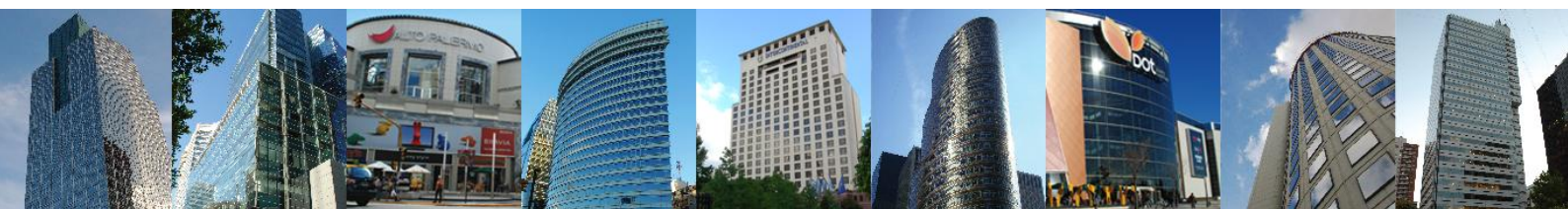




***Earning Release***  
***FY 2015***





**IRSA cordially invites you to participate in its Fiscal Year 2015  
Results Conference Call**



**Tuesday, September 08, 2015, at 04:00 p.m.  
Eastern Time**

The call will be hosted by:

**Alejandro Elsztain, II VP**

**Daniel Elsztain, COO**

**Matías Gaivironsky, CFO**

To participate, please call:

**+1-706-758-3363 (International) or**

**888-734-0544 (USA)**

**with pin # 15833390**

In addition, you can access through the following webcast:

<http://webcast.neo1.net/Cover.aspx?PlatformId=8J2gl80OxISM1z2rksezA%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 15, 2015**

Please call: **+1-404-537-3406 (International) or**

**855-859-2056 (USA)**

**with pin # 15833390**

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**FOR IMMEDIATE RELEASE**

For further information  
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## **IRSA Inversiones y Representaciones Sociedad Anónima announces its results for Fiscal Year 2015:**

### **FY 2015 Main Highlights**

- ▶ Net Gain of FY 2015 reached ARS 650,6 million mainly explained by better Operating results of our rental segments, higher sales of investment properties, lower financial losses explained by a lower devaluation and lower losses of our investment in IDBD, valued at fair value.
- ▶ Revenues increased by 19,6% in 2015 compared to 2014 and EBITDA increased by 91,5%, explained by better results in the rental segment and higher sales of investment properties.
- ▶ We created IRSA Propiedades Comerciales, an exclusive commercial real estate vehicle in Argentina with more than 430.000 leasable sqm of shopping centers and offices in order to capture future growth opportunities in the country.
- ▶ Tenant Sales in our shopping malls' segment increased by 33,3% in 2015 compared to 2014 (30,1% considering same stores sales) and portfolio occupancy reached 98,7%. EBITDA of this segment increased by 31,2% reaching ARS 1,326.7 million.
- ▶ We opened this year 2 new shopping malls: Distrito Arcos Premium Outlet in Buenos Aires City and Alto Comahue in Neuquén city.
- ▶ We sold non-core office floors in Buenos Aires for a total amount of ARS 982 million.
- ▶ Regarding the international segment, we sold Madison building for an amount of USD 185 million and we increased our investment in the israelí holding IDB Development Corporation, reaching 49% stake of its shares outstanding.

**Buenos Aires, September 7, 2015** – IRSA Inversiones y Representaciones Sociedad Anónima (NYSE: IRS) (BASE: IRSA), the leading real estate company in Argentina, announces its results for the fiscal year ended on June 30, 2015.

**Consolidated Results for the Fiscal Year**  
**(In millions of ARS, excluding joint businesses)**

in ARS M	IVQ 15	IVQ 14	YoY Var	FY 15	FY 14	YoY Var
Revenues	893.6	823.0	8.6%	3,402.6	2,845.2	19.6%
Operating Income	648.6	348.4	86.2%	2,515.4	1,237.2	103.3%
Depreciation and amortization	40.8	57.1	(28.5)%	175.3	225.8	(22.4)%
EBITDA <sup>1</sup>	689.4	405.4	70.1%	2,801.1	1,463.0	91.5%
Net Income	814.1	(752.8)	(208.1)%	650.6	(831.6)	(178.2)%

- Revenues for fiscal year 2015 were 19.6% higher than in fiscal year 2014, mainly due to a 28.6% increase in the "Shopping Centers" segment which continues to show a solid positive trend and "Offices and Other" and "Hotels" segments which recorded increases of 22.7% and 19.5%, respectively, in their revenues as compared to fiscal year 2014, offset by lower revenues from the "International" segment, due to the sale of the Madison building closed in September 2014.
- The Company's EBITDA grew by 91.5%, reaching ARS 2,801.1 million, mainly due to the sales of the Madison 183 building in the City of New York recorded during the first quarter of 2015 and the sale of several office floors in Maipú 1300, Libertador 498, Bouchard Plaza and Intercontinental Plaza buildings recorded during the second and fourth quarters of 2015. Excluding the effect of these sales and the reversion of the conversion reserve generated in Rigby 183 due to the sale of Madison for ARS 188.3 million, the Company's EBITDA grew 18.1% during fiscal year 2015 as compared to the previous year, reaching ARS 1,450.0 million.
- Net income for the Fiscal Year was ARS 650.6 million in 2015, compared to a net loss of ARS 831.6 million in 2014, mainly due to higher operating income resulting from higher sales of investment properties and lower financial losses from our investment in IDBD, which is valued at market value, reflecting the recovery of its stock price.

<sup>1</sup> EBITDA represents operating income plus depreciation and amortization (included in operating income). Our presentation of EBITDA does not reflect the methodology suggested by its acronym. We believe EBITDA provides investors with meaningful information with respect to our operating performance and facilitates comparisons to our historical operating results. However, our EBITDA measure has limitations as an analytical tool, and should not be considered in isolation, as an alternative to net income or as an indicator of our operating performance or as a substitute for analysis of our results as reported under Argentine GAAP. Some of these limitations include:

- it does not reflect our cash expenditures, or future requirements for capital expenditures or contractual commitments;
- it does not reflect changes in, or cash requirements for, our working capital needs;
- it does not reflect our interest expense, or the cash requirements to service the interest or principal payments of our debt;
- it does not reflect any cash income taxes or employees' profit sharing we may be required to pay;
- it reflects the effect of non-recurring expenses, as well as investing gains and losses;
- it is not adjusted for all non-cash income or expense items that are reflected in restatements of changes in financial position; and
- other companies in our industry could calculate this measure differently than we do, which may limit its usefulness as a comparative measure.

Because of these limitations, our EBITDA measure should not be considered a measure of discretionary cash available to us to invest in the growth of our business or as a measure of cash that will be available to us to meet our obligations. EBITDA is not a recognized financial measure under Argentine GAAP. You should compensate for these limitations by relying principally on our Argentine GAAP results and using our EBITDA measurement supplementally.

## I. Letter to Shareholders

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During fiscal year 2015 we recorded sound results in our main business lines. The Company's revenues generated by sales, leases and services amounted to \$ 2,515.4 million, 19.3% higher than in the past year, while the Company's EBITDA rose to ARS 2,801.1 million, excluding expenses related to the transfer of assets to our subsidiary IRSA Propiedades Comerciales S.A. ("IRSA CP"), mainly due to the sale of Madison 183 building in the City of New York during the first quarter of 2015, and the sale of several office floors in Maipú 1300, Libertador 498, Bouchard Plaza and Intercontinental Plaza buildings during the second and fourth quarter of 2015.

Moreover, we opened two new shopping centers: "Distrito Arcos", in the City of Buenos Aires and "Alto Comahue", in the City of de Neuquén, resulting in 15 shopping centers in our portfolio. At international level, we increased our investment in IDBD, confident in the value of the company's assets and that it will yield good results in the future.

In December 2014, we created IRSA CP, an exclusive commercial real estate vehicle in Argentina with over 430,000 premium square meters intended to capture all growth opportunities that may arise in the future. We conveyed 83,789 square meters comprising five buildings in our premium office portfolio to our subsidiary Alto Palermo S.A. (APSA) (currently IRSA CP), in which we hold a 95.80% controlling stake, and resolved to change its corporate name to IRSA Propiedades Comerciales S.A., now listed in the Merval and Nasdaq under the ticker "IRCP".

As concerns our rental segments, we are highly satisfied with the operating results posted by our fifteen shopping centers and nine office buildings throughout 2015. Our shopping center tenants' sales rose by 33.3% during the year (30.1% for the same shopping centers), and occupancy reached optimum levels equal to 98.7%, while office rental income showed a slight increase, averaging USD 26 per square meter and with almost full occupancy (98.1%). The three hotels in our portfolio recorded stable rates per room in USD and higher occupancy levels than in 2014.

Last December we opened our shopping center number 14, "Distrito Arcos, Premium Outlet" located in the neighborhood of Palermo (City of Buenos Aires). This new proposal of about 13,000 sqm of Gross Leasable Area ("GLA"), 52 stores and 15 stands consists of an Outlet development with a variety of Premium brands, in an open-air environment. A fitness center, a houseware store and a great cultural offer are planned to be built and developed during a second stage. As a result, there will be 65 stores and 20 stands in the aggregate with an approximate additional footage of 2,000 sqm of gross leasable area. The investment in this development amounted to about ARS 210 million; its construction generated over 1,000 jobs and operation resulted in a large number of direct and indirect jobs from tenants and service providers. In addition, it embodies a new concept and boosts up a space in the City of Buenos Aires that will contribute to improving the quality of life of its inhabitants and city visitors, consistent with the Company's ongoing efforts to add value to unique buildings, as it happened with Mercado de Abasto, Alto Rosario, and Dot Baires Shopping, among others.

Three months later, in March of this year we inaugurated our shopping center number fifteen, which is the sixth shopping center in the interior of Argentina. Alto Comahue Shopping, located in the center of the Patagonian City of Neuquén, has 9,500 sqm of gross leasable area, about 1,000 parking spaces including both roof-covered and open-air parking spots and a large entertainment and leisure space. The shopping center offers 130 points of sale that house the most prestigious brands in Argentina. The development forms part of a mixed-use complex that further includes a supermarket that is currently in operation and two additional parcels of land. In one of these parcels the development of a hotel has been planned and in the other, which extends over 18,000 sqm -owned by us-, a housing development has been projected. Investment in this development was approximately ARS 286 million and its operation has created about 2,500 direct and indirect jobs from tenants and service providers.

During this year, we have carried out improvement works in some of our shopping centers in order to optimize the distribution of rental areas and generate higher sales and rental income per sqm. We added 14 stores (1,136 sqm of GLA) to La Ribera Shopping center, located in the City of Santa Fe, under a project that comprised moving the food court and re-distributing some stores. In addition, during the first half of 2015 we performed rental space restructuring and optimization works at Alcorta Shopping's food court, and as a result, we added five stores and increased the GLA of the shopping center by 260 sqm.

