019	4,064,410
Income on investments in joint ventures	63,774
Dividends distribution	(374,849)
Translation differences	529,682
Amount as of June 30, 2020	4,283,017

The following table shows the most significant amounts of the results of the investments in joint ventures of the Group, calculated according to the equity method therein, for the six-month period ended June 30, 2020 and 2019. The Group 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:

	Joint ventures	
	For the six-month period ended June 30,	
	2020	2019
Net income	63,774	247,891
Other comprehensive income	529,682	252,854
Total comprehensive income for the period	593,456	500,745

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

Inversora Dock Sud S.A.

The management information corresponding to assets and liabilities as of June 30, 2020 and December 31, 2019 of IDS is detailed below:

	June 30, 2020	December 31, 2019
Non-current assets	9,959,545	9,462,936
Current assets	37,930	21,397
Total assets	9,997,475	9,484,333
Non-current liabilities	2,840	-
Current liabilities	2,140	1,888
Total liabilities	4,980	1,888
Total shareholders' equity	9,992,495	9,482,445
Investment book value	4,282,783	4,064,176

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The following table shows information of investments in joint ventures as of June 30, 2020 and December 31, 2019.

Name and issuer	06.30.2020		12.31.2019	
	Class	Amount	Book value	Cost
Investments under joint control:				
Inversora Dock Sud S.A.	Ordinary Shares	1 355,270,372	4,282,783	163,216
Other companies:				
Miscellaneous ⁽¹⁾			234	234
			<u>4,283,017</u>	<u>163,450</u>
				<u>4,064,410</u>

Name and issuer	Registered address	Main business	Issuers' information				Holding in capital stock
			Last available financial statements				
			Date	Capital stock	Net profit / (loss)	Shareholders' equity	
Investments under joint control:							
Inversora Dock Sud S.A.	San Martín 140, P.2°, Buenos Aires.	Realization of financial and investment operations.	06.30.2020	828,942	106,110	11,412,426	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.

As mentioned in Note 2.3.1. to the annual consolidated financial statements, functional currency of an entity reflects the underlying transactions, events and conditions that are relevant to the entity. Accordingly, once determined, the functional currency can be changed only if there is a change to those underlying transactions, events and conditions.

Since February 2017 all revenues of IDS were nominated in US dollars as stated by Resolution SEE 19/2017. Notwithstanding this, because of the issuance of Resolution SE-MDP No. 31/2020 on February 26, 2020 (see Note 27.a) all revenues of IDS are remunerated in Argentine pesos from the economic transactions corresponding to February 2020. As a consequence of this change in the regulatory framework, during the six-month period ended June 30, 2020 the Company has decided to change IDS' functional currency from US dollar to Argentine pesos since January 1, 2020 (the beginning of the most recent reporting period).

According to IAS 21, the effect of a change in functional currency is accounted for prospectively. The Company has translated all items into the new functional currency using the exchange rate at the date of the change. The resulting translated amounts for non-monetary items are treated as their new historical cost.

12. OTHER RECEIVABLES

	June 30, 2020		December 31, 2019	
	Non-current	Current	Non-current	Current
Loans and advances to employees.....	-	24,286	-	7,178
Advances to suppliers of property, plant and equipment	3,158,655	-	1,364,723	-
Minimum presumed income tax	167,219	-	167,219	-
Related parties (Note 28)	-	60,806	-	482,412
Tax credits.....	-	2,921,792	-	1,503,184
Advances to suppliers and custom agents	-	59,201	-	135,957
Trust.....	-	110,950	-	445,350
Other receivables with third parties	-	34,834	-	-
Prepaid insurance	-	97,503	-	8,060
Prepaid expenses.....	-	24,216	-	24,951
Miscellaneous.....	-	28	-	12,094
	<u>3,325,874</u>	<u>3,333,616</u>	<u>1,531,942</u>	<u>2,619,186</u>
Allowance for doubtful other receivables.....	-	(3,056)	-	(3,056)
	<u>3,325,874</u>	<u>3,330,560</u>	<u>1,531,942</u>	<u>2,616,130</u>

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13. TRADE RECEIVABLE

	<u>June 30, 2020</u>	<u>December 31, 2019</u>
	<u>Current</u>	<u>Current</u>
Trade receivables from third parties.....	112,370	96,056
Related parties (Note 28)	6,873,191	6,810,393
	6,985,561	6,906,449
Allowance for doubtful trade receivables.....	(48,772)	(48,772)
	6,936,789	6,857,677

The following is the evolution of the allowance for doubtful trade receivables during the six-month period ended June 30, 2020 and the fiscal year ended December 31, 2019:

	<u>Provision for doubtful trade receivables</u>
As of December 31, 2018	-
Increases with impact on net income	48,772
As of December 31, 2019	48,772
Increases with impact on net income	-
As of June 30, 2020	48,772

14. CASH AND CASH EQUIVALENTS

	<u>June 30, 2020</u>	<u>December 31, 2019</u>
Mutual funds.....	4,411,165	89,000
Foreign treasury bonds.....	228,670	-
Fixed interest deposits	10,160,358	14,551,853
Cash and banks	94,653	59,634
	14,894,846	14,700,487

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.

Likewise, the restricted cash and cash equivalents line of the consolidated statement of financial position as of June 30, 2020 includes 3,131,747 corresponding to restricted financial assets that are not considered cash and cash equivalents for the purposes of the consolidated statement of cash flow.

15. INCOME TAX

The calculation of the income tax expense accrued for the six-month periods ended June 30, 2020 and 2019 is as follows:

	<u>2020</u>	<u>2019</u>
Current income tax	(95,489)	-
Deferred income tax	(1,344,344)	(445,337)
Income tax	(1,439,833)	(445,337)

Under IAS 34, income tax expense is recognised in each interim period based on the best estimate of the effective income tax rate expected at the end of the fiscal year, adjusted by the fiscal effects of certain items fully recognised in the period. The amounts calculated for income tax expense for the six-month period ended June 30, 2020 may need to be adjusted in the subsequent period in case the projected effective tax rate estimate is modified based on new elements of judgment. Considering the current economic context and future prospects, the Group has adjusted the projections used to estimate the effective tax rate. The Group has also reviewed the recoverability of tax losses carry-forwards, not having recorded impairment charges for the six-month period ended on June 30, 2020.

The Group's effective tax rate for the six-month period ended June 30, 2020 was approximately 37% and the effective tax rate for the fiscal year ended December 31, 2019 was approximately 36%. The change in the effective rate was mainly caused by a greater effect of the valuation of non-monetary assets in its functional currency as a consequence of the inflation and devaluation patterns projected at the end of the fiscal year.

As of June 30, 2020, 7,555,257 were classified as deferred tax liabilities and 134,515 as deferred tax assets. As of December 31, 2019, 5,687,365 were classified as deferred tax liabilities. This classification corresponds to net deferred tax positions of each of the individual companies that are included in these interim financial statements.

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

As of June 30, 2020 and as of December 31, 2019, the Group estimated a tax loss carryforward of 3,582,463 and 2,892,349 at the tax rate, respectively. 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 years in which the deferred income tax is deductible, Management believes that as of June 30, 2020 it is probable that the Group will realize all the deferred income tax assets.

As of June 30, 2020, 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>
2018	2023	977,173
2019	2024	1,755,356
2020	2025	849,934
		3,582,463

As of December 31, 2018, YPF EE reported a tax loss carryforward and an accounting income. As a consequence, it has recognised a tax credit related minimum presumed income tax of ARS 167,219, which could be used until the fiscal year 2028.

The evolution of net deferred tax liabilities as of June 30, 2020 and December 31, 2019 is as follows:

	Net deferred tax
Balance as of December 31, 2018	(2,376,470)
Other comprehensive income	23,261
Translation effect on business combination assets	(952,129)
Reclassification to assets held for disposal (Note 4)	17,284
Charge of the fiscal year	(2,399,311) ⁽¹⁾
Balance as of December 31, 2019	(5,687,365)
Other comprehensive income	25,213
Translation effect on business combination assets	(437,334)
Reclassification to assets held for disposal (Note 4)	134,515 ⁽³⁾
Charge of the period	(1,455,771) ⁽²⁾
Balance as of June 30, 2020	(7,420,742)

(1) Does not include 40,342 corresponding to income tax charge related with assets held for disposal for the three-month period ended December 31, 2019.

