IRSA PROPIEDADES COMERCIALES

Earnings Release

Fiscal Year 2018

IRSA Propiedades Comerciales cordially invites you to participate in the Fiscal Year 2018 Results' Conference Call

Friday, August 24, 2018, at 11:00 a.m. Buenos Aires time (10:00 a.m. US ET)

The call will be hosted by:

Alejandro Elsztain, CEO

Daniel Elsztain, COO

Matías Gaivironsky, CFO

To participate, please call:

1-844-308-3343 (toll free) or

1-412-717-9602 (international)

Conference ID # IRSA CP

In addition, you can access through the following webcast:

http://webcastlite.mziq.com/cover.html?webcastId=4630ce4c-07c7-4b55-b281-e4644405d624

Preferably 10 minutes before the call is due to begin. The conference will be in English.

PLAYBACK

Available until September 05, 2018

Please call:

1-877-344-7529

1-412-317-0088

1-855-669-9658

Replay access code: 10123264

FY 2018 Main Highlights

- Net gain for the fiscal year 2018 reached ARS 15,656 million compared to a gain of ARS 3,378 million in FY 2017. This was mainly explained by higher results from changes in the fair value of investment properties that compensated the net financial losses generated by the currency devaluation in Argentina in the last quarter of the fiscal year.

- The Company's Adjusted EBITDA reached ARS 3,161 million (USD 162 million) in the FY 2018 increasing by 21.7% compared to 2017. Adjusted EBITDA for Shopping Malls and Offices segments reached ARS 2,748 million and ARS 367 million, increasing by 24.5% and 19.1% respectively.

- Our shopping centers' sales grew by 25.3% in the fiscal year 2018 and the portfolio's occupancy rate reached 98.5%.

- In March 2018, we acquired a 78,000 sqm plot of land in the city of La Plata for USD 7.5 million and in July 2018, we acquired the "Maltería Hudson" property for USD 7 million. Both are destined for the future development of mixed-use projects.

Letter to Shareholders

Dear Shareholders,

We have ended a new fiscal year, and we are much satisfied with the results achieved despite a last quarter of exchange volatility in Argentina. We added approximately 3,000 square meters (sqm) of gross leaseable area by carrying out expansion works at our shopping malls, we made progress in the development of the commercial projects launched at the beginning of the year, we acquired attractive real estate assets for our portfolio, we sold certain office floors for very competitive prices, and we obtained very good operating and financial results that allowed us to distribute dividends to our shareholders for Ps. 680 million.

In operating terms, tenant sales in shopping malls grew by 25.3% in the year, and occupancy remained at optimum levels of 98.5% while our Premium office portfolio reached an average monthly rental price of approximately USD 26.1 per sqm, and reduced its occupancy rate to 92.3% due to the incorporation of Philips buildings, acquired on June 2017, occupied at 69.8%.

Adjusted EBITDA for fiscal year 2018, excluding the impact of the revaluation of our investment properties at fair value, reached Ps. 3.2 billion, 21.7% higher than in 2017, whereas profit for the year was Ps.15.7 billion.

During this year we grew in terms of acquisitions and new commercial developments. In shopping malls, we have expanded in approximately 3,000 sqm of GLA, from an expansion of our shopping of the south of Buenos Aires, Alto Avellaneda and an expansion of Alto Rosario, where a big Zara store have recently opened. In Offices, we advanced in progress in the office projects under development “Polo Dot” and “Catalinas” and we took possession in January of this year of “Philips” office building that adjoins our DOT commercial complex. The building has an estimated constructed area of 8,000 sqm and an additional construction capacity of 20,000 sqm. The future project consists in integrating this building to “Polo Dot” complex under development, recycling it and repositioning it as a top-quality building.

On March of this year, we have acquired a plot of land of 78,000 sqm in La Plata district, BA province for a total amount of USD 7.5 million and in July 2018, after the end of the fiscal year, we acquired “Maltería Hudson” property with a surface of 147,895 sqm and 40,000 sqm built in Hudson City (Greater Buenos Aires) for USD 7.0 million. The purpose of both acquisitions is the future development of mixed-use projects, given that the properties have the characteristics of location and scale suitable for real estate developments in districts with great potential.

A great event of this exercise has been the strategic agreement signed with Microsoft whose main objective is to enhance the experience of customers in our shopping malls and buildings. You can pay from the mobile phone without queuing, reserve parking spaces in advance and other benefits that will be added, integrating the latest technological trends for a more personalized shopping experience. Also, during the fiscal year, we ended the implementation of the first stage of SAP Real Estate, a system that will support the process of managing tenant contracts. This system is integrated into our SAP ERP natively, improving integration, control and efficiency.

During the next fiscal year, we will add approximately 17,000 sqm from current malls’ expansions. We will complete the expansion of Alto Rosario shopping mall with 2,000 additional sqm, we will add 6 movie theatres in Alto Comahue of 2,200 sqm and we will open a 12,765 sqm Sodimac store in Mendoza Plaza Shopping while expanding its Falabella store. Likewise, we plan to launch the work to extend the third level of our largest shopping mall in terms of sales and rent per sqm, Alto Palermo Shopping, adding approximately 4,000 sqm of GLA in fiscal year 2020. It is worth mentioning that in November 2018 expires the concession term of the Buenos Aires Design shopping mall and the company will deliver the 13,735 sqm of the property that in terms of tenant sales and revenues represents less than 2% of our portfolio.

Regarding offices under development, we will put into operation the "Polo Dot" office building with 32,000 sqm of GLA, located in the commercial complex adjacent to our shopping Dot Baires, which is already totally leased to high-level tenants as the e-commerce company "Mercado Libre" and retailer "Falabella". We have evidenced an important demand for Premium office spaces in this new commercial center and we are confident that we will be able to generate a quality enterprise similar to the ones made by the company in the past with attractive income levels and high occupancy. The second stage of the project consists of two office / hotel buildings that will add 38,400 sqm of GLA to the complex and the future expansion of the shopping center in approximately 15,000 sqm of GLA.

Moreover, we will make progress in the development of 35,468 sqm of GLA in the "Catalinas" building, located in one of the most sought-after spots for developing Premium offices in Argentina, in which IRSA CP owns 16,012 sqm comprising 14 floors and 142 parking spaces. As of June 30, 2018, work progress was 16%; and its opening is scheduled to take place in fiscal year 2020. The building will become an iconic landmark in the city and will also have LEED Certification, validating the best environmental practices in terms of operating standards.

In addition to the projects underway, the company has a large reserve of land for future commercial and office developments in Argentina in a context of an industry with high potential. We hope to have the economic, financial and governmental conditions to be able to execute our growth plan.

As concerns our other investments, we have increased this year our exposure to events and entertainment activities, which we believe could generate synergies with the shopping center business. Regarding our investment in La Rural S.A., it has integrated the joint venture which became awardee of the public tender process for the concession of the Exhibition and Convention Center of the City of Buenos Aires for a term of 15 years, and that it has already started its activities after the remodeling work carried out during the year. In this same line, in February of this year we acquired, indirectly, 60% of the shares of the company that operates the Directv Arena stadium located in Tortuguitas, Pilar (province of Buenos Aires) for the sum of USD 4.2 million. Directv Arena is a covered stadium with unique characteristics in Argentina destined to the realization of shows and events of first international level.

It is our objective to articulate the interests of business with the agenda of the communities where we operate, balancing the generation of economic, social and environmental value. During this year we carried out more than thirty actions and two volunteering programs as part of our CSR policy that is part of the Sustainable Development Goals (UN) of Inequality Reduction, Gender Equality, Water Care, Production and Consumption Responsible, Waste; Alliances to achieve the Objectives, Quality Education, Nondiscrimination, Value Chain, Sustainable Cities and Communities, Health and Wellbeing, Environmental Care, Climate Action and Volunteering. The main actions planned for 2019 are the "Regalá + Ayudá" campaign, through which more than ARS 1.5 million were donated in 2018, "Más Historias Que Inspiran", the campaign "Vos + Nosotros = Comunidad" and the construction of the third house together with the Habitat for Humanity Argentina Civil Association and volunteers from the company.