As concerns our office portfolio, we have reduced our portfolio's stock from 122,470 sqm to 111,678 sqm in view of the high prices in terms of USD per sqm, driven by the bullish demand for our spaces. The last transaction was the sale of 8,470 sqm consisting of nine floors and 72 parking spaces in the "Intercontinental Plaza" building by our subsidiary IRSA CP for ARS 376.4 million (about USD 5,000 per sqm). We keep 14,065 sqm of GLA in this building in the Company's portfolio.

Looking ahead, we believe in the potential for growth of our rental segment. As concerns the shopping center business, the industry has much room for growth in Argentina, and we have land reserves strategically situated in the City of Buenos Aires, Greater Buenos Aires and other locations in the interior of Argentina large enough to double our current portfolio, by both expanding some of the existing shopping centers and developing new ones. Moreover, the Company has land reserves large enough for increasing by approximately 115,000 sqm its premium office portfolio, which will allow us to replace the sqm sold at a lower replacement cost.

Our sales and developments segment, which reflects the Company's high potential for growth resulting from its large land reserves in Argentina, has remained almost stable during the year, as we wait for the best timing to launch new developments or selling non-strategic assets. During this year, we acquired the "La Adela" land reserve with an area of approximately 1,058 hectares, located in the District of Luján, Province of Buenos Aires, that was previously owned by our controlling company Cresud S.A.C.I.F.Y. y A. ("CRESUD"), for a total amount of ARS 210 million (approximately USD 2.4 per sqm). Given its degree of development and closeness to the City of Buenos Aires, this site has a huge urbanistic potential and therefore, it is intended to be used for developing a new real estate project.

Although the real estate sector saw a slowdown in the rhythm of transactions and a stable to downward trend in unit prices measured in terms of USD, the commercial segment would be more reluctant to decline than the residential one, as evidenced by the sales of certain assets in our office portfolio, made for very attractive prices. We trust in the strength of this market in Argentina as the target of investments by both individuals and corporations, who consider real estate to be a good value reserve in light of the financial markets' volatility, and we firmly believe in the need to resume mortgage lending activities in Argentina, which currently account for less than 1% of the GDP, against a backdrop of unmet housing needs.

Following our long-term vision, we maintain our 29.99% equity interest in Banco Hipotecario S.A.. Although BHSA maintains its franchise, spirit and mortgage lending activities, mainly through the management of the P.R.O.C.R.E.A.R. line that is set to build 400,000 houses for the medium-low income segment of the population, BHSA increased its corporate and consumer lending activities and managed to position itself as one of the 13 largest commercial banks in Argentina. Banco Hipotecario has made a favorable contribution to our results, as it added income for ARS 143.3 million during this fiscal year and it paid dividends for approximately ARS 12.6 million corresponding to a dividend declared in April 2014 for ARS 42 million.

As concerns the International segment, we are highly satisfied with the results obtained from the sales made during the last 2 years. Following the sale of our interest in the Hersha Hospitality Trust hotel REIT (NYSE: HT) by more than twice our investment, during the first quarter of this year we sold the Madison 183 building, located in the City of New York, for USD 185 million and repaid the mortgage on this asset for USD 75 million. This investment has a history of only four years. In December 2010 we acquired a 49% interest in Rigby 183 LLC, the owner of the building, valued at USD 85.1 million. In November 2012 we increased our interest by 25.5%, increasing our stake in Rigby 183 LLC to 74.50% of its stock capital. At the time of this acquisition, the building was valued at USD 147.5 million. The building's sale price of USD 185 million implies an appraisal of 117% throughout the investment period and endorses our opportunistic vision of the American real estate market after the international financial crisis.

Moreover, during this year we have continued to work towards optimizing the structure and improving operating ratios at our building in New York, the "Lipstick Building", which we have repositioned as the best building in the 3rd Avenue, raising its category. We maintain our investment in the Supertel Hospitality Inc. hotel REIT. A few months ago a new CEO was appointed, who is working in relaunching the company: its name has been changed to "Condor Hospitality Trust" and its ticker in Nasdaq is now "CDOR". The strategy is based on simplifying the company's shareholding structure and then injecting capital to fund its business plan consisting in the selective disposition of hotels within the lowest category range and replacing them with hotels in higher categories. We trust the new senior management and expect to obtain good results from this investment in the future.

Also during this year, we increased our investment in the Israeli conglomerate IDBD, one of the largest and most diversified investment groups in Israel, which participates, through its subsidiaries, in numerous markets and industry sectors, including real estate, retail, agricultural industry, insurance, telecommunications, etc., and holds controlling or significant equity interests in companies such as Clal Insurance (insurance company), Cellcom (cellular telephone carrier), Koor Industries (owner of 40% of Adama (agrochemicals), Super-Sol (supermarkets), and PBC (real estate), among others. As of the date hereof, we have invested about USD 300 million and we hold a 49% interest in the company's stock capital. Although we experienced financial losses due to the fall in IDBD's stock price, which we record at market value, we trust in the value of this investment, from which we expect to obtain good results in the medium term.

We believe that a key element in our growth strategy is to have a business conduct that respects the environment and contributes to the growth of the community in which we operate. We are a company that invests in improving the living conditions of the communities in which we operate. We encourage the advancement of social organizations, schools, hospitals, first-aid care facilities, meal centers and shelters, to produce a positive change together. We believe that the best way to carry out this work is by coordinating actions. For this reason, we daily transform our Shopping Centers and Office Buildings into a means of communication to create awareness on issues that are relevant to society, and at the same time into a meeting space to build relationships and promote dialogue with different stakeholders. In view of the number of players concerned and organizations that receive benefits, we highlight the fourth edition of the *Regalá + Ayudá* (Your Gift + Your Help) program, carried out on December 23 and 24, 2014. Our subsidiary IRSA CP donated ARS 2 for each ticket issued in our shopping centers, aiding 13 NGOs throughout the country.

After detecting that some of the shareholders of our subsidiary IRSA Propiedades Comerciales S.A. who had exchanged their certificates in the Hogar Obrero Cooperative (known as "*Tip Hogar*") for shares in SAMAP (Sociedad Anónima Mercado de Abasto Proveedor. currently IRSA Propiedades Comerciales S.A.) in 1994 had not managed to complete the process and register their shares, we started to look for them in order to deliver to them what is theirs. While the statute of limitation period had expired, as resolved by the Shareholders' Meeting, we decided to look for them to return to them what they own. Thanks to the efforts of our employees, this search yielded its first results, and during this year, more than 200 shareholders received their shares. We will continue to make efforts and spread the news in the media so as to enable all those who were unable to receive their shares to do so in the future.

Looking ahead to fiscal year 2016, 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 7, 2015.

*Fiscal year 2015 highlights, including significant events occurred after year-end.*

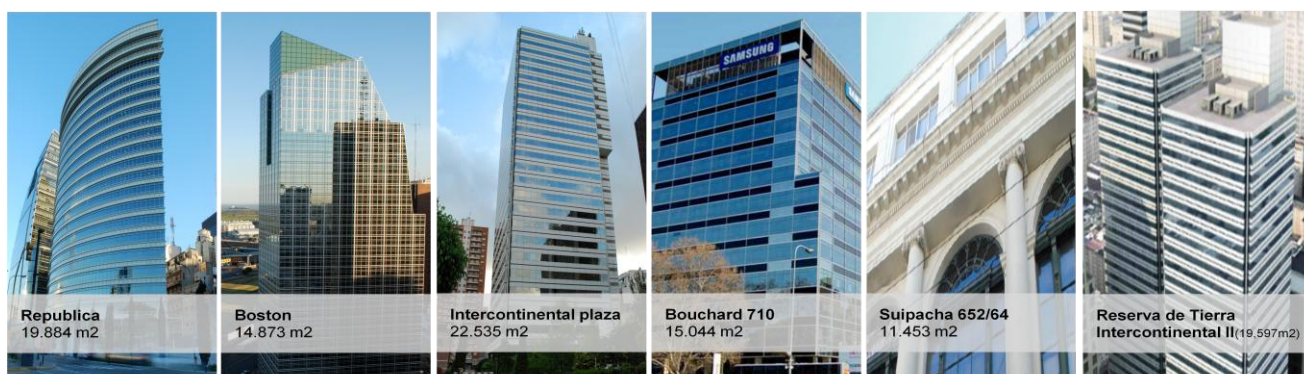
## **Creation of IRSA Propiedades Comerciales S.A.: Exclusive commercial property vehicle in Argentina**

In December 2014, the company transferred to its subsidiary, Alto Palermo S.A., 83,789 sqm of its Premium office portfolio (including Edificio República, Bouchard 710, Dellapaolera 265, Intercontinental Plaza and Suipacha 652) and the land reserve "Intercontinental II" with the purpose of consolidating a vehicle mainly aimed at developing and operating commercial properties in Argentina. Alto Palermo S.A. changed its corporate name to "IRSA Propiedades Comerciales S.A." and its ticker at the Buenos Aires Stock Exchange and Nasdaq to "IRCP".

The purpose of the reorganization of our assets is to add the best office portfolio in the City of Buenos Aires to the best shopping center portfolio in Argentina and be ready to take advantage of all the opportunities of growth that may arise in the country.

The total transaction amount was USD 308.0 million, of which USD 61.6 million have been paid and the balance of USD 246.4 million was financed at an annual effective rate of 8.5% due in 2017 and 2020.

Below we show the transferred assets:



The company currently owns 18,483 sqm of offices for potential future sale and certain land reserves the intended use of which has not been defined and/or that lack governmental approvals.

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

Private consumption continues to be the driver of economic activity. The Consumer Confidence Index (CCI), that measures the purchasing expectations, prepared by the Center for Research in Finances (*Centro de Investigación en Finanzas*) of the School of Business of Universidad Torcuato Di Tella increased by 30.9% in June 2015 compared to the same month in 2014. The metric stood at the highest level since January 2012, and only 10% below the highest historical record in January 2007. The evolution of the Shopping Centers segment shows evidence thereof. Based on the information released by INDEC, in June 2015 the sales at current prices –without removal of the seasonality component- reached a total amount of ARS 3,669 million, which represented a 26.5% increase compared to the same month in 2014.

At the closing of fiscal year 2015, our Shopping Centers' tenant sales reached ARS 21,508.7 million, i.e., 33.3% higher than the ARS 16,132.8 million recorded as of the end of the previous fiscal year. Considering sales in the same shopping centers (excluding Distrito Arcos and Alto Comahue Shopping) growth was 30.3%. During the quarter, our shopping centers' tenant sales reached ARS 6,127.2 million, a 74.6% increase compared to the same quarter of 2014.



