Earnings Release

Fiscal Year 2016

Torre Boston – City of Buenos Aires (Argentina)

IRSA invites you to participate in
its fiscal year 2016 conference call

Friday, September 9, 11:30 AM
New York time

The call will be hosted by:
Alejandro Elsztain, IIVP
Daniel Elsztain. COO
Matias Gaivironsky, CFO

To participate, please call:
1-877-317-6776 (toll free) or
1-412-317-6776 (international)
Conference ID # IRSA

In addition, you can access through the following webcast:

http://webcast.neo1.net/Cover.aspx?PlatformId=U1gYlVOtgxew%2BOQ0wD3%2FJw%3D%3D

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

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PLAYBACK

Available until September 21, 2016

Please call:
1-877-344-7529
1-412-317-0088
Access Code: **10091000**

For further information
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Highlights

- During fiscal year 2016, we started to consolidate the results of our investment in IDB Development Corporation.

- EBITDA for fiscal year 2016 was ARS 6,178 million (ARS 2,974 million from Argentina and ARS 3,204 million from Israel) and we recorded a net loss of ARS 1,872 million, mainly explained by non-cash items such as exchange rate differences and the fair market valuation of Clal, owned by IDBD.

- Sales in our shopping centers grew 34% in fiscal year 2016 (30% in the same shopping centers) and EBITDA from this segment rose 36%, reaching ARS 1,810 million.

- During fiscal year 2016 we sold investment properties, at a gain of ARS 1,113 million.

- In connection with our investment in IDBD, during this year we satisfied all our agreed commitments, and IDBD used such funds to reduce its debt from NIS 4,814 million to NIS 2,785 million.

- After year-end, IRSA issued a bond in the local market for USD 184.5 million, accruing interest at 7%, and for ARS 384.2 million, accruing interest at Badlar + 299 bps, due in 2019, and used its proceeds to repay almost all its short term debt.

Letter to Shareholders

Dear shareholders,

Fiscal year 2016 was marked by significant developments. Nation-wise, the new administration has brought about a change of cycle, in the framework of a favorable scenario, clear rules and great interest by international investors in Argentina. In this sense, we have launched an ambitious plan of investment in real estate projects in Argentina to be carried into execution over the next fiscal periods. Moreover, we have increased our investment in the Israeli company IDBD, acquiring effective control over it, and consolidating its results in our financial statements.

In terms of results of operations, although we recorded a loss of ARS 1,872 million during this fiscal year, explained by higher financial expenses and exchange rate differences, operating results from our main business lines exhibited a sound performance.

As concerns our rental segments, we are highly satisfied with the operating results posted by our shopping centers and office buildings during the course of 2016. Our shopping center tenants' sales rose by 34% during the year (30% for the same shopping centers), and occupancy reached optimum levels, at 98.4%, while office rental income was US$ 26.9 per square meter on average, with almost full occupancy (98.7%). Taking advantage of the growing demand and sustained prices, during this fiscal year we sold office assets at very attractive cap rates, expecting to recover the square meters sold in new projects to be developed over the next fiscal periods. The three hotels in our portfolio recorded stable rates per room in US$ and occupancy levels comparable to those in 2015.

With over 400,000 square meters of Gross Leasable Area ("GLA") and a potential of approximately 340,000 square meters among expansion projects and new shopping center and office building developments, amidst an industry scenario that is still not mature and has a great potential, we believe that IRSA Propiedades Comerciales is in a sound position to leverage on the various opportunities that may arise in Argentina in the future.

In this regard, IRSA Propiedades Comerciales has launched an investment plan of approximately US$ 400 million (combining the company's contributions and funds committed by lessees and tenants) to be rolled out over the next fiscal periods. The projects include 290,000 sqm of offices, residential properties and shopping centers, and we estimate that 4,000 jobs will be created, including both construction workers and future employees in the new stores and buildings, apart from the multiplying effect these projects will have on the real estate-related industries in terms of investment, creation of job opportunities, and economic recovery.

One of the main projects launched for the next fiscal year is the expansion of our Alto Palermo shopping center, which is located in a unique setting in the heart of the city and is the shopping center with highest sales per square meter in Latin America. The project will add approximately 4,000 sqm of gross leaseable area to the shopping center, and it consists of moving the food court to a third level and using the area of the adjoining property, purchased last year, to make the project feasible. We expect construction works to last from 18 to 24 months.

We are also launching the "Polo Dot" project in the commercial complex adjoining our Dot Baires shopping center, which has grown extensively since we made our first investments in the area. The total project will consist of 3 office buildings (possibly including a hotel in one of them) in land reserves owned by the company, and the future expansion of the shopping center by adding approximately 15,000 sqm of GLA. In a first stage we will develop an 11-floor office building, with approximately 30,000 sqm, on top of an existing building, and we have already executed a lease agreement for more than half the leasable footage even before starting the works. Construction will commence during the next fiscal period, and we estimate that the building will become operational in 18 to 24 months. The second stage of the project consists of two office/hotel buildings that will add 38,400 sqm of GLA to the complex. We have had great demand for premium office spaces in this new commercial hub, and we trust that we will be able to inaugurate these buildings with attractive income levels and high occupancy.

In the last quarter of the fiscal year we sold to our subsidiary IRSA Propiedades Comerciales S.A. (“IRSA CP”), 16,012 sqm corresponding to 14 floors and 142 parking spaces in a building to be built in the “Catalinas” area in the City of Buenos Aires, one of the most sought-after spots for developing Premium offices in Argentina, and retained 14,820 sqm for potential developments intended for rent and/or sale. The new building will have 35,468 sqm of GLA in 30 office floors and 316 parking spaces; and works are scheduled to take approximately 3 years. The building will become an iconic landmark in the city, as it will be the only one with a 60-meter waterfront facing the Río de la Plata river and will have LEED Certification, validating the best environmental practices in terms of operating standards.

Our sales and developments segment, which reflects the Company’s value in its land reserves located in Argentina, has posted extraordinary results derived from higher sales of investment properties. Taking advantage of the strong demand for our spaces and sustained prices of premium offices in Buenos Aires, during this year we sold the “Dique IV” building, located in Puerto Madero, with 11,242 sqm of GLA, for Ps. 649 million (USD 3,800 per sqm), 9.5 times higher than its book value, and 3,451 sqm in the Maipú 1300 building, for 8.5 times its book value. Through our subsidiary IRSA Propiedades Comerciales, we sold 7,220 sqm in the “Intercontinental Plaza” building for Ps. 366.0 million (approximately USD 3,500 per sqm). Moreover, in line with our policy of selling non-strategic lands, during this year we sold the 826-hectare reserve in Isla Sirgadero, located in the province of Santa Fe, for Ps. 37 million, for 7.7 times its book value.

Following our long-term vision of real estate as value reserve and the need to resume mortgage lending activities in Argentina, we maintained our 29.91% equity interest in Banco Hipotecario S.A., which has made a favorable contribution to our results, as it added income for Ps. 257 million during this fiscal year. Although the Bank maintains its franchise, spirit and mortgage lending activities, it has increased its corporate and consumer lending activities and has managed to position itself as one of the 13 largest commercial banks in Argentina, while it has also made a major real estate investment during this year, as it purchased the iconic “Del Plata” historic office building, located on one of the most important avenues of Buenos Aires, and facing the Obelisk, where it intends to move its offices after its renovation.

As concerns our investments outside Argentina, during this year we made efforts to improve the operating ratios at our “Lipstick” building in New York, which reached rental levels of USD 67 per sqm on average and closed leases for approximately USD 85 per sqm, whereas occupancy rose to 97% in 2016, up from 92% in 2015. During the year, we were able to successfully complete the LEED EB: O&M Gold certification process that validates best environmental practices, transforming the building’s operating standards. Our investment in the Condor Hospitality Trust Hotel REIT (NASDAQ: CDOR) has been recording very good results during the past months derived from the sales of hotels made by it, while it has also managed to capture attractive opportunities to purchase higher category hotels. We believe that Stepstone’s recent entry as partner to the investment and simplified shareholding structure will help Condor implement a new strategy and resume growth in the medium hotel segment. We trust the new senior management and expect to reap the results from this investment in the future.

During this year we increased our investment in the Israeli company IDBD, one of the largest and most diversified conglomerates in Israel, which participates, through its subsidiaries, in numerous markets and industry sectors, including real estate, retail, agricultural industry, insurance, and telecommunications, among others. Following IFISA’s acquisition of our partner’s equity interest in this company on October 11, 2015, we gained effective control and started to consolidate the results of this investment in our financial statements. Later on, in March 2016, we managed to renegotiate the Tender Offers for a lower price than the one originally agreed and closer to market parameters, and we acquired 19.3% of the remaining outstanding shares, and delisted the company. We appointed a new CEO and CFO who are proactively working on simplifying and optimizing the company’s capital structure.

Since our landing on IDBD, we have invested approximately USD 515 million, and at present we hold a 68.3% interest in this company's capital stock, whereas IFISA retains the remaining 31.7%. The invested capital has significantly reduced IDBD’s indebtedness level, and its subsidiaries have also reduced their debt through their own cash flow. To date, we have no capital commitments pending in the company, and we hope IDBD will be able to start funding its operations on its own by selling assets, refinancing its debt or applying dividends. In this sense, IDBD and DIC have issued debt securities in the markets again, accruing interest at 4.25% and 5.70%, and due in 2019, and 2025, respectively

In line with the foregoing, after year-end we announced that IDB's subsidiary Discount Corporation ("DIC") had accepted an offer from ChemChina for selling its 40% equity interest in ADAMA for USD 230 million in excess of the total repayment of a non-recourse loan and interest thereon, which had been granted by a Chinese bank. We hope to continue simplifying the structure by retaining those assets we believe are potentially valuable, while making progress in our strategy aimed at improving operating margins in each business unit. We trust in the value of this investment, from which we expect to obtain good results in the medium term.

As concerns financial matters, during this year we launched a tender offer for existing bonds and issued a new USD 360 million bond due in 2023 in the international markets from IRSA Propiedades Comerciales, thus managing to extend the terms of our debt and allocating it to our exclusive rental vehicle in Argentina. Furthermore, we have issued two bonds that will help extend all the company's short-term maturities.