We expect that during the next period, IRSA Propiedades Comerciales will continue to consolidate as the leading commercial real estate company in Argentina, adding new properties and footage to its current portfolio and introducing new leading brands and innovative ideas so as to keep up our growth in Argentina by offering the best commercial proposals to our visitors –who totaled 110 million during this year- and adding more Premium spaces for our tenants. Given the financial position, the low level of debt and the track record capturing opportunities in the market, we are confident in the growth and consolidation of our portfolio.

With a future that presents challenges and opportunities, we believe that the commitment of our employees, the strength of our management and the confidence of our shareholders are going to be fundamental to continue growing and executing our business successfully.

To all of you, many thanks for your continued support and trust.

Daniel R. Elsztain

Regular Director

Buenos Aires, August 23, 2018 - IRSA Propiedades Comerciales S.A. (NASDAQ: IRCP) (BYMA: IRCP), the leading commercial real estate company in Argentina, announces its results for the fiscal year ended on June 30, 2018.

I. Brief comment on the Group's activities during the period, including references to significant events occurred after the end of the period.

Consolidated Income

In ARS million	IVQ 18	IVQ 17	YoY Var	FY 18	FY 17	YoY Var
Revenues from sales, leases and services(1)	1,151.3	1,015.0	13.4%	4,232.2	3,509.0	20.6%
Net gain from fair value adjustment on investment properties	6,214.4	1,204.4	-416.0%	16,690.1	3,133.4	432.7%
Net gain realized from fair value adjustment on investment properties	20.8	25.4	-18.1%	20.8	65.2	-68.1%
Profit from operations	7,074.5	1,824.1	287.8%	19,784.9	5,620.9	252.0%
Depreciation and amortization	11.3	7.3	54.8%	45.1	28.5	58.2%
Consolidated EBITDA(2)	**4,336.9**	**1,486.0**	**191.9%**	**16,661.5**	**5,468.4**	**204.7%**
Consolidated Adjusted EBITDA(2)	**892.1**	**667.3**	**33.7%**	**3,160.6**	**2,596.0**	**21.7%**
Consolidated NOI(3)	**999.8**	**816.0**	**22.5%**	**3,580.8**	**2,954.6**	**21.2%**
Profit for the period	**3,467.3**	**923.4**	**275.5%**	**15,656.0**	**3,377.5**	**363.5%**

(1) Does not include Incomes from Expenses and Promotion Funds
(2) See Point XIV: EBITDA Reconciliation
(3) See Point XV: NOI Reconciliation

The Company's revenues grew by 20.6% in fiscal year 2018 as compared to the same period of 2017, and Adjusted EBITDA grew a 21.7% mainly due to shopping malls segment, which grew 24.5%, reaching ARS 2,748.2 million, while Adjusted EBITDA of the offices segment reached ARS 367 million, increasing 19.1% compared to 2017.

Profit for the year 2018 reached ARS 15,565 million, 363.5% higher than in the same period of the previous fiscal year, mainly explained by a higher operating results and higher change in the fair value of investment properties that offset the net financial losses generated by the effect of the exchange rate depreciation in Argentina.

II. Shopping Malls

In fiscal year 2018, our tenants' sales reached ARS 43,130 million**,** 25.3% higher than in the same period of 2017.

Our portfolio's leasable area increased by approximately 3,000 sqm as compared to the same period of the previous fiscal year, mainly due to the completion to the expansion of our south Greater Buenos Aires shopping mall, Alto Avellaneda, and the incorporation of a Zara store in Alto Rosario.

The occupancy rate stood at very high levels, reaching 98.5%.

Shopping Malls' Financial Indicators

(in ARS million)	IVQ 18	IVQ 17	YoY Var	FY 18	FY 17	YoY Var
Revenues from sales, leases and services	969.0	830.1	16.7%	3,664.7	3,046.6	20.3%
Net gain from fair value adjustment on investment properties	2,316.8	686.3	237.6%	11,340.1	2,068.1	448.3%
Profit from operations	3,017.9	1,177.9	156.2%	14,060.1	4,258.0	230.2%
Depreciation and amortization	7.1	1.2	491.7%	28.2	17.4	62.1%
EBITDA(1)	**3,025.0**	**1,179.0**	**156.6%**	**14,088.3**	**4,275.4**	**229.5%**
Adjusted EBITDA(1)	**708.2**	**492.7**	**43.7%**	**2,748.2**	**2,207.3**	**24.5%**
NOI(2)	**815.6**	**598.7**	**36.2%**	**3,124.9**	**2,526.5**	**23.7%**

(1) See Point XIV: EBITDA Reconciliation
(2) See Point XV: NOI Reconciliation

Shopping Malls' Operating Indicators

	IVQ 18	IIIQ 18	IIQ 18	IQ 18	IVQ 17
Gross leasable area (sqm)	344,025	343,023	340,111	339,080	341,289
Tenants' sales (3 month cumulative)	11,971	9,358	12,031	9,778	9,306
Occupancy	98.5%	98.6%	99.1%	98.8%	98.5%

Revenues from this segment grew 20.3%, while Adjusted EBITDA reached ARS 2,748.2 million (+24.5% compared to the same period of 2017) and EBITDA margin, excluding income from expenses and collective promotion fund, was 75%.

Operating data of our Shopping Malls

	Date of acquisition	Location	Gross Leaseable Area sqm (1)	Stores	Occupancy (2)	IRSA CP's Interest (3)
Alto Palermo	Dec-97	City of Buenos Aires	18,648	136	99.5%	100%
Abasto Shopping(4)	Nov-99	City of Buenos Aires	36,796	170	99.1%	100%
Alto Avellaneda	Dec-97	Province of Buenos Aires	38,422	132	98.9%	100%
Alcorta Shopping	Jun-97	City of Buenos Aires	15,746	114	99.8%	100%
Patio Bullrich	Oct-98	City of Buenos Aires	11,397	86	97.1%	100%
Buenos Aires Design	Nov-97	City of Buenos Aires	13,735	62	96.1%	53.70%
Dot Baires Shopping	May-09	City of Buenos Aires	49,407	157	99.5%	80%
Soleil	Jul-10	Province of Buenos Aires	15,214	79	97.7%	100%
Distrito Arcos (5)	Dec-14	City of Buenos Aires	14,169	68	99.7%	90.00%
Alto Noa Shopping	Mar-95	Salta	19,063	88	96.8%	100%
Alto Rosario Shopping(4)	Nov-04	Santa Fe	33,358	141	99.5%	100%
Mendoza Plaza Shopping	Dec-94	Mendoza	42,867	141	98.3%	100%
Córdoba Shopping	Dec-06	Córdoba	15,276	105	100.0%	100%
La Ribera Shopping	Aug-11	Santa Fe	10,530	68	94.9%	50%
Alto Comahue (6)	Mar-15	Neuquén	9,397	99	94.4%	99.10%
Patio Olmos(7)	Sep-15	Córdoba				
Total			**344,025**	**1,646**	**98.5%**	

(1) Corresponds to gross leasable area in each property. Excludes common areas and parking spaces.
(2) Calculated dividing occupied square meters by leasable area as of the last day of the fiscal year.
(3) Company's effective interest in each of its business units.
(4) Excludes Museo de los Niños (3,732 square meters in Abasto and 1,261 square meters in Alto Rosario).
(5) Opening December 18, 2014.
(6) Opening March 17, 2015.
(7) IRSA CP owns the historic building of the Patio Olmos shopping mall in the Province of Córdoba, operated by a third party.