(2) Does not include 111,427 corresponding to income tax charge related with assets held for disposal for six-month period ended June 30, 2020.

(3) Corresponds to the deferred income tax asset of Luz del León S.A. as of June 30, 2020, which has been consolidated line by line from that moment on.

The Law No. 27,468, published in the Official Gazette on December 4, 2018, established that the tax inflation adjustment procedure will be in force for the years beginning on January 1, 2018. With respect to the first, second and third fiscal year afterwards, this procedure will be applicable in the event that the variation in the Consumer Price Index ("CPI"), calculated from the beginning and until the end of each of those exercises exceeds 55%, 30% and 15%, for the first, second and third fiscal year of application, respectively. As of June 30, 2020, and December 31, 2019, the Group has applied the tax inflation adjustment procedure in the estimation of annual effective rate.

The effect of tax inflation adjustment for fiscal year 2019 is taxed as follows: 1/6 in that same fiscal year and the remaining 5/6 in equal parts during the following five fiscal years.

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16. LEASES LIABILITIES

The evolution of the lease liability during the six-month period ended June 30, 2020 and the fiscal year ended December 31, 2019 is as follows:

	Leases Liabilities
Leases liabilities as of January 1, 2019 due to the initial application of IFRS 16	206,006
Increases	64,640
Reclassifications	210,166
Finance accretion	35,483
Payments	(123,167)
Translation differences	221,140
Leases liabilities as of December 31, 2019	614,268
Finance accretion	18,538
Payments	(75,716)
Translation differences	89,362
Leases liabilities as of June 30, 2020	646,452

The following is a breakdown of the lease liabilities recorded by the Group as of June 30, 2020 and December 31, 2019, with identification of the term of the lease and each rate:

Lease term	Annual effective rate used	June 30, 2020	December 31, 2019
Two to three year	9.87%	50,406	59,374
Three to four year	7.75% - 8.35%	243,793	254,017
More than five years	9.88% - 9.90%	352,253	300,877
Total		646,452	614,268

The finance accretion accrued in the six-month periods ended June 30, 2020 and 2019, arising from lease contracts, amounts to 18,538 and 14,177, respectively, which is exposed in the line "Finance accretion" in the line "Finance loss" included in "Net financial results" of the statement of comprehensive income (Note 21).

As of June 30, 2020, and December 31, 2019, the maturities of the liabilities related to lease agreements are:

	June 30, 2020	December 31, 2019
Up to one year	178,101	148,946
Current leases liabilities	178,101	148,946
One to five years	257,864	288,360
From the 6 th year onwards	210,487	176,962
Non current leases liabilities	468,351	465,322
Total	646,452	614,268

17. LOANS

	Interest rate ⁽¹⁾	June 30, 2020		December 31, 2019	
		Non-current	Current	Non-current	Current
Negotiable obligations	1.49%-10%-10.24%	31,206,364	8,370,653	29,927,887	692,283
Loans	6.99%-8.65%	23,365,673	13,117,874	20,807,146	9,077,962
		54,572,037	21,488,527	50,735,033	9,770,245

(1) Annual interest rate as of June 30, 2020.

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The evolution of the Group's loans for the six-month period ended on June 30, 2020 and for the fiscal year ended December 31, 2019 is as follows:

	Loans
Amount as of December 31, 2018	24,770,978
Proceeds from loans.....	22,351,072
Payments of loans.....	(9,029,129)
Payments of interest.....	(2,645,484)
Accrued interest ⁽¹⁾	3,740,313
Translation differences.....	21,527,694
Reclassifications ⁽²⁾	(210,166)
Amount as of December 31, 2019	60,505,278
Proceeds from loans.....	5,885,018
Payments of loans.....	(5,253,009)
Payments of interest.....	(2,717,287)
Accrued interest ⁽¹⁾	2,890,085
Translation differences.....	10,453,514
Reclassifications ⁽³⁾	4,296,965
Amount as of June 30, 2020	76,060,564

(1) Includes capitalized financial costs.

(2) Corresponds to reclassification of leases liabilities according to IFRS 16. See Note 16.

(3) Corresponds to the reclassification of the loans of Luz del León S.A. as of the end of the period.

The description of the Group's principal loans is included in Note 17 to the annual consolidated financial statements. Updates for the six-month period ended June 30, 2020 are described below:

HSBC Loan

On March 2 and 18, 2020, HSBC USA N.A. granted a loan for a total amount of US\$ 27.4 million with quarterly interest at a variable rate of Libor 6M + 1.10% and final maturity on September 27, 2025. The principal of such loan amortizes in ten semi-annual installments beginning on March 27, 2021. The funds from such loan will be used to finance the Manantiales Behr Thermal Power Plant project.

The loan agreement has financial commitments (covenants) throughout its term, which include interest coverage ratios and a leverage ratio.

DFC – BNP Paribas loan - Luz del León S.A.

On January 14, 2020 Luz de León S.A. entered into a financial agreement with DFC and BNP Paribas Fortis SA/NV (hereinafter "BNP Paribas") for up to US\$ 150 million. Under this contract DFC would disburse, subject to the compliance of certain conditions, US\$ 50 million and BNP Paribas, also subject to certain conditions, up to US\$ 100 million. This contract is under the framework of a "Project Finance" modality and the tranche corresponding to BNP Paribas will be guaranteed by the German export credit agency Euler Hermes Aktiengesellschaft. BNP's first disbursement by approximately US\$ 80.5 million was received on February 2020.

The loan accrues a fixed interest rate of 3.31% with final maturity on September 15, 2034. Principal will be amortized semiannually beginning on March 15, 2021. The funds from such loan will be used to finance the Cañadón León wind farm project.

The loan agreement has financial commitments (covenants) throughout its term, which include interest coverage ratios and a leverage ratio.

Local issuance of Negotiable Obligations

On June 24, 2020, the Company issued Class III Negotiable Obligations, under the Global Program for the issuance of Negotiable Obligations. The placement reached US\$ 50 million, at a 1.49% fixed rate with a maturity date on December 2021 and interest payable quarterly since September 24, 2020.

The obtained financing from the issuance will be allocated to the investments the Group is currently developing.

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18. TRADE PAYABLE

	June 30, 2020	December 31, 2019
	Current	Current
Trade ⁽¹⁾	2,198,647	1,423,040
Related parties ⁽¹⁾⁽²⁾	4,559,838	7,805,752
	6,758,485	9,228,792

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

(2) For information on related parties, see Note 28.

19. REVENUES

Type of good or services	For the six-month periods ended June 30,	
	2020	2019
Energía Base ⁽¹⁾	3,349,106	2,793,241
Revenues under PPA	5,097,866	3,364,888
Steam sales	622,116	409,036
Other income for services	95,273	-
	9,164,361	6,567,165

(1) Includes 700,077 and 941,734 related to fuel cost and other production cost recognition corresponding to the six-month period ended June 30, 2020 and 2019, respectively.

By Customer	For the six-month periods ended June 30,	
	2020	2019
CAMMESA ⁽¹⁾	6,739,360	4,953,459
YPF S.A. ⁽¹⁾	2,045,888	1,420,950
U.T. Loma Campana ⁽¹⁾	82,815	54,620
Profertil S.A. ⁽¹⁾	75,114	47,224
CT Barragán S.A. ⁽¹⁾	59,140	-
Coca-Cola FEMSA de Buenos Aires S.A.	43,832	29,111
Toyota Argentina S.A.	39,797	25,844
Other	78,415	35,957
	9,164,361	6,567,165

(1) Related parties (Note 28).

Target Market

Total Group's revenues are derived from the domestic market.