The economic results obtained during this year have been accompanied by several sustainability and social responsibility practices. Both we and our subsidiary IRSA Propiedades Comerciales have a strong commitment with the communities where we operate, with childhood care, education and the environment as pillars of our actions. We encourage the advancement of social organizations, schools, hospitals, first-aid care facilities, meal centers and shelters, to produce a positive change together. Through the IRSA Foundation we have provided financial assistance to more than 61 social organizations, contributing $40 million to these entities during fiscal year 2016.

Looking ahead to fiscal year 2017, we expect to continue growing in each of our business lines, adding footage to our shopping center and office portfolio in Argentina, selling assets we regard as non-strategic for our Premium portfolio, and optimizing the structures of our assets located abroad. With a future that presents challenges and opportunities alike, we believe that the commitment of our employees, the strength of our management and the trust of our shareholders will be key elements in our ability to continue growing and successfully implementing our business.

To all of you, my most sincere thanks.

City of Buenos Aires, September 8, 2016.

Alejandro G. Elsztain
Vice-Chairman II

Buenos Aires, September 8, 2016 - IRSA Inversiones y Representaciones Sociedad Anónima (NYSE: IRS) (BASE: IRSA), Argentina's leading real estate company, announces today the results of its operations for the fiscal period 2016 ended June 30, 2016.

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

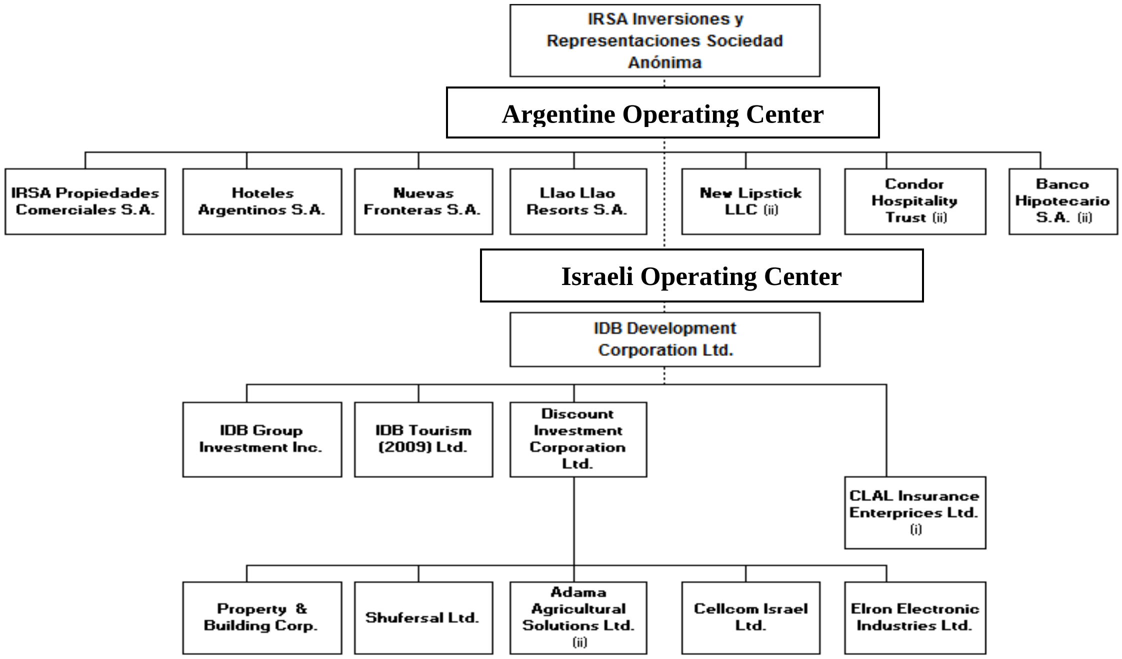
Consolidation of IDB Development Corporation

On October 11, 2015, the Group obtained control of the Israeli company IDB Development Corporation Ltd. ("IDBD"). During the past quarter, the investment was consolidated in the balance sheet, and as from this third quarter of fiscal year 2016, it is also disclosed at income statement level. IDBD's fiscal year-end is on December 31 of each year, whereas the Company's is on June 30. Moreover, in compliance with Israeli regulations, IDBD reports its quarterly and annual results after the expiration of the Argentine statutory terms. For such reasons, the Company will be unable to have available IDBD's quarterly results as and when due in order to report them to the CNV in its financial statements for the period ended March 31, 2016. Thus, the Company will consolidate results from IDBD's operations with a three-month mismatch adjusted for the effects of material transactions occurred during the reported period. In this way, the results of IDBD's operations for the period running from October 11, 2015 (date of acquisition) until December 31, 2015 are included in the interim comprehensive results of the Group for the nine-month period ended on March 31, 2016, except for material transactions considered. The Company estimates a similar mismatch in obtaining IDBD's results in the succeeding periods.

IDBD is one of the largest and most diversified holding companies in Israel. Through its subsidiaries, associates, joint ventures and other investments, IDBD is engaged in numerous markets and industry sectors in Israel and other countries, including real estate (Property & Building Corporation), supermarkets (Shufersal), agroindustry (Adama), insurance (Clal Holdings Insurance Enterprises, hereinafter Clal), and telecommunications (Cellcom), among others. After the closing of this quarter, IDBD's shares were delisted from the Tel Aviv Stock Exchange ("TASE"). However, the company will continue to be registered with the TASE as a "Debentures Company" pursuant to Israeli law, as it has bonds listed in such exchange.

Significant assets have been added in various industries in which the Group did not have investments until to date, as well as liabilities for loans taken by IDBD and its subsidiaries.

We have decided to break down reporting into an Argentine Operating Center and an Israeli Operating Center. From the Argentine Operating Center, the Group, through IRSA and its subsidiaries, manages the businesses in Argentina and the international investments in the Lipstick Building in New York and the Condor Hospitality Trust hotel REIT. From the Israeli Operating Center, the Group manages IDBD.



Consolidated Results

In millions of ARS	FY16	FY 15	YoY Var	FY16	FY 15	YoY Var
Revenues from sales, leases and services	12,944	894	1347.9%	32,675	3,403	860.2%
Operating Income	338	649	-47.9%	3,484	2,515	38.5%
Depreciation and Amortization	1,490	40	3.625.0%	2,694	175	1439.4%
EBITDA	1,828	689	165.3%	6,178	2,690	129.7%
Net Income/(loss)	-833	814	-202.3%	-1,872	650	-388.0%
Attributable to the parent company's shareholders	-578	765	-175.6%	-1,254	520	-341.2%
Attributable to non-controlling interest	-255	49	-620.4%	-618	130	-575.4%

The Company's consolidated results reflect in all lines the material accounting impact of IDBD's consolidation. Revenues and operating income for fiscal year 2016 increased 860.2% and 38.5%, respectively, as compared to 2015. In turn, the Company recorded a net loss of ARS 1,872 million for fiscal year 2016, compared to a net income of ARS 650 million in 2015, mainly explain by concepts that do not imply a cash effect as exchange rate differences and the impact of the valuation at market value of the insurance company Clal, owned by IDBD.

	FY 2016			FY 2015	FY 2014
	Argentine Operating Center	Israeli Operating Center	Total	Argentine Operating Center	Argentine Operating Center
Revenues from sales, leases and services	4,446	28,229	32,675	2,548	2,156
Costs	-2018	-20,481	-22,499	-628	-639
Gross profit	**2,428**	**7,748**	**10,176**	**1,920**	**1,517**
Gain from sale of investment properties	1,068	45	1,113	1,163	236
General and administrative expenses	-546	-1,387	-1,933	-378	-300
Selling expenses	-262	-5,686	-5,948	-196	-150

Other operating income, net	76	0	76	28	-49
Operating Income	**2,764**	**720**	**3,484**	**2,537**	**1,254**
Income / (loss) from interests in associates and joint ventures	-534	338	-196	-446	-440
Income for this segment	**2,230**	**1,058**	**3,288**	**2,091**	**814**

Argentine Operating Center

II. Shopping Centers (through our subsidiary IRSA Propiedades Comerciales S.A.)

During fiscal year 2016, consumption at shopping centers maintained good performance levels. Our tenants' sales reached ARS 28,904.9 million during fiscal year 2016, 34.3% higher than in fiscal year 2015 (29.6% without considering sales from Distrito Arcos and Alto Comahue Shopping). In the second semester of 2016, there was a slight deceleration in the growth rate of sales, due to the slowdown in consumption. Our portfolio's leasable area totaled 333,155 square meters during the quarter under review, whereas the occupancy rate stood at optimum levels of 98.4%, reflecting the quality of our portfolio.

	IVQ 16	IVQ 15	YoY Var	FY 16	FY 15	YoY Var
Revenues	672	496	35.5%	2,406	1,778	35.3%
Operating Income	423	296	42.9%	1,638	1,190	37.6%
Depreciation and Amortization	49	37	32,4%	172	136	26.5%
EBITDA	472	334	41,3%	1,810	1,327	36.4%

	FY 16	FY 15	FY 14
Total Leaseable Area (sqm)	333,155	333,911	311,232
Occupancy	98.4%	98.7%	98.4%

Revenues from this segment grew 35.3% during this fiscal year, whereas Operating Income reached ARS 1,638 million (+ 37.6% compared to fiscal year 2015). The EBITDA margin, excluding income from common maintenance expenses and common advertising fund, was 75%, in line with the margins recorded in the previous fiscal year.