Cumulative tenants' sales as of June 30 of fiscal years 2018, 2017 and 2016

(In millions of Ps.)	2018	2017	2016
Alto Palermo	5,034	4,169	3,499
Abasto Shopping	5,674	4,604	4,043
Alto Avellaneda	5,459	4,344	3,776
Alcorta Shopping	2,754	2,207	1,899
Patio Bullrich	1,526	1,236	1,061
Buenos Aires Design	701	537	414
Dot Baires Shopping	4,701	3,748	3,254
Soleil	2,224	1,726	1,282
Distrito Arcos (2)	1,831	1,455	962
Alto Noa Shopping	1,983	1,587	1,325
Alto Rosario Shopping	4,085	3,175	2,627
Mendoza Plaza Shopping	3,441	2,734	2,369
Córdoba Shopping	1,405	1,178	991
La Ribera Shopping	1,030	771	634
Alto Comahue (3)	1,282	954	717
Patio Olmos (4)			
Total sales	**43,130**	**34,426**	**28,854**

(1) Retail sales based upon information provided to us by retailers and prior owners. The amounts shown reflect 100% of the retail sales of each shopping mall, although in certain cases we own less than 100% of such shopping malls. Excludes sales from stands and spaces used for special exhibitions.
(2) Opening December 18, 2014.
(3) Opening March 17, 2015.
(4) IRSA CP owns the historic building of the Patio Olmos shopping mall in the province of Cordoba, operated by a third party.

Cumulative tenants' sales as of June 30 of fiscal years 2018, 2017 and 2016

(In millions of Ps.)	2018	2017	2016
Anchor Store	2,477	1,875	1,590
Clothes and footwear	22,499	18,463	15,156
Entertainment	1,332	1,178	1,021
Home and decoration	1,210	957	784
Home Appliances	5,321	4,064	3,861
Restaurants	4,746	3,671	2,723
Miscellaneous	5,089	3,963	3,368
Services	456	255	351
Total	**43,130**	**34,426**	**28,854**

Revenues from cumulative leases as of June 2018 and 2017

(in ARS thousand)	IVQ18	IVQ17	YoY Var	FY 18	FY 17	YoY Var
Base Rent(1)	616,933	537,246	14.8%	2,149,077	1,685,900	27.5%
Percentage Rent	188,410	158,445	18.9%	733,969	637,323	15.2%
Total Rent	**805,343**	**695,691**	**15.8%**	**2,883,046**	**2,323,223**	**24.1%**
Admission rights	97,130	68,507	41.8%	344,245	262,489	31.1%
Fees	15,927	13,581	17.3%	58,781	47,697	23.2%
Parking	64,155	51,897	23.6%	236,323	192,750	22.6%
Commissions	88,244	42,929	105.6%	170,902	122,389	39.6%
Revenues from non-traditional advertising	34,261	15,861	116.0%	99,273	63,001	57.6%
Others	-358	2,490	-114.4%	7,820	48,588	-83.9%
Revenues before Expenses and Collective Promotion Fund	**1,104,702**	**890,956**	**24.0%**	**3,800,390**	**3,060,134**	**24.2%**
Expenses and Collective Promotion Fund	414,683	362,823	14.3%	1,607,590	1,349,725	19.1%
Total(2)	**1,519,385**	**1,253,779**	**21.2%**	**5,407,981**	**4,409,859**	**22.6%**

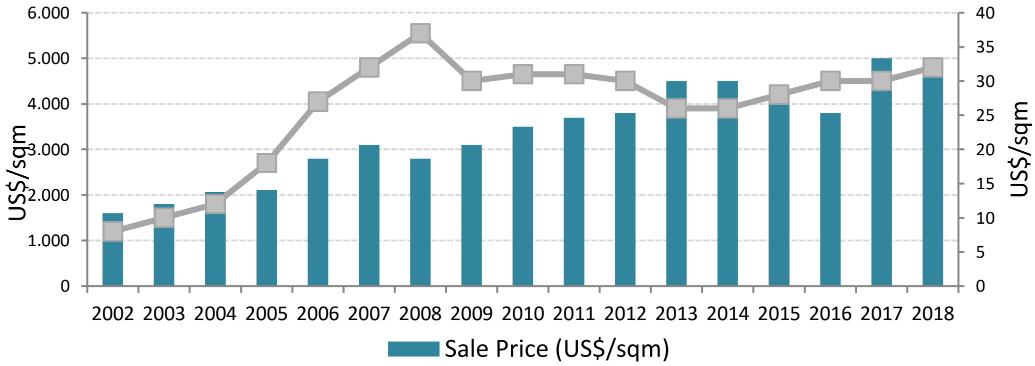
(1) Includes Revenues from stands for ARS 267.6 million cum Jun, 18
(2) Does not include Patio Olmos.

III. Offices

The A+ office market in the City of Buenos Aires remains robust even after the period of highest exchange volatility in recent years. The price of Premium commercial spaces stood at USD 5,000 per square meter while rental prices increased slightly as compared to the previous year, averaging USD 32 per square meter for the A+ segment, and vacancy remains stable at 3.50% as of June 2018.

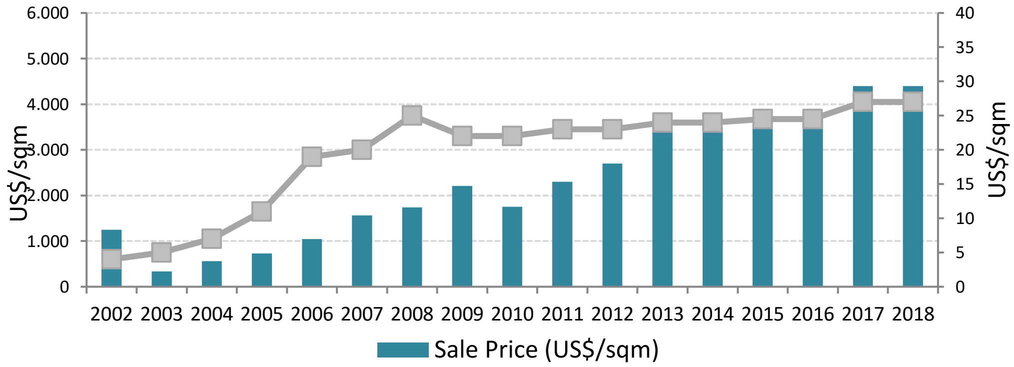
As concerns the A+ office market in the Northern Area, we have noted a significant improvement in the price of units during the last 10 years, and we believe in its potential during the next years. Rental prices have remained at USD 27 per square meter.

Sale and Rental Prices of A+ Offices – City of Buenos Aires



Source: LJ Ramos

Sale and Rental Prices of A+ Offices – Northern Area



Source: LJ Ramos

Gross leasable area was 83,213 sqm as of the end of fiscal year 2018, lower than the one recorded in the same period of the previous fiscal year, mainly due to the sale of one floor of approximately 900 sqm of the Intercontinental Plaza building.

Portfolio average occupancy diminished at 92.3% regarding the same period of previous fiscal year, mainly due to the takeover in January 2018 of the total sqm in Philips Building, that has 69,8% occupancy in the fourth quarter of fiscal year 2018. The average rental price remains at USD 26.1 per sqm.

(In millions of Ps.)	IVQ 18	IVQ 17	YoY Var	FY 18	FY 17	YoY Var
Revenues from sales, leases and services	141.2	104.5	35.1%	492.1	401.8	22.5%
Net gain from fair value adjustment on investment properties	3,627.9	376.2	864.4%	5,042.4	1,064.6	373.6%
Profit from operations	3,717.2	454.1	718.6%	5,399.7	1,366.4	295.2%
Depreciation and amortization	2.6	0.3	766.7%	9.7	6.4	51.6%
EBITDA(1)	**3,719.8**	**454.4**	**718.6%**	**5,409.4**	**1,372.8**	**294.0%**
Adjusted EBITDA (1)	**91.9**	**78.1**	**17.7%**	**367.0**	**308.2**	**19.1%**
NOI(2)	**102.4**	**91.3**	**12.2%**	**406.1**	**346.4**	**17.2%**

(1) See Point XIV: EBITDA Reconciliation
(2) See Point XV: NOI Reconciliation

Offices' Operating Indicators

	IVQ 18	IIIQ 18	IIQ 18	IQ 18	IVQ 17
Leasable area	83,213	84,362	84,362	84,362	84,362
Occupancy	92.3%	91.0%	93.6%	96.7%	96.7%
Rent ARS/sqm	755	533	497	456	428
Rent USD/sqm	26.1	26.5	26.5	26.3	25.8

During fiscal year 2018, revenues from the offices segment increased 22.5% as compared to the same period of 2017 Last quarter of the year boosted the growth given the effect of the exchange rate depreciation in Argentina in our contracts denominated in dollars. Adjusted EBITDA from this segment grew 19.1% in fiscal year 2018 compared to the same period of the previous year. EBITDA margin was 74.6%, 2.1pp below the previous year, this decrease is mainly due to the impact in IVQ 18 of higher costs at Quality (San Martín property for future mixed-use project) due to consultancy and design project fees for approximately ARS 6.2 million, higher allowance for doubtful accounts charges generated by 72% for a single tenant and the impact of higher costs from vacant floors during the year. Excluding the one-time effect of fees in Quality, the EBITDA margin for the year amounts to 75.8%, in line with the previous year.