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 six-month periods ended June 30, 2020 and 2019:

	For the six-month period ended June 30, 2020		
	Production costs	Administrative and selling expenses	Total
Depreciation of property, plant and equipment.....	1,906,161	3,705	1,909,866
Depreciation of right of use assets.....	14,108	22,460	36,568
Consumable materials and supplies	57,089	3,409	60,498
Banking expenses	-	1,856	1,856
Rentals	1,844	2,592	4,436
Fees and compensation for services.....	1,272	73,526	74,798
Other personnel expenses.....	14,144	64,893	79,037
Preservation, repair and maintenance	346,149	6,731	352,880
Insurance	142,855	12,443	155,298
Salaries and social security taxes	409,117	320,270	729,387
Operation services and other contracts.....	124,340	70,477	194,817
Transportation, products and charges.....	366,771 ⁽¹⁾	341	367,112
Fuel, gas, energy and miscellaneous.....	822,870 ⁽¹⁾	-	822,870
Taxes, rates and contributions.....	8,630	440,999	449,629
Publicity and advertising expenses	-	738	738
Miscellaneous.....	1,517	1,808	3,325
Total 2020.....	4,216,867	1,026,248	5,243,115

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	For the six-month period ended June 30, 2019		
	Production costs	Administrative and selling expenses	Total
Depreciation of property, plant and equipment.....	1,014,888	1,679	1,016,567
Depreciation of right of use assets.....	30,552	11,653	42,205
Consumable materials and supplies	57,181	3,901	61,082
Banking expenses	-	743	743
Rentals	2,466	5,195	7,661
Fees and compensation for services.....	18,399	31,960	50,359
Other personnel expenses.....	14,710	27,164	41,874
Preservation, repair and maintenance	192,809	53	192,862
Insurance	71,408	87	71,495
Salaries and social security taxes	239,143	184,738	423,881
Operation services and other contracts.....	7,168	-	7,168
Transportation, products and charges.....	283,141	(1)	283,141
Fuel, gas, energy and miscellaneous.....	856,974	(1)	856,974
Provision for doubtful trade receivables	-	48,772	48,772
Taxes, rates and contributions.....	5,569	239,899	245,468
Publicity and advertising expenses	-	1,550	1,550
Miscellaneous.....	70,210	3,258	73,468
Total 2019.....	2,864,618	560,652	3,425,270

(1) Includes 700,077 and 941,734 related to fuel cost and other production cost recognition corresponding to the six-month period ended June 30, 2020 and 2019, respectively.

21. NET FINANCIAL RESULTS

	For the six-month period ended June 30,	
	2020	2019
<u>Finance income</u>		
Interest income	533,033	157,911
Exchange rate differences	1,656,404	417,070
Other financial income	2,016,272	-
Total finance income	4,205,709	574,981
<u>Finance loss</u>		
Interest loss	(2,191,790)	(863,126)
Exchange rate differences	(2,278,458)	(464,883)
Finance accretion	(18,538)	(14,177)
Other financial loss	(28,984)	(13,415)
Total finance loss	(4,517,770)	(1,355,601)
Total net financial results.....	(312,061)	(780,620)

The following charts presents financial instruments by category for the six-month periods ended June 30, 2020 and 2019:

	For the six-month period ended June 30, 2020			
	Financial assets and liabilities at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets and liabilities	Total
Interest income	377,979	155,054	-	533,033
Interest loss	(2,191,790)	-	-	(2,191,790)
Exchange rate differences, net	(138,012)	(84,208)	(399,834)	(622,054)
Finance accretion	(18,538)	-	-	(18,538)
Other financial results.....	1,987,288	-	-	1,987,288
	16,927	70,846	(399,834)	(312,061)

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	For the six-month period ended June 30, 2019			
	Financial assets and liabilities at amortized cost	Financial assets at fair value through profit or loss	Non-financial assets and liabilities	Total
Interest income	116,795	41,116	-	157,911
Interest loss and others	(863,126)	-	-	(863,126)
Exchange rate differences, net	(8,881)	3,823	(42,755)	(47,813)
Finance accretion	(14,177)	-	-	(14,177)
Other financial results	(13,415)	-	-	(13,415)
	(782,804)	44,939	(42,755)	(780,620)

22. SHAREHOLDERS' EQUITY

As of June 30, 2020, the common stock of the Company amounts 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 June 30, 2020, 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 EFS Power Investment B.V.	936,767,364	24.99999%	B
Total	3,747,070,355	100.00000%	

23. 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 six-month periods ended June 30,	
	2020	2019
Net profit for the period attributable to holders of the parent company	2,400,007	2,210,267
Weighted average per share.....	3,747,070	3,747,070
Earnings per share (expressed in Argentine pesos) - Basic and diluted	0.641	0.590

Basic and diluted earnings per share are calculated as shown in Note 24 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 interim financial statements that may produce a dilution effect.

24. RESTRICTION ON RETAINED EARNINGS

Pursuant to the LGSt and the corporate by-laws, 5% of the net profit for the fiscal year must be allocated to the legal reserve until such reserve reaches 20% of the capital stock.

In accordance with General Resolution 609/12 of the CNV, a special reserve was created ("Special reserve RG N° 609"), with the positive effect on accumulated retained earnings arising from the first adoption of IFRS. The outstanding balance of the Special reserve RG N° 609 is not allowed to be distributed in cash or in kind and it can only be used to capitalize or absorb any negative balances of retained earnings.

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25. MAIN CONTRACTUAL COMMITMENTS AND GUARANTEES GRANTED

Main contractual commitments are described in Note 27 to the annual consolidated financial statements. As follows, the description of the developments during the six-month period ended June 30, 2020 in relation to the main contractual commitments:

Below are the estimated committed commercial operations dates for the projects under development:

Project	Company	Estimated Committed Commercial Operations
Los Teros I Wind Farm	YPF EE	3Q 2020
Los Teros II Wind Farm	YPF EE	1Q 2021
Cañadón León Wind Farm	Luz del León S.A.	1Q 2021
La Plata Cogeneración II	YPF EE	3Q 2020
Manantiales Behr Thermal Power Plant	YPF EE	1Q 2021
El Bracho – Closing Cycle Thermal Power Plant	Y-GEN II	4Q 2020

26. CONTINGENT LIABILITIES

Contingent liabilities are described in Note 29 to the annual consolidated financial statements. As follows, the description of the developments during the six-month period ended June 30, 2020:

a) El Bracho Thermal Power Plant

On December 20, 2017, Y-GEN II entered into a Construction Contract with General Electric Suc. Arg. (“GESA”) (“Construction Contract”) and an Equipment Supply Contract with General Electric Parts & Products GmbH (“GEPP”) (“Supply Contract”) for the work of the project to close the cycle of the El Bracho Thermal Plant.

Thus, and within the framework of the Construction Contract and Supply Contract, since March 13, 2020, GESA, GEPP and Y-GEN II exchanged several letters related to the effects of COVID-19 on the Contracts.

In those letters, GESA and GEPP argued that the COVID-19 situation might constitute a change of law and/or force majeure event under the Construction Contract and Supply Contract, and, therefore, Y-GEN II was bound to bear the higher costs and larger terms arising from such situation. Y-GEN II rejected the argument that such events might constitute a change of law under these contracts and stated, among other reasons, that GE had to prove compliance with the legal and contractual requirements for such circumstances to constitute an event of force majeure. Besides, Y-GEN II stated, among other arguments, that should the situation constitute a force majeure event, each party had to face its own costs.

At present, the Groups’s Management cannot estimate the impact the COVID-19 situation may have on the closing cycle of the Gas Turbine, which will add 198 MW to El Branch Thermal Power Plant.

In turn, it is also worth mentioning that, under the Wholesale Demand Contract entered into between Y-GEN II and CAMMESA on December 19, 2017 pursuant to SEE Resolution No. 287-E/2017 and SEE Resolution No. 926-E/2017 (“El Bracho PPA”), on March 27 of the current year, Y-GEN II notified CAMMESA on possible delays in the terms scheduled for execution of works caused by the health and epidemiological emergency triggered by COVID-19 pandemics, thus requesting the corresponding extension of the term for commercial operation under El Bracho PPA.

Therefore, on April 6, CAMMESA replied that, under El Bracho PPA terms and conditions, the scope and effects of the force majeure event shall be applicable only as from the effective date of such agreement, that is, after the commercial operation.