<u>Operating data of our Shopping Centers</u>

	Date of Acquisition	Location	Gross Leaseable Area sqm (1)	Stores	Occupancy rate (2)	IRSA CP's Interest (3)	Book Value (4)
Abasto [(5)]	Jul-94	City of Buenos Aires, Argentina	36,737.6	170	99.8%	100.0%	244
Alto Palermo	Nov-97	City of Buenos Aires, Argentina	18,966.0	142	99.6%	100.0%	206
Alto Avellaneda	Nov-97	Province of Buenos Aires, Argentina	35,887.0	134	100.0%	100.0%	127
Alcorta Shopping	Jun-97	City of Buenos Aires, Argentina	15,876.7	112	89.1%	100.0%	104
Patio Bullrich	Oct-98	City of Buenos Aires, Argentina	11,782.7	88	99.1%	100.0%	109

Alto Noa	Mar-95	Salta, Argentina	19,039.9	89	100.0%	100.0%	32
Buenos Aires Design	Nov-97	City of Buenos Aires, Argentina	13,903.1	62	95.7%	53.7%	7
Mendoza Plaza	Dec-94	Mendoza, Argentina	42,043.0	139	95.2%	100.0%	92
Alto Rosario (5)	Nov-04	Santa Fe, Argentina	28,795.5	143	100.0%	100.0%	127
Córdoba Shopping – Villa Cabrera	Dec-06	Córdoba, Argentina	15,581.7	110	99.2%	100.0%	53
Dot Baires Shopping	May-09	City of Buenos Aires, Argentina	49,640.7	150	100.0%	80.0%	367
Soleil Premium Outlet	Jul-10	Province of Buenos Aires, Argentina	13,991.1	78	100.0%	100.0%	80
La Ribera Shopping	Aug-11	Santa Fe, Argentina	9,850.6	63	99.3%	50.0%	24
Distrito Arcos (6)	Dec-14	City of Buenos Aires, Argentina	11,170.1	60	97.0%	90.0%	279
Alto Comahue (7)	Mar-15	Neuquén, Argentina	9,889.6	102	96.6%	99.1%	319
Patio Olmos (8)							26
Total			**333,155.4**	**1,642**	**98.4%**		**2,196**

Notes:
(1) Corresponds to total leasable area in each property. Excludes common areas and parking spaces.
(2) Calculated dividing occupied square meters by leasable area on the last day of the fiscal year.
(3) Company's effective interest in each of its business units.
(4) Cost of acquisition plus improvements, less cumulative depreciation. Amounts are stated in millions of pesos (ARS).
(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.
(7) Opening March 17, 2015.
(8) IRSA CP owns the historic building of the Patio Olmos shopping center in the Province of Córdoba, operated by a third party.

Cumulative tenants' sales as of June 30 of fiscal years 2016, 2015 and 2014

(in ARS million)

	2016	2015	2014
Abasto	4,043.1	3,150.2	2,447.0
Alto Palermo	3,499.4	2,662.1	2,111.2
Alto Avellaneda	3,781.1	2,913.3	2,333.8
Alcorta Shopping	1,899.9	1,474.7	1,120.4
Patio Bullrich	1,061.0	888.5	689.3
Alto Noa	1,369.0	1,068.6	766.1
Buenos Aires Design	414.4	326.0	272.2
Mendoza Plaza	2,368.8	1,906.7	1,514.7
Alto Rosario	2,628.1	1,951.8	1,378.3
Córdoba Shopping	990.7	756.0	546.6
Dot Baires Shopping	3,254.3	2,570.6	2,008.3
Soleil Premium Outlet	1,282.2	938.4	664.0
La Ribera Shopping	633.5	398.1	280.8
Distrito Arcos (2)	962.3	339.9	-
Alto Comahue (3)	717.1	182.1	-
Patio Olmos (4)			
Total sales	**28,904.9**	**21,527.0**	**16,132.8**

(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 center, although in certain cases we own less than 100% of such shopping centers. 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 center in the province of Cordoba, operated by a third party.

Cumulative tenants' sales per type of business for fiscal years 2016, 2015 and 2014

(in ARS million)

	2016	2015	2014
Anchor Store	1,590.5	1,299.3	1,098.4
Clothes and Footwear	15,201.4	11,124.8	7,940.1
Entertainment	1,025.7	740.6	546.5
Home & décor	783.9	617.1	486.4

Electronic appliances	3,861.5	2,994.2	2,526.5
Restaurants	2,722.2	1,938.4	1,476.8
Miscellaneous	3,368.2	2,589.4	1,922.3
Services	351.5	223.1	135.7
Total	**28,904.9**	**21,527.0**	**16,132.8**

Detailed revenues as of June 30, 2016, 2015 and 2014

(in ARS thousand)

	2016	2015	2014
Base Rent	1,317,824	946,512	753,761
Percentage Rent	599,033	469,183	334,259
Total Rent	**1,916,858**	**1,415,695**	**1,088,021**
Revenues from admission rights	207,531	156,639	126,636
Management fees	37,593	28,146	22,546
Parking	153,213	105,383	79,386
Commissions	42	2,195	606
Other	5,977	4,023	2,996
Total (1)	**2,321,215**	**1,712,081**	**1,320,191**

(1) Excludes Patio Olmos, Fibesa and revenues from Common Maintenance Expenses and Common Advertising Fund.

Lease Expirations

The following table sets forth the schedule of estimated lease expirations for our shopping centers for leases in effect as of June 30, 2016, assuming that none of the tenants will exercise renewal options or terminate their leases earlier:

Expiration	Number of Agreements (1)	Square meters to expire	Percentage to expire	Amount ($) (3)	Percentage of Agreements
2016	171	33,155.2	10%	96,293,785.4	8%
2017	487	83,781.3	25%	356,833,346.8	30%
2018	403	69,906.2	21%	308,857,789.9	26%
2019 and subsequent years	581	146,312.7	44%	409,126,531.0	35%
Total (2)	**1,642**	**333,155.4**	**100%**	**1,171,111,453.1**	**100%**

(1) Includes vacant stores as of June 30, 2016. A lease may be associated to one or more stores.
(2) Does not reflect our ownership interest in each property.
(3) The amount expresses the annual base rent as of June 30, 2016 of agreements to expire.

III. Offices

In ARS Million	IVQ 16	IVQ 15	YoY Var	FY 16	FY 15	YoY Var
Revenues	105	83	26.5%	340	333	2.1%
Operating Income	88	51	72.5%	221	102	116.7%
Depreciation and Amortization	2	-2	-200,0%	26	25	4,0%
EBITDA(*)	90	51	76,5%	247	240	2,9%

(*)The FY15 EBITDA excludes stamp tax expenses incurred in the asset disposition.

Revenues from the Offices segment slightly increased by 2.1% in fiscal year 2016 due to a 27.5% reduction in the leaseable area as a result of the sales made during the period, offset by higher rental prices in ARS/sqm, as lease agreements are denominated in U.S. dollars. In addition, the portfolio's occupancy stood at 98.7%, slightly higher than last year. The segment's EBITDA, excluding stamp tax expenses incurred in the transfer of assets, increased by 2.9% during the period due to lower revenues and higher administrative and selling expenses.

	FY 16	FY 15	Var
Leaseable area (sqm)	81,020	111,678	27.5%
Total portfolio occupancy	98.7%	98.1%	+0.6 p.p
Rent ARS/sqm	390	230	69.4%
Rent USD/sqm	26.1	25.3	3.2%

Below is information on our office segment and other lease properties as of June 30, 2016.

	Date of Acquisition	Gross Leaseable Area (sqm) (1)	Occupancy (2)	IRSA's Effective Interest	Monthly Rental Income ($ thousand) (3)	Accumulated annual rental income ($ million)(4) 2016	2015	2014	Book Value ($ million)
Offices									
Edificio República (5)	04/28/08	19,885	100.0%	100.0%	7,637	72	62	46	189
Torre BankBoston (5)	08/27/07	14,873	100.0%	100.0%	5,098	56	42	35	135
Bouchard 551	03/15/07	-	-	100.0%	-	3	10	24	7
Intercontinental Plaza (5)	11/18/97	6,569	100.0%	100.0%	2,036	28	56	40	38
Bouchard 710 (5)	06/01/05	15,014	100.0%	100.0%	7,020	68	48	34	60
Dique IV	12/02/97	-	-	-	-	15	32	25	-
Maipú 1300	09/28/95	1,353	100.0%	100.0%	486	6	16	15	5
Libertador 498	12/20/95	620	100.0%	100.0%	611	6	2	3	4
Suipacha 652/64 (5)	11/22/91	11,465	90.7%	100.0%	2,085	22	16	13	8
Dot Building (5)	11/28/06	11,242	100.0%	80.0%	3,521	31	27	19	123
Subtotal Offices		**81,020**	**98.7%**	**N/A**	**28,658**	**307**	**279**	**229**	**569**
Other Properties									
Santa María del Plata S.A	10/17/97	106,610	100.0%	100.0%	676	12			13
Nobleza Piccardo (6)	05/31/11	109,610	74.8%	50.0%	185	2	8	8	7
Other Properties (7)	N/A	38,646	42.8%	N/A	1,714	11	7	3	301
Subtotal Other Properties		**254,942**	**80.3%**	**N/A**	**2,575**	**25**	**15**	**11**	**321**
Total Offices and Others		**333,962**	**84.7%**	**N/A**	**31,232**	**332**	**294**	**240**	**890**

Notes:
(1) Total leaseable area for each property as of 06/30/16. Excludes common areas and parking.
(2) Calculated dividing occupied square meters by leasable area as of 06/30/16.
(3) Agreements in effect as of 06/30/16 in each property were computed.
(4) Corresponds to total consolidated leases.
(5) Through IRSA CP.
(6) Through Quality Invest S.A.
(7) Includes the following properties: Ferro, Dot Adjoining Plot, Anchorena 665, Anchorena 545 (Chanta IV),and La Adela, among others.

IV. Sales and Developments

Sales and Developments in millions of ARS	IVQ 16	IVQ 15	YoY Var	FY 16	FY 15	YoY Var
Revenues	2	4	-50.0%	8	15	-46.7%
Gain from sale of investment properties	-	362	-100.0%	1.068	1,163	-8.2%
Operating Income	-63	343	-118.4%	881	1,113	-20.8%
Depreciation and Amortization	-	-	0.0%	0	0	0.0%

EBITDA	-63	343	-118.4%	881	1,113	-20.8%

For fiscal year 2016, EBITDA from the Sales and Developments segment decreased by 20.8% as compared to 2015 mainly due a lower gain from sales of investment properties.

