IRSA PROPIEDADES COMERCIALES

Earnings Release

IQ FY 2019

IRSA Propiedades Comerciales cordially invites you to participate in the first quarter of the Fiscal Year 2019 Results' Conference Call

Thursday, November 8, 2018, at 12:00 p.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:

1-844-717-6831 (toll free) or

1-412-317-6388 (international)

Conference ID # IRSA CP

In addition, you can access through the following webcast:

http://webcastlite.mziq.com/cover.html?webcastId=2c36be56-eecd-4397-b0d8-5f4f58b6d7c4

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

PLAYBACK

Available until November 20, 2018

Please call:

1-877-344-7529

1-412-317-0088

1-855-669-9658

Replay access code: 10125884

Main Highlights of the period

- Net gain for the first quarter of FY 2019 reached ARS 7,795 million compared to a gain of ARS 1,935 million in IQ18. 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 during the quarter.

- The Company's Adjusted EBITDA for IQ19 reached ARS 845 million increasing by 11.7% compared to IQ18. Adjusted EBITDA for Shopping Malls and Offices segments reached ARS 715 million and ARS 157 million, increasing by 10.3% andx 67.6% respectively.

- Our shopping centers' sales grew by 24.1% in the first quarter of FY 2019 and the portfolio's occupancy rate reached 98.7%.

- On October 29, our Shareholders' meeting approved a cash dividend for the sum of ARS 545 million (ARS/share 4.3249 and ARS/ADR 17.2997). Dividend yield 1.9%.

- As a subsequent event, in November 2018, we acquired from our parent company IRSA 14,213 m2 of the building under construction "Catalinas" for a fixed amount of USD 60.3 million.

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	IQ 19	IQ 18	YoY Var
Revenues from sales, leases and services(1)	1,259.9	987.1	27.6%
Net gain from fair value adjustment on investment properties	12,431.6	2,323.4	435.1%
Profit from operations	**13,262.0**	**3,069.1**	**332.1%**
Depreciation and amortization	14.2	10.1	40.6%
Consolidated EBITDA(2)	**10,294.3**	**3,034.7**	**239.2%**
Consolidated Adjusted EBITDA(2)	**844.6**	**755.8**	**11.7%**
Consolidated NOI(3)	**1020.8**	**839.4**	**21.6%**
Profit for the period	**7,795.4**	**1,934.7**	**302.9%**

(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 27.6% in the three-month period of fiscal year 2019 as compared to the same period of 2018, and Adjusted EBITDA grew a 11.7% mainly due to shopping malls segment, which grew 10.3%, reaching ARS 714.9 million, while Adjusted EBITDA of the offices segment reached ARS 156.7 million, increasing 67.6% compared to the same period of 2018

Profit for the period under review reached ARS 7,795 million, 302.9% higher than in the first quarter of 2018, mainly explained by a 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

During the three-month period of fiscal year 2019, our tenants' sales reached ARS 12,133 million, 24.1% higher than in the same period of 2018. Our portfolio's leasable area totaled 345,929 square meters during the quarter, increasing by approximately 2,000 sqm mainly due to the opening of the cinema theatres in Alto Comahue shopping. The occupancy rate was around 98.7%, reflecting the quality of our portfolio.

Shopping Malls' Financial Indicators

(in ARS million)	IQ 19	IQ 18	YoY Var
Revenues from sales, leases and services	1,038.8	849.6	22.3%
Net gain from fair value adjustment on investment properties	3,693.7	2,044.0	80.7%
Profit from operations	4,397.4	2,685.7	63.7%
Depreciation and amortization	11.2	6.7	67.2%
EBITDA(1)	**4,408.6**	**2,692.4**	**63.7%**
Adjusted EBITDA(1)	**714.9**	**648.4**	**10.3%**
NOI(2)	**857.9**	**723.0**	**18.7%**
Average Exchange rate (ARS)	**32.10**	**17.28**	**85.8%**