Despite that fact, as mentioned in Note 27, on June 10, 2020, the Secretary of Energy instructed CAMMESA to temporarily suspend intimations for non-compliance with the Scheduled Dates of Work Progress – as defined in the El Bracho PPA – regarding both, the increase in the guarantee of compliance with the acontract and the imposition of fines, for the period from March 12 to September 12, 2020.

b) San Miguel de Tucumán Thermal Plant

On June 26, 2018, the Company entered into a service contract with General Electric International Inc., Sucursal Argentina (“GESA”) (“Service Contract”) and a parts supply and repair abroad with General Electric International Inc. (“GEII”) y GE Global Parts & Products GmbH (“GEPP”) (“Supply and Repair Contract”) for the maintenance of the San Migiel de Tucumán Thermal Plant.

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Thus, and within the framework of the Service Contract and Provision and Repair Contract, since March 18, 2020, GESA, GEPP, GEIL and the Company exchanged several letters regarding the COVID-19 effects.

In those letters GESA, GEPP y GEIL argued that the COVID-19 situation might constitute a force majeure event under their respective contracts, and, therefore, the Company was bound to bear the higher costs and larger terms arising from such situation. On the other hand, the Company rejected the argument that such events might constitute a force majeure event under these contracts because, among other reasons: (i) the operation and maintenance of power generation assets were considered, from the very beginning, as an activity excluded from mandatory isolation; and (ii) the circumstances invoked by GESA, GEPP and GEIL constituted a risk inherent to its own activity.

The Company indicated, among other reasons, that GESA, GEPP and GEIL had not proved how its duties were affected, as required under the corresponding contracts, or that the events could not be prevented. Moreover, GESA, GEPP and GEIL did not prove either that it was implementing any mitigation duties.

At present, and based on the existing elements, the Company's management cannot estimate the impact the situation posed by the COVID-19 may have on the previously mentioned Contracts.

c) Loma Campana I Power Plant

On November 2, 2015, the Company entered into an Equipment Supply and Repair Contract with GE Packaged Power Inc. ("GEPP") ("Equipment Supply and Repair Contract") and a Service Contract with General Electric International Inc. Suc. Arg. ("GESA") ("Construction Contract") and for maintenance of Loma Campana I Power Plant.

Thus, and within the framework of the Construction Contract and Equipment Supply and Repair Contract, since March 30, 2020, GEPP, GESA and the Company exchanged several letters related to the effects of COVID-19 on the Contracts.

In those letters, GEPP and GESA argued that the situation posed by COVID-19 might constitute a change of law and/or force majeure event under the Construction Contract and Supply and Repair Contract, and, therefore, the Company was bound to bear the higher costs and larger terms arising from such situation. The Company rejected the argument that such situation might constitute a change of law event under the Contract, because, among other reasons, (i) the operation and maintenance of power generation assets were considered, from the very beginning, as an activity excluded from mandatory isolation; and (ii) the circumstances invoked by GEPP and GESA constituted a risk inherent to its own activity.

Besides, the Company also indicated that GEPP and GESA had not proved how its duties were affected, as required under both the Supply and Repair Contract and Construction Contract, respectively, or that the events could not be prevented. Moreover, GEPP and GESA did not prove either that it was implementing any mitigation duties.

At present, and based on the existing elements, the Company's management cannot estimate the impact the situation posed by the COVID-19 may have on the previously mentioned Contracts.

d) Loma Campana II Power Plant

Under the bidding process called by the Ministry of Energy and Mining through SEE Resolution No. 21/2016, Y-GEN was awarded a power purchase agreement with CAMMESA for a 10-year term and with a price denominated in US Dollars, for the construction of a new thermal power plant located in Loma Campana, Añelo, Province of Neuquén ("Loma Campana II Power Plant").

On November 30, 2017, the commercial operation permit was obtained for Loma Campana II Power Plant, located in the Province of Neuquén and operated by Y-GEN with an installed power capacity of 107 MW. This project was financed under the "project finance" modality. The description of this financing is described in Note 17.

On December 21, 2016, Y-GEN entered into an Equipment Supply and Repair Contract with GE Packaged Power Inc. ("GEPP") ("Supply and Repair Contract"), a Service Contract with General Electric International Inc. Suc. Arg. ("GESA") ("Service Contract") for maintenance of Loma Campana II Power Plant.

Thus, and within the framework of the Supply and Repair Contract and the Service Contract, since March 30, 2020, GEPP, GESA and Y-GEN exchanged several letters related to the effects of COVID-19.

In those letters, GEPP and GESA argued that the situation posed by the COVID-19 might constitute a change of law and/or force majeure event under the Supply and Repair Contract and the Service Contract, respectively, and, therefore, Y-GEN was bound to bear the higher costs and larger terms arising from such situation. Y-GEN rejected that such situations might constitute a change of law event under these contracts, because, among other reasons, (i) the operation and maintenance of power generation assets was, from the very beginning, considered an activity excluded from mandatory isolation; and (ii) the circumstances invoked by GEPP and GESA constituted a risk inherent to its own activity.

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Y-GEN also indicated that GEPP and GESA had not proved that its duties were affected, as required under both the Supply and Repair Contract and the Service Contract, or that the events could not be prevented. Moreover, GEPP and GESA did not prove either that it was implementing any mitigation duties.

At present, and based on the existing elements, the Group's management cannot estimate the impact the COVID-19 situation may have on the Contracts.

e) La Plata Co-Generation I

With the purchase from Central Puerto S.A. of the 128-MW co-generation plant located in La Plata Industrial Complex, owned by YPF S.A., the Company is committed under a 15-year steam supply contract to deliver 200 tons per hour. The electric power generated at this plant is delivered to MEM, and the price is established in accordance with SEE Resolution No. 01/2019.

On December 21, 2018, the Company entered into: (an Equipment Supply Contract with GE Global Parts and Products GmbH ("GEPP") ("Supply and Repair Contract"); (ii) a Service Contract with General Electric International Inc. Suc. Arg. ("GESA") ("Service Contract") for maintenance of La Plata Co-Generation I plant.

Thus, and within the framework of the Supply and Repair Contract and the Service Contract, since March 30, 2020, GEPP and GESA and the Company exchanged several letters related to the effects of COVID-19.

In those letters, GEPP and GESA argued that the COVID-19 situation might constitute a change of law and/or force majeure event under the Supply and Repair Contract and the Service Contract, and, therefore, the Company was bound to bear the higher costs and larger terms arising from such situation. The Company rejected that such situations might constitute a change of law and/or force majeure event under these contract, because, among other reasons, (i) the operation and maintenance of power generation assets was considered, from the very beginning, as an activity excluded from mandatory isolation; and (ii) the circumstances invoked by GEPP and GESA constituted a risk inherent to its own activity.

Besides, the Company also indicated that GEPP and GESA had not proved how its duties were affected, as required under the both the Supply and Repair Contract and the Service Contract, or that the events could not be prevented. Moreover, GEPP and GESA did not prove either that it was implementing any mitigation duties.

At present, and based on the existing elements, the Company's management cannot estimate the impact the COVID-19 situation may have on the previously mentioned contracts.

f) La Plata Co-Generation II

Under the bidding process provided by SEE Resolution No. 287/2017, the Company was awarded a PPA for 15 years with CAMMESA for the construction project of a new 85-MW co-generation power plant in La Plata Refinery, owned by YPF S.A.

This work is already under construction, and the original date for commercial operation was estimated for the second quarter of 2020.

The construction contract of La Plata Co-Generarion II power plant is divided into two contracts: the Assembly and Construction Contract entered into between the Company and A-Evangelista S.A. ("AESA") on February 16, 2018 ("Construction Contract"), and the Equipment Supply Contract entered into with GE GLOBAL PARTS & PRODUCTS GmbH ("GE") on December 29, 2017 ("Supply Contract").

Thus, under the Construction Contract, since March 23, 2020, AESA and the Company exchanged letters related to the effects of COVID-19 regarding the performance of the Construction Contract. AESA argued that the COVID-19 situation might constitute an event of force majeure under the Construction Contract and attempted to transfer a claim made by GE for change of law event, based on which, the Company had to bear the higher costs and larger terms arising from such situation. The Company rejected the arguments claiming the existence of a change of law event and stated that AESA had to prove the compliance with the contractual and legal requirements for such circumstances to constitute an event of force majeure under this contract. The Company also stated that, should an event of force majeure should be proved under the Construction Contract, each party had to face its own costs.