Below is information on our office segment and other rental properties as of June 30, 2018.

	Date of Acquisition	Gross Leaseable Area (sqm) (1)	Occupancy(2)	IRSA CP's Actual Interest	Monthly Income (in thousands of Ps.) (3)	Annual Accumulated Rental Income for the fiscal years Ps./000(4)		
						2018	2017	2016
Offices								
Edificio República	12/22/2014	19,885	98.4%	100%	16,112	126,318	112,758	75,122
Torre Bankboston	12/22/2014	14,873	85.6%	100%	10,875	86,825	79,498	51,690
Intercontinental Plaza	12/22/2014	2,979	100.0%	100%	1,910	20,435	18,810	29,078
Bouchard 710	12/22/2014	15,014	100.0%	100%	14,094	121,129	85,465	67,250
Suipacha 652/64	12/22/2014	11,465	86.2%	100%	4,373	33,631	30,007	22,507
Dot Building	11/28/2006	11,242	100.0%	80%	7,881	63,913	50,172	31,229
Philips	06/05/2017	7,755	69.8%	100%	3,416	16,313		
Subtotal Offices		**83,213**	**92,3%**	**N/A**	**58,661**	**468,565**	**376,712**	**276,876**
Other Properties								
Nobleza Piccardo(6)	05/31/2011	109,610	78.0%	50%	1,097	6,269	13,217	2,172
Other Properties(5)	N/A	12,941	N/A	N/A	1,731	15,773	11,838	5,089
Subtotal Other Properties		**122,551**	**N/A**	**N/A**	**2,828**	**22,042**	**25,055**	**7,261**
Total Offices and Others		**205,764**	**N/A**	**N/A**	**61,489**	**490,607**	**401,767**	**284,137**

(1) Corresponds to the total leaseable surface area of each property as of June 30, 2018. Excludes common areas and parking spaces.
(2) Calculated by dividing occupied square meters by leaseable area as of June 30, 2018.
(3) The lease agreements in effect as of June 30, 2018 were computed for each property.
(4) Corresponds to total consolidated lease agreements.
(5) Includes the following properties: Ferro, Dot Adjoining Plot, Anchorena 665, Anchorena 545 (Chanta IV) and Intercontinental plot of land.

IV. Sales & Developments and Others

The segment "Others" includes the Fair, Convention Center and Entertainment activities through the indirect stake in La Rural S.A. and La Arena S.A and the interest held in Tarshop and Avenida Inc.

in ARS Million	Sales and Developments FY 18	FY 17	YoY Var	Others FY 18	FY 17	YoY Var
Revenues	105.5	99.1	6.5%	9.3	0.9	933.3%
Net gain from fair value adjustment on investment properties	1,000.1	193.2	417.7%	45.6	-	0.0%
Net gain realized from fair value adjustment on investment properties	20.8	65.2	-68.1%	-	-	0.0%
Profit from operations	1,071.4	221.5	383.7%	28.8	12.5	130.4%
Depreciation and amortization	1.2	0.6	100.0%	-	-	0%
EBITDA(1)	**1,072.5**	**222.1**	**382.9%**	28.8	12.5	130.4%
Adjusted EBITDA(1)	**93.1**	**94.1**	**-1.1%**	**-16.8**	**12.5**	**-234.4%**
NOI(2)	**98.1**	**128.7**	**-23.8%**	**-12.4**	**-2.1**	**-490.5%**

(1) See Point XIV: EBITDA Reconciliation
(2) See Point XV: NOI Reconciliation

Revenues from Sales and Developments segment increased by 6.5% in the year as a result of the sales of Astor Beruti departments and garages, which, although in quantity were lower than the ones sold in 2017, the positive impact of the exchange depreciation in Argentina has been reflected. Adjusted EBITDA for the Sales and Developments segment was ARS 93.1 million during fiscal year 2018, slightly lower than the previous year due to lower realized sales of investment properties.

Adjusted EBITDA of Others segment was negative at ARS 16.8 million in 2018, mainly due to higher costs and expenses associated with the purchase of La Arena S.A. made in February 2018.

The following table shows information about our land reserves as of June 30, 2018:

	IRSA CP's Interest	Date of acquisition	Land surface (sqm)	Buildable surface (sqm)	GLA (sqm)	Salable surface (sqm)	Book Value (ARS millions)
RESIDENTIAL - BARTER AGREEMENTS							
Beruti (Astor Palermo) - BA City	100%	6/24/2008	-	-	-	229	151
CONIL - Güemes 836 – Mz. 99 & Güemes 902 – Mz. 95 & Commercial stores - Buenos Aires	100%	7/19/1996	-	-	847	58	46
Total Intangibles (Residential)			**-**	**-**	**847**	287	**197**
LAND RESERVES							
Polo Dot U building - BA City	80%	6/29/2006	5,273	32,000	32,000	-	674
Catalinas - BA City	100%	5/26/2010	3,648	58,100	16,012	-	645
Subtotal Oficinas			**8,921**	**90,100**	**48,012**	-	**1,319**
Total under Development			**8,921**	**90,100**	**48,012**		**1,319**
UOM Luján - Buenos Aires	100%	5/31/2008	1,160,000	464,000	-	-	305
San Martin Plot (Ex Nobleza Piccardo) - Buenos Aires	50%	5/31/2011	159,995	500,000	-	-	1,406
La Plata - Greater Buenos Aires	100%	3/23/2018	78,614	116,552	-	-	219
Subtotal Mixed-uses			**1,398,609**	**1,080,552**	**-**	**-**	**1,930**
Coto Abasto aire space - BA City(2)	100%	9/24/1997	-	21,536	-	15,831	274
Córdoba Shopping Adjoining plots - Córdoba(2)	100%	6/5/2015	8,000	13,500	-	2,160	13
Neuquén - Residential plot - Neuquén(2)	100%	6/7/1999	13,000	18,000	-	18,000	67
Subtotal Residential			**21,000**	**53,036**	**-**	**35,991**	**355**
Caballito plot - BA City	100%	1/20/1999	23,791	68,000	30,000	-	376
Tucumán plot - Tucumán (3)	100%	3/15/2010	18,620	10,000	10,000	-	-
Paraná plot - Entre Ríos (3)	100%	8/12/2010	10,022	5,000	5,000	-	-
Subtotal Retail			**52,433**	**83,000**	**45,000**	**-**	**376**
Polo Dot - Offices 2 & 3 - BA City	80%	11/28/2006	12,800	44,957	33,485	-	808
Intercontinental Plaza II - BA City	100%	28/2/1998	6,135	19,598	19,598	-	351
Córdoba Shopping Adjoining plots - Córdoba(2)	100%	5/6/2015	2,800	5,000	5,000	-	7
Subtotal Offices			**21,735**	**69,555**	**58,083**	**-**	**1,167**
Total Future Developments			**1,493,777**	**1,286,143**	**103,083**	**35,991**	**3,828**
Another Land Reserves(1)			**1,899**		**7,297**	**262**	**182**
Total Land Reserves			**1,504,597**	**1,376,243**	**158,392**	**36,253**	**5,329**

(1) Includes Zelaya 3102-3103, Chanta IV, Anchorena 665 and Condominios del Alto II
(2) These land reserves are classified as Property for Sale, therefore, their value is maintained at historical cost. The rest of the land reserves are classified as Investment Property, valued at market value.
(3) Sign of the deeds pending subject to certain conditions.