Accumulated sales as of June 30 of the fiscal periods (ARS million)

DEVELOPMENT	2016	2015	2014
Residential apartments			
Caballito Nuevo	-	2	1
Condominios I y II [(1)]	-	7	52
Horizons [(2)]	5	5	23
Other residential apartments [(3)]	2	-	-
Subtotal Residential Apartments	**7**	**14**	**76**
Residential Communities			
Abril [(4)]	-	1	2
El Encuentro	-	-	8
Subtotal Residential Communities	**-**	**1**	**10**
Land Reserves			
Neuquén	-	-	13
Subtotal Land Reserves	**-**	**-**	**13**
TOTAL	**7**	**15**	**99**

(1) Through IRSA Propiedades Comerciales S.A.
(2) Owned by CYRSA S.A.
(3) Corresponds to Entre Ríos 465 and Caballito Plot.
(4) Includes sale of shares in Abril.

Sale of investment properties (ARS million)

	FY 2016	FY 2015
Revenues	1,175	2,517
Costs	-107	-1,354
Gain	**1,068**	**1,163**

Below is a detail of the sales of investment properties occurred during the period under analysis:

Partial sales of "Maipú 1300" building

In July and August 2015, 1,761 sqm were sold in the Maipú 1300 building, consisting of 4 floors, at a gain of $57.1 million. In November and December 2015, 1,690 additional sqm were sold in this building, consisting of 4 additional floors, at a gain of $52.9 million.

Sale of Isla Sirgadero Land Reserve (Santa Fe)

On September 3, 2015, this 8,262,600 sqm parcel of land was sold for a total amount of USD 4.0 million, at a gain of $32.3 million.

Partial Sale of Intercontinental Plaza (through IRSA Propiedades Comerciales)

On September 10, 2015, our subsidiary IRSA CP sold 5,963 sqm consisting of seven office floors, 56 parking spaces and 3 storage units, for a total amount of ARS 324.5 million, at a gain of $300.0 million. Moreover, on February 4, 2016, our subsidiary IRSA CP sold 851 sqm consisting of one office floor and 8 parking spaces, at a gain of ARS 39.2 million.

Sale of "Dique IV" building

On December 10, 2015, the company sold to a non-related party the "Juana Manso 295" office building located in the "Puerto Madero" area in the City of Buenos Aires, composed of 8 office floors and 116 parking spaces.

The transaction amount was $ 649.0 million, which has been fully paid and the gross profit from the transaction amounts to approximately $ 586.8 million.

Partial sale of the building to be developed in Catalinas (no impact on results for this fiscal year)

On December 4, 2015, the company sold to Globant S.A. 4,896 sqm corresponding to four office floors of a building to be developed in the "Catalinas" area in the City of Buenos Aires and 44 parking spaces located in the same building. Surrender of possession is expected within 48 months and the execution of the title deed within 60 months, in both cases counted as from even date.

The transaction amount was $ 180.3 million and US$ 12.3 million payable as follows: (i) $ 180.3 million paid on even date, (ii) US$ 8.6 million payable in 12 quarterly instalments during a period of 3 years beginning in June 2016; and (iii) the remaining US$ 3.7 million upon execution of the title deed.

Partial sale of the building to be developed in "Catalinas" (no impact on results)

On April 7, 2016, the company sold to its subsidiary IRSA Propiedades Comerciales S.A. ("IRSA CP"), controlled by a 94.61% interest, 16,012 square meters, consisting of 14 floors (from 13 to 16 and from 21 to 30) intended for long term lease and 142 parking spaces of the building to be built in the "Catalinas" area, City of Buenos Aires. The building to be built will have a gross leaseable area of 35,468 square meters distributed over 30 office floors and 316 parking spaces in 4 underground levels. Surrender of possession is expected to take place in December 2019, and the deed of conveyance is planned to be executed in December 2020.

The transaction price was set considering two components: a "Fixed" portion, relating to the incidence of the land over the square meters purchased by IRSA CP, for a total amount of ARS 455.7 million (approximately USD 1,600 + VAT per square meter), which was paid on that date, and a "Determinable" portion, as to which IRSA will pass through to IRSA CP only the actual cost of the works per square meter.

The remaining 14,820 sqm of gross leaseable area corresponding to the first 12 floors of the building are held the company since no decision has been made between development intended for rent and/or sale.

IRSA Inversiones y Representaciones Sociedad Anónima

Development	Company	Interest	Date of Acquisition	Land Area sqm	Saleable area sqm (1)	Buildable area sqm	Sold(2)	Location	Accumulated revenues as of June 2016	Accumulated revenues as of June 2015	Book Value (ARS million)
Residential properties											
Available for sale											
Condominios del Alto I	IRSA CP	100%	30/04/1999	-	2,082	-	100%	Santa Fe	-	7	1
Condominios del Alto II	IRSA CP	100%	30/04/1999	-	4,082	-	100%	Santa Fe	-	-	-
Caballito Nuevo	IRSA	100%	03/11/1997	-	7,323	-	100%	CABA	-	2	-
Barrio Chico	IRSA	100%	01/03/2003	-	2,872	-	100%	CABA	-	-	-
El Encuentro	IRSA	100%	18/11/1997	-	127,748	-	100%	Buenos Aires	-	-	-
Abril Club de Campo – Plots	IRSA	100%	03/01/1995	-	5,135	-	100%	Buenos Aires	-	1	-
Abril Club de Campo – Manor House (3)	IRSA	100%	03/01/1995	31,224	34,605	-	100%	Buenos Aires	-	-	2
Torres Jardín	IRSA	100%	18/07/1996	-	-		-	CABA	-	-	-
Departamento Entre Ríos 465/9	IRSA CP	100%	-	-	-		100%	Buenos Aires	1	-	-
Horizons	IRSA	50%	16/01/2007	-	60,232	-	100%	Buenos Aires	5	5	1
Intangible – Receivable units					-				-	-	-
Beruti (Astor Palermo) (4)	IRSA CP	100%	24/06/2008	-	2,170	-	-	CABA	-	-	33
Caballito Manzana 35	IRSA	100%	22/10/1998	-	6,952	-	-	CABA	-	-	52
CONIL - Güemes 836 – Mz. 99 and Güemes 902 – Mz. 95 And Retail stores	IRSA CP	100%	19/07/1996	1,389	-	5,994	-	Buenos Aires	-	-	5
Canteras Natal Crespo (2 commercial parcels)	IRSA	-	-	40,333	-	-	-	Buenos Aires	-	-	-
Isla Sirgadero	IRSA	100%	16/02/2007	826,276	-	no data	-	Santa Fe	-	-	-
Pereiraola (Greenville)	IRSA	100%	21/04/2010	-	39,634	-	-	Buenos Aires	-	-	8
									-		
Subtotal Residential properties				899,222	292,835	5,994			6	15	102
Land Reserves											
Pilar R8 Km 53	IRSA	100%	29/05/1997	74,828	-	-	-	Buenos Aires	-	-	2
Pontevedra	IRSA	100%	28/02/1998	730,994	-	-	-	Buenos Aires	-	-	2

Mariano Acosta	IRSA	100%	28/02/1998	967,290	-	-	-	Buenos Aires	-	-	1
Merlo	IRSA	100%	28/02/1998	1,004,987	-	-	-	Buenos Aires	-	-	1
San Luis Plot	IRSA	50%	31/03/2008	3,250,523	-	-	-	San Luis	-	-	1
Subtotal Land Reserves				6,028,622	-	-			-	-	7
Future Developments											
Mixed Uses											
UOM Luján (5)	IRSA CP	100%	31/05/2008	1,160,000	-	no data	N/A	Buenos Aires		-	42
La Adela	IRSA	100%	01/08/2014	10,580,000	-	-	N/A	Buenos Aires	-	-	216
Predio San Martin (Ex Nobleza Piccardo) (6)	IRSA CP	50%	31/05/2011	159,995	-	127,996	N/A	Buenos Aires	-	-	60
Puerto Retiro	IRSA	50%	18/05/1997	82,051	-	no data	N/A	CABA	-	-	22
Solares Santa María (7)	IRSA	100%	10/07/1997	716,058	-	no data	N/A	CABA	-	-	159
Residential							-		-	-	-
Coto Abasto Air Space	IRSA CP	100%	24/09/1997	-	-	21,536	N/A	CABA	-	-	9
Neuquén – Residential parcel	IRSA CP	100%	06/07/1999	13,000	-	18,000	N/A	Neuquén	-	-	1
Uruguay Zetol	IRSA	90%	01/06/2009	152,977	62,756	-	N/A	Uruguay	-	-	92
Uruguay Vista al Muelle	IRSA	90%	01/06/2009	102,216	62,737	-	N/A	Uruguay	-	-	64
										-	
Retail											
Caballito Shopping plot (8)	IRSA CP	100%	-	23,791	-	No data	N/A	CABA	1	-	-
Dot potential expansion	IRSA CP	80%	-	15,881	-	47,643	N/A	CABA	-	-	-
Offices											
Philips Adjoining plots – Offices 1 and 2	IRSA CP	80%	28/11/2006	12,800	-	38,400	N/A	CABA	-	-	25
Baicom	IRSA	50%	23/12/2009	6,905	-	34,500	N/A	CABA	-	-	4
Intercontinental Plaza II (9)	IRSA CP	100%	28/02/1998	6,135	-	19,598	N/A	CABA	-	-	2
Catalinas Norte Plot	IRSA	100%	17/12/2009	3,649	-	35,468	13%	CABA	-	-	112
Subtotal Future Developments											899
Total Land Reserves				19,963,302	418,328	348,967			7	15	1,008

Notes:

(1) Saleable Area means the housing square meters proper, excluding parking and storage spaces. It is recorded at 100%, before making any sales.

(2) % Sold includes those sale transactions for which there is a Preliminary Sales Agreement, Possession or a Title Deed executed. Includes housing square meters only, excludes parking and storage spaces.