Shopping Centers (in ARS M)	FY 15	FY 14	YoY Var
Revenues	1,778.3	1,383.0	28.6%
Operating Income	1,190.2	868.2	37.1%
Depreciation and Amortization	136.5	142.7	(4.3)%
EBITDA	1,326.7	1,010.9	31.2%

	IVQ15	IIIQ15	IIQ15	IQ15	IVQ14	IIIQ14
Total leaseable area (sqm) <sup>2</sup>	333,912	333,432	320,761	310,254	311,261	310,257
Tenant sales (in ARS M, 3-month cumulative)	6,127.2	4,725.2	6,097.4	4,559.0	4,560.7	3,488.9
Occupancy <sup>3</sup>	98.7%	98.5%	98.4%	98.5%	98.4%	98.8%

Revenues from the Shopping Centers segment, excluding common expenses and common advertising fund, grew 28.6% in 2015 compared to 2014. Operating income increased by 37.1%, whereas EBITDA grew by 31.2%. The EBITDA/revenue margin for the fiscal year 2015, reached 74.6%, above the 73.1% recorded in 2014.

The occupancy level of the entire portfolio stood at optimal levels, reaching 98.7%.

#### Operating Data of our Shopping Centers

	Date of Acquisition	Leaseable Area sqm <sup>(1)</sup>	Stores	IRSA CP's Effective Interest <sup>(3)</sup>	Occupancy Rate	Book Value (in thousands of ARS) <sup>(4)</sup>
<b>Shopping Centers <sup>(5)</sup></b>						
Alto Palermo	Nov-97	19,545.0	146	100.0%	99.7%	221,792
Abasto Shopping (7)	Jul-94	36,669.1	169	100.0%	100.0%	255,335
Alto Avellaneda	Nov-97	36,728.6	139	100.0%	99.9%	131,140
Alcorta Shopping	Jun-97	15,432.9	106	100.0%	100.0%	106,091
Patio Bullrich	Oct-98	11,636.2	87	100.0%	100.0%	112,426
Alto Noa Shopping	Mar-95	19,072.9	89	100.0%	100.0%	29,708
Buenos Aires Design	Nov-97	13,888.2	63	53.7%	94.6%	12,860
Alto Rosario Shopping (7)	Nov-04	28,395.6	145	100.0%	97.9%	115,014
Mendoza Plaza Shopping	Dec-94	42,039.5	144	100.0%	96.1%	101,657
Dot Baires Shopping	May-09	49,847.9	156	80.0%	99.7%	377,260
Córdoba Shopping Villa Cabrera	Dec-06	15,328.0	107	100.0%	99.8%	61,111
Soleil Premium Outlet	Jul-10	13,993.1	78	100.0%	99.4%	84,301
La Ribera Shopping	Aug-11	9,750.3	60	50.0%	99.3%	21,185
Distrito Arcos (8)	Dec-14	12,127.3	63	90.0%	97.3%	229,800
Alto Comahue (9)	Mar-15	9,456.9	102	99.1%	94.2%	309,103
<b>TOTAL SHOPPING CENTERS</b>		<b>333,911.5</b>	<b>1,654</b>		<b>98.7%</b>	<b>2,258,425</b>

#### Notes:

- (1) Total leaseable area for each property. Excludes common areas and parking.
- (2) Calculated dividing occupied square meters by leaseable area as of year-end.
- (3) IRSA CP's effective interest in each of its business units. IRSA holds a 95.80% interest in IRSA Propiedades Comerciales S.A..
- (4) Total consolidated leases pursuant to IFRS.
- (5) Cost of acquisition, plus improvements, less accumulated depreciation, plus adjustment for inflation, as applicable.
- (6) Through IRSA Propiedades Comerciales S.A.
- (7) Excludes Museo de los Niños (3,732 sqm in Abasto and 1,261 sqm in Alto Rosario).
- (8) Opened on December 18, 2014.
- (9) Opened on March 17, 2015.

	Accumulated retail sales as of June 30 for the fiscal periods (in thousands of ARS)					
	2015	2014	YoY Var	IVQ 15	IVQ 14	YoY Var
Alto Palermo	2,662.1	2,111.2	26.1%	713.8	608.5	17.3%
Alto Avellaneda	2,895.1	2,333.8	24.1%	809.1	655.0	23.5%
Alcorta Shopping	1,474.7	1,120.4	31.6%	400.6	317.7	26.1%
Buenos Aires Design	326.0	272.2	19.8%	86.1	65.9	30.7%
Patio Bullrich	888.5	689.3	28.9%	243.0	188.5	28.9%
Abasto	3,150.2	2,447.0	28.7%	843.5	675.1	24.9%
Dot Baires	2,570.6	2,008.3	28.0%	688.7	554.0	24.3%
Soleil Premium Outlet	938.4	664.0	41.3%	278.1	203.7	36.5%
Alto NOA	1,068.6	766.1	39.5%	291.1	218.9	33.0%

<sup>2</sup> At period-end.

<sup>3</sup> At period end. Percentage divided by total leaseable area.

Alto Rosario	1,951.8	1,378.3	41.6%	562.4	397.2	41.6%
Mendoza Plaza	1,906.7	1,514.7	25.9%	525.9	437.7	20.2%
Cordoba Shopping - Villa Cabrera	756.0	546.6	38.3%	214.1	154.2	38.8%
La Ribera Shopping	398.1	280.8	41.8%	119.4	78.8	51.5%
Distrito Arcos	339.9	-	-	195.9	-	-
Alto Comahue	182.1	-	-	155.5	-	-
<b>TOTAL</b>	<b>21,508.7</b>	<b>16,132.8</b>	<b>33.3%</b>	<b>6,127.2</b>	<b>3,509.5</b>	<b>74.6%</b>

Accumulated retail sales as of June 30 for the fiscal periods (in thousands of ARS)						
	2015	2014	Var	IVQ 15	IVQ 14	YoY Var
Anchor Store	1,299.3	1,098.4	18.3%	358.0	310.5	15.3%
Clothes and footwear	11,124.8	7,940.1	40.1%	3,314.9	2,340.9	41.6%
Entertainment	722.3	546.5	32.2%	215.3	142.5	51.0%
Home and decor	617.1	486.4	26.9%	168.9	130.7	29.3%
Appliances	2,994.2	2,526.5	18.5%	824.0	705.6	16.8%
Restaurants	1,938.4	1,476.8	31.3%	528.0	381.5	38.4%
Miscellaneous	2,589.4	1,922.3	34.7%	641.9	506.7	26.7%
Services	223.2	135.8	64.4%	74.0	42.4	74.6%
<b>Total</b>	<b>21,508.7</b>	<b>16,132.8</b>	<b>33.3%</b>	<b>6,125.0</b>	<b>4,560.8</b>	<b>34.3%</b>

Accumulated Leases as of June 30 for the fiscal periods (in thousands of ARS)			
Revenues	2015	2014	YoY Var
Base rent	954.2	764.2	24.9%
Percentage rent	468.8	334.3	40.2%
<b>Total Rent</b>	<b>1,423.00</b>	<b>1,098.50</b>	<b>29.5%</b>
Admission rights	156.6	126.6	23.7%
Fees	51.3	43.1	19.0%
Parking	111.9	81.3	37.6%
Management fees	28.2	22.3	26.5%
Other	7.2	11.2	(35.7)%
<b>Total revenues before common expenses and common advertising fund</b>	<b>1,778.30</b>	<b>1,383.00</b>	<b>28.6%</b>
Common expenses and common advertising fund	-	-	-
<b>Total Revenues</b>	<b>1,778.30</b>	<b>1,383.00</b>	<b>28.6%</b>

## **Opening of New Developments**

### **“Distrito Arcos Premium Outlet” – Palermo (City of Buenos Aires)**

Distrito Arcos is a shopping center we inaugurated on December 18, 2014, and it is our shopping center number 14. Distrito Arcos is a premium outlet located in the neighborhood of Palermo, City of Buenos Aires. It has 12,127.3 square meters of gross leasable area and its first stage consists of 63 stores, 115 parking spaces y 15 selling stands.

During a second stage, we plan to build a fitness center, a houseware store and a great cultural offer with 66 stores and 20 selling stands, covering approximately 2,000 square meters of additional gross leasable area. Since its opening, visitors to the shopping center generated nominal retail sales that totaled approximately ARS 339.9 million, which represent sales per square meter of approximately ARS 28,026.3. Total rental income was approximately ARS 22.9 million, which represents total revenues for the period per gross leasable area of ARS 1,891.1.

As of June 30, 2015 the occupancy rate was 97.3%.



### **“Alto Comahue” – City of Neuquén**

Alto Comahue is a shopping center we inaugurated on March 17, 2015. Alto Comahue is our shopping center number 15 and is located in the City of Neuquén, in the Patagonian region of Argentina. It has a total footage of 35,000 square meters and 9,456.9 square meters of gross leasable area, approximately 1,000 roof-covered and open-air parking spaces and a large entertainment and leisure area. Alto Comahue offers 102 retail stores that house the most prestigious brands in Argentina, and will have a 6-screen multiplex movie theater and a theme restaurant, which will open in the upcoming months. It is a three-storey building consisting of a basement where the parking lot and service area are located; the ground floor consisting of 5,100 square meters for retail stores, and the first floor consisting of 720 square meters for restaurants with unique views of the city and 2,700 square meters of retail stores.

The development is part of a mixed-use complex that further includes a supermarket that is currently in operation and 2 additional parcels of land. One of these parcels is assigned to the development of a hotel and the other, which extends over 18,000 sqm -owned by the company-, to future development of houses. Since its opening, visitors to the shopping center generated nominal retail sales that totaled approximately ARS 182.1 million, which represent sales per square meter of approximately ARS 19,254.4. Total rental income was

approximately ARS 11.7 million, which represents total revenues for the period per gross leasable area of ARS 1,236.1.

As of June 30, 2015 the occupancy rate was 94.2%.



## **Developments in Existing Shopping Centers**

### **"La Ribera Shopping" – City of Santa Fe**

Between July and December 2014, we developed a project that comprised moving the food court and a re-distribution of some stores in order to optimize business operations. We added 14 stores and 1,136 square meters of GLA to this shopping center. The investment amount in this project was approximately ARS 19.5 million.

### **"Alcorta Shopping" – City of Buenos Aires**

Between January and July of this year we carried out expansion and rental space optimization works in the food court of this shopping center. We added 5 stores and increased its GLA by 260 square meters. The investment amount in this project was approximately ARS 8.0 million.