The following table shows information about our expansions on current assets as of June 30, 2018:

Expansions	IRSA CP's Interest	Surface (sqm)	Locations
Alto Rosario	100%	2,000	Santa Fé
Mendoza Plaza - Sodimac Store + Falabella	100%	12,800	Mendoza
Alto Comahue - Movie Theatres	99%	2,200	Neuquén
Subtotal Current Expansions		**17,000**	
Alto Palermo Adjoining Plot	100%	4,000	BA City
Dot Adjoining Plot	80%	16,765	BA City
Other future Expansions[1]		85,290	
Subtotal Future Expansiones		**106,055**	
Total Shopping Malls		**123,055**	
Patio Bullrich - Offices / Hotel	100%	10,000	BA City
Philips Building	100%	20,000	BA City
Subtotal Future Expansions		**30,000**	
Total Offices		**30,000**	
Total Expansions		**153,055**	

(1) Includes Alto Palermo, Paseo Alcorta, Alto Avellaneda, Soleil, Alto Noal, Alto Rosario, Mendoza, Córdoba y La Ribera Shopping

V. CAPEX 2019 - 2020

	Developments					
	Shopping Malls: Expansions				*Offices: New*	
	Alto Comahue (Movie Theatres)	Alto Palermo	Alto Rosario	Mendoza Plaza (Sodimac & Falabella)	Polo Dot (1st stage)	Catalinas
						
Start of works	FY2017	FY2019	FY2018	FY2018	FY2017	FY2017
Estimated opening date	FY2019	FY2020	FY2019	FY2019/20	FY2019	FY2020
GLA (sqm)	2,200	3,900	2.000	12,800	32,000	16,000
% held by IRSA Propiedades Comerciales	100%	100%	100%	100%	80%	45%
Investment amount (million)	~ARS 180	USD 28.5	USD 3.0	USD 13.7	~ARS 1,000	~ARS 720
Work progress (%)	97%	0%	0%	0%	74%	16%
Estimated stabilized EBITDA (USD milllion)	USD 0.3	USD 6-8	USD 0.4	USD 1.3	USD 8-10	USD 6-8

Shopping Mall Expansions

During the next fiscal year, we will add approximately 17,000 sqm from current malls' expansions. We will add soon 6 movie theatres in Alto Comahue of 2,200 sqm, an approximately 12,800 sqm Sodimac store in Mendoza Plaza Shopping while expanding its Falabella store and 2,000 sqm of expansion in Alto Rosario, where we have recently opened a big Zara store.

During the next fiscal year, we expect to launch the works of expansion of Alto Palermo shopping mall, the shopping mall with the highest sales per square meter in our portfolio, that will add a gross leasable area of approximately 4,000 square meters and will consist in moving the food court to a third level by using the area of an adjacent building acquired in 2015.

First Stage of Polo Dot

The project called "Polo Dot", located in the commercial complex adjacent to our shopping mall Dot Baires, has experienced significant growth since our first investments in the area. The total project will consist in 3 office buildings (one of them could include a hotel) in land reserves owned by the Company and the expansion of the shopping mall by approximately 15,000 square meters of GLA. At a first stage, we are developing an 11-floor office building with an area of approximately 32,000 square meters on an existing building, in respect of which we have already executed lease agreements for the total surface. The total estimated investment amounts to ARS 1,000 million and as of June 30, 2018, degree of progress was 74%.

Catalinas building

The building to be constructed will have 35,000 sqm of GLA consisting of 30 office floors and 316 parking spaces, and will be located in the "Catalinas" area in the City of Buenos Aires, one of the most sought-after spots for Premium office development in Argentina. The company owns 16,000 square meters consisting of 14 floors and 142 parking spaces in the building under construction. The total estimated investment under IRSA Comercial Properties amounts to ARS 720 million and as of June 30, 2018, work progress was 16%.

VI. Reconciliation with Consolidated Income Statement

Below is an explanation of the reconciliation of the Company's total income by segment with its consolidated Income Statement. The difference lies in the presence of joint ventures included in the Income Statement per segment but not in the Income Statement.

For the twelve-month period ended June 30, 2018

Item *(stated in ARS million)*	**Total as per segment information**	**Expenses and Collective Promotion Funds**	**Adjustment for share of profit / (loss) of joint ventures (1)**	**Total as per Statement of income**
Revenues	4,272	1,717	-39	5,950
Costs	-417	-1,747	24	-2,140
Gross profit	**3,855**	**-30**	**-15**	**3,810**
Net income from changes in the fair value of investment property	17,428	-	-738	16,690
General and administrative expenses	-416	-	1	-415
Selling expenses	-298	-	3	-295
Other operating results, net	-9	-	4	-5
Profit from operations	**20,560**	**-30**	**-745**	**19,785**

(1) Includes operating results from La Ribera Shopping and San Martín Plot (ex Nobleza Picardo) (50%).

VII. Consolidated Financial Debt

As of June 30, 2018, IRSA Propiedades Comerciales S.A. had a net debt of USD 230.5 million. Below is a detail of IRSA Propiedades Comerciales S.A.'s debt:

Description	Currency	Amount (US$ MM)(1)	Interest Rate	Maturity
Bank overdrafts	ARS	0.2	-	< 360 d
PAMSA loan	USD	35.0	Fixed	Feb-323
IRCP NCN Class IV	USD	140.0	5.0%	Sep-20
IRSA CP NCN Class II	USD	360.0	8.75%	Mar-23
IRSA CP's Total Debt		**535.2**		
Cash & Cash Equivalents + Investments (2)		304.7		
Consolidated Net Debt		**230,5**		

(1) Principal amount at an exchange rate of ARS 28.85, without considering accrued interest or eliminations of balances with subsidiaries. Includes joint ventures.
(2) Includes Cash and cash equivalents + Investments in Current Financial Assets and our holding in TGLT's convertible Notes.

On February 16, 2018, Panamerican Mall SA, controlled 80% by IRSA Propiedades Comerciales SA and owner of Dot Baires Shopping, the Dot building and neighboring reserves in the Polo Dot commercial complex, took out a loan with a non-related banking entity, for the sum of USD 35.0 million at 5.2365% due 2023. The funds will be used mainly for the completion of the construction work of the Polo Dot 1º stage office building.

VIII. Dividends

Pursuant to Argentine law, the distribution and payment of dividends to shareholders is only valid if they result from realized and net profits of the Company pursuant to annual financial statements approved by the shareholders. The approval, amount and payment of dividends are subject to the approval by our shareholders at our annual ordinary shareholders' meeting. The approval of dividends requires the affirmative vote of a majority of the shares entitled to vote at the meeting.

Pursuant to Argentine law and our by-laws, net and realized profits for each fiscal year are allocated as follows:

- 5% of such net profits is allocated to our legal reserve, until such reserve amounts to 20% of our capital stock;
- a certain amount determined at a shareholders' meeting is allocated to the compensation of our directors and the members of our Supervisory Committee; and
- additional amounts are allocated to the payment of dividends, optional reserve, or to set up reserves for any other purpose as determined by our shareholders.

The following table illustrates the ratio between the amounts paid as dividends and the total amount paid as dividends on each fully paid-in common share for the fiscal years mentioned. Amounts in Pesos are stated in historical Pesos as of their respective payment dates.

Year	Cash dividends (ARS)	Stock dividends	Total per share (ARS)
2006	29,000,000	-	0.0372
2007	47,000,000	-	0.0601
2008	55,721,393	-	0.0712
2009	60,237,864	-	0.0770
2010	56,000,000	-	0.0716
2011	243,824,500	-	0.1936
2012	294,054,600	-	0.2334
2013	306,500,000	-	0.2432
2014	407,522,074	-	0.3234
2015	437,193,000	-	0.3469
2016	283,580,353	-	0.2250
2017	770,000,000	-	6.1000(*)
2018	680,000,000	-	5.3962

(*) In FY 17 the face value of IRCP's shares was changed from $0.10 to $1 per share.

X. Material and Subsequent Events

August 2017: Purchase of TGLT's Convertible Subordinated Notes

On August 1, 2017, IRSA Propiedades Comerciales exercised its preemptive subscription and accretion rights and purchased 22,225,000 Subordinated Notes Convertible into Newly Issued Shares of TGLT for an aggregate amount of USD 22,225,000 (USD 1 par value) due 2027.