(3) Saleable Area includes 31,224 sqm of the plot and 4,712.81 total sqm of the Manor House (discounting 1,331.76 sqm of Ground Floor).

(4) Saleable Area excludes 171 commercial parking spaces to be received and the units as compensation.

(5) Mixed Used Feasibility requested, pending provincial approval.

(6) 127,996 sqm arise from current laws, a draft project is being made for 479,415 buildable square meters (pending approval).

(7) Feasibility requested for 716,058 buildable square meters, pending approval from the Legislative body of the City of Buenos Aires.

(8) Draft project of 71,374 buildable square meters, pending approval of zoning parameters.

(9) 6,135 sqm of surface area correspond to the parcel, which includes Intercontinental I and II.

CAPEX 2017

	Developments		
	Greenfields		*Expansions*
	Polo Dot (First Stage)	Catalinas(**)	Alto Palermo
Beginning of Works	FP2017	FP2017	FP2017
Estimated opening date	FP2019	FP2020	FP2018
Total GLA (sqm)	31,635	35,468	3,884
Investment amount at 100% (million USD)	54	101	28.5
Work progress (%)	0%	0%	0%

(*) Through our subsidiary IRSA Propiedades Comerciales S.A.

(*) 45% of the development corresponds to our subsidiary IRSA Propiedades Comerciales S.A.

Alto Palermo Expansion (City of Buenos Aires)

The expansion project of Alto Palermo shopping center adds a gross leaseable area of approximately 4,000 square meters to the shopping center with the highest sales per square meter and consists in moving the food court to a third level using the area of an adjacent building acquired in 2015. Works are estimated to take between 18 and 24 months.

First stage of Polo Dot (City of Buenos Aires)

The project called "Polo Dot", located in the commercial complex adjacent to our shopping center 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 center by approximately 15,000 square meters of gross leaseable area. At a first stage, we will develop an 11-floor office building with an area of approximately 30,000 square meters on an existing building, in respect of which we have already executed a lease agreement for approximately half the footage, before starting the works. Construction will begin during the next fiscal period and is estimated to last between 18 and 24 months before the building is operational. The second stage of the project will include two office/hotel buildings that will add 38,400 square meters of gross leaseable area to the complex. We have seen a significant demand for Premium office spaces in our new commercial complex and we are confident that we will be able to open these buildings with attractive rent levels and full occupancy.

Catalinas Building (City of Buenos Aires)

The “Catalinas” project is located in one of the most sought-after spots for office development in Argentina. The building to be constructed will have 35,468 square meters of gross leaseable area in 30 office floors and 316 parking spaces. Construction is scheduled to begin towards the end of the current calendar year and will take about 3 years.

V. Hotels

During fiscal year 2016, the hotel segment recorded an increase in revenues of 34.8% mainly due to the depreciation of the exchange rate, which resulted in an increase in the average rate per room in ARS, partially offset by a slight decrease in the average rate per room in USD. The segment's EBITDA increased significantly as the increase in costs and selling expenses lagged behind that of revenues.

Hotels (in ARS Million)	IVQ 16	IVQ 15	YoY Var	FY 16	FY 15	YoY Var
Revenues	128	79	62.0%	534	396	34.8%
Operating Income	-20	-18	11.1%	-1	-12	-91.7%
Depreciation and amortization	3	4	-25.0%	14	15	-6.7%
EBITDA	-17	-14	21.4%	13	3	333.3%

	IVQ16	IVQ15	Var
Average occupancy	65.8%	65.7%	+0.1p.p
Average rate per room (ARS/night)	2,102	1,564	34.4%
Average rate per room (USD/night)	175	182	-3.8%

The following is information on our hotel segment as of June 30, 2016:

Hotels	Date of Acquisition	IRSA's Interest	Number of Rooms	Occupancy(1)	Average rate per room $(2)	Sales as of June 30 of the fiscal years 2016	2015	2014	Book Value
Intercontinental (3)	11/01/1997	76.34%	309	70.58%	1,694	195	143	124	51
Sheraton Libertador (4)	03/01/1998	80.00%	200	73.42%	1,506	119	94	74	28
Llao (5)	06/01/1997	50.00%	205	51.15%	3,784	220	159	133	77
Total	**-**	**-**	**714**	**65.79%**	**2,102**	**534**	**396**	**331**	**156**

Notes:
1) Cumulative average for the 12-month period.
2) Cumulative average for the 12-month period.
3) Through Nuevas Fronteras S.A. (IRSA's subsidiary).
4) Through Hoteles Argentinos S.A. (IRSA's subsidiary).
5) Through Llao Llao Resorts S.A. (IRSA's subsidiary).

VI. International

Lipstick Building, New York, United States

The Lipstick Building is a landmark building in the City of New York, located at Third Avenue and 53th Street in Midtown Manhattan, New York. It was designed by architects John Burgee and Philip Johnson (Glass House and Seagram Building, among other renowned works) and it is named after its elliptical shape and red façade. Its gross leaseable area is approximately 57,500 sqm and consists of 34 floors.

As of June 30, 2016, the building reached an occupancy rate of 97.33%, thus generating an average rent of USD 66.67 per sqm.

Lipstick	Jun-16	Jun-15	YoY Var
Gross Leaseable Area (sqm)	58,094	58,094	-
Occupancy	97.33%	91.86%	5.47p.p

Rental price (US$/sqm)	66.67	64.74	2.98%

In March 2016, two lease agreements were executed: one for the lease of the entire Floor 28 and another one for a portion of the underground floor, at an average rental price of US$ 85 per square meter. This will cause occupancy to rise to over 97% of the total surface area.

Moreover, we successfully completed the building's certification process and obtained the **LEED EB: O&M Gold** certification. The implementation of this project started in July 2015, and it has concluded with a certification that endorses the best environmental practices, transforming the building's operational standards.

Investment in Condor Hospitality Inc.

We maintain our investment in the Condor Hospitality Trust hotel REIT (NASDAQ: CDOR) through our subsidiary Real Estate Strategies L.P. ("RES"), in which we hold a 66.3% interest. Condor is a REIT listed in Nasdaq focused on medium-class and long-stay hotels located in various states of the United States of America, operated by various operators and franchises such as Comfort Inn, Days Inn, Hampton Inn, Holiday Inn, Sleep Inn, and Super 8, among others.

During the last months, the company's results have shown an improvement in operating levels and it has continued with its strategy of selectively disposing of lower-class hotels at very attractive prices and replacing them with higher-class hotels.

In March 2016, the Company exchanged its Class C preferred shares for new Class D preferred shares issued by Condor. In this new issue, "Stepstone Real Estate" joined as new partner to the investment by contributing US$ 30 million, which were used to retire the Class A and B Preferred shares and to acquire new hotels.

The new Class D preferred shares will accrue interest at an annual rate of 6.25% and will be convertible into common shares at a price of US$ 1.60 per share at any time upon the occurrence of an event of capitalization with respect to the Company.

Condor's board of directors will be composed of 4 directors nominated by the Company, 3 by Stepstone and 2 independent directors. Moreover, the Company's voting rights in Condor reach 49% of its total voting rights.

On August 11, the company filed an offering memorandum with the SEC in order to issue common shares for up to USD 75 million with the purpose of accelerating the company's growth plan.

VII. Financial Transactions and Other

Interest in Banco Hipotecario S.A. ("BHSA") through IRSA

BHSA is a leading bank in the mortgage lending industry, in which IRSA held an equity interest of 29.91% as of March 31, 2016 (excluding treasury shares). During the first nine months of fiscal year 2016, the investment in Banco Hipotecario generated income of ARS 196.1 million, 98.7% higher than in the same period of 2015. For further information, visit http://www.cnv.gob.ar or http://www.hipotecario.com.ar.

Israeli Operating Center

IX: Investment in IDB Development Corporation

a) Acquisition of Control over IDBD

On May 7, 2014, a transaction was closed whereby the Group, acting indirectly through Dolphin, acquired, jointly with E.T.H.M.B.M. Extra Holdings Ltd. ("ETH", a non-related company incorporated under the laws of the State of Israel) controlled by Mordechay Ben Moshé, an aggregate of 106.6 million common shares in IDBD representing 53.30% of its stock capital, under the scope of the debt restructuring process of IDBD's holding company, IDM Holdings Corporation Ltd. ("IDBH"), with its creditors (the "Arrangement").

Under the terms of the agreement entered into between Dolphin and ETH, to which Dolphin and ETH adhered (the "Shareholders' Agreement"), Dolphin acquired a 50% interest in this investment, while ETH acquired the remaining 50%. The initial amount invested by both companies was NIS 950 million, equivalent to approximately USD 272 million at the exchange rate prevailing on that date.

On October 11, 2015, the shareholders' agreement became ineffective and IFISA (a company indirectly controlled by Eduardo S. Elsztain) acquired the shares in E.T.H.M.B.M. Extra Holdings, and the directors appointed by ETH in IDBD tendered their irrevocable resignation to their positions in the Board of Directors. In this way, Dolphin became entitled to appoint new board members.

In this way, the Group started to consolidate IDBD effective October 11, 2015.

As of to date, the investment made in IDBD is US$ 515 million, and IRSA's indirect equity interest reached 68.3% of IDBD's total stock capital.

b) Tender Offers

On March 31, 2016, Dolphin satisfied the commitments assumed by it under the amendment to the debt restructuring agreement of IDBD's controlling company, IDBH, with its creditors (the "Arrangement"). Such changes were approved by 95% of IDBD's minority shareholders on March 2, 2016 and by the competent court on March 10, 2016.

Therefore, as of March 31: (i) Dolphin purchased all the shares held by IDBD's minority shareholders; (ii) all the warrants held by IDBD's minority shareholders expired; and (iii) Dolphin made additional contributions in IDBD in the form of a subordinated loan, as described below.