### III. Offices and Other

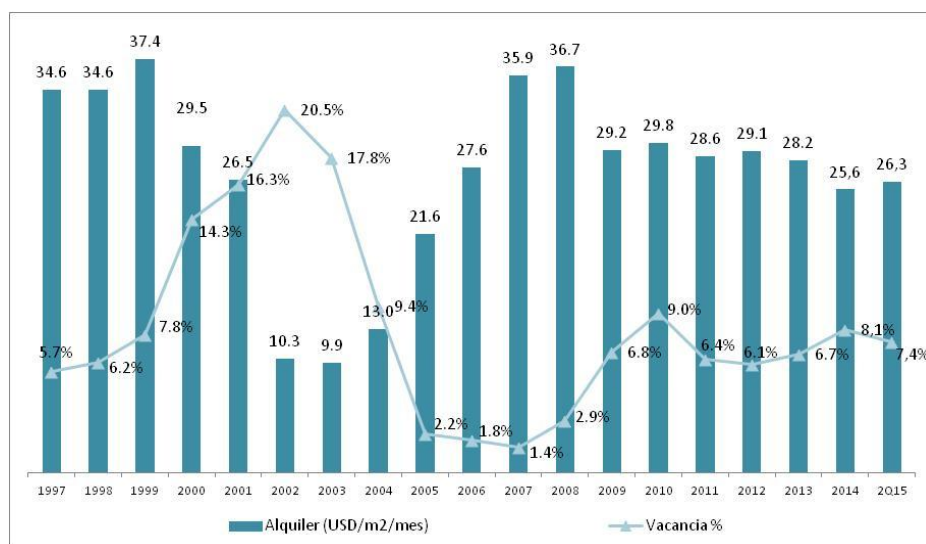
In relation to the office market, according to Colliers International, the A+ and A office inventory in the City of Buenos Aires remained stable during the second quarter of 2015 at 1,646,885 sqm. With regard to the vacancy rate, there was a slight decrease from 8.1% in the first quarter of the year to 7.4% during the second quarter. The A+ buildings show a vacancy rate of 6.5% (6.9% in the previous period) and class A properties showed a vacancy rate of 7.9%, 1.1 pp lower than the 9% recorded in the first quarter of 2015.

In terms of available footage, the second quarter of 2015 ended with 120,248 sqm offered for rental, 78% of which is represented by the sub-markets *Macrocentro Sur*, *Zona Norte GBA* and *Puerto Madero*. Net absorption recorded in the second quarter of the year was 12,838 sqm. This value is mainly explained by the performance of class A properties, while during the quarter an aggregate footage of 10,128 sqm has been absorbed. If the geographic distribution of this absorption is analyzed, it can be seen that the sub-market *Zona Norte GBA* accounts for 69% of this total area. Such area is followed –far behind– by the sub-markets *Microcentro* and *Puerto Madero* (accounting for 20 and 18%, respectively). Conversely, in Plaza Roma a negative absorption of 1,105 sqm was recorded, mainly explained by the vacancy of 6 floors in Torre Bouchard. In turn, the sub-markets *Macrocentro*, *Macrocentro Sur* and *Plaza San Martín* did no record changes in absorption, i.e. no new spaces have been occupied or have become vacant in the properties comprising such stock.

Average rental price recorded an increase in the second quarter from USD 23.8 per square meter to USD 24.7 per square meter. Upon performing an analysis by building category, it is shown that the average rental price of those in the A+ segment is USD 26.3 per square meter (USD 25.5 per square meter in the previous period), while the average price of those in class A is USD 23.6 per square meter (USD 22.7 per square meter in the previous quarter). In turn, the sub-market *Macrocentro Norte* is currently the market with the best prices in the market. The average value of the properties in such area amounts to USD 31.2 per square meter (vacancy rate 2.8%).

Late in 2015, four new office buildings are expected to be included in the office inventory with a total footage of 44,000 sqm. Two of them will be located in the Plaza San Martín sub-market and the remaining ones will be located in *Zona Norte CABA* and *Macrocentro Sur*. It should be noted that 38% of this new area will be subject to the LEED sustainability standards.

#### **Evolution of rent and vacancy in the City of Buenos Aires**



SOURCE: Colliers International

During fiscal year 2015, our Premium office portfolio saw a reduction in stock of 122,470 sqm, down to 111,679 sqm, as a result of the sales of certain floors in our Bouchard Plaza, Libertador 498, Maipú 1300 and Intercontinental Plaza buildings, taking advantage of the high prices in terms of USD/sqm due to the bullish demand for our Premium spaces.

Offices and Other (in ARS M)	FY 15	FY 14	YoY Var
Revenues	332.7	271.2	22.7%
Operating income	101.6	163.4	(37.8)%
Depreciation and Amortization	25.4	37.1	(31.5)%
EBITDA	237.4	200.5	18.4%

	IVQ 15	IIIQ 15	IIQ 15	IQ 15	IVQ 14	IIIQ 14
Leaseable Area (sqm)	111,679	112,895	112,925	121,380	122,470	127,342
Portfolio Occupancy	98.1%	98.4%	98.4%	97.9%	97.5%	98.7%
Monthly Revenues (ARS/Leased sqm)	231.8	223.7	218.1	215.4	196.4	196.5
Monthly Revenues (USD/leased sqm)	25.9	26.6	25.4	25.2	23.0	23.6

- ▶ Revenues from the Office segment increased by 22.7% in fiscal year 2015, whereas EBITDA from this segment, excluding the effect of stamp tax expenses resulting from the transfer of assets to our subsidiary IRSA Propiedades Comerciales S.A., increased 18.4% in fiscal year 2015.
- ▶ The portfolio's occupancy level grew 0.6 p.p. in 2015 compared to 2014, reaching 98.1%, while the portfolio's rental price in terms of USD/sqm reached 25.9, higher than the 23.0 USD / sqm recorded in the 2014 period, reflecting higher rental prices in dollars per sqm.
- ▶ The EBITDA/Revenue margin was 71.4%, slightly higher than in 2014.

Below is information on our Offices and Other segment as of June 30, 2015.

	Date of Acquisition	Gross Leasable Area (sqm) <sup>(1)</sup>	Occupancy <sup>(2)</sup>	IRSA's Effective Interest	Monthly Rental Income (in thousands of ARS) <sup>(3)</sup>	Annual accumulated rental income over fiscal years ARS/000 <sup>(4)</sup>			Book Value (in thousands of ARS)
						2015	2014	2013	
Offices									
Edificio República	04/28/08	19,885	93.6%	100.0%	4,919	61,934	45,676	32,721	194,971
Torre Bankboston	08/27/07	14,873	100.0%	100.0%	3,954	41,932	34,744	25,146	138,432
Bouchard 551	03/15/07	-	-	100.0%	135	10,176	23,519	30,008	7,698
Intercontinental Plaza	11/18/97	22,535	100.0%	100.0%	-	55,973	40,108	30,178	41,106
Bouchard 710	06/01/05	15,014	100.0%	100.0%	4,170	48,327	34,606	26,025	60,923
Dique IV. Juana Manso 295	12/02/97	11,298	99.5%	100.0%	2,634	32,171	25,195	18,282	51,835
Maipú 1300	09/28/95	4,759	90.9%	100.0%	1,020	15,848	15,499	15,147	14,713
Libertador 498	12/20/95	620	100.0%	100.0%	372	1,952	3,184	2,946	3,938
Suipacha 652/64	11/22/91	11,453	96.7%	100.0%	1,385	16,023	12,636	8,689	8,255
Madero 1020	12/21/95	-	-	100.0%	2	26	24	24	113
Dot Building (5)	11/28/06	11,242	100.0%	80.0%	2,067	27,416	18,985	12,924	126,365
Subtotal Offices		111,679	98.1%	N/A	20,658	311,778	254,176	202,090	648,349
Other Properties									
Nobleza Picardo (6)	05/31/11	106,610	74.8%	50.0%	144	7,960	8,238	7,117	4,297
Other Properties (7)	N/A	36,441	45.3%	N/A	659	6,960	2,792	2,000	46,320
Subtotal Other Properties		143,051	67.4%	N/A	803	14,920	11,030	9,117	50,617
Total Offices and Other		254,730	80.7%	N/A	21,461	326,698	265,206	211,207	698,966

Notes:

(1) Total leaseable area for each property as of June 30, 2015. Excludes common areas and parking.

(2) Calculated dividing occupied square meters by leaseable area as of June 30, 2015.

(3) Agreements in force as of 06/30/15 for each property were computed.

(4) Total consolidated leases.

(5) Through IRSA CP.

(6) Through Quality Invest S.A.

(7) Includes the following properties: La Adela, Casona Abril, San Martín de Tours, Puerto Retiro Plots of Land 50%, Riverside Plot 50%, Libertador Plot, Chanta 4, Anchorena 665, and Conil-Leases.

## IV. Sales and Developments

The Sales and Developments segment posted lower revenues in fiscal year 2015 than in 2014, mainly due to lower sales of Condominios del Alto I and II in the City of Rosario by our subsidiary IRSA Propiedades Comerciales S.A. Operating income and EBITDA from this segment increased due to higher income from sales of investment properties originated in the sales of several floors in Bouchard 551, Maipú 1300, Libertador 298, Intercontinental Plaza and Madison building in the City of New York.

Sales and Developments						
in ARS M	FY 15	FY 14	YoY Var	IVQ 15	IVQ 14	YoY Var
Revenues	15.1	85.5	(82.3)%	3.5	39.1	(91.0)%
Operating Income	1,113.0	244.5	355.5%	655.3	146.6	347.0%
Depreciation and amortization	-	-	-	-	-	-
EBITDA	1,113.0	244.5	355.5%	655.3	146.6	347.0%

### Sales of Investment Properties during Fiscal Year 2015:

#### Maipú 1300 Building



- On July 7, 2014, IRSA executed the deed of conveyance for the sale of floors 19 and 20 in Maipú 1300, for a sale price of ARS 24.7 million. The transaction represented a gain before taxes of approximately ARS 21.0 million.
- On October 22, 2014, the Company executed the deed of conveyance for the sale of floor 10 in Maipú 1300, together with two parking spaces in the same building and a parking space in Libertador 498 building. The sale price was ARS 12.0 million, and the transaction generated a gain before taxes of ARS 10.4 million.
- On December 10, 2014, the Company executed the deed of conveyance for the sale of floor 9 in Maipú 1300, for a sale price of ARS 12.5 million. The transaction generated a gain before taxes of approximately ARS 11.0 million.
- On May 19, 2015, IRSA executed the deed of conveyance for the sale of floor 15 in Maipú 1300, plus a parking space in Libertador 498. The sale price was USD 1.5 million, and the transaction generated a gain before taxes of approximately ARS 11.9 million.
- On June 5, 2015, IRSA executed the deed of conveyance for the sale of floor 14 in Maipú 1300. The sale price was USD 1.5 million, and the transaction generated a gain before taxes of approximately ARS 11.8 million.

#### Bouchard 551: "La Nación Building"



- On October 8, 2014, the Company executed the deed of conveyance for the sale of floors 22 and 23 in Bouchard 551. The sale price was ARS 168.7 million, and the transaction generated a gain before taxes of approximately ARS 151.4 million.
- On October 28, 2014, the Company executed the deed of conveyance for the sale of floors 9, 10 and 11 in Bouchard 551. The sale price was ARS 279.4 million, and the transaction generated a gain before taxes of approximately ARS 240.5 million.