If all the holders exercised their conversion rights, the company's interest in TGLT would increase to 12.8% of its stock capital, up from 4.2%.

August 2017: Concession agreement for the Exhibition and Convention Center of the City of Buenos Aires

On August 4, 2017, a 15-year concession agreement for the Exhibition and Convention Center of the City of Buenos Aires was executed by the joint venture "LA RURAL S.A. - OFC S.R.L. - OGDEN ARGENTINA S.A. – ENTRETENIMIENTO UNIVERSAL S.A. UNION TRANSITORIA", which had become awardee of the public tender called for such concession on July 24, 2017.

The members of the joint venture hold the following interests: (a) La Rural S.A., five percent (5%); (b) OFC SRL, twenty percent (20%); (c) Ogden Argentina SA, fifty-five percent (55%); and (d) Entretenimiento Universal SA, twenty percent (20%).

The shareholders of La Rural S.A. are Sociedad Rural Argentina, who is holder of a 50% interest, and Ogden Argentina SA, who holds the remaining 50%.

Ogden Argentina SA and Entretenimiento Universal SA are controlled companies of Entertainment Holdings S.A., whose shareholders are IRSA CP, who holds a 70% interest, and Diego Finkelstein, who holds the remaining 30%.

Consequently, IRSA CP indirectly holds a 54.25% interest in the joint venture.

The Exhibition and Convention Center has a surface area of approximately 22,800 sqm and may accommodate approximately 5,000 attendees. It has a main exhibit hall and an ancillary hall, offices and meetings rooms, arranged in three underground levels that were designed to blend into the landscape extending from the School of Law of the University of Buenos Aires to Parque Thays.

October 2017: Sale of shareholding interest held by IRSA Inversiones y Representaciones S.A.

On October 26, 2017, IRSA Inversiones y Representaciones Sociedad Anónima (“IRSA”) sold 2,560,000 ADS (each ADS represents 4 common shares) of the Company in the over-the-counter market, for an aggregate amount of USD 138,240,000, accounting for 8.13% of its stock capital.

October 2017: General Ordinary and Extraordinary Shareholders’ Meeting

On October 31, 2017, our General Ordinary and Extraordinary Shareholders’ Meeting was held. The following matters, inter alia, were resolved by majority of votes:

- Distribution of ARS 680 million as cash dividends in addition to the ARS 310 million approved as interim dividends.
- Designation of board members and the appointment of Isela Constantini as new independent director.
- Compensations to the Board of Directors for the fiscal year ended June 30, 2017
- Delegation in the Board of Directors of the faculty to renew terms and conditions of the notes of the Global Programme of Notes for up to USD 500 million that may be extended to USD 100 million.

February 2018: DirecTV Arena Acquisition

Ogden Argentina SA ('OASA'), which is indirectly controlled by IRSA CP in a 70%, has acquired a 60% stake of 'La Arena SA'. which developed and operates the stadium known as 'DIRECTV ARENA', located at kilometer 35.5 of the Pilar branch, Tortuguitas, in the province of Buenos Aires.

DIRECTV Arena is an indoor stadium with unique features intended for the performance of top-level international events, including sporting and others. The price set for the transaction amounted to USD 4.2 million. In this way, IRSA CP continues to expand, through OASA, which also owns a stake in La Rural S.A. and in the new Convention Center of the City of Buenos Aires, its exposure to the activity of fair events and entertainment, which could generate synergies with the business of shopping centers.

March 2018: Acquisition of a land plot in La Plata

On March 22, 2018 the Company has acquired, directly and indirectly, 100% of a plot of land of 78,000 sqm of surface in the town of La Plata, province of Buenos Aires. The operation was made through the purchase of 100% of the shares of the company Entertainment Center La Plata SA ('CELAP'), owner of 61.85% of the property and the direct purchase of the remaining 38.15% to non-related third parties.

The price of the operation was set at the amount of US$ 7,5 million which have been fully paid. The purpose of this acquisition is the future development of a mixed-use project, given that the property has characteristics for a commercial development in a high potential district.

Abril 2018: ERSA Judicial Intervention and concession expiration of Buenos Aires Design

On April 12, 2018 Emprendimiento Recoleta SA ('ERSA'), a company controlled by IRSA CP, has been notified by the National Criminal and Correctional Federal Court No. 1, Secretary No. 2 in charge of Judge María Romilda Servini in the framework of the case entitled 'Blaksley Enrique and others over infraction art. 303' of the judicial intervention of Emprendimiento Recoleta S.A. and another thirty-nine companies not related to IRSA CP for a period of six months, ordering the designation of collectors and informants declaring its general inhibition of assets.

ERSA is a limited company whose main activity is the exploitation of the concession of Buenos Aires Design shopping mall, located in the city of Buenos Aires, controlled by 53.68% by IRSA CP, while the remaining minority stake corresponds to Hope Funds SA, a Company related to the defendant Blaksley Enrique, acquired from a third party on June 30, 2009, transaction in which IRSA CP did not have any participation.

In the face of the measure adopted by the court in question, ERSA will present immediately an appeal to the measure in order to protect the interests of ERSA and IRSA CP in its capacity as controlling shareholder since both companies are completely unrelated to the facts investigated and the only relationship with Hope Funds SA and the defendants is the one mentioned in the previous paragraph.

It should be noted that on November 18, 2018 expires the term of the concession regarding the property in which Buenos Aires Design is located, subscribed with the Government of the City of Buenos Aires.

July 2018: Maltería Hudson property Acquisition

In July 2018 the company informed that it has acquired for its subsidiary “La Maltería S.A.”, which is directly or indirectly controlled by the company in a 100%, a property of 147,895 sqm of surface and approximately 40,000 sqm of built surface known as “Maltería Hudson”, located in the intersection between Route 2 and Buenos Aires - La Plata highway, main connection route to the south of Greater Buenos Aires and the Atlantic Coast, in the City of Hudson, province of Buenos Aires.

The price of the operation was set at the amount of USD 7.0 million, which have been fully paid.

Moreover, there are two adjoining properties to “La Maltería” of approximately 49,000 sqm and 57,000 sqm respectively, with the sign of the deed pending for a total amount of USD 720,825, of which 10% has already been paid and the balance will be paid at the time of signing the deed.

It should be mentioned that the company has signed an option with a non-related third party to sell between 15% to 30% of the shares of “La Maltería S.A.” at the acquisition price plus a certain interest for a 6-month period.

The purpose of this acquisition is the future development of a mixed-use project, with a total constructive capacity of approximately 177.000 sqm, given that the property has location and scale characteristics for a real estate development with great potential.

X. Summary Comparative Consolidated Balance Sheet

(in ARS million)	06.30.2018	06.30.2017
Non-current assets	57,074	37,906
Current assets	10,670	4,515
Total assets	**67,744**	**42,422**
Capital and reserves attributable to the equity holders of the parent	36,565	22,145
Non-controlling interest	1,398	870
Total shareholders' equity	**37,963**	**23,015**
Non-current liabilities	27,284	17,605
Current liabilities	2,497	1,801
Total liabilities	**29,781**	**19,405**
Total liabilities and shareholders' equity	**67,744**	**42,422**

XI. Summary Comparative Consolidated Income Statement

(in ARS million)	06.30.2018	06.30.2017
Profit from operations	**19,785**	**5,621**
Share of profit of associates and joint ventures	640	153
Profit from operations before financing and taxation	**20,424**	**5,774**
Financial income	688	242
Financial cost	-7,438	-1,313
Other financial results	2,268	284
Financial results, net	**-4,482**	**-787**
Profit before income tax	**15,943**	**4,987**
Income tax	-287	-1,609
Profit for the period	**15,656**	**3,378**
Total comprehensive income for the period	**15,656**	**3,378**
Attributable to:		
Equity holders of the parent	**15,100**	**3,261**
Non-controlling interest	**556**	**117**