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

Shopping Malls' Operating Indicators

	IQ 19	IVQ 18	IIIQ 18	IIQ 18	IQ 18
Gross leasable area (sqm)	345,929	344,025	343,023	340,111	339,080
Tenants' sales (3 month cumulative)	12,133	11,971	9,358	12,031	9,778
Occupancy	98.7%	98.5%	98.6%	99.1%	98.8%

Revenues from this segment grew 22.3% during the three-month period, while Adjusted EBITDA reached ARS 714.9 million (+10.3% compared to the same period of 2018) and EBITDA margin, excluding income from expenses and collective promotion fund, was 68.82%. This is because tenants' sales and our revenues have grown below the inflation of the quarter, that has accelerated after the exchange rate depreciation, while cost, administrative and selling expenses, grew in line with inflation.

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	18,636	137	99.5%	100%
Abasto Shopping(4)	Nov-99	City of Buenos Aires	36,796	171	99.5%	100%
Alto Avellaneda	Dec-97	Province of Buenos Aires	38,033	132	99.0%	100%
Alcorta Shopping	Jun-97	City of Buenos Aires	15,803	115	98.4%	100%
Patio Bullrich	Oct-98	City of Buenos Aires	11,397	86	98.8%	100%
Buenos Aires Design	Nov-97	City of Buenos Aires	13,735	62	90.4%	53.70%
Dot Baires Shopping	May-09	City of Buenos Aires	49,407	157	100.0%	80%
Soleil	Jul-10	Province of Buenos Aires	15,211	80	99.8%	100%
Distrito Arcos (5)	Dec-14	City of Buenos Aires	14,169	68	100.0%	90.00%
Alto Noa Shopping	Mar-95	Salta	19,045	87	96.4%	100%
Alto Rosario Shopping(4)	Nov-04	Santa Fe	33,358	140	99.3%	100%
Mendoza Plaza Shopping	Dec-94	Mendoza	42,867	141	99.4%	100%
Córdoba Shopping	Dec-06	Córdoba	15,276	105	99.1%	100%
La Ribera Shopping	Aug-11	Santa Fe	10,530	68	96.6%	50%
Alto Comahue (6)	Mar-15	Neuquén	11,666	100	97.0%	99.10%
Patio Olmos(7)	Sep-15	Córdoba				
Total			**345,929**	**1,649**	**98.7%**	

(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 September 30

(per Shopping Mall, in ARS million)	IQ 19	IQ 18	YoY Var
Alto Palermo	1,450.9	1,129.9	28.4%
Abasto Shopping	1,644.3	1,317.4	24.8%
Alto Avellaneda	1,452.9	1,215.4	19.5%
Alcorta Shopping	799.3	602.8	32.6%
Patio Bullrich	483.6	335.6	44.1%
Buenos Aires Design	179.8	170.3	5.6%
Dot Baires Shopping	1,254.5	1,019.1	23.1%
Soleil	629.3	531.2	18.5%
Distrito Arcos	566.9	439.7	28.9%
Alto Noa Shopping	534.3	445.2	20.0%
Alto Rosario Shopping	1,170.1	918.5	27.4%
Mendoza Plaza Shopping	946.8	796.5	18.9%
Córdoba Shopping	379.1	321.6	17.9%
La Ribera Shopping(1)	280.0	246.0	13.8%
Alto Comahue	361.6	288.5	25.3%
Total	**12,133.4**	**9,777.7**	**24.1%**

(1) Through our joint venture Nuevo Puerto Santa Fe S.A.