Under the Supply Contract, since March 20, 2020 the Company and GE exchanged several letters in relation to the effects of COVID-19 on the duties arising under such contract. GE argued that the COVID-19 situation might constitute a change of law and/or force majeure event under the Supply Contract. On the other hand, Y-GEN II rejected that the situation posed by COVID-19 might constitute an event of force majeure under the Contract, because, among other arguments, GE had to prove the compliance of the legal and contractual requirements for such circumstances to be considered an event of force majeure under the Supply Contract.

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At present, the Company's management cannot estimate the impact the COVID-19 situation may have on the project to complete the construction works of the new co-generation power plant in question.

In turn, it is also worth mentioning that, within the framework of the Wholesale Supply Contract entered into between the Company and CAMMESA, on December 19, 2017 pursuant to SEE Resolution No. 287-E/2017 and SEE Resolution No. 926-E/2017 ("La Plata Co-Generation PPA"), on March 27 of the current year, the Company notified CAMMESA on possible delays in the terms scheduled for execution of works caused by the health and epidemiological emergency triggered by COVID-19 pandemics, thus requesting the corresponding extension of the term for commercial operation under La Plata Co-Generation II PPA.

Therefore, on April 6, CAMMESA replied that, under La Plata Co-Generation II PPA terms and conditions, the scope and effects of the force majeure event shall be applicable only as from the effective date of such agreement, that is, after the commercial operation.

Despite that fact, as mentioned in Note 27, on June 10, 2020, the Secretary of Energy instructed CAMMESA to temporarily suspend intimations for non-compliance with the Scheduled Dates of Work Progress – as defined in the PPA La Plata Co-Generation II – regarding both, the increase in the guarantee of compliance with the acontract and the imposition of fines, for the period from March 12 to September 12, 2020.

g) Manantiales Behr Thermal Power Plant

On December 28, 2018, the Company entered into the following contracts: Equipment and Supply Contract with Wärtsilla Projects Oy ("Wartsila Oy") ("Supply Contract") and Bidding Offer 1/2018 –Assembly and Start-up Contract of Manantiales Behr Thermal Power Plant with Wartsila Argentina S.A. ("Wartsila Arg") ("Construction Contract").

Thus, and within the framework of the Supply Contract and the Construction Contract, since March 13, 2020, Wartsila Oy, Wartsila Arg. and the Company exchanged several letters related to the effects of COVID-19.

In those letters, Watsila Oy and Wartsila Arg. argued that the COVID-19 situation might constitute a force majeure event under the Supply Contract and the Construction Contract, respectively, and that, therefore, the Company was bound to bear the higher costs and larger terms arising from such situation. The Company stated, among other arguments, that Wartsila Oy and Wartsila Arg. had to prove compliance with the contractual and legal requirements for such circumstances to constitute an event of force majeure under these contracts. The Company stated that, should the force majeure event be confirmed, each party had to face its own costs.

At present, the Company's management cannot estimate the impact the COVID-19 situation may have on the construction of Manantiales Behr Thermal Power Plant.

Besides, we inform that, under power purchase contract entered into with YPF S.A., the latter has been informed about the existence of an event of force majeure as a consequence of the health crisis caused by the coronavirus pandemic, and that therefore, the scheduled date for the commercial operation of the wind farm might be affected. At present, the Company is gathering the documentation required to demonstrate and justify the existence of such event.

h) Cañadón León Wind Farm

In the second bidding for renewable energies launched by the National Government, known as RenovAR 2.0, the Company, through special purpose company called Luz del León S.A. ("LDL"), was awarded a PPA for 20 years with CAMMESA for the supply of electric energy through the construction of Cañadón León Wind Farm of 122 MW of installed power, to be located in the Province of Santa Cruz. Likewise, the Company has entered into a PPA with YPF S.A. in US Dollars in the Renewable Energy Term Market (MATER) for delivery of 23 MW of electric power.

On February 27, 2019, LDL entered into a Contract for the Assembly and Start-up of the Cañadón León Wind Farm and Services with General Electric International Inc. Suc. Arg. ("GESA") ("Construction Contract") and an Equipment Supply Contract with GE Wind Energy GmbH ("GEWE") ("Supply Contract").

Thus, and within the framework of the Construction Contract and Supply Contract, since March 20, 2020, GESA, GEWE and LDL exchanged several letters related to the effects of COVID-19.

In those letters, GESA and GEWE argued that the COVID-19 situation might constitute a change of law and/or force majeure event under the Construction Contract and Supply Contract, respectively, and, therefore, LDL was bound to bear the higher costs and larger terms arising from such situation. LDL rejected that such situations might constitute a change of law event under the corresponding contracts and stated, among other arguments, that GESA and GEWE had to prove compliance with the legal and contractual requirements for such circumstances to constitute an event of force majeure

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under their corresponding contracts. Besides, LDL stated that should the situation constitute a force majeure event, each party had to face its own costs.

At present, the Group's Management cannot estimate the impact the COVID-19 situation may have on the construction of the Cañadón León wind farm.

Under the executed renewable power purchase contracts, energy off-takers were notified about the existence of a force majeure event as a consequence of the health crisis caused by the coronavirus pandemic, which might affect the scheduled commercial operation date of the wind farm. LDL is currently gathering the instruments required to prove and justify the existence of such an event to the respective clients.

Regarding the relevant portion of the Renewable Electric Energy Supply Contract between LDL and CAMMESA on November 23, 2018 ("Cañadón León PPA"), on March 27, 2020, LDL notified CAMMESA on possible delays in the terms scheduled for execution of works caused by the health and epidemiological emergency triggered by COVID-19 pandemics, thus requesting the corresponding extension of the term for commercial operation under Cañadón León PPA.

Therefore, CAMMESA requested Luz del León S.A. to submit a detailed report on the effects that the events reported have on the critical development of the construction of the wind farm, and also to attach the supporting elements as evidence of the occurrence of such event.

However, as mentioned in Note 27, on June 10, 2020, the Secretary of Energy instructed CAMMESA to temporarily suspend intimations for non-compliance with the Scheduled Dates of Work Progress – as defined in the PPA Cañadón León – regarding both, the increase in the guarantee of compliance with the acontract and the imposition of fines, for the period from March 12 to September 12, 2020.

i) High Voltage Line 132kV Santa Cruz Norte Caleta Olivia

The Cañadón León Wind Farm will be connected to the Argentine Distribution System through the construction of a 132-kV-line and the expansion of Santa Cruz Norte – Caleta Olivia Transformer Station.

The work for the expansion of the Santa Cruz Norte Caleta-Olivía 132-kV line, located in the Province of Santa Cruz (the "Work"), was originally awarded to CPC S.A. under the National Bidding Process No. 01/2017. Later, due to CPC S.A.'s financial and economic problems, CPC S.A. informed the Management Committee of the Trust Fund for Federal Electric Transportation ("CAF") on the impossibility to continue the Work and proposed assigning the contract in question.

Given these facts, on April 4, 2019, the contract entered into between CAF and CPC S.A. for the execution of the Work on May 30, 2017 was assigned to the Company so that the latter may continue with the execution of the Work.

Therefore, on May 21, 2019, the Company entered into a construction and expansion contract with TEL3 S.A. ("TEL3") for the construction of the Work.

On March 20, 2020, TEL3 notified the Company about a force majeure event as a consequence of the coronavirus pandemic and the restrictions imposed under national, provincial and municipal regulations. It also informed that for such reasons, the performance of on-site works and the construction schedule might be affected and that, due to the health requirements ordered by government authorities, the costs established in the contracts might be modified, claiming the higher costs incurred as a consequence thereof.

The Company requested TEL3 to do comply with the legal and contractual requirements for the situation to constitute a force majeure event and to prove the impact of the events on TEL3 obligations.

At present, the Company is awaiting the mitigation plan and a new construction schedule to be submitted by TEL3 and the documentation evidencing the effects of the force majeure event, as well as the higher costs incurred, for their eventual assessment and acknowledgment by the Company, if appropriate.