- On November 7, 2014, the Company executed the deed of conveyance for the sale of floor 21 in Bouchard 551. The sale price was ARS 75.6 million, and the transaction generated a gain before taxes of approximately ARS 66.7 million.

## Intercontinental Plaza Building



- On May 5, 2015, our subsidiary IRSA Propiedades Comerciales S.A. executed a preliminary sales agreement to transfer 8,470 sqm comprising nine office floors and 72 parking spaces in Intercontinental Plaza. The sales price was ARS 376.4 million, which were fully paid. On June 30, 2015, the deed of conveyance and delivery of possession of the above mentioned units was executed. Gross gain before taxes was ARS 338.4 million.



## Madison Building

- On September 29, 2014, the Company, acting through its subsidiary Rigby 183 LLC ("Rigby 183"), closed the sale of Madison 183, located in the City of New York, United States, for USD 185 million and discharged the mortgage on it for USD 75 million. The transaction generated a gain before taxes of approximately ARS296.5 million.

All the sales made in the fiscal year resulted in a combined gain for the company of ARS 1,163 million, disclosed under "Result from sale of investment properties" in the income statement.

## Status of Projects under Development

### Residential Properties (available for Sale)

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#### **Condominios del Alto I – City of Rosario, Province of Santa Fe (IRSA Propiedades Comerciales S.A.)**

As of June 30, 2015, the project has been completed, with one parking space remaining available for sale.

#### **Condominios del Alto II –City of Rosario, Province of Santa Fe (IRSA Propiedades Comerciales S.A.)**

As of June 30, 2015, the works in parcel H have been completed and all the units subject to the barter have been received, with 13 parking spaces and two storage spaces remaining available for sale.

#### **Abril – Hudson – Province of Buenos Aires (IRSA)**

Abril is a 312-hectare private residential community located near Hudson City, approximately 34 kilometers south of the City of Buenos Aires. The project is highly consolidated, and at present the Company owns only "La Casona", the antique manor of "Estancia Pereyra Iraola", which was built in the decade of the thirties by architect José Mille. This little French-style palace of the XIX century has 4,700 sqm distributed over four floors and a garden of around 30,000 sqm.

#### **Horizons, Vicente López, Olivos, Province of Buenos Aires (IRSA).**

The IRSA-CYRELA Project, developed over two adjacent blocks, was launched in March last under the name *Horizons*. Horizons is one of the most significant developments in Greater Buenos Aires, featuring a new concept in residential complexes given its emphasis on the use of common spaces. This project includes two complexes with a total of six buildings: one complex faces the river and consists of three 14-floor buildings (the "Río" complex) and the other one, facing Libertador Avenue, consists of three 17-floor buildings



("Parque" complex), thus totaling 59,000 square meters built of saleable area distributed in 467 units (excluding the units to be delivered as consideration for the purchase of the lands). Horizons is a unique and style-innovating residential complex offering 32 amenities, including a meeting room, work zone, heated swimming pools, mansion with spa, sauna, gym, children room, teen room, thematically landscaped areas, and aerobic trail. The showroom was opened to the public in March 2008 with great success. As of June 30, 2015, the project has been fully built and 3 apartments, 3 parking spaces and 1 storage space are pending execution of the title deed. The stock available for sale consists of 3 parking spaces and 52 storage spaces.

### **Intangibles - Units to be received under barter agreements**

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#### **Beruti Plot – City of Buenos Aires (IRSA Propiedades Comerciales S.A.)**

On October 13, 2010, the Group, through its subsidiary IRSA CP, and TGLT S.A. ("TGLT") entered into an exchange agreement in connection with a plot of land located at Beruti 3351/59 in the City of Buenos Aires for cash and future residential apartments to be constructed by TGLT in the plot.

#### **Caballito Plot - City of Buenos Aires (IRSA)**

On June 29, 2011, the Group and TGLT, a residential developer, entered into an agreement to barter a plot of land located in Mendez de Andes street in the neighborhood of Caballito in the Autonomous City of Buenos Aires for cash and future residential apartments to be constructed by TGLT on the mentioned land. The transaction was agreed upon at USD 12.8 million. TGLT plans to construct an apartment building with parking spaces. In consideration, TGLT paid USD 0.2 million (USD 159,375) in cash and will transfer to IRSA: (i) a number of apartments to be determined representing 23.10% of total square meters of residential space; (ii) a number of parking spaces to be determined representing 21.10% of total square meters of parking space; and (iii) in case TGLT builds complementary storage rooms, a number to be determined, representing 21.10% of square meters of storage space. TGLT is committed to build, finish and obtain authorization for the three buildings making up the project within 36 to 48 months. TGLT mortgaged the land in favor of IRSA as guarantee.

A neighborhood association named *Asociación Civil y Vecinal SOS Caballito* secured a preliminary injunction which suspended the works to be carried out by TGLT in the abovementioned property. Once said preliminary injunction was deemed final, the Government of the City of Buenos Aires and TGLT were served notice of the complaint.

#### **CONIL – Avellaneda, Province of Buenos Aires**

These plots of the Company are at the front of Alto Avellaneda shopping center, totaling 2,398 sqm distributed in two opposite corners and according to urban planning standards, around 6,000 sqm may be built. Its intended use, either through an own development or sale to a third party, is residential with the possibility of a retail space as well. In November 2014, a Barter Deed was executed to carry out a residential development, in consideration of which IRSA CP will receive 1,365 sqm of retail stores located on the ground floors of blocks 99 and 95 at Güemes 836 and Güemes 902, respectively. Consideration for block 95 will be delivered in January 2018 and consideration for block 99 will be delivered in September 2018. The barter was valued at USD 0.7 million.

#### **Pereiraola (Greenville), Hudson – Province of Buenos Aires (IRSA)**

In April de 2010 IRSA sold 130 hectares to Pereiraola S.A., a company owner of certain lands adjacent to Abril Club de Campo, for USD 11.7 million. The purchaser would develop a project that included the fractioning into lots, a condo-hotel, two polo fields, and apartment buildings. The delivery to IRSA of 39,634 square meters of lots amounting to approximately USD 3 million was included in the sale price. At present the project is at an advanced stage, and 52 lots are expected to be received in 2016.

#### **Canteras Natal Crespo, La Calera – Province of Córdoba (IRSA)**

On June 26, 2013, IRSA sold, assigned and transferred 100% of its interest in Canteras Natal Crespo S.A.'s shareholding, representing 50% of the capital stock, to Euromayor S.A. de Inversiones for USD. 4,215,000 according to the following payment schedule: USD 3,815,000 in cash and USD 400,000 through the transfer of almost 400,000 sqm for business purposes within the project to be developed in the site known as Laguna Azul. Delivery of the non-monetary consideration is expected for March 2017.

**Other Land Reserves – Isla Sirgadero, Pilar, Pontevedra, Mariano Acosta, Merlo and San Luis Plot (IRSA)**

We have grouped here those plots of land with a significant surface area the development of which is not feasible in the short term either due to their current urban and zoning parameters, their legal status or the lack of consolidation of their immediate environment. This group totals around 14 million sqm.

***Future Developments***

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*Mixed Uses:*

**Ex UOM – Luján, Province of Buenos Aires (IRSA Propiedades Comerciales S.A.)**

This 116-hectare plot of land is located in the 62 Km of the West Highway, in the intersection with Route 5 and was originally purchased by Cresud on May 31, 2008 from Birafriends S.A. for USD 3 million. In May 2012, IRSA Propiedades Comerciales S.A. acquired the property through a purchase and sale agreement entered into between related parties, thus becoming the current owner. Our intention is to carry out a mixed-use project, taking advantage of the environment consolidation and the strategic location of the plot. At present, dealings are being carried out so as to change the zoning parameters, thus enabling the consummation of the project.

**Ex Nobleza Piccardo Plant – San Martín, Province of Buenos Aires (IRSA Propiedades Comerciales S.A.)**

On March 31, 2011, Quality Invest S.A. (a subsidiary of IRSA Propiedades Comerciales S.A., 50% equity interest) and Nobleza Piccardo S.A.I.C. y F. (Nobleza) executed the title deed for the purchase of a plot of land extending over 160,000 square meters located in the District of San Martín, Province of Buenos Aires, currently used for industrial purposes and suitable in terms of characteristics and scales for mixed-use developments. The price for the property was USD 33 million, 30 % of which was paid at such time. A first-priority mortgage was created for the balance of the price on the property, in favor of Nobleza. The balance plus interest at a nominal annual rate of 7.5% on the outstanding balance were paid in full –principal plus interest- in March 2013, by advancing payments.

Simultaneously with execution of the title deed the parties entered into a lease agreement whereby Nobleza leased the whole property for a term of up to 36 months as from May 2011 (Note 5 to the financial statements). This Lease Agreement contained a clause providing for partial return of the property from month 8 (eight) to month 14 (fourteen) after the date of execution thereof. Prior to expiration, an extension was executed for 2 (two) to 6 (six) months due in December 2012, and Quality Invest obtained usufructuary rights to over half the plot of land. The return of the remaining area set forth in the Agreement and due to occur in May 2014 was once again extended until December 31, 2014. On March 2, 2015 a Certificate was executed by Nobleza Piccardo and Quality Invest for Full Return of the Property, and the contract relationship between the parties came to an end.

On May 16, 2012 the Municipality of San Martín granted a pre-feasibility permit for commercial use, entertainment, events, offices, etc., which would enable performance of a mixed-use development thereon.

Pursuant to an Ordinance enacted on December 30, 2014, a process was initiated to obtain a rezoning permit for the plot of land to be used mainly for Commercial Purpose, which considerably expands the uses and potential buildable square meters through new urban indicators; such process is pending approval of the enacted Ordinance by the Government of the Province of Buenos Aires pursuant to a Decree.

As approved in the Ordinance, on January 20, 2015 Quality Invest entered into a Zoning Agreement with the Municipality of San Martín which governs various issues related to applicable regulations and provides for a mandatory assignment of square meters in exchange for monetary contributions subject to fulfillment of certain administrative milestones of the rezoning process.

**Solares de Santa María – City of Buenos Aires (IRSA)**

Solares de Santa María is a 70-hectare property facing the Río de la Plata in the south of Puerto Madero, 10 minutes from downtown Buenos Aires. Through our subsidiary Solares de Santa María S.A. ("Solares de Santa María") we are owners of this property. We intend to develop this property for mixed purposes, i.e. our development project involves residential complexes as well as offices, stores, hotels, sports and sailing clubs, services areas with schools, supermarkets and parking lots.