Cumulative tenants' sales as of September 30

(per Type of Business, in ARS million)	IQ 19	IQ 18	YoY Var
Anchor Store	644.1	540.7	19.1%
Clothes and Footwear	6,424.2	4,985.5	28.9%
Entertainment	478.2	415.7	15.0%
Home	325.0	277.5	17.1%
Restaurant	1,472.1	1,203.6	22.3%
Miscellaneous	1,514.1	1,106.5	36.8%
Services	165.4	112.1	47.5%
Electronic appliances	1,110.3	1,136.1	-2.3%
Total	**12,133.4**	**9,777.7**	**24.1%**

Revenues from cumulative leases as of September 30

(in ARS million)	IQ 19	IQ 18	YoY Var
Base Rent(1)	585.7	470.3	24.5%
Percentage Rent	218.8	170.9	28.0%
Total Rent	**804.5**	**641.2**	**25.5%**
Revenues from non-traditional advertising	26.0	16.8	54.8%
Admission rights	94.7	73.3	29.2%
Fees	14.3	13.6	5.1%
Parking	70.7	60.0	17.8%
Commissions	22.1	42.0	-47.4%
Others	6.3	2.6	**142.3%**
Revenues before Expenses and Collective Promotion Fund	**1,038.7**	**849.6**	**22.3%**
Expenses and Collective Promotion Fund	430.2	383.1	12.3%
Total(2)	**1,468.9**	**1,232.7**	**19.2%**

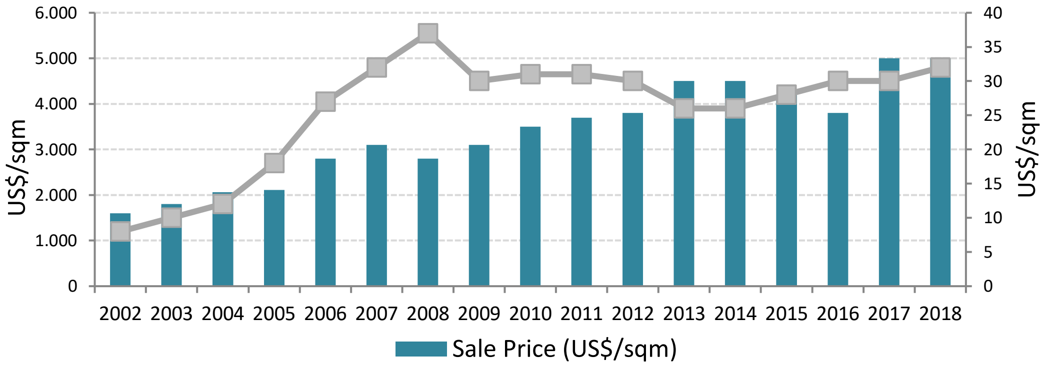
(1) Includes Revenues from stands for ARS 72.3 million cum Sep, 18
(2) Does not include Patio Olmos.

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 increased lightly to 4.44% as of September 2018.

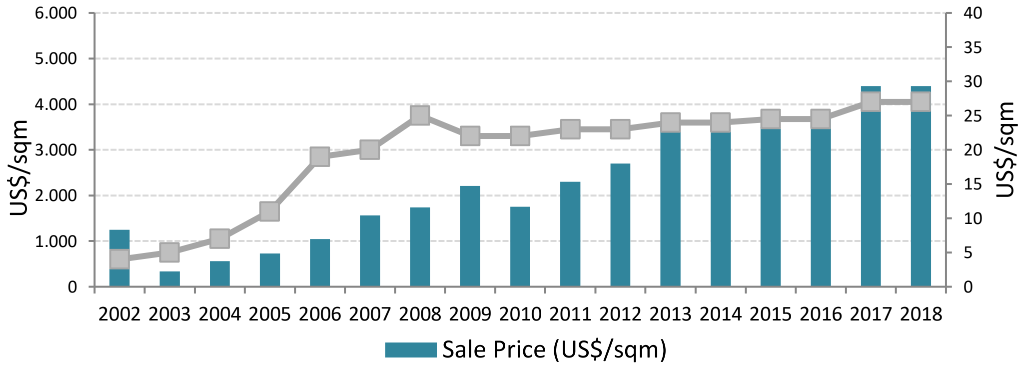
As concerns the A+ office market in the Northern Area, we have noted a significant improvement in the price of units during the last 10 years, and we believe in its potential during the next years. Rental prices have remained at USD 27 per square meter.