XII. Summary Comparative Consolidated Cash Flow

(in ARS million)	06.30.2018	06.30.2017
Net cash generated from operating activities	3,634	2,875
Net cash (used in) / generated from investing activities	-3,871	-148
Net cash generated from / (used in) financing activities	1,800	-958
Net increase in cash and cash equivalents	**1,563**	**1,769**
Cash and cash equivalents at beginning of year	1,808	33
Foreign exchange gain on cash and fair value results of cash equivalent	272	5
Cash and cash equivalents at period-end	3,643	1,808

XIII. Comparative Ratios

(in ARS million)	06.30.2018		06.30.2017	
Liquidity				
CURRENT ASSETS	10,670	4.27	4,515	2.51
CURRENT LIABILITIES	2,497		1,801	
Indebtedness				
TOTAL LIABILITIES	29,781	0.81	19,405	0.88
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	36,565		22,145	
Solvency				
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	36,565	1.23	22,145	1.14
TOTAL LIABILITIES	29,781		19,405	
Capital Assets				
NON-CURRENT ASSETS	57,074	0.84	37,906	0.89
TOTAL ASSETS	67,744		42,422	

XIV. EBITDA Reconciliation

In this summary report we present EBITDA and Adjusted EBITDA. We define EBITDA as profit for the period excluding: (i) interest income, (ii) interest expense, (iii) income tax expense, and (iv) depreciation and amortization. We define Adjusted EBITDA as EBITDA minus (i) total financial results, net other than interest expense, net (mainly foreign exchange differences, net gains/losses from derivative financial instruments; gains/losses of financial assets and liabilities at fair value through profit or loss; and other financial results, net) and minus (ii) share of profit of associates and joint ventures and minus (iii) unrealized results due to the revaluation of the fair value of investment properties.

EBITDA and Adjusted EBITDA are non-IFRS financial measures that do not have standardized meanings prescribed by IFRS. We present BITDA and adjusted EBITDA because we believe they provide investors supplemental measures of our financial performance that may facilitate period-to-period comparisons on a consistent basis. Our management also uses EBITDA and Adjusted EBITDA from time to time, among other measures, for internal planning and performance measurement purposes. EBITDA and Adjusted EBITDA should not be construed as an alternative to profit from operations, as an indicator of operating performance or as an alternative to cash flow provided by operating activities, in each case, as determined in accordance with IFRS. EBITDA and Adjusted EBITDA, as calculated by us, may not be comparable to similarly titled measures reported by other companies. The table below presents a reconciliation of profit for the relevant period to EBITDA and Adjusted EBITDA for the periods indicated:

For the twelve-month period ended June 30 (in ARS million)		
	2018	**2017**
Profit for the period	15,656	3,378
Interest income	-240	-184
Interest expense	928	640
Capitalized financial costs	-14	-2
Income tax expense	287	1,609
Depreciation and amortization	45	29
EBITDA (unaudited)	**16,669**	**5,470**
Unrealized gain from fair value of investment properties	-16,685	-3,068
Issuance Expenses	-	15
Share of profit of associates and joint ventures	-640	-153
Dividends earned	-34	-10
Foreign exchange differences, net	5,993	550
(Gain) from derivative financial instruments	-227	-81
Fair value gains of financial assets and liabilities at fair value through profit or loss	-2,041	-203
Other financial costs	117	77
Adjusted EBITDA (unaudited)	**3,161**	**2,597**
Adjusted EBITDA Margin (unaudited)[(1)]	**74.69%**	**74.01%**

(1) Adjusted EBITDA margin is calculated as Adjusted EBITDA, divided by income from sales, rents and services.

XV. NOI Reconciliation

In addition, we present in this summary report Net Operating Income or "NOI" which we define as gross profit from operations minus (i) selling expenses plus (ii) net realized gain on changes in fair value of investment properties and plus (iii) depreciation and amortization.

NOI is a non-IFRS financial measure that does not have a standardized meaning prescribed by IFRS. We present NOI because we believe it provides investors a supplemental measure of our financial performance that may facilitate period-to-period comparisons on a consistent basis. Our management also uses NOI from time to time, among other measures, for internal planning and performance measurement purposes. NOI should not be construed as an alternative to profit from operations, as an indicator of operating performance or as an alternative to cash flow provided by operating activities, in each case, as determined in accordance with IFRS. NOI, as calculated by us, may not be comparable to similarly titled measures reported by other companies. The table below presents a reconciliation of profit from operations to NOI for the periods indicated:

For the twelve-month period ended June 30 (in ARS million)		
	2018	**2017**
Gross profit	3,810	3,097
Selling expenses	-295	-237
Net realized gain on changes in fair value of investment property	21	65
Depreciation and amortization	45	29
NOI (unaudited)	**3,581**	**2,954**

XVI. FFO Reconciliation

We also present in this summary report Adjusted Funds From Operations attributable to the controlling interest (or "Adjusted FFO"), which we define as Total profit for the year or period plus (i) depreciation and amortization minus (ii) net gain from fair value adjustments of investment properties minus (iii) total financial results, net excluding Financial interest net (foreign exchange differences net, gain/loss from derivative financial instruments, fair value gains of financial assets and liabilities at fair value through profit or loss, Other financial results net), plus (iv) deferred income tax and minus (v) non-controlling interest.

Adjusted FFO is a non-IFRS financial measure that does not have a standardized meaning prescribed by IFRS. Adjusted FFO is not equivalent to our profit for the period as determined under IFRS. Our definition of Adjusted FFO is not consistent and does not comply with the standards established by the White Paper on funds from operations (FFO) approved by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"), as revised in February 2004, or the "White Paper."

We present Adjusted FFO because we believe it provides investors a supplemental measure of our financial performance that may facilitate period-to-period comparisons on a consistent basis. Our management also uses Adjusted FFO from time to time, among other measures, for internal planning and performance measurement purposes. Adjusted FFO should not be construed as an alternative to profit from operations, as an indicator of operating performance or as an alternative to cash flow provided by operating activities, in each case, as determined in accordance with IFRS. Adjusted FFO, as calculated by us, may not be comparable to similarly titled measures reported by other companies. The table below presents a reconciliation of profit from operations to Adjusted FFO for the periods indicated:

For the twelve-month period ended June 30 (in ARS million)	2018	2017
Total profit for the year	15,656	3,378
Net gain from fair value adjustments of investment properties	-16,690	-3,133
Depreciation and amortization	45	29
Foreign exchange differences, net	5,993	550
Gain from derivative financial instruments	-227	-81
Fair value gains of financial assets and liabilities at fair value through profit or loss	-2,041	-203
Dividends earned	-34	-10
Other financial costs	117	77
Deferred income tax	149	1,099
Non-controlling interest	-556	-117
Adjusted FFO (unaudited)	**2,412**	**1,589**

XVII. Brief comment on prospects for the next fiscal year

During this fiscal year, the business of shopping malls and offices have maintained solid operational metrics with competitive sales and income levels and very high occupancy. The exchange rate volatility of the last quarter of this fiscal year has modified the growth projection of economic activity for the year 2019 downwards, and in this context, it is a challenge to be able to maintain the level of consumption in our shopping malls observed in recent quarters.

Regarding investments, during the next fiscal year, we plan to incorporate approximately 17.000 sqm of the expansion works in progress of some of our shopping malls. Also, we will put into operation the office building "Polo Dot", of 32,000 sqm of GLA, located in the commercial complex adjacent to our shopping Dot Baires, which is already leased in its entirety to high-level tenants as the e-commerce company "Mercado Libre" and the retailer "Falabella".

Additionally, we will advance in the development of 35,468 sqm of GLA of the "Catalinas" building located in one of the most premium areas for the development of offices in Argentina, of which IRSA CP has 16,012 sqm corresponding to 14 floors and 142 parking spaces.

In addition to the projects in progress, the company has a large reserve of land for future developments of shopping malls and offices in Argentina in a context of a high potential industry. We hope to have the economic, financial and governmental conditions to be able to execute our growth plan.