On March 24, 2020, the Company notified CAF about possible delays in the scheduled terms for the execution of the construction work caused by the events of force majeure as a consequence of the health and epidemiological emergency derived from the COVID-19 pandemic. The Company has not yet received an answer from CAF in this respect.

j) Los Teros I Wind Farm

Pursuant to Resolution 281/2017, Luz del Cerro S.A., whose shares are owned in a 100% by the Company, has been awarded a dispatch priority for a total capacity to be supplied by a wind farm located in Azul, Province of Buenos Aires, called Los Teros I Wind Farm. The project construction and development was later assigned to the Company.

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On July 4, 2018, the Company entered into a contract for the assembly and start-up of Los Teros I wind farm with General Electric International Inc. Sucursal Argentina ("GESA") ("Onshore Contract") and an Equipment Supply Contract with GE Wind Energy Equipment Manufacturing Co., Ltd ("GEWE", and together with GESA, "GE") on July 4, 2018 ("Offshore Contract").

Thus, since March 18, 2020, and under the Contracts, GESA, GEWE and the Company exchanged several letters in relation to the effects of the COVID-19 on the Contracts. In those letters, GESA and GEWE argued that the COVID-19 situation might constitute a change of law and/or force majeure event under the Onshore Contract and the Offshore Contract, and that, therefore, the Company had to bear the higher costs and larger terms caused by such situation. The Company rejected that such events might constitute a change of law event under these contracts and stated that GESA and GEWE had to prove compliance with the contractual and legal requirements for such situations to constitute an event of force majeure under these contracts, stating that, if so proved, each party had to face its own costs. The Company informed GESA and GEWE that being the latter in default of its fundamental duties under these contracts, it is not entitled to allege the existence of a force majeure or change of law event and that, therefore, it may not be released from its responsibility despite the possible existence of an Act of God or the impossibility to perform its duties as a consequence thereof.

At present, the Company cannot estimate the impact the COVID-19 situation may have on the construction work of Los Teros I wind farm.

On the other hand, and in relation to the power off-takers of Los Teros Wind Farm, we inform that, as of the date of these consolidated financial statements, the Company has contracts for 100% of the energy to be generated by the farm, by means of private supply contracts, in US Dollars, with YPF S.A. (about 25%) and with other industrial users of the private sector, with terms ranging from 5 to 20 years (Note 4.d. to the annual consolidated financial statements).

Therefore, in the context of the situation described above, the Company has sent notices to the counterparties under the respective supply contracts informing about the existence of a force majeure event caused by the health crisis derived from the coronavirus pandemic, and that as a consequence thereof, the term committed for the commercial operation date of the wind farm might be affected. At present, the Company is obtaining all the documentation required to evidence and justify the occurrence of such event to its respective clients.

On March 27, 2020, the Company notified Compañía Administradora del Mercado Mayorista Eléctrico S.A. (CAMMESA), within the framework of the dispatch priority assigned under Resolution 281/2017, that, as a consequence of the epidemiological emergency, the term committed for that commercial operation shall be affected. The Company has not yet received a reply from CAMMESA.

Finally, on June 10, 2020, the Secretary of Energy instructed CAMMESA to temporarily suspend intimations regarding non-compliance with the Expected Date of Commercial Authorization (FPHC) of projects with dispatch priority assigned under the terms of Resolution 281/2017 and the collection of payments provided for in article 11 of the annex to the aforementioned resolution, for the period from March 12 to September 12, 2020, thus maintaining the respective assigned dispatch priority.

k) Los Teros II Wind Farm

The Company is in the construction stage of Los Teros II Wind Farm, developed by Luz del Valle S.A., today 100% owned by the Company. This wind farm will have an installed capacity of 52 MW and has been given dispatch priority for the whole capacity in the MATER. The construction and development of the project was later assigned to the Company.

Based on the above, the Company entered into a contract for civil works and electro-mechanics with Milicic S.A. ("Milicic") on July 5, 2019 ("Construction Contract") and, on February 6, 2020, an equipment supply contract with GE Wind Energy GmbH ("GEWE") ("Supply Contract") and, on the same date, a contract for the Commissioning, Assembly and Start-up of Los Teros II Wind Farm with General Electric International Inc. Sucursal Argentina ("GESA") ("Assembly and Start-up Contract").

Thus, under the Assembly and Start-up Contract and the Supply Contract, since April 3, 2020, GESA, GEWE and the Company exchanged several letters regarding the COVID-19 effects.

The Company took note of GEWE and GESA's force majeure statement and declared that the Parties' obligations under the corresponding contracts were suspended, including, among others, the Supply Contract payments to GEWE.

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Also, the Company informed GEWE that the invoices issued by the latter for a total amount of US\$ 29,613,241.67 were rejected as, on the one hand, GEWE was not entitled to issue such invoices since it did so without the Company's prior testing of the equipment sold and without the prior approval of the respective work certificates for their issuance, and, on the other hand, because, as indicated above, the parties' contractual obligations were suspended.

GEWE then rejected the suspension of the contractual duties and requested the payment of the rejected invoices.

GEWE and GESA declared the suspension in the performance of its duties under the Supply Contract and the Assembly and Start-up Contract due to an event of force majeure prior to the issuance of the invoices, wherefore, as of such date both parties' obligations were already suspended.

Just dated June 24, 2020 and in conjunction with a notice of termination for alleged default, GEWE confirmed that all equipment was ready for delivery. As a consequence of said confirmation, the Company understood that the effects of the declared force majeure had ceased and proceeded to the payment of the invoices in question and the payment under protest of the interests, requiring that all obligations under the contracts be resumed immediately and the equipment are delivered to the Company in accordance with the terms of the Supply Contract and the Assembly and Start-up Contract.

As of the date of issuance of these interim financial statements, the Company has not received firm confirmation from GEWE of the delivery date of the equipment subject to the Supply Contract and the Company is analyzing the legal courses of action. Likewise, GE has presented change orders related to higher costs for the suspension of the contracts and modification of the work schedule, which were rejected in their entirety by the Company, as inadmissible and unreasonable.

On the other hand, on March 20, 2020, Milicic informed the Company, under the Construction Contract, the occurrence of an event of force majeure as a consequence of the CODIV-19 pandemic. The Company replied such notice requesting Milicic to prove compliance with the legal and contractual requirements for such situation to constitute a force majeure event.

Besides, on January 15, 2020, The Company entered into a contract for the expansion of field 8 of Los Teros II Wind Farm (the "Expansion Contract") with Capitanich Construcciones S.A. ("Capitanich"). Under such contract, on March 27, 2020, Capitanich notified the Company about an event of force majeure caused by the regulations imposed by the Necessity and Urgency Decree No. 297/2020. The Company answered such notice on March 30, 2020, informing Capitanich that it had to prove compliance with the requirements established under the applicable law and the Expansion Contract for the situation to constitute an event of force majeure. Besides, it was informed that should compliance with such requirements be proved, the extension of the term would be accepted, but the transfer of increased costs would not.

As of the date of these interim financial statements, the Company has contracts for about 86% of the power to be generated by the wind farm, through supply contracts in US dollars, with YPF S.A. (about 56%) and several industrial users of the private sector, with terms ranging from 10 to 15 years.

In consideration of the above, under the executed contracts for the purchase of renewable electric power, the Company notified its counterparties about the existence of an event of force majeure as consequence of the health crisis caused by the coronavirus pandemic, due to which, the date scheduled for the commercial operation of the wind farm might be affected. At present, the Company is gathering the documents required to prove and justify the existence of such event to the respective clients.

On March 27, 2020, the Company notified CAMMESA that, within the framework of the priority dispatch awarded pursuant to Resolution No. 281/2017, and due to the epidemiological emergency, the term committed for the commercial operation will be affected.

Finally, on June 10, 2020, the Secretary of Energy instructed CAMMESA to temporarily suspend intimations regarding non-compliance with the Expected Date of Commercial Authorization (FPHC) of projects with dispatch priority assigned under the terms of Resolution 281/2017 and the collection of payments provided for in article 11 of the annex to the aforementioned resolution, for the period from March 12 to September 12, 2020, thus maintaining the respective assigned dispatch priority.

At present, and based on the existing elements, the Company's management cannot estimate the final impact the COVID-19 situation may have on the provision of equipment, the construction, start-up and commercial operation of Los Teros II wind farm.