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 first three-month period of fiscal year 2019, 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 93.4% 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 during the quarter, although it has increased compared to the last quarter due to the occupation of one floor of Boston Tower. The average rental price slightly decrease at USD 25.7 per sqm.

(In millions of Ps.)	IQ 19	IQ 18	YoY Var
Revenues from sales, leases and services	201.8	114.3	76.6%
Net gain from fair value adjustment on investment properties	8,268.7	271.5	2,945.6%
Profit from operations	8,423.0	363.3	2,218.5%
Depreciation and amortization	2.3	1.7	35.3%
EBITDA[1]	**8,425.3**	**365.1**	**2,207.7%**
Adjusted EBITDA [1]	**156.7**	**93.5**	**67.6%**
NOI[2]	**179.2**	**101.7**	**76.2%**

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

Offices' Operating Indicators

	IQ 19	IVQ 18	IIIQ 18	IIQ 18	IQ 18
Leasable area	83,213	83,213	84,362	84,362	84,362
Occupancy	93.4%	92.3%	91.0%	93.6%	96.7%
Rent ARS/sqm	1,061	755	533	497	456
Rent USD/sqm	25.7	26.1	26.5	26.5	26.3

During the three-month period of fiscal year 2019, revenues from the offices segment increased 76.6% as compared to the same period of 2018, mainly driven by the effect of the exchange rate depreciation in Argentina in our contracts denominated in dollars. Adjusted EBITDA from this segment grew 67.6% during the first quarter of 2019 compared to the same period of the previous year. EBITDA margin was 77,6%,

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

	Date of Acquisition	Gross Leaseable Area (sqm) [1]	Occupancy[2]	IRSA CP's Actual Interest
Offices				
Edificio República	12/22/2014	19,885	98.4%	100%
Torre Bankboston	12/22/2014	14,873	91.6%	100%
Intercontinental Plaza	12/22/2014	2,979	100.0%	100%
Bouchard 710	12/22/2014	15,014	100.0%	100%
Suipacha 652/64	12/22/2014	11,465	86.2%	100%
Dot Building	11/28/2006	11,242	100.0%	80%
Philips	06/05/2017	7,755	69.8%	100%
Subtotal Offices		**83,213**	**93.4%**	**N/A**
Other Properties				
Nobleza Piccardo[3]	05/31/2011	109,610	78.0%	50%
Other Properties[4]	N/A	7,941	N/A	N/A
Subtotal Other Properties		**117,551**	**N/A**	**N/A**
Total Offices and Others		**200,764**	**N/A**	**N/A**

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

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.

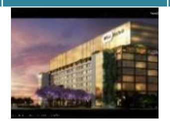
	Sales and Developments			Others		
in ARS Million	3M 19	3M 18	YoY Var	3M 19	3M 18	YoY Var
Revenues	14.9	33.4	-55.4%	16.1	-	-
Net gain from fair value adjustment on investment properties	1,134.3	47.4	2,293.0%	32.8	-	-
Profit from operations	1,129.6	64.7	1,645.9%	26.3	6.3	317.5%
Depreciation and amortization	0.4	0.3	33.3%		-	-
EBITDA(1)	**1,130.0**	**64.9**	**1,641.1%**	**26.3**	**6.3**	**3,171.5%**
Adjusted EBITDA(1)	**-4.3**	**17.6**	**-124.4%**	**-6.5**	**6.3**	**-203.2%**
NOI(2)	**8.2**	**25.5**	**-67.8%**	**-6.4**	**-0.1**	**6,300.0%**

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

Revenues from Sales and Developments segment decreased by 55.4% in the first quarter of fiscal year 2019 compared to the same period of previous year because during the quarter there were sold only two garages of Astor Beruti for ARS 1.4 million while during the same quarter of the previous year there were sold appartments and parking units of Astor Beruti for a greater amount. Adjusted EBITDA for the Sales and Developments segment was negative ARS 4.3 million during the first quarter of fiscal year 2019.