In the year 2000, we filed a master plan for the Santa María del Plata site, which was assessed by COPUA (Environmental Urban Plan Council – *Consejo del Plan Urbano Ambiental*) and submitted to the Town Treasurer's Office for its consideration. In 2002, the Government of the City of Buenos Aires issued a notice of public hearing and in July 2006, the COPUA made some recommendations about the project, and in response to the recommendations made by COPUA to the project on December 13, 2006, we filed an amendment to the project to adjust it to the recommendations made by COPUA, making material amendments to our development plan for the Area, which amendments included the donation of 50% of the site to the City of Buenos Aires for public use and convenience and a perimetrical pedestrian lane along the entire site on the river bank.

In March 2007, a committee of the Government of the City of Buenos Aires, composed of representatives from the Legislative and Executive Branches issued a report stating that such Committee "had no objections" to our development plan and requested that the General Treasury render a decision concerning the scope of the development plan submitted for the project. In November 2007, 15 years after the Legislative Branch of the City of Buenos Aires granted the general zoning standards for the site, the Government Chief of the City of Buenos Aires passed Decree No. 1584/07, which passed the specific ruling, set forth certain rules for the urban development of the project, including types of permitted constructions and the obligation to assign certain spaces for public use and convenience.

Notwithstanding the approval of Decree No. 1584/07 in 2007, several municipal approvals are still pending and in December 2007, a municipal court rendered a decision restricting the implementation of our proposed development plan, due to objections made by a legislator of the City of Buenos Aires, alleging the suspension of Decree No. 1584/07, and each construction project and/or the municipal permits granted for business purposes. Notwithstanding the legality and validity of Decree No. 1584/07, we entered into an agreement 5/10 that was executed with the Government of the City of Buenos Aires, which has been sent with a legislative bill to the Legislature of the City of Buenos Aires under number 976-J-2010, for approval.

On October 30, 2012 a new agreement was executed with the Government of the City of Buenos Aires, replacing all those already executed, whereby new obligations were agreed upon between the parties for the consummation of the project. To that end, such Agreement – as well as the previous ones – shall be countersigned and approved by the Legislative Branch of the City of Buenos Aires by enacting a bill that is attached to the project. As of to date, the project is pending such legislative treatment.

#### **Puerto Retiro – City of Buenos Aires (IRSA)**

Puerto Retiro is an 8.2 hectare undeveloped riverside property bounded by the Catalinas and Puerto Madero office zones to the west, the Retiro railway station to the north and the Río de la Plata to the south and east. One of the only two significant privately owned waterfront properties in the City of Buenos Aires, Puerto Retiro may currently be utilized only for port activities, so we have initiated negotiations with municipal authorities in order to rezone the area. We own a 50% interest in Puerto Retiro.

#### *Residential*

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#### **Coto Air Space (IRSA Propiedades Comerciales S.A.)**

IRSA Propiedades Comerciales S.A. owns approximately 23,000 sqm in air space over the top of the Coto hypermarket that is close to the Abasto Shopping Center in the heart of the City of Buenos Aires. IRSA CP and Coto Centro Integral de Comercialización S.A. (Coto) executed and delivered a deed dated September 24, 1997 whereby IRSA Propiedades Comerciales S.A. acquired the rights to receive parking units and the rights to build on top of the premises located in the block formed by the streets Agüero, Lavalle, Guardia Vieja and Gallo, in the Abasto neighborhood.

**Neuquén Parcela Viviendas – Neuquén, Province of Neuquén (IRSA Propiedades Comerciales S.A.)**

Through Shopping Neuquén SA, we own a plot of 13,000 sqm and a construction capacity per FOT of 18,000 sqm of residential properties in an area with significant potential. This area is located close to the shopping center which is about to open, the hypermarket that is currently in operation and a hotel to be constructed in months to come.

**Zetol S.A. and Vista al Muelle S.A. – District of Canelones – Uruguay (IRSA)**

In the course of fiscal year 2009 we acquired a 100% ownership interest in Liveck S.A. ("Liveck"), a company organized under the laws of Uruguay, in exchange for a token consideration. In June 2009, Liveck had acquired a 90% stake in the capital stock of Vista al Muelle S.A. and Zetol S.A., two Uruguay-based real estate companies, for USD 7.8 million. The remaining 10% ownership interest in both companies is in the hands of Banzey S.A. (Banzey). These companies have undeveloped lands in Canelones, Uruguay, close to the capital city of Uruguay, Montevideo.

We intend to carry out an urban project consisting in the development and commercialization of 13 apartment buildings. The project has "urban feasibility" status for the construction of approximately 200,000 sqm for a term of 10 years, which was granted by the Mayor's Office of the Canelones department and by its Local Legislature. Zetol S.A. and Vista al Muelle S.A. agreed to carry out the infrastructure works for USD 8 million as well as minimum amount of sqm of properties. The satisfaction of this commitment under the terms and conditions agreed upon will grant an additional 10-year effective term to the urban feasibility status.

The total purchase price for Zetol was USD 7.0 million; of which USD 2.0 million were paid. Sellers may opt to receive the balance in cash or through the delivery of units in the buildings to be constructed in the land owned by Zetol equivalent to 12% of the total marketable meters to be constructed.

Besides, Vista al Muelle S.A. owned since September 2008 a plot of land it had purchased for USD 0.83 million. Then, in February 2010, plots of land were acquired for USD 1 million, the price balance of which as of to date amounts to USD 0.28 plus interest and will be repaid in December 2014. In December 2010, Vista al Muelle executed the title deed of other plots for a total amount of USD 2.66 million, of which USD 0.3 million were paid. The balance will be repaid by delivering 2,334 sqm of residential units and/or retail stores to be constructed or in cash.

On June 30, 2009, the Company sold a 50% stake in Liveck to Cyrela Brazil Realty S.A for USD 1.3 million. On December 17, 2010, IRSA and Cyrela executed a stock purchase agreement pursuant to which IRSA repurchased from Cyrela a 50% shareholding in Liveck S.A. for USD 2.7 million. Accordingly, as of June 30, 2014, IRSA's stake, through Tyrus, in Liveck is 100%.

As a result of the plot barter agreements executed between the IMC, Zetol S.A. and Vista al Muelle S.A. in March 2014, the parcel redistribution proceedings were concluded. This milestone, as set forth in the amendment to the Master Agreement executed in 2013, initiates the 10-year term for the investment in infrastructure and construction of the buildings mentioned above. At present, the urban project and the design of the first tower are being developed.

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*Retail*

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**Caballito Plot – City of Buenos Aires (IRSA Propiedades Comerciales S.A.)**

This is a property of approximately 23,791 sqm in the City of Buenos Aires, neighborhood of Caballito, one of the most densely populated of the city, which Alto Palermo purchased in November 1997. This plot would allow developing a 30,000 sqm shopping center including a hypermarket, a cinema complex, and several recreation and entertainment activity areas. At present, the legislature of the City of Buenos Aires has received a legislative bill to approve the zoning parameters corresponding to this property which already has the consent of the Executive Branch.



**Dot Adjoining Plot – City of Buenos Aires (IRSA Propiedades Comerciales S.A.)**

On May 3, 2012, the Government of the City of Buenos Aires, through the General Office of Zoning Interpretation (*Dirección General de Interpretación Urbanística*) approved, through a pre-feasibility study, the parcel subdivision of the Ex-Philips plot contingent upon the observance of the applicable building regulations in each of the resulting parcels. In addition, all the uses and parameters established under the municipal ordinance previously issued by the above mentioned authority are being observed.

On June 3, 2013, we were given notice that the Government of the City of Buenos Aires had approved the requested parcel subdivision of the ex-Philips plot. As a result, the property was divided into three parcels: 2 parcels of approximately 6,400 sqm and a 15,900 sqm parcel adjoining DOT Baires Shopping intended for the future extension of the shopping center by adding 47,000 sqm.

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*Offices*

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**Philips Adjoining Plots 1 and 2 – City of Buenos Aires (IRSA Propiedades Comerciales S.A.)**

These two parcels of 6,400 sqm with construction capacity of 19,200 sqm each, are at present a significant land reserve jointly with a plot where the extension of Dot Baires Shopping is planned. As a result of major developments, the intersection of General Paz and the Panamerican Highway has experienced a significant growth in recent years. The project of these parcels will conclude the consolidation of this new hub.

**Baicom Plot - City of Buenos Aires (IRSA)**

On December 23, 2009, we acquired 50% of a parcel located in the surroundings of the Buenos Aires Port, for a purchase price of ARS 4.5 million. The property's total surface area is 6,905 square meters and there is a construction permit associated for 34,500 square meters in accordance with the City of Buenos Aires urban construction rules and regulations.

**Catalinas Norte Plot - City of Buenos Aires (IRSA)**

Facing the River Plate, this plot is in a privileged location. Having been witness to one of the largest vertical developments in the city, the *Catalinas* district has consolidated itself as the paramount office real estate area in the city. The project, featuring 35,300 square meters to be built on the ground floor, comprises a tower of 37 floors including 4 underground floors, an open ground floor, mezzanine, dining and multipurpose room on the first floor, 28 office floors, 2 terrace floors and one mechanical room.

**Intercontinental Plaza II Plot - City of Buenos Aires (IRSA Propiedades Comerciales S.A.)**

The *Intercontinental Plaza* complex is located in the heart of the Monserrat district, situated a few meters away from the most important avenue in the city and the financial district. It comprises an office tower and the exclusive Intercontinental Hotel. In the 6,135 square meter plot, it would be feasible to develop a second office tower, including 19,600 square meters and 25 floors that would supplement the one already erected in the intersection of Moreno and Tacuarí streets.