The price paid for each IDBD share according to the holdings as of March 29, 2016 was: (i) NIS 1.25 in cash, resulting in a total payment of NIS 159.6 million (US$ 42.2 million); (ii) NIS 1.20 per share through the subscription and delivery of IDBD's Series 9 bonds ("IDBD Bonds") issued by IDBD and paid by Dolphin at par value; therefore, it subscribed bonds for NIS 166.5 million, including the payment to the warrant holders (as detailed below); and (iii) the commitment to pay NIS 1.05 (subject to adjustment) in cash in the event that Dolphin receives indirectly the control authorization over Clal Insurance Company Ltd. and Clal Insurance Business Holdings Ltd. ("Clal") or IDBD sells its interest in Clal under certain standards (the "Consideration for Clal"), mainly related to the sale price of Clal above 75% of its book value and the proportion of Clal's holding sold by IDBD, with Dolphin being required to pay in this regard, in the event that the above mentioned conditions are met, the sum of approximately NIS 155.8 (approximately US$ 40.8 million).

As concerns the warrants held by the minority shareholders that were not exercised as of March 28, 2016, each warrant holder received the difference between NIS 2.45 and the warrant's exercise price, in IDBD Bonds ("Payment to the Warrant Holders") and is entitled to receive the Consideration for Clal.

In addition, Dolphin injected in the company NIS 348.4 million (the "Injection in IDBD"), which were contributed as a subordinated loan, convertible into shares.

To secure payment of the Consideration for Clal, on March 31, 2016 Dolphin set up a pledge over 28% of the total stock capital in IDBD and the collection rights of a subordinated loan for NIS 210 million made on December 1, 2015. If new shares are issued in IDBD, additional shares shall be pledged until reaching 28% of IDBD's total stock capital.

Dolphin has promised that it will abstain from exercising its right to convert the subordinated loan into IDBD shares until the above mentioned pledge is not released. However, if the pledge is enforced, the representatives of IDBH's creditors will be entitled to convert the subordinated debt into shares under conditions previously agreed to such effect, provided that the maximum amount of IDBD shares that may be pledged at any time will be 35% and any excess shares must be released.

On March 31, 2016, IDBD's shares were delisted from the Tel Aviv Stock Exchange ("TASE") and all the minority warrants were cancelled. The company will continue to be registered with the TASE as a "Debentures Company" pursuant to Israeli law, as it has bonds listed on such exchange.

As a result of the foregoing, as Dolphin performed its obligations under the terms of the amended Arrangement, Dolphin's investment commitments in IDBD have been fully discharged, and only the payment of the Consideration for Clal would be pending in the event that the conditions herein described were met.

Within this Operating Center, the Group operates in the following segments:

- The "**Commercial Properties**" segment mainly includes the assets and operating income derived from the business related to the subsidiary PBC. Property & Building is mainly engaged in the rental properties business, and is also involved in the business of building residential properties in areas of heavy demand in Israel and other parts of the world. In the rental properties sector, Property & Building is the exclusive owner of the HSBC building located on the Fifth Avenue in Manhattan. The building has an area of approximately 80,000 square meters. At present, the building is fully occupied by renowned tenants who have lease agreements in place for long periods ranging from 10 to 15 years. In addition, Property & Building has partnered with IDBD in two projects based in Las Vegas (through IDBG Ltd.), including a commercial building and an office building (Tivoli). The first stage of this project has been fully completed, with fiscal year 2015 coming to an end with an occupation rate of the commercial and office areas of around 84%.The second stage of the project is undergoing the building .and marketing stages, and will include commercial areas with a surface of approximately 16,000 square meters and office areas with a surface of approximately 12,000 square meters. We have already entered into lease agreements with an anchor tenant and other tenants covering approximately 66% of the commercial area included in the second stage of the project and around 8% of the office areas. We also expect to develop an additional project embracing two residential buildings and, during the year under review, have sold all the remaining residential units of these buildings.

  In June 2016, Discount Investment Corporation sold a portion of its interest in PBC, following which its equity interest in that company declined from 76.5% to 64.4%.

- The “**Supermarkets**” segment includes the assets and operating income derived from the business related to the subsidiary Shufersal. Shufersal is the owner of the largest supermarket chain in Israel in terms of sales volume. In recent years, Shufersal has introduced and continues developing strategic processes and structural changes seeking to optimize profitability, strengthen its leading market position, and address the challenges of the business and regulatory environment where it operates. Effective April 1, 2013, Shufersal separated its real estate business from its retail business, and formed Shufersal Real Estate Ltd., a wholly-owned subsidiary which assets include branches that are leased to Shufersal and real property leased to third parties. In addition, Shufersal has an interest in a consumer finance business that offers credit cards to the general public and extends non-banking credit and benefits to customers. During 2015, Shufersal continued developing its business plan, with a focus on building a commercial and operating infrastructure to enable growth in the coming years; strengthening its competitive edge; offering more value to customers and improving its service. Under its business plan, Shufersal continues expanding and strengthening its brand; boosting the development of its digital platforms, with “Shufersal Online” at the core; fostering new and supplementary operations in the sectors in which it currently operates; and streamlining its real property, including the closure and downsizing of existing branches and the opening of new ones.

- The “**Agrochemicals**” segment includes the income from the associate Adama. Adama is a company specifically engaged in crop protection. Adama markets its products in around 100 countries, and its operations are mainly concentrated in Europe, North America, Latin America, Asia Pacific, India, Middle East, and Africa. Adama is also positioned as a worldwide leader in active ingredients within the crop protection product commercialization sector. In October 2011, Koor, Adama and a subsidiary of the ChemChina Group, a state-owned Chinese group with operations in the chemical business, merged. As a result of the merger, Adama became a private company and qualified as a “reporting company”, as such term is defined in the Securities Act, owned by ChemChina (60%) and Koor (40%).

- The “**Telecommunications**” segment includes the assets and operating income derived from the business related to the subsidiary Cellcom. Cellcom operates and markets several telecommunication services. Its main businesses include the delivery of mobile communication services (with approximately 2.84 million subscribers). In addition, Cellcom delivers ancillary services to its customers, including content and data services and also offers cell phones and repair services. Cellcom also offers (even through its subsidiary Netvision) land-line services, data communication services to commercial customers and communication carriers, Internet connection services, international call services and additional services, such as, conferencing, cloud-based services and information security. On the other hand, since December 2014, Cellcom has been delivering to its private customers IPTV services through Netvision. Since February 2015, Cellcom and Netvision have also been delivering Internet infrastructure services to the land-line wholesale market, based on Bezeq’s infrastructure– the Israel Telecommunications Corporation Ltd. -along with Netvision’s Internet connection services. Cellcom also commercializes the Triple package, which bundles TV, Internet infrastructure and connection, and land-line services for residential customers.

- The **"Insurance"** segment includes the assets from the business related to Clal. This company is one of the largest insurance groups in Israel, whose businesses mainly comprise pension and social security insurance and other insurance lines. 51% of Clal's controlling shares are deposited in a trust following the instructions of the Israeli's Capital Markets Commission in order to comply with the sale of Clal's controlling stake; therefore, the company is not fully consolidated on a line-by-line basis, but under a single line as a financial instrument at fair value, as required under IFRS under the current circumstances in which no control is exercised.

- The **"Others"** segment includes the assets and income from other miscellaneous businesses, such as technological developments, tourism, oil and gas assets, electronics, and other sundry activities.

Segment Profit / (loss)

	March 31, 2016 (for the period 09/30/15 through 03/31/16)						
	Israeli operating center (million NIS)						
	Commercial Properties	Supermarkets	Agrochemicals	Telecommunications	Insurance	Others	Total
Revenues from sales, leases and services	478	5,783		2,068		443	8,772
Costs	-260	-4,327		-1,406		-373	-6,366
Gross profit / (loss)	218	1,456	-	662	-	72	2,406
Gain from sale of investment properties	14	-		-			14
General and administrative expenses	-31	-63		-220		-117	-431
Selling expenses	-9	-1,261		-464		-33	-1,767
Other operating loss, net	-	-		-		-	-
Operating income / (loss)	192	132	-	-22	-	-78	222
Share of profit / (loss) of associates and joint ventures	30	-	104	-		-29	105
Segment profit / (loss)	222	132	104	-22	-	-107	327
Operating assets	15,466	7,564	-	7,026	1,182	6,527	36,639
Operating liabilities	12,706	6,067	-	5,564		9,800	33,470
Operating assets / (liabilities), net	**2,761**	**1,497**	**-**	**1,461**	**1,182**	**16,327**	**3,169**

The revenues and operating income from the **Commercial Properties** segment through the subsidiary Property & Building ("PBC") reached NIS 478 million and NIS 192 million, respectively (USD 124 million and USD 50 million, respectively) during the consolidated six-month period (October 1, 2015 to March 31, 2016). During this six-month period there was an increase in rental income and occupancy rates from PBC's investment properties, mainly the HSBC building in the City of New York.

The **Supermarkets** segment, through Shufersal, recorded revenues of NIS 5,783 million (USD 1,498 million) for the six-month period, mainly due to an increase in revenues from the retail and real estate segments. Operating income from this segment reached NIS 132 million (USD 33 million).

The **Telecommunications** segment, operated by Cellcom, recorded revenues of NIS 2,068 million (USD 536 million). During the quarter January-March 2016, there was a slight decrease in revenues from cell phone services due to the ongoing erosion of prices and in revenues from landline services, mainly due to a reduction in revenues from international call services, which was partially offset by an increase in revenues from the television segment. Operating loss for the six-month period was NIS 22 million (USD 6 million).

The **"Others"** segment recorded revenues for NIS 443 million (USD 115 million), and an operating loss of NIS 78 million (USD 20 million).

As concerns "Clal", the Group values its interest in this **insurance** company as a financial asset at fair value. The valuation of Clal's shares was NIS 1,182 million (USD 306 million) as of June 30, 2016.

Finally, the results from the agrochemical company "Adama" are recorded at proportional equity value. For the consolidated six-month period, a profit of NIS 104 million (USD 27 million) was recorded in this regard.