Revenue from the Other segment includes revenues from La Rural and La Arena. Adjusted EBITDA of Others segment was negative at ARS 6.5 million during the first quarter of 2019, mainly due to higher administrative expenses.

V. CAPEX

	Developments				
	Shopping Malls: Expansions			***Offices: New***	
	Alto Palermo	Alto Rosario	Mendoza Plaza (Sodimac & Falabella)	Polo Dot (1st stage)	Catalinas(2)
					
Start of works	FY2019	FY2018	FY2018	FY2017	FY2017
Estimated opening date	FY2020	FY2019	FY2019/20	FY2019	FY2020
GLA (sqm)	3,900	2.000	12,800	32,000	16,000
% held by IRSA Propiedades Comerciales	100%	100%	100%	80%	45%
Investment amount (million)	USD 28	USD 3.0	USD 13.7	~ARS 1,000	~ARS 720
Work progress (%)	0%	0%	0% - 90%(1)	91%	22%
Estimated stabilized EBITDA (USD million)	USD 4.5	USD 0.4	USD 1.3	USD 8-10	USD 6-8

(1) Falabella's work progress.
(2) Does not include the purchase made after the end of the period.

Shopping Mall Expansions

During fiscal year 2019, we will add approximately 15,000 sqm from current malls' expansions. We recently opened 6 movie theatres in Alto Comahue of 2,200 sqm, an we will soon add 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.

In September 2018, we launched 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 4 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 September 30, 2018, degree of progress was 91%.

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. As of September 30, 2018, the Company owned 16,000 square meters consisting of 14 floors and 142 parking spaces in the building under construction. The total estimated investment under IRSA Commercial Properties as of September 30, 2018 amounts to ARS 720 million and, work progress was 22%.

On November 1, 2018, as a subsequent event, the Board of Directors approved the acquisition of 14,213 GLA sqm of the Catalinas building from the parent company (IRSA). The price of the transaction was established at a fixed amount of approximately USD 60.3 million equivalent to USD 4,200 / sqm.

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 three-month period ended September 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	1,272	467	-12	1,727
Costs	-133	-481	6	-608
Gross profit	**1,139**	**-14**	**-6**	**1,119**
Net income from changes in the fair value of investment property	13,129	-	-698	12,431
General and administrative expenses	-152	-	1	-151
Selling expenses	-113	-	1	-112
Other operating results, net	-26	-	1	-25
Profit from operations	**13,977**	**-14**	**-701**	**13,262**

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

VII. Consolidated Financial Debt

As of September 30, 2018, IRSA Propiedades Comerciales S.A. had a net debt of USD 264.8 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	0.3	-	< 360 d
PAMSA loan	USD	35.0	Fixed	Feb-23
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		**535.3**		
Cash & Cash Equivalents + Investments (2)		270.5		
Consolidated Net Debt		**264,8**		

(1) Principal amount at an exchange rate of ARS 41.25, 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
2019	545,000,000	-	4.3249

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

On October 29, the General Ordinary and Extraordinary Shareholders' Meeting of IRSA Propiedades Comerciales resolved that it will make available to its shareholders, effective on November 9, 2018 (the "Availability Date"), a cash dividend in an amount of ARS 545,000,000 (Argentine legal tender) equivalent to 432.491456310% of the stock capital, an amount per share of ARS 4,32491456310 ($1 par value) and an amount per ADR of ARS 17,2996582524 (Argentine Pesos per ADR) to be charged against the fiscal year ended June 30, 2018, payable to all shareholders registered as such as of November 8, 2018, in accordance with the register held by Caja de Valores S.A.