Development	Company	Interest	Date of Acquisition	Surface Area sqm	Area intended for sale sqm <sup>(1)</sup>	Area intended for construction sqm	Sold <sup>(2)</sup>	Title deed executed <sup>(3)</sup>	Location	Accumulated income as of June 2015	Accumulated income as of June 2014	Accumulated income as of June 2013	Book Value
<i>Residential</i>													
<i>Available for sale (4)</i>													
Condominios del Alto I	IRSA CP	100%	04/30/1999	-	2,082	-	71%	67%	Santa Fe	6,314	2,614	4,262	21
Condominios del Alto II	IRSA CP	100%	04/30/1999	-	5,009	-	96%	93%	Santa Fe	302	49,303	-	518
Caballito Nuevo	IRSA	100%	11/03/1997	-	8,173	-	98%	98%	CABA	2,139	986	6,983	-
Barrio Chico	IRSA	100%	03/01/2003	-	3,492	-	99%	99%	CABA	-	-	-	124
El Encuentro	IRSA	100%	11/18/1997	-	127,795	-	100%	99%	Buenos Aires	461	7,944	11,698	-
Abril Club de Campo – Loteo	IRSA	100%	01/03/1995	-	5,135	-	99%	99%	Buenos Aires	644	1,750	1,113	-
Abril Club de Campo - Casona (5)	IRSA	100%	01/03/1995	31,224	34,605	-	-	-	Buenos Aires	-	-	-	2,357
Torres Jardín	IRSA	100%	07/18/1996	-	-	-	-	-	CABA	-	44	811	-
Apartment Entre Rios 465/9	IRSA CP	100%	-	-	-	-	-	-	Buenos Aires	-	-	-	1,400
Horizons	IRSA	50%	01/16/2007	-	71,512	-	100%	98%	Buenos Aires	5,225	22,890	117,090	3,130
<i>Intangible – Units to be received</i>					-					-	-	-	-
Beruti (Astor Palermo) (6)	IRSA CP	100%	06/24/2008	-	2,632	-	-	-	CABA	-	-	-	32,872
Caballito Manzana 35	IRSA	100%	10/22/1998	-	8,258	-	-	-	CABA	-	-	-	52,205
Pereiraola (Greenville)	IRSA	100%	04/21/2010	-	39,634	-	-	-	Buenos Aires	-	-	-	8,200
CONIL - Güemes 836 – Mz. 99 and Güemes 902 – Mz. 95													
and Retail Stores	IRSA CP	100%	07/19/1996	2,398	-	5,994	-	-	Buenos Aires	-	-	-	5,409
Canteras Natal Crespo (2 commercial parcels)	IRSA	-	-	-	-	-	-	-	Buenos Aires	-	-	39	-
<b>Subtotal Residential</b>				<b>33,622</b>	<b>308,327</b>	<b>5,994</b>				<b>15,085</b>	<b>85,531</b>	<b>141,996</b>	<b>106,236</b>
<i>Land Reserves</i>													
Isla Sirgadero	IRSA	100%	02/16/2007	8,360,000	-	N/D	-	-	Santa Fe	-	-	-	2,894
Pilar R8 Km 53	IRSA	100%	05/29/1997	74,828	-	-	-	-	Buenos Aires	-	-	-	1,564
Pontevedra	IRSA	100%	02/28/1998	730,994	-	-	-	-	Buenos Aires	-	-	-	918
Mariano Acosta	IRSA	100%	02/28/1998	967,290	-	-	-	-	Buenos Aires	-	-	-	804
Merlo	IRSA	100%	02/28/1998	1,004,987	-	-	-	-	Buenos Aires	-	-	-	639

Terreno San Luis	IRSA	50%	03/31/2008	3,250,523	-	-	-	-	San Luis	-	-	-	1,584
Subtotal Land Reserves				14,388,622	-	-				-	-	-	8,403
Future Developments													
Mixed Use													
UOM Lujan (7)	IRSA CP	100%	05/31/2008	1,160,000	-	N/D	N/A	N/A	Buenos Aires	-	-	-	33,907
Nobleza Picardo (8)	IRSA CP	50%	05/31/2011	159,995	-	127,996	N/A	N/A	Buenos Aires	-	-	-	75,161
Puerto Retiro	IRSA	50%	05/18/1997	82,051	-	N/D	N/A	N/A	CABA	-	-	-	22,128
Solares Santa María (9)	IRSA	100%	07/10/1997	716,058	-	N/D	N/A	N/A	CABA	-	-	-	158,951
Residential													
Coto Abasto Air Space	IRSA CP	100%	09/24/1997	-	-	21,536	N/A	N/A	CABA	-	-	-	8,945
Neuquén – Residential Plot of Land	IRSA CP	100%	07/06/1999	13,000	-	18,000	N/A	N/A	Neuquén	-	13,390	-	803
Uruguay Zetol	IRSA	90%	06/01/2009	152,977	62,756	-	N/A	N/A	Uruguay	-	-	-	62,567
Uruguay Vista al Muelle	IRSA	90%	06/01/2009	102,216	62,737	-	N/A	N/A	Uruguay	-	-	-	43,362
Retail													
Terreno Caballito Shopping (10)	IRSA CP	100%	-	23,791	-	N/D	N/A	N/A	CABA	-	-	-	-
Dot Possible Expansion	IRSA CP	80%	-	15,881	-	47,643	N/A	N/A	CABA	-	-	-	-
Offices													
Philips Adjoining Plots– Offices 1 and 2	IRSA CP	80%	11/28/2006	12,800	-	38,400	N/A	N/A	CABA	-	-	-	25,336
Baicom	IRSA	50%	12/23/2009	6,905	-	34,500	N/A	N/A	CABA	-	-	-	4,183
Intercontinental Plaza II (11)	IRSA CP	100%	02/28/1998	6,135	-	19,598	N/A	N/A	CABA	-	-	-	1,564
Terreno Catalinas Norte	IRSA	100%	12/17/2009	3,649	-	35,300	N/A	N/A	CABA	-	-	-	109,493
Subtotal Future Developments				2,455,458	125,493	342,973				-	13,390	-	546,400
Total Land Reserves				16,877,702	433,820	348,967				15,085	98,921	141,996	661,039

**Notes:**

- (1) Area intended for Sale is understood as the residential units' sqm proper, including parking and storage spaces. It reflects 100% before any sale is performed.
- (2) % Sold includes those sale transactions that have a preliminary sales agreement, possession or title deed executed. Includes sqm of residential units, parking and storage spaces.
- (3) % Title Deed Executed includes those sale transactions the title deed of which has been executed. Includes sqm of residential units, parking and storage spaces.
- (4) In those cases where IRSA/IRSA CP received units under barter agreements, "Area intended for Sale" includes the surface area received rather than that of the whole project.
- (5) Area intended for Sale includes 31,224 sqm of land and the aggregate 4,712.81 sqm of La Casona (deducting 1,331.76 sqm of Ground Floor.)
- (6) Area intended for Sale excludes 171 commercial parking spaces to be received and discounted units.
- (7) Mixed use feasibility requested, pending provincial approval.
- (8) 127,996 sqm derive from the current laws, we are working in a draft project for 479,415 sqm intended for construction (pending approval).
- (9) Feasibility requested for 716,058 sqm intended for construction, pending approval by the Legislative branch of the City of Buenos Aires.
- (10) Draft project for 71,374 sqm intended for construction, pending approval of urban parameters.
- (11) 6,135 sqm of surface area correspond to the parcel, which includes Inter I and II.



## V. Hotels

In connection with the Hotel sector, according to the International Tourism Survey (*Encuesta de Turismo Internacional*, "ETI") carried out by the Ministry of Tourism, during the first half of 2015, 3.0 million non-resident tourists entered the country through all means, representing a year-on-year increase of 1.2%. Visitors came mainly from Brazil, Chile, Uruguay and Paraguay, who together accounted for 62.3% of the total inflow of travelers.

The Hotel Occupancy Survey (*Encuesta de Ocupación Hotelera*, "EOH") carried out by INDEC shows that total overnight stays in hotels and other non-hotel accommodation facilities increased 2.2% as compared to the same period of 2014. Overnight stays of Argentine travelers recorded a 2% year-on-year increase, whereas those of foreign travelers decreased by 14.9%. The Hotel Occupancy Rate in rooms was 34.6% in May, 1.3% lower than in the same month of 2014, whereas in terms of bedplaces it was 25.2%, a 0.6% year-on-year reduction compared to the previous year.

During fiscal year 2015 we maintained our 76.34% interest in Intercontinental hotel, our 80.00% interest in the Sheraton Libertador hotel and our 50.00% interest in Llao Llao. Occupancy in our hotels decreased due to the smaller inflow of foreign and corporate travelers and the eruption of the Calbuco volcano, which affected the access to the City of Bariloche, where our Llao Llao premium resort is located.

Hotels						
In ARS Million	FY 15	FY 14	YoY Var	IVQ 15	IVQ 14	YoY Var
Revenues	396.3	331.6	19.5%	79.6	77.6	2.6%
Operating Income	(12.0)	11.0	(209.1)%	(33.9)	(7.1)	377.5%
Depreciation and Amortization	14.6	14.1	3.5%	3.7	3.3	12.1%
EBITDA	2.6	25.1	(89.6)%	(30.1)	(3.8)	692.1%

	IVQ 15	IIIQ 15	IIQ 15	IQ 15	IVQ 14	IIIQ 14
Average Occupancy	65.7%	67.0%	72.6%	65.0%	59.7%	71.2%
Average Rate per Room (ARS/night)	1,342	1,704	1,629	1,565	1,316	1,474
Average Rate per Room (USD/night)	159	196	191	188	163	189

\*Excludes Savoy hotels as no controlling interest is held in this company, given that the stake in it is 49%.

- The eruption of the Calbuco volcano started in April 2015 and reduced occupancy at Llao Llao from 60% to 30%, causing the average rate per room to decrease as well. This took its toll on the average rate of the three hotels, which went down from ARS 1,704 per night in the third quarter of 2015 to ARS 1,342 per night in the fourth quarter.

### Sale of Interest in Bitania 26 S.A.:

On February 5, 2015, the Company indirectly sold its entire interest in Bitania 26 S.A., owner of "Savoy" Hotel in the City of Rosario (Province of Santa Fe), representing 49% of its stock capital, for US\$ 4.2 million. The sale resulted in a gain of approximately \$ 13.3 million.

The following is information about our hotels as of June 30, 2015:

Hotels	Date of Acquisition	IRSA's Effective Interest	Number of rooms	Average Occupancy <sup>(1)</sup>	Average price per room (\$ ) <sup>(2)</sup>	Accumulated sales as of June 30 (in thousands of ARS)			Book Value (in thousands of ARS)
						2015	2014	YoY Var	
Intercontinental <sup>(3)</sup>	11/01/1997	76.34%	309	68.74%	1,276	143,281	123,925	15.6%	51,875
Sheraton									
Libertador <sup>(4)</sup>	03/01/1998	80.00%	200	75.75%	1,142	93,801	74,178	26.5%	31,400
Llao Llao <sup>(5)</sup>	06/01/1997	50.00%	205	51.37%	2,746	159,215	133,459	19.3%	81,539
<b>Total</b>	<b>-</b>	<b>-</b>	<b>714</b>	<b>65.69%</b>	<b>1,564</b>	<b>396,297</b>	<b>331,562</b>	<b>19.5%</b>	<b>164,814</b>

**Notes:**

(1) Accumulated average in the twelve-month period.

(2) Accumulated average in the twelve-month period.

(3) Through Nuevas Fronteras S.A. (Subsidiary of IRSA).

(4) Through Hoteles Argentinos S.A.

(5) Through Llao Llao Resorts S.A.

## VI. International

### Interest in Metropolitan 885 Third Ave. LLC ("Metropolitan") through New Lipstick LLC ("New Lipstick")

The Lipstick Building is a landmark building in the City of New York, located on Third Avenue and 53rd Street, in Midtown Manhattan, New York. It was designed by architects John Burgee and Philip Johnson (Glass House and Seagram Buildings among other remarkable works) and it has been named after its original elliptic form and the reddish color of its façade. Its gross leaseable area is around 57,500 sqm distributed in 34 floors.

As of June 30, 2015, this building had an occupancy rate of 91.86% generating average revenues of USD 64.74 per sqm per month.