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27. MAIN REGULATIONS AND OTHERS

Main regulations and others are described in Note 30 to the annual consolidated financial statements. Updates for the six-month period ended June 30, 2020 are described below:

27.a) Regulatory framework for the electric industry

- **Resolution SE-MDP No. 31/2020:** On February 26, 2020, the Secretariat of Energy published in the Official Gazette Resolution SE No. 31/2020 that adjusted the remuneration criteria for the generation not committed in any type of contract established by the Resolution SRRyME 1/2019 previously mentioned, to economically reasonable and efficient conditions which may be assigned and/or transferred to the demand.

Through this resolution, it was established that all the concepts on which the included generators are remunerated will be denominated in Argentine pesos and will be updated on a monthly basis by a weighted average of the CPI (60%) and the WPI (40%) published by INDEC.

The remuneration of thermal generators consists of payments for: (a) power, (b) energy generated and operated (associated with the rotating power in each hour), and (c) energy generated in hours of maximum thermal requirement.

a. Power

Power will be remunerated based on the availability of real power (base power - only for those generators that cannot guarantee power availability) or compliance with the guaranteed power (DIGO), discounting scheduled maintenance and valued at the following prices as applicable.

The base power remuneration will be in a price range from 100,650 to 171,600 AR\$/MW-month (47% lower than Resolution 1/2019), according to the technology and scale of the generation equipment made available to the system. DIGO power remuneration will be 360,000 AR\$/MW-month for summer and winter periods and 270,000 AR\$/MW for the rest of the year (-17% and 21% compared to Resolution 1/19, respectively).

This remuneration will be affected by the usage factor of the generation equipment.

b. Energy

For generation from conventional thermal plants, it will be recognized, by type of fuel consumed, for non-combustible, variable costs 240 AR\$/MWh for equipment operating with Natural Gas, 420 AR\$/MWh for Fuel Oil and Gas Oil, 600 AR\$/MWh for Biofuels and 720 AR\$/MWh for equipment with mineral coal. In all cases there is a 3% reduction compared to Resolution 1/2019.

Additionally, a remuneration of 84 AR\$/MWh (-3% compared to Resolution 1/2019) is recognized for the rotating power in each hour that corresponds to the optimal dispatch. Like for the energy generated with gas, fuel oil and gas oil, there is a 3% reduction in prices.

When a generation unit is dispatched outside the optimum dispatch (for operational reasons not attributable to forced generation due to transport, voltage control or safety requirements), it will be recognized generated and operated energy at 60% of the net installed power, independently of energy delivered by the generation unit.

c. Energy generated in the hours of maximum thermal requirement

A new remuneration was established for the average power actually delivered (energy generated) in the hours of maximum thermal requirement. During summer and winter, 1,800 AR\$/MWh will be paid to the generation during the first 25 hours of maximum thermal requirement and 900 AR\$/MWh during the following 25. During the rest of the year, 300 AR\$/MWh will be paid by generation during the first 25 hours of maximum thermal requirement.

Resolution 31/2020 entered into force and is applicable from the economic transactions corresponding to February 2020.

On April 8, 2020, the Secretary of Energy sent Note 24910606 to CAMMESA, which instructs to postpone the application of the remuneration adjustment to generators without established contracts set by Resolution No. 31/2020 (Annex VI) until a further decision.

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– Note 7458730-APN-SE # MDP

On June 10, 2020, the Secretary of Energy, through Note "NO-2020-37458730-APN-SE # MDP" instructed CAMMESA to temporarily suspend - from March 12, 2020 to September 12, 2020 - the computation of terms corresponding to the execution of the contracts signed in the framework of the RenovAr Program (Rounds 1, 1.5, 2 and 3), Resolution SE N ° 712/2009, Resolution MEyM N ° 202/2016 and Resolution SEE N ° 287/2017, and of the projects within the framework of the former MEyM Resolution N ° 281/2017, exclusively, for those cases in which the commercial authorization has not been reached at the beginning of the suspension.

Consequently, intimations for non-compliance on the dates of commercial authorization or intermediate milestones is temporarily suspended. However, CAMMESA must carry out all the necessary acts and procedures in order to preserve the validity of the rights that assist it in the framework of the Contracts concluded, and may require, where appropriate, the renewal of guarantees and any action to protect its rights, as well as the rights of the Ministry of Energy and the National State.

27.b) Exchange Market Regulation

The main regulations are described in Note 30.2 to the annual consolidated financial statements.

The BCRA through communication "A" 6854 of December 2019 established that the provisions of Communication "A" 6844 and its complements, which original validity was until December 31, 2019, will continue in force. Additionally, the BCRA through the communication "A" 7001 of April 30, 2020, established that in transactions corresponding to remittances by the exchange market, it will be necessary to present an affidavit stating that: (i) during the previous 30 days there were no sales of securities with liquidation in foreign currency or transfer of these to depository entities based abroad, and (ii) to commit to not performing sales of securities with liquidation in foreign currency or transfer of these to depository entities based abroad since the moment that requires the access and for the following 30 days.

On May 28, 2020, the BCRA, through Communication "A" 7030 (the "Communication 7030"), established additional requirements for making payments to the local exchange market aimed at restricting access to legal entities and resident human persons who keep liquid external assets available, as well as measures aimed at limiting the purchase of foreign currency for the payment of imports and the extension of the terms before and after the date of access to the market, in case of having arranged sale of securities with liquidation in foreign currency or transfers thereof to depository entities abroad.

Additionally, Communication 7030 included a new obligation to enter and settle in the event of collection abroad of funds from loans granted to third parties, fixed-term deposits or sale of any asset constituted as of May 8, 2020 and established the requirement to obtain prior agreement from the BCRA to access the local exchange market in the event of cancellations of debt capital services abroad when the creditor is a related party of the debtor.

27.c) 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 8 Property, plant and equipment
Appendix B – Intangible assets	Note 9 Intangible assets
Appendix C – Investments in shares	Note 11 Investments in joint ventures
Appendix D – Other Investments.....	Note 7 Financial Instruments by category
Appendix E – Provisions	Note 13 Trade receivables.....
	Note 12 Other receivables
Appendix G – Assets and liabilities in currencies other than Argentine peso	Note 29 Assets and liabilities in currencies other than Argentine peso
Appendix H – Expenses	Note 20 Expenses by nature.....

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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.

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.

28. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The information detailed in the tables below shows the balances with associates and joint ventures as of June 30, 2020 and December 31, 2019 and transactions with those parties for the six-month periods ended June 30, 2020 and 2019.

	As of June 30, 2020			As of December 31, 2019		
	Other receivables	Trade receivables	Trade payables	Other receivables	Trade receivables	Trade payables
	Current	Current	Current	Current	Current	Current
Joint controlling shareholder:						
YPF S.A.	41,480	2,259,758	1,120,397	-	2,433,056	1,539,563
GE EFS Power Investment B.V.	19,326	-	-	-	-	-
Associates:						
Refinería del Norte S.A.	-	42,633	-	-	51,271	-
Metroenergía S.A.	-	4,588	-	-	4,588	226,649
A-Evangelista S.A.	-	-	286,634	-	-	964,087
U.T. Loma Campana.....	-	52,308	33,260	-	32,731	24,513
C.T. Barragán S.A.....	-	25,552	-	21,705	-	-
GE International Inc.	-	-	294,607	-	-	517,837
GE Global Parts and Products GmbH	-	-	1,852,471	426,699	-	3,172,655
GE International Inc. Sucursal Argentina.....	-	-	471,415	-	-	616,354
GE Packaged Power Inc.	-	-	221,804	-	-	90,604
GE Water & Process Technologies SC	-	-	5,117	-	-	10,629
GE Wind Energy Equipment.....	-	-	266,199	-	-	639,848
GE Sensing & Inspection Technologies	-	-	-	-	-	1,870
INNIO Jenbacher GmbH & Co. O.G.	-	-	6,621	-	-	1,143
Jenbacher International B.V.	-	-	1,313	-	-	-
Profertil S.A.	-	15,055	-	-	32,578	-
Argentine federal government-controlled entities:						
CAMMESA.....	-	4,473,297	-	34,008	4,256,169	-
Total	60,806	6,873,191	4,559,838	482,412	6,810,393	7,805,752