X. Material and Subsequent Events

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.

October 2018: General Ordinary and Extraordinary Shareholders' Meeting

On October 29, 2018, our General Ordinary and Extraordinary Shareholders' Meeting was held. The following matters, inter alia, were resolved by majority of votes:

- Distribution of ARS 545 million as cash dividends.
- Designation of board members.
- Compensations to the Board of Directors for the fiscal year ended June 30, 2018
- 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 600 million.

X. Summary Comparative Consolidated Balance Sheet

(in ARS million)	09.30.2018	09.30.2017
Non-current assets	70,596	40,548
Current assets	13,277	7,264
Total assets	**83,872**	**47,811**
Capital and reserves attributable to the equity holders of the parent	43,633	24,026
Non-controlling interest	2,106	925
Total shareholders' equity	**45,740**	**24,951**
Non-current liabilities	35,982	21,258
Current liabilities	2,151	1,602
Total liabilities	**38,133**	**22,860**
Total liabilities and shareholders' equity	**83,872**	**47,811**

XI. Summary Comparative Consolidated Income Statement

(in ARS million)	09.30.2018	09.30.2017
Profit from operations	**13,262**	**3,069**
Share of profit of associates and joint ventures	533	43
Profit from operations before financing and taxation	**13,795**	**3,112**
Financial income	856	72
Financial cost	-7,543	-487
Other financial results	2,659	199
Financial results, net	**-4,028**	**-217**
Profit before income tax	**9,766**	**2,895**
Income tax	-1,971	-960
Profit for the period	**7,795**	**1,935**
Total comprehensive income for the period	**7,795**	**1,935**
Attributable to:		
Equity holders of the parent	**7,087**	**1,881**
Non-controlling interest	**708**	**54**

XII. Summary Comparative Consolidated Cash Flow

(in ARS million)	09.30.2018	09.30.2017
Net cash generated from operating activities	1,260	817
Net cash generated from / (used in) investing activities	832	-1,085
Net cash (used in) / generated from financing activities	-471	2,078
Net increase in cash and cash equivalents	**1,621**	**1,810**
Cash and cash equivalents at beginning of year	3,643	1,808
Foreign exchange gain on cash and fair value results of cash equivalent	509	4
Cash and cash equivalents at period-end	5,773	3,622

XIII. Comparative Ratios

(in ARS million)	09.30.2018		09.30.2017	
Liquidity				
CURRENT ASSETS	13,277	6.17	7,264	4.53
CURRENT LIABILITIES	2,151		1,602	
Indebtedness				
TOTAL LIABILITIES	38,133	0.87	22,860	0.95
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	43,633		24,026	
Solvency				
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	43,633	1.14	24,026	1.05
TOTAL LIABILITIES	38,133		22,860	
Capital Assets				
NON-CURRENT ASSETS	70,596	0.84	40,548	0.85
TOTAL ASSETS	83,872		47,811	

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 three-month period ended September 30 (in ARS million)		
	2018	**2017**
Profit for the period	7,795	1,935
Interest income	-72	-28
Interest expense	586	162
Capitalized financial costs	-	-4
Income tax expense	1,971	960
Depreciation and amortization	14	10
EBITDA (unaudited)	10,294	**3,035**
Unrealized gain from fair value of investment properties	-12,432	-2,323
Share of profit of associates and joint ventures	-533	-43
Foreign exchange differences, net	6,140	258
(Gain) from derivative financial instruments	-218	2
Fair value gains of financial assets and liabilities at fair value through profit or loss	-2,441	-201
Other financial costs	34	28
Adjusted EBITDA (unaudited)	**844**	**756**
Adjusted EBITDA Margin (unaudited)[1]	**66.98%**	**76.60%**