X. EBITDA by segment (ARS million)

Argentine Operating Center

12M 16	Shopping Centers	Offices	Sales and Developments	Hotels	International	Financial Transactions and Other	Total
Operating income	1.638	221	881	-1	49	-	2.788
Depreciation and Amortization	172	26	-	14	-	-	212
EBITDA	1.810	247	881	13	49	-	3.000
12M 15	**Shopping Centers**	**Offices**	**Sales and Developments**	**Hotels**	**International**	**Financial Transactions and Other**	**Total**
Operating income / (loss)	1.189	102	1.113	-12	148	-3	2.536
Depreciation and Amortization	138	25	-	15	-	-	178
EBITDA	1.327	127	1.113	3	148	-3	2.715
EBITDA Var	36,4%	94,5%	-20,8%	333,3%	-66,9%	-100,0%	10,5%

XI. Reconciliation with Consolidated Income Statement (ARS million)

Below is an explanation of the reconciliation of the company's income by segment with its consolidated income statement. The difference lies in the presence of joint ventures included in the segment but not in the income statement.

	Total Segment	Joint Ventures *	Common Maintenance Expenses and Common Advertising Fund	Intersegment eliminations	Income Statement
Costs	-834	17	-1,207	6	-2,018
Gross Profit /(Loss)	**2,455**	**-12**	**-13**	**-2**	**2,428**
Income from sale of investment properties	1,068	0	0	0	1,068
General and administrative expenses	-554	1	0	7	-546
Selling expenses	-264	2	0	0	-262
Other operating income, net	83	-2	0	-5	76
Operating income	**2,788**	**-11**	**-13**	**0**	**2,764**
Income / (loss) from interests in associates and joint ventures	-544	10	0	0	-534
Income before financial income / (loss) and income tax	**2,244**	**-1**	**-13**	**0**	**2,230**

***Includes Puerto Retiro, Baicom, CYRSA, Nuevo Puerto Santa Fe and Quality (Predio San Martín).**

XII. Financial Debt and Other Indebtedness

Argentine Operating Center

The following table describes our total indebtedness as of June 30, 2016:

Description	Currency	Amount (US$ Million) (1)	Interest Rate	Maturity
Bank overdrafts	$	59.6	Variable	< 180 d
IRSA Notes, Class I Series I	US$	74.6	8.50%	Feb-17
IRSA Notes, Class II Series II	US$	71.4	11.50%	Jul-20
IRSA Notes, Series VI	$	0.7	Badlar + 450 bps	Feb-17
Loans (2)	US$	60	9%	Jun-17
Other loans	$	0.5	-	-
IRSA's Total Debt		**266.8**		
Repurchased Debt	US$	0		
IRSA's Net Debt	**US$**	**258.2**		
IRSA CP's Debt				
Bank overdrafts	$	2.9	Variable	< 360 d
CP Bank loan	$	2.4	23.00%	Sep-16
IRCP Notes, Series I	$	27.1	26.5% / Badlar + 400 bps	May-17
IRSA CP Notes, Series II	US$	360.0	8.75%	Mar-23
Other loans	$	0.7	-	-
IRSA CP's Total Debt		**393.1**		
IRSA CP's Cash & Cash Equivalents + Investments (4)	USD	181.6		
Repurchased Debt	US$	0		
IRSA CP's Net Debt	**USD**	**211.7**		

(1) Principal face value in US$ at an exchange rate of Ps. 15.040 = 1 US$, without considering interest accrued and elimination of balances with subsidiaries.
(2) Corresponds to a loan with IRSA CP.
(3) "IRSA's Cash & Cash Equivalents plus Investments" includes IRSA's Cash and Cash Equivalents + IRSA's Investments in current and non-current financial assets.
(4) "IRSA CP's Cash & Cash Equivalents plus Investments" includes IRSA CP's Cash & Cash Equivalents + IRSA CP's Investments in Current Financial Assets + a credit with IRSA.

On March 3, 2016, IRSA and IRSA CP announced the launch of cash tender offers for: (i) up to USD 76.5 in principal amount of IRSA's outstanding 11.50% Notes due 2020, Series No. 2, subject to a possible increase of the 2020 Notes Tender Cap by a principal amount of up to USD 73.5, in IRSA's sole discretion; (ii) any and all of IRSA's outstanding 8.50% Notes due 2017, Series No. 1; and (iii) any and all of IRSA CP's outstanding 7.875% Notes due 2017, Series No. 1.

On March 23, 2016, IRSA CP issued Notes for an aggregate principal amount of USD 360 million under our Global Note Program. The Series II Notes accrue interest semi-annually, at a fixed rate of 8.75% per annum, and are repayable upon maturity, on March 23, 2023. Their issue price was 98.722% of the principal amount.

IRSA CP's Notes due 2023 are subject to certain Covenants, Events of Default and Limitations, such as the Limitation on Incurrence of Additional Indebtedness, Limitation on Restricted Payments, Limitation on Transactions with Affiliates, and Limitation on Merger, Consolidation and Sale of All or Substantially All Assets.

On April 7, 2016, the Meeting of Holders of IRSA's 2017 Notes was held at which opportunity noteholders approved the proposed amendments to IRSA's 2017 Indenture, which basically included the elimination of all financial covenants. The amendments to IRSA's 2017 Indenture were approved by approximately 50.30% of the Holders of IRSA's 2017 Notes. Therefore, a Supplementary Indenture was entered into with Bank of New York Mellon, reflecting all the changes approved by the Noteholders' Meeting, which became effective on April 8, 2016.

In March and April, the Group purchased a portion of the outstanding notes. The notes detailed below remained outstanding following such purchase transaction:

- IRSA's 8.500% Notes due 2017 for US$ 74.6.
- IRSA's 11.500% Notes due 2017, Series 2, for US$ 71.4.

In connection with the financial covenants applicable to IRSA's 11.500% Notes due 2020, the Noteholders' Meeting dated March 23, 2016 mainly approved:

i) The amendment to the Limitation on Restricted Payments covenant, whereby the original covenant was replaced so as to contemplate IRSA's capacity to make any restricted payment provided that (a) no Event of Default shall have occurred and be continuing; and (b) IRSA is able to incur at least USD 1.00 of Additional Indebtedness under the Limitation on Incurrence of Additional Indebtedness;
ii) IDB Development Corporation Ltd. or any of its Subsidiaries are excluded for purposes of the definition of "Subsidiary" or any of the definitions or covenants of IRSA's 2020 Notes Indenture (whether or not the Financial Statements of any of such companies are at any time consolidated with IRSA's Financial Statements); and
iii) The execution of a Supplemental Indenture that includes all the amendments approved, which was executed with The Bank of New York Mellon on March 28, 2016.

Israeli Operating Center

Financial debt as of March 31, 2016

Indebtedness	Amount [1]
IDBD's Total Debt	806
DIC's Total Debt	1,126
Shufersal's Total Debt	644
Cellcom's Total Debt	994
PBC's Total Debt	2,283
Others' Total Debt [2]	115

(1) Principal amount in USD (million) at an exchange rate of 3.8596 NIS/USD, without considering accrued interest or elimination of balances with subsidiaries.
(2) Includes IDB Tourism, Bartan and IDBG.

XIII. Subsequent Events

Argentine Operating Center

- *Acquisition of indirect equity interest in La Rural S.A. (through IRSA CP)*

On July 6, 2016, IRSA Propiedades Comerciales acquired an additional 20% of Entertainment Holdings S.A. ("EHSA"), a company in which it already held a 50% equity interest.

EHSA directly and indirectly owns 100% of the shares in OGDEN Argentina S.A. ("OASA") and 95% of the shares in ENUSA.

OASA owns 50% of the shares and voting rights in La Rural S.A. ("LRSA"), a company that has the usufruct for the commercial operation of the emblematic "Predio Ferial de Palermo" (Palermo exhibition center) in the City of Buenos Aires, in which Sociedad Rural Argentina ("SRA") owns the remaining 50%.

In turn, OASA is in charge of the management of LRSA through agreements executed with SRA which include the right to appoint the chairman –who has a casting vote on certain matters- and the general manager.

Moreover, ENUSA is mainly engaged in organizing certain shows in the exhibition center.

- *Issuance of Notes*

On September 8, the settlement of the issuance of Notes for a total of USD 210 million will take place in two series with the following characteristics:

- Series VII for a principal amount of ARS 384.2 million at BADLAR rate + 299 bps due September 9, 2019.
- Series XIII for a principal amount of USD 184.5 million at a fixed rate of 7% due September 9, 2019.

Proceeds will be mainly used to repay preexisting debt.

Israeli Operating Center

- On July 17, 2016, Discount Investment Corporation (TASE: DISI) ("DIC"), a subsidiary in which IDBD owns a 76.4% interest, publicly announced it had accepted ChemChina's offer to purchase 40% of Adama Agricultural Solutions Ltd. ("ADAMA")' shares of stock held by KOOR, a company indirectly controlled by IDBD through DIC.

- The consideration for the transaction is a cash payment of USD 230 million, plus the full repayment of a non-recourse loan, plus interest, a Chinese bank had granted to KOOR.

- The sale transaction is expected to be completed by October 31, 2016, subject to compliance with certain conditions, such as, securing the applicable approvals from China's regulatory and antitrust authorities.

- On July 18, 2016, the District Court of Tel Aviv granted the motion filed by the representative of the holders of IDBD's Series IX Notes to dismiss IDBD's bankruptcy proceedings, as reported on June 2, 2016. Therefore, the case was closed.

- In July 2016, Shufersal purchased Series B Notes for an aggregate principal amount of NIS 511 million through an expansion of the issue of Series F Notes at a ratio of 1.175 per NIS of the Series B Notes. The Series B Notes purchased by Shufersal were cancelled and delisted.

- On August 2,2016, IDBD issued a new series of Notes in the Israel market for an aggregate principal amount of NIS 325 million and due in 2019, at an annual interest rate to be adjusted by the CPI (inflation index), plus 4.25%. These Notes are secured by Clal Insurance's shares of stock. IDBD has applied for the authorization to pledge the shares as collateral. If such authorization is not granted, IDBD will have to return the funds plus a penalty. In addition, DIC, a subsidiary in which IDBD owns a 76.4% controlling interest, has expanded its Notes due in 2025 for an additional aggregate principal amount of NIS 360 million. The Notes were placed at an IRR of 5.70%. The proceeds from both issues will be used to repay short-term debt.