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	For the six-month periods ended June 30,						
	2020			2019			
	Revenues	Purchases of goods and services	Other operating results, net	Interest gain (loss) net	Revenues	Purchases of goods and services	Interest gain (loss), net
Joint controlling shareholder:							
YPF S.A.	2,045,888	787,636	-	-	1,420,950	761,340	-
Associates:							
A-Evangelista S.A.	-	890,234	-	-	-	921,300	-
U.T. Loma Campana.....	82,815	1,824	-	-	54,620	-	-
CT Barragán S.A.	59,140	-	-	-	-	-	-
GE International Inc.	-	1,411,811	-	-	-	1,604,781	-
GE Global Parts and Products GmbH.....	-	93,037	43,670	-	-	2,457,387	-
GE Water & Process Technologies SC	-	2,116	-	-	-	14,142	-
GE Wind Energy Equipment.....	-	69,187	-	-	-	1,534,426	-
GE Wind GmbH	-	2,382,231	-	-	-	-	-
GE Packaged Power Inc.	-	238,271	113,327	-	-	105,985	-
GE International Inc. Sucursal Argentina..	-	443,298	5,257	-	-	129,621	-
GE Senging & Inspection Technologies ...	-	-	-	-	-	1,495	-
INNIO Jenbacher GmbH & Co. O.G.	-	1,468	-	-	-	2,232	-
Jenbacher International B.V.	-	8,416	-	-	-	-	-
YPF Tecnología S.A.	-	-	-	-	-	454	-
Profertil S.A.	75,114	-	-	-	47,224	-	-
Argentine federal government-controlled entities:							
CAMMESA.....	6,739,360	82,322	-	281,747	4,953,459	249,552	4,970
Total	9,002,317	6,411,851	162,254	281,747	6,476,253	7,782,715	4,970

Regarding the business of generation and sale of electricity, the Group's main customer is CAMMESA, an entity controlled by National Government. Taking into consideration that National Government is also YPF's controlling shareholder, CAMMESA is considered a related party.

Remuneration of the Administration

During the six-month periods ended June 30, 2020 and 2019, the Directors' fees and compensation to key executives amounted to 111,986 and 76.757 respectively, being the same short-term benefits and constituting the only benefits granted to directors and key executives.

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29. ASSETS AND LIABILITIES IN CURRENCIES OTHER THAN ARGENTINE PESO

Account	06.30.2020			12.31.2019			
	Class and amount of currencies other than Argentine peso	Exchange rate ⁽¹⁾	Booked amount in pesos	Class and amount of currencies other than Argentine peso	Booked amount in pesos		
CURRENT ASSETS							
Other receivables.....	US\$	847	70.26	59,510	US\$	7,137	426,008
Trade receivables.....	US\$	69,266	70.26	4,866,629	US\$	86,081	5,138,175
Restricted cash equivalents.....	US\$	44,574	70.26	3,131,747	US\$	41,014	2,448,153
Cash and cash equivalents	US\$	147,974	70.26	10,396,653	US\$	243,797	14,552,243
Total of current assets.....				18,454,539			22,564,579
Total of Assets				18,454,539			22,564,579
NON-CURRENT LIABILITIES							
Loans.....	US\$	799,225	70.46	56,313,394 ⁽²⁾	US\$	858,226	51,399,155 ⁽²⁾
Leases liabilities.....	US\$	6,647	70.46	468,351	US\$	7,770	465,322
Other financial liabilities.....	US\$	399	70.46	28,132	US\$	174	10,430
Total of Non-current liabilities.....				56,809,877			51,874,907
CURRENT LIABILITIES							
Trade payables	US\$	62,850	70.46	4,428,411	US\$	87,551	5,243,429
	€	10,105	79.27	801,023	€	24,301	1,633,756 ⁽³⁾
Loans.....	US\$	310,186	70.46	21,855,706 ⁽³⁾	US\$	164,536	9,854,061
Leases liabilities.....	US\$	2,528	70.46	178,101	US\$	2,487	148,946
Other financial liabilities.....	US\$	1,275	70.46	89,841	US\$	164	9,824
Total of current liabilities.....				27,353,082			16,890,016
Total of liabilities.....				84,162,959			68,764,923

(1) Exchange rate in force as of June 30, 2020 according to Banco Nación Argentina.

(2) Correspond to the nominal amount owed, which are disclosed in the caption "Loans" for the amount of 54,572,037 and 50,735,033 as of June 30, 2020 and December 31, 2019 respectively, net of commissions and transaction fees.

(3) Corresponds to the nominal amount owed, which are disclosed in the caption "Loans" for the amount of 21,488,527 and 9,770,245 as of June 30, 2020 and December 31, 2019 respectively, net of commissions and transaction fees.

30. COVID-19 PANDEMIC IMPACT

On March 11, 2020, the World Health Organization declared the Coronavirus (Covid-19) outbreak a Pandemic, given its fast propagation worldwide, affecting 190 countries. Most governments are implementing restrictive actions to contain its propagation.

On March 12, 2020, in Argentina, where the Company operates, Argentina's Executive Branch (PEN) issued Decree No. 260/2020, as amended, established the health emergency to control the crisis caused by the COVID-19, and on March 19, 2020 the PEN issued Decree No.297 declaring the mandatory and preventive social isolation, which was extended and still remains in force. Power generation was declared an essential service and was allowed to operate since the beginning of the isolation, while electric infrastructure works were declared essential since April 6, 2020. So far, these measures derived from the pandemic include, among others, the prohibition of dismissals without cause, or for reasons of work reduction or force majeure, general restriction to the free circulation of persons not engaged in essential activities, general travel restrictions, visa suspensions, partial or total closing of public and private institutions, suspension of sport events, restrictions to museums and tourist attractions.

Through Decree 576/2020, on June 29 the PEN determined more restrictive measures in the area of the City of Buenos Aires and surroundings (AMBA) and allowed the provincial governments to release or restrict activity according to certain parameters of evolution of Covid. Although all the provinces and cities have allowed the activity of essential services, many apply restrictions or periods of isolation that hinder the normal development of the activities of the Company and its contractors.

These measures due to the Covid-19 pandemic are having a significant impact on national, regional and global economy, due to difficulties in the supply chains and the significant increase of economic uncertainty, evidenced by a higher volatility in asset prices, exchange rates and a decline in long-term interest rates.

YPF ENERGÍA ELÉCTRICA S.A.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2020, AND COMPARATIVE INFORMATION (UNAUDITED)**

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

As of the date of issuance of these condensed interim consolidated financial statements, there have not been significant present impacts, and it is not possible to estimate the final impacts resulting from these events on the assets and financial position of the Company, on its results or its cash flows. Hence, the Company's Management considers that the situations described above do not impact the application of the accounting policies corresponding to a going concern in the preparation of the condensed interim consolidated financial statements as of June 30, 2020.

The possible impacts that might be expected on the Company's activity in fiscal year 2020 are the following:

- Decrease in our power generation sales as a consequence of a general decline in electric power demand;
- Collection difficulties by power distribution companies, which affect CAMMESA's capacity to meet its payment commitments with the Company;
- Impairment in the financial position of our wholesale customers, adversely affecting their capacity to pay the accounts due to our Company and, therefore, affecting our financial position;
- Delays in the execution of our development projects due to mobilization problems faced by our contractors and possible higher construction costs;
- Difficulties in the supply chain, due to the suspension in the production of the basic supplies used by the Company in its production process and impact on associated expenses.

The Company's Management has implemented health measures – with Covid-19 prevention protocols applicable both for operations and work projects - to guarantee continuity of its activities, ensuring production and seeking minimization of costs, optimization of current contracts and securing earnings. In fiscal year 2020, an assessment will be conducted to analyze how the aforementioned situations and possible future events might impact on the assets and financial position of the Company, the results of its operations and the respective cash flows.

31. SUBSEQUENT EVENTS

As of the date of issuance of these condensed interim consolidated financial statements, there has not been significant subsequent events, whose effect on the Group's financial position and the results of operations for the six-month period ended June 30, 2020 or their disclosure in these condensed interim consolidated financial statements, if applicable, have not been considered in accordance with IFRS.