(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 three-month period ended September 30 (in ARS million)		
	2018	2017
Gross profit	1,119	887
Selling expenses	-112	-58
Depreciation and amortization	14	10
NOI (unaudited)	**1,021**	**839**

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 three-month period ended September 30 (in ARS million)		
	2018	2017
Total profit for the period	7,795	1,935
Net gain from fair value adjustments of investment properties	-12,432	-2,323
Depreciation and amortization	14	10
Foreign exchange differences, net	6,140	258
Gain from derivative financial instruments	-218	2
Fair value gains of financial assets and liabilities at fair value through profit or loss	-2,441	-201
Other financial costs	34	28
Deferred income tax	1,958	872
Non-controlling interest	-21	-20
Adjusted FFO (unaudited)	**829**	**561**

XVII. Brief comment on prospects for the fiscal year

During the period in question, we evidenced a deceleration in consumption in our shopping malls, whose sales grew in the quarter below inflation, which has accelerated in recent months, after the exchange rate depreciation in Argentina. Year 2019 will be a challenge for the consumption in our shopping malls given the context of economic recession and high inflation. Our office business continues solid with dollar tied revenues that allows us to partially offset the effect of the devaluation.

Regarding investments, during the current fiscal year, we plan to incorporate approximately 15.000 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". Likewise, the expansion work of Alto Palermo Shopping on the adjacent property's land, the most profitable shopping center in the portfolio, has been launched.

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 owned 16,012 sqm and acquired, after the end of the quarter, 14,213 additional sqm to its controlling company IRSA.

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 approximately 500,000 sqm of gross leasable area distributed among the best shopping malls and offices in the country, as well as current projects under development (Polo Dot and Catalinas), 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.

Eduardo S. Elsztain

Chairman

IRSA PROPIEDADES COMERCIALES S.A.

Consolidated Condensed Interim Balance Sheets
as of September 30 and June 30, 2018

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

	Note	09.30.18	06.30.18
ASSETS			
Non-current Assets			
Investment properties	8	66,867,619	54,054,811
Property, plant and equipment	9	119,395	109,437
Properties for sale	10	61,350	61,362
Intangible assets	11	228,270	213,051
Investments in associates and joint ventures	7	1,955,811	1,433,522
Deferred tax assets	18	46,153	60,734
Income tax and minimum presumed income tax credit		156,150	156,152
Trade and other accounts receivable	13	1,125,625	955,509
Investments in financial assets	12	35,297	29,139
Total non-current assets		**70,595,670**	**57,073,717**
Current assets			
Properties for sale	10	206	206
Inventories		26,219	24,882
Income tax and minimum presumed income tax credit		54,129	43,269
Trade and other accounts receivable	13	2,030,001	1,766,075
Investments in financial assets	12	5,383,828	5,145,463
Derivate financial instruments	12	9,721	47,360
Cash and cash equivalents	12	5,772,701	3,643,131
Total current assets		**13,276,805**	**10,670,386**
TOTAL ASSETS		**83,872,475**	**67,744,103**
SHAREHOLDERS' EQUITY			
Total equity and reserves attributable to controlling company's shareholders		43,633,486	36,565,015
Non-controlling interest		2,106,271	1,397,872
TOTAL SHAREHOLDERS' EQUITY		**45,739,757**	**37,962,887**
LIABILITIES			
Non-current liabilities			
Trade and other accounts payable	15	573,536	483,908
Tax on minimum presumed income to be paid		10,216	-
Derivative financial instruments	12	26,991	-
Loans	16	21,978,302	15,362,726
Deferred tax liability	18	13,369,474	11,425,496
Provisions	17	23,577	12,258
Total non-current liabilities		**35,982,096**	**27,284,388**
Current liabilities			
Trade and other accounts payable	15	1,860,069	1,870,552
Income tax and minimum presumed income tax credit		26,669	46,061
Salaries and social security charges payable		90,577	184,196
Loans	16	115,748	305,481
Derivative financial instruments	12	16,609	46,711
Provisions	17	40,950	43,827
Total current liabilities		**2,150,622**	**2,496,828**
TOTAL LIABILITIES		**38,132,718**	**29,781,216**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**83,872,475**	**67,744,103**

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

IRSA PROPIEDADES COMERCIALES S.A.