XIV. Prospects for the next fiscal year

Our real estate businesses in Argentina and investments abroad have posted good results in fiscal year 2016. We believe that the diversification of our business, with real estate assets in Argentina and abroad, favorably positions us to face all the challenges and opportunities that may arise in 2017.

During the next fiscal year we will start developing several projects through our subsidiary IRSA Propiedades Comerciales, including the 4,000 square meter expansion of Alto Palermo shopping center, which is located in a unique setting in the heart of the city and is one of the shopping centers with highest sales per square meter in our portfolio, and the development of a 30,000 square meter office building in the commercial complex adjoining our Dot Baires shopping center, with construction works expected to last 2 years. In addition, we will continue working in optimizing the performance of our current properties through improvements that allow us to take best advantage of their GLA potential and to furnish them with increased functionality and appeal for the benefit of consumers and tenants alike.

In IRSA, we will start developing the “Catalinas” building in Buenos Aires, with works expected to last approximately 3 years. The tower to be built includes 30 floors and 316 parking spaces with 35,468 sqm of GLA and 58,000 sqm in the aggregate and will stand out for its unique views and towering presence, completing the city skyline and becoming the largest window in the city facing Río de la Plata river, with more than 60 meters of waterfront.

As concerns our investments outside Argentina, we will continue working in the improvement of the operating ratios of our “Lipstick” building in New York. Our investment in “Condor Hospitality Trust” hotel REIT (NASDAQ: CDOR) has shown very good results in the last months derived from its sales of hotels, whilst it has managed to seize good opportunities for purchasing higher class hotels. We believe that Stepstone’s recent entry as partner to the investment and the simplification of the shareholding structure will help Condor implement the change of strategy and grow again, hand in hand with the capital markets. We trust in the new management and hope to reap the benefits of this investment in the future.

Regarding our investment in the Israeli company IDBD, during this fiscal year we have been reducing the company’s indebtedness level and rolling out a strategy intended to improve operating margins in each of its business units. A new CEO and CFO were appointed, who are working proactively toward simplifying and optimizing its capital structure. In 2017, we will continue to work for deleveraging the company and improving the results of its operating subsidiaries. We trust in the value of this investment, which we expect will deliver very good results in the medium term.

Taking into account the quality of the real estate assets in our portfolio, the Company’s financial position and low indebtedness level and its franchise for accessing the capital markets, we remain confident that we will continue consolidating the best real estate portfolio in Argentina and diversifying our operations by adding businesses abroad with attractive value-creation opportunities. In addition, as part of our ongoing monitoring of business opportunities and subject to general and specific conditions of the national and international markets, we will continue to evaluate different alternatives in order to optimize our capital structure. Such investment reengineering could include different transactional aspects such as capital increases, share repurchases or the transfer of a minority interest in IRSA CP or other subsidiaries.

Alejandro G. Elsztain

Consolidated Balance Sheets

as of June 30, 2016 and 2015

(Amounts stated in millions of Argentine pesos, except shares and share data, and unless otherwise stated)

	Note	06.30.2016	06.30.2015
ASSETS			
Non-current Assets			
Investment properties	10	49,872	3,490
Property, plant and equipment	11	24,055	243
Properties for sale	12	4,471	128
Intangible assets	13	11,763	127
Investments in associates and joint ventures	8 & 9	16,236	3,173
Deferred tax asset	22	638	53
Accounts receivable for income tax and minimum presumed income tax		123	109
Restricted assets		54	-
Trade and other accounts receivable	15	3,441	115
Employee benefits	32	4	-
Investments in financial assets	14	2,226	703
Financial assets and other assets available for sale	16	3,346	-
Derivate financial instruments	17	8	206
Total non-current assets		**116,237**	**8,347**
Current assets			
Properties for sale	12	241	3
Inventories		3,246	23
Restricted assets		564	9
Accounts receivable for income tax and minimum presumed income tax		506	19
Financial assets and other assets available for sale	16	1,256	-
Trade and other accounts receivable	15	13,409	1,143
Investments in financial assets	14	9,656	295
Derivative financial instruments	17	19	29
Cash and cash equivalents	18	13,866	375
Total current assets		**42,763**	**1,896**
TOTAL ASSETS		**159,000**	**10,243**
SHAREHOLDERS' EQUITY			
Equity and reserves attributable to controlling company's shareholders			
Stock capital	24	575	574
Treasury stock	24	4	5
Restatement for capital stock and treasury stock	24	123	123
Additional paid-in capital	24	793	793
Premium for trading of common shares	24	16	7
Legal reserve	24	117	117
Special reserve	24	4	4
Other reserves	24	726	330
Retained earnings		(1,243)	521
Total equity and reserves attributable to controlling company's shareholders		**1,115**	**2,474**
Non-controlling interest		12,386	396
TOTAL SHAREHOLDERS' EQUITY		**13,501**	**2,870**
Liabilities			
Non-current Liabilities			
Trade and other accounts payable	19	1,518	255
Loans……	21	90,680	3,736
Derivative financial instruments	17	105	264
Differed tax liability	22	7,571	51
Employee benefits	32	689	-
Salaries and social security charges		11	2
Provisions	20	1,325	374
Total non-current Liabilities		**101,899**	**4,682**
Current Liabilities			
Trade and other accounts payable	19	17,874	896
Loans	21	22,252	1,248
Derivative financial instruments	17	112	237
Salaries and social security charges		1,707	123
Provisions	20	1,039	52
Income tax and minimum presumed income tax payable		616	135
Total current liabilities		**43,600**	**2,691**
TOTAL LIABILITIES		**145,499**	**7,373**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**159,000**	**10,243**

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

Consolidated Income Statements

for the fiscal years ended June 30, 2016, 2015 and 2014

(Amounts stated in millions of Argentine pesos, unless otherwise stated)

	Note	06.30.2016	06.30.2015	06.30.2014
Revenues	25	32,675	3,403	2,845
Costs	26	(22,499)	(1,511)	(1,354)
Gross income		**10,176**	**1,892**	**1,491**
Income / (loss) from sale of investment properties	10	1,113	1,163	236
General and administrative expenses	27	(1,933)	(374)	(297)
Selling expenses	27	(5,948)	(194)	(146)
Other operating results, net	29	76	28	(46)
Operating income		**3,484**	**2,515**	**1,238**
Income / (loss) from interests in associates and joint ventures	8 y 9	(196)	(434)	(414)
Income before financial income / (loss) and income tax		**3,288**	**2,081**	**824**
Financial income	30	1,788	137	132
Financial expenses	30	(5,938)	(1,107)	(1,749)
Other financial results	30	(861)	28	(102)
Financial results, net	30	**(5,011)**	**(942)**	**(1,719)**
(Loss) / Income before income tax		**(1,723)**	**1,139**	**(895)**
Income tax	22	(149)	(489)	64
Net (Loss) / Income		**(1,872)**	**650**	**(831)**
Attributable to:				
Controlling company's shareholders		(1,254)	520	(786)
Non-controlling interest		(618)	130	(45)
Net (Loss) / Income per share attributable to controlling company's shareholders:				
Basic	31	(2.18)	0.91	(1.36)
Diluted	31	(2.18)	0.90	(1.36)

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

Consolidated Cash Flow Statements

for the fiscal years ended June 30, 2016, 2015 and 2014

(Amounts stated in millions of Argentine pesos, unless otherwise stated)

	Note	06.30.2016	06.30.2015	06.30.2014
Operating activities:				
Cash provided by operating activities	18	4,946	1,263	1,298
Income tax and minimum presumed income tax paid		(807)	(429)	(276)
Net cash provided by operating activities		**4,139**	**834**	**1,022**
Investing activities:				
Capital contributions in associates and joint ventures		(207)	(39)	(20)
Acquisition of associates and joint ventures		-	(1,242)	(1,132)
Acquisition of investment properties		(888)	(407)	(265)
Collections from sale of investment properties		1,393	2,447	402
Acquisition of property, plant and equipment		(1,056)	(48)	(23)
Acquisition of intangible assets		(134)	(5)	(12)
Increase in investments in financial assets		(11,901)	(2,934)	(1,533)
Collections from sale of investments in financial assets		11,957	2,339	1,648
Advances to suppliers		(7)	(14)	(30)
Collection from sale of interests in joint ventures and associates		9	56	23
Interest collected on financial assets		112	95	10
Loans granted to related parties		(852)	-	(2)
Cash added from business combination	3	9,193	-	-
Dividends collected		591	13	17
Net cash provided by investing activities		**8,210**	**261**	**(917)**
Financing activities:				
Borrowings		6,011	606	502
Repayment of loans		(9,634)	(967)	(448)
Repayment of loans for purchase of companies		-	(106)	(2)
Dividends paid		(106)	(69)	(113)
Collections of claims		90	-	
Issue of non-convertible notes		7,622	-	-
Acquisition of non-controlling interest in subsidiaries		(1,047)	(6)	(1)
Contributions of non-controlling interest		1	16	139
Interest paid		(3,774)	(547)	(415)
Loans from associates and joint ventures, net		4	22	17
Repayment of loans from associates and joint ventures		(6)	(2)	(189)
Distribution of capital to non-controlling interest in subsidiaries		(207)	(228)	(4)
Repurchase of treasury stock		-	-	(38)
Acquisition of derivative financial instruments		(620)	(111)	(38)
Repurchase of notes		(121)	-	-
Collections under derivative financial instruments		1,951	2	62
Issuance of non-convertible notes		-	-	218
Payment of principal on notes		(4,132)	-	(287)
Net cash provided by / (used in) financing activities		**(3,968)**	**(1,390)**	**(597)**
Net increase / (decrease) in cash and cash equivalents		**8,381**	**(295)**	**(492)**
Cash and cash equivalents at the beginning of the fiscal year	18	375	610	797
Gain / (Loss) from exchange difference of cash and cash equivalents		5,110	60	305
Cash and cash equivalents at the end of the fiscal year	18	**13,866**	**375**	**610**

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

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IRSA

BASE Symbol: **IRSA** / NYSE Symbol: **IRS**