We expect that during 2019 IRSA Propiedades Comerciales will continue to consolidate its position as the leading commercial real estate company in Argentina. With more than 400,000 m2 of gross leasable area distributed among the best shopping malls and offices in the country, a potential to almost double the portfolio in existing land reserves, a low level of indebtedness and a great track record in accessing the capital market, we believe that we have a solid position to capitalize on the various opportunities that may arise in the future in our country.

IRSA PROPIEDADES COMERCIALES S.A.

Consolidated Balance Sheets

as of June 30, 2018 and 2017

(Amounts stated in thousands of Argentine pesos, except shares and per share data, and as otherwise indicated)

	Note	06.30.18	06.30.17
ASSETS			
Non-current Assets			
Investment properties	9	54,054,811	35,916,882
Property, plant and equipment	10	109,437	120,536
Properties for sale	11	61,362	61,600
Intangible assets	12	213,051	111,560
Investments in associates and joint ventures	8	1,433,522	791,626
Deferred tax assets	20	60,734	59,455
Income tax and minimum presumed income tax credit		156,152	29
Trade and other accounts receivable	14	955,509	777,818
Investments in financial assets	13	29,139	66,717
Total non-current assets		**57,073,717**	**37,906,223**
Current assets			
Properties for sale	11	206	-
Inventories		24,882	22,722
Restricted assets	13	-	49,525
Income tax and minimum presumed income tax credit		43,269	1,933
Trade and other accounts receivable	14	1,766,075	1,453,312
Investments in financial assets	13	5,145,463	1,180,249
Derivate financial instruments	13	47,360	-
Cash and cash equivalents	13	3,643,131	1,807,544
Total current assets		**10,670,386**	**4,515,285**
TOTAL ASSETS		**67,744,103**	**42,421,508**
SHAREHOLDERS' EQUITY			
Total equity and reserves attributable to controlling company's shareholders		36,565,015	22.145.079
Non-controlling interest		1,397,872	871,169
TOTAL SHAREHOLDERS' EQUITY		**37,962,887**	**23,016,248**
LIABILITIES			
Non-current liabilities			
Trade and other accounts payable	17	483,908	406,598
Loans	18	15,362,726	5,918,119
Deferred tax liability	20	11,425,496	11,263,341
Provisions	19	12,258	16,509
Total non-current liabilities		**27,284,388**	**17,604,567**
Current liabilities			
Trade and other accounts payable	17	1,870,552	1,104,982
Income tax payable		46,061	268,957
Salaries and social security charges payable		184,196	147,095
Loans	18	305,481	249,868
Derivative financial instruments	13	46,711	4,950
Provisions	19	43,827	24,841
Total current liabilities		**2,496,828**	**1,800,693**
TOTAL LIABILITIES		**29,781,216**	**19,405,260**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**67,744,103**	**42,421,508**

- The accompanying notes are an integral part of the consolidated financial statements.

IRSA PROPIEDADES COMERCIALES S.A.

Consolidated Comprehensive Income Statements

For the fiscal years ended June 30, 2018, 2017 and 2016

(Amounts stated in thousands of Argentine pesos, except shares and per share data, and as otherwise indicated)

	Note	06.30.18	06.30.17	06.30.16
Revenues from sales, leases and services	24	4,232,206	3,508,975	2,674,873
Revenues from common maintenance expenses and common advertising fund	24	1,717,000	1,488,187	1,183,627
Costs	25	(2,139,447)	(1,899,786)	(1,460,204)
Gross income		**3,809,759**	**3,097,376**	**2,398,296**
Net gain from fair value adjustment on investment properties	9	16,690,117	3,133,413	17,092,403
General and administrative expenses	25	(415,242)	(322,176)	(221,580)
Selling expenses	25	(294,865)	(236,528)	(162,221)
Other operating loss, net	26	(4,906)	(51,219)	(68,552)
Profit from operations		**19,784,863**	**5,620,866**	**19,038,346**
Income from interests in associates and joint ventures	8	639,525	152,703	204,299
Income before financial results and income tax		**20,424,388**	**5,773,569**	**19,242,645**
Financial income	27	688,153	242,438	512,555
Financial expenses	27	(7,438,451)	(1,313,336)	(2,938,476)
Other financial income	27	2,268,439	284,024	1,714,702
Financial loss, net		(4,481,859)	(786,874)	(711,219)
Profit before income tax		**15,942,529**	**4,986,695**	**18,531,426**
Income tax	20	(286,506)	(1,609,181)	(6,278,894)
Profit for the year		**15,656,023**	**3,377,514**	**12,252,532**
Total comprehensive income for the period		**15,656,023**	**3,377,514**	**12,252,532**
Attributable to:				
Controlling company's shareholders		15,099,936	3,260,476	11,821,280
Non-controlling interest		556,087	117,038	431,252
Net income per share attributable to controlling company's shareholders (Note 31):				
Basic		119.83	25.87	93.81
Diluted		119.83	25.87	93.81

- The accompanying notes are an integral part of the consolidated financial statements.

IRSA PROPIEDADES COMERCIALES S.A.

Consolidated Cash Flow Statements

For the fiscal years ended June 30, 2018, 2017 and 2016

(Amounts stated in thousands of Argentine pesos, except shares and per share data, and as otherwise indicated)

	Note	06.30.18	06.30.17	06.30.16
Operating activities:				
Cash provided by operating activities	15	4,183,288	3,139,928	1,589,228
Income tax paid		(559,281)	(264,721)	(575,855)
Net cash provided by operating activities		**3,624,007**	**2,875,207**	**1,013,373**
Investment activities:				
Acquisition of associates	8	-	(10,390)	-
Capital contribution in associates and join ventures	8	(41,412)	(329)	(73,000)
Acquisition of investment properties	9	(1,231,932)	(703,865)	(167,665)
Collection from disposal of investment properties		29,482	138,342	357,243
Acquisition of property, plant and equipment	10	(15,774)	(23,866)	(13,747)
Advance payment to suppliers		(90,451)	(169,647)	(6,596)
Acquisition of intangible assets	12	(41,915)	(35,786)	(1,583)
Acquisition of investments in financial assets		(11,330,046)	(2,517,631)	(9,916,383)
Collection of realization of financial assets investments		8,535,468	3,282,471	8,453,545
Loans granted, net		(7,626)	(8,953)	-
Loans granted to related parties		(1,458)	(279,042)	(533,525)
Collections of loans granted to related parties		-	168,846	-
Collection from disposal of properties, plant and equipment		12,379	-	-
Interest and dividends collected on financial assets		336,537	57,922	37,156
Payment for business combination net of acquired cash	15	(46,345)	(46,146)	-
Dividend collected		31,880	-	-
Net cash used in investment activities		**(3,861,213)**	**(148,074)**	**(1,864,555)**
Financing activities:				
Issue of non-convertible notes				
Borrowings		2,365,003	-	5,411,199
Borrowings from related parties		715,421	104,205	729,299
Repayment of borrowings		4,000	3,500	-
Repayment of borrowings from related parties		(77,338)	(72,164)	(1,328,439)
Repayment of financial leases		-	-	(3,715,480)
Repayment of non-convertible notes		(4,192)	(1,338)	(2,678)
Repayment of notes		-	(407,260)	(1,139,936)
Dividends paid		(680,000)	(48,926)	(37,019)
Dividends paid to non-controlling shareholders		-	(60,622)	(77,587)
Payment of derivative financial instruments		(416,264)	(47,797)	(580,828)
Collection of derivative financial instruments		638,044	130,993	1,831,621
Interest paid		(724,730)	(544,280)	(278,279)
Contribution of non-controlling interests		253	-	-
Short-term loans net		(19,766)	(14,065)	(232,203)
Net cash generated by / (used in) financing activities		**1,800,431**	**(957,754)**	**579,670**
Net increase / (decrease) in cash and cash equivalents		**1,563,225**	**1,769,379**	**(271,512)**
Cash and cash equivalents at beginning of period	13	1,807,544	33,049	303,499
Foreign exchange gain on cash and cash equivalents		272,362	5,116	1,062
Cash and cash equivalents at period end	13	**3,643,131**	**1,807,544**	**33,049**

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

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IRSA PROPIEDADES COMERCIALES

Ticker BYMA: **IRCP** / Ticker Nasdaq: **IRCP**