Consolidated Condensed Interim Comprehensive Income Statements
for the three-month periods started July 1, 2018 and 2017 and ended September 30, 2018 and 2017

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

	Note	09.30.18	09.30.17
Revenues from sales, leases and services	19	1,259,892	987,052
Revenues from common maintenance expenses and common advertising fund	19	467,191	409,933
Costs	20	(608,136)	(509,924)
Gross income		**1,118,947**	**887,061**
Net gain from fair value adjustment on investment properties	8	12,431,610	2,323,394
General and administrative expenses	20	(150,860)	(82,432)
Selling expenses	20	(112,337)	(57,791)
Other operating loss, net	21	(25,381)	(1,171)
Profit from operations		**13,261,979**	**3,069,061**
Income from interests in associates and joint ventures	7	532,542	42,593
Income before financial results and income tax		**13,794,521**	**3,111,654**
Financial income	22	855,749	71,615
Financial expenses	22	(7,543,195)	(487,107)
Other financial income	22	2,659,144	198,707
Financial loss, net		(4,028,302)	(216,785)
Profit before income tax		**9,766,219**	**2,894,869**
Income tax	18	(1,970,830)	(960,133)
Profit for the year		**7,795,389**	**1,934,736**
Total comprehensive income for the period		**7,795,389**	**1,934,736**
Attributable to:			
Controlling company's shareholders		7,086,990	1,881,142
Non-controlling interest		708,399	53,594
Net income per share attributable to controlling company's shareholders (Note 31):			
Basic		56.24	14.93
Diluted		56.24	14.93

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

IRSA PROPIEDADES COMERCIALES S.A.

Consolidated Condensed Interim Cash Flow Statements

for the three-month periods started July 1, 2018 and 2017 and ended September 30, 2018 and 2017

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

	Note	09.30.18	09.30.17
Operating activities:			
Cash provided by operating activities before income tax	14	1,292,402	861,016
Income tax paid		(32,305)	(43,757)
Net cash provided by operating activities		**1,260,097**	**817,259**
Investment activities:			
Irrevocable and capital contributions in joint ventures		(8,250)	(7,500)
Acquisition of investment properties		(389,642)	(168,060)
Acquisition of property, plant and equipment		(8,696)	(4,094)
Advance payments		(58,866)	(40,010)
Acquisition of intangible assets		(20,501)	(9,867)
Increase of financial assets		(3,921,937)	(2,441,507)
Reduction in financial assets		5,140,507	1,576,311
Loans granted, net		7,856	(12,340)
Interest and dividends collected on financial assets		91,444	21,650
Net cash used in investment activities		**831,915**	**(1,085,417)**
Financing activities:			
Issue of non-convertible notes			
Repayment of borrowings		-	2,365,003
Borrowings from related parties		-	(12,068)
Repayment of financial leases		(2,344)	(404)
Dividends paid to non-controlling shareholders		(36,400)	-
Payment of derivative financial instruments		(198,670)	(7,706)
Collection of derivative financial instruments		451,606	8,078
Interest paid		(692,495)	(274,640)
Short-term loans net		6,886	-
Net cash generated by / (used in) financing activities		**(471,417)**	**2,078,263**
Net increase / (decrease) in cash and cash equivalents		**1,620,595**	**1,810,105**
Cash and cash equivalents at beginning of period	12	3,643,131	1,807,544
Foreign exchange gain on cash and cash equivalents		508,975	4,161
Cash and cash equivalents at period end	12	**5,772,701**	**3,621,810**

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

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IRSA PROPIEDADES COMERCIALES

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