Lipstick	Jun-15	Jun-14	YoY Var
Gross Leaseable Area (sqm)	58,094	58,092	-
Occupancy	91.86%	88.94%	2.92pp
Rent (USD/sqm)	64.74	63.69	1.65%

As of June 30, 2015, 2 additional lease agreements had been executed totaling an aggregate surface area of 22,585 additional square meters, to be occupied during the next fiscal year, causing its occupancy rate to rise to 95.47% and its average rental price to USD 65.09 per sqm.

Finally, since September 2014 there has been an exhibition in the southern wing of the lobby showcasing part of the work and life of the celebrated Argentine architect César Pelli. The exhibition has been conceived, designed and executed in close cooperation with César Pelli's architectural firm.

### Investment in Condor Hospitality Trust (continuator of Supertel Hospitality Inc.)

We hold our investment in the Condor Hospitality Trust hotel REIT, through our subsidiary Real Estate Strategies, L.P. ("RES"), in which we hold a 66.8% interest. Condor is a REIT listed in Nasdaq and is focused on middle-class and long-stay hotels, in 21 states in the United States of America, which are operated by various operators and franchises such as Comfort Inn, Days Inn, Hampton Inn, Holiday Inn, Sleep Inn and Super 8, among others. In March 2015, a new CEO was appointed, who is working in relaunching the company, which has changed its name from Supertel Hospitality Inc. to Condor Hospitality Trust, and its ticker symbol in Nasdaq has been changed from "SPPR" to "CDOR". The strategy is based on simplifying the company's shareholding structure and then injecting capital to fund its business plan consisting in the selective disposition of hotels within the lowest category range and replacing them with hotels in higher categories. The company's results for the first six months of 2015 show an improvement in its rental and hotel occupancy operating ratios and sales of assets for attractive prices.

### Sale of the Building on 183 Madison Ave, New York

In September 2014, the Company, acting through its subsidiary Rigby 183 LLC ("Rigby"), closed the sale of the Madison 183 building, located in the City of New York, United States of America, for USD 185 million paying the mortgage on this asset for USD 75 million. In December 2010, we purchased 49% of Rigby's capital stock, owner of the building, valued at USD 85.1 million. In November 2012, we increased our interest by 25.5%, increasing our interest in Rigby to 74.50%. At the time of this acquisition, the building was valued at USD 147.5 million. The building's sales value of USD 185 million implies an appreciation in value of 117% during the investment period. During the second quarter of 2015, we recorded a balance of ARS 188.3 million as reversal of the conversion reserve generated in Rigby as a result of the partial repayment of principal of the Company.

### Sale of remaining interest in Hersha Hospitality Trust

Hersha is a Real Estate Investment Trust (REIT) listed on the New York Stock Exchange (NYSE: HT). Hersha mainly invests in institutional hotels located in urban commercial areas, suburban commercial areas and secondary areas and markets mainly distributed in the northeastern coast of the United States and in selected markets of the west coast of the United States. Hersha makes acquisitions in areas deemed to be markets under development and has a proactive management that strives to create and increase added value in the long term.

During the first quarter of 2015, IRSA indirectly held 1,000,000 common shares in Hersha, which were sold for an average price of USD 6.74 per share. Accordingly, the company has no interests in Hersha at present.

### **Investment in IDB Development Corporation**

IDBD is one of the largest and most diversified investment groups in Israel that participates through its subsidiaries in numerous markets and industry sectors, such as real estate, retail, agroindustry, oil and gas production, insurance, telecommunications, etc., controlling companies such as Clal Insurance (Insurance), Cellcom (Cell-phones), Adama (Agrochemicals), Super-Sol (supermarkets); PBC (Real Estate), among others.

As of June 30, 2015, IRSA investment, through Dolphin, in IDBD reached the sum of USD 300 million and the indirect stake was 49% of IDBD outstanding shares.

For further information see Note 3 to the Consolidated Condensated Financial Statements "Acquisitions and Disposals – Investment in IDBD" and Note 9 of the Consolidated Condensated Financial Statements "Restrictions, commitments and other matters in related to associates – IDBD".

## VII. Financial Debt and Other

### Consolidated Financial Debt as of June 30, 2015

Type of Debt	Currency	Amount (USD MM) <sup>1</sup>	Interest Rate	Maturity
Short-term debt	ARS	54.3	Variable	< 30 d
IRSA's Tranche I Series I Notes <sup>(2)</sup>	USD	150.0	8.50%	Feb-17
IRSA's Tranche II Series II Notes <sup>(3)</sup>	USD	150.0	11.50%	Jul-20
IRSA's Series V Notes	ARS	23.0	Badlar + 395 bps	Aug-15
IRSA's Series VI Notes	USD	1.2	Badlar + 450 bps	Feb-17
Loans <sup>(4)</sup>	USD	4.2	Variable	Jun-16
Other loans	ARS	0.8	15.25%	Dec-16
Nuevas Fronteras Mortgage Loan 5600	ARS	0.8	Variable	Dec-17
<b>Total IRSA's Debt <sup>(4)</sup></b>		<b>380.1</b>		
Short-term debt	ARS	30.4	Variable	< 180 d
Syndicated loan – Arcos	ARS	2.9	15.01%	Nov-15
Bank loans, Communication 5319	ARS	0.7	15.01%	Dec-15
Series I Notes <sup>(5)</sup>	USD	120.0	7.875%	May-17
Syndicated Loan – Neuquén	ARS	5.4	15.25%	Jun-16
Other loans	ARS	2.4	-	-
Asset purchase debt <sup>(4)</sup>	USD	246.4	8.50%	Jul-20
<b>IRSA CP's Total Debt <sup>(4)</sup></b>		<b>161.8</b>		
<b>Total Consolidated Debt<sup>(4)</sup></b>		<b>541.9</b>		
Consolidated Cash		41.3		
Debt Repurchase <sup>(6)</sup>		17.2	-	-
<b>Net Consolidated Debt</b>		<b>483.4</b>	-	-

<sup>1</sup> Principal face value in USD at an exchange rate of 9.088 ARS = 1 USD, without considering interest accrued and elimination of balances with subsidiaries.

<sup>2</sup> As of 06/30/15 IRSA holds bonds for a face value of USD 0.7 million.

<sup>3</sup> As of 06/30/15 IRSA CP holds bonds for a face value of USD 5.6 million and ERSa holds bonds for a face value of USD 1.4 million.

<sup>4</sup> Does not include IRSA CP's receivable pursuant to the transfer of assets for USD 246.4 million dated 12/23/2014 or IRSA's loan for USD 4.2 million with IRSA CP, as it is a related party.

<sup>5</sup> IRSA includes repurchases for a face value of USD 3.8 million with Ritelco.

<sup>6</sup> As of 06/30/15 IRSA CP holds bonds for a face value of USD 1.6 million, ERSa holds bonds for a face value of USD 0.1 million and IRSA holds bonds for a face value of USD 4.0 million.

### MATERIAL EVENTS OCCURRED DURING THE FISCAL YEAR AND SUBSEQUENT EVENTS

These events occurred during the fiscal year and after June 30, 2015.

#### General Ordinary and Extraordinary Shareholders' Meeting:

The General Ordinary and Extraordinary Shareholders' Meeting held on October 31, 2014 adopted, inter alia, the following resolutions:

- Updating of report on Corporate Services Agreement.
- Report on the result of Tip Hogar's exchange offer for SAMAP's shares – (currently IRSA Propiedades Comerciales S.A. (IRSA CP)) and approval of Board of Directors' performance.
- Amendment to Section one of the bylaws for it to conform to the Capital Market Law in force.
- Plan of repurchase of shares and GDS issued by the Company and their allocation.



- e. Updating of report on Incentive Plan for the Company's officers as approved and acknowledged by the shareholders' meetings held in 2009/2010/2011/2012 and 2013. Approval of amendments according to the observations made by the Argentine Securities Commission (CNV), including the assignment of economic rights on the shares that are the subject-matter of the Plan. Incorporation of a benefit for all the staff, including controlled companies' personnel.

#### **Acquisition of "La Adela" Land Reserve – Luján (Province of Buenos Aires)**

The Company purchased a land reserve with an area of approximately 1,058 hectares, located in the District of Luján, Province of Buenos Aires, formerly owned by CRESUD SACIF Y A. The transaction amount was ARS 210 million, which have been fully paid. Given its degree of development and closeness to the City of Buenos Aires, this site has a high urbanistic potential; therefore, the purpose of this purchase is to launch a new real estate development.

#### **Investment in BACS Banco de Crédito y Securitización S.A.**

The Company has indirectly executed a share purchase and sale agreement in respect of BACS Banco de Crédito y Securitización S.A.'s stock capital, representing a stake of 6.125%. The total transaction price was USD 1.35 million, the transaction is subject to the approval of the Argentine Central Bank in accordance with the applicable laws. On June 17, 2015, IRSA subscribed notes convertible into common shares issued by BACS Banco de Crédito y Securitización S.A. for a principal amount of ARS 100,000,000.

#### **IRSA's Dividends:**

The Company's Shareholders' Meeting approved the ratification and distribution of an interim cash dividend for ARS 56.6 million, representing 9.87% of its Capital Stock.

#### **Banco Hipotecario's Dividends:**

The General Ordinary Shareholders' Meeting of Banco Hipotecario S.A. approved a distribution of cash dividends on common shares for ARS 42.0 million. In January 2015, IRSA received ARS 12.6 million in respect of its shareholding interest.

#### **Through our subsidiary IRSA Propiedades Comerciales S.A.:**

##### **Investment in Avenida Inc.**

In August 2013, IRSA Propiedades Comerciales S.A., acting through one of its subsidiaries, subscribed for 3,703,704 shares in Avenida Inc., representing 23.08% of its outstanding capital stock. Avenida Inc. will be engaged in the e-commerce business. The amount of the transaction was set at ARS 13.0 million. Then IRSA Propiedades Comerciales S.A. exercised an option to purchase 2,469,136 additional shares for ARS 10.0 million. At the time the option was exercised, a new investor acquired a 32.94% interest in the company for USD 15 million; therefore, IRSA CP's interest in Avenida Inc. changed to 21.58%.

In September 2014, IRSA Propiedades Comerciales S.A. sold 5.0% of the stock capital of this company for USD 2.3 million. Accordingly, IRSA CP's indirect interest in Avenida Inc. was reduced to 16.58% of its stock capital. Recently, two current shareholders subscribed for preferred shares in a new capital round diluting IRSA Propiedades Comerciales' interest in Avenida Inc. to 11.38%.

#### **Approval of Dividend and Increase of the Current Note Program:**

The General Ordinary Shareholders' Meeting held on October 31, 2014, for the fiscal year ended June 30, 2014, approved the distribution of cash dividends for ARS 138.7 million.

The General Ordinary Shareholders' Meeting held on March 26, 2015 made available a cash dividend payment in the amount of ARS 298.5 million as advanced dividend creditable against the current year.

In addition, it has approved an increase in the amount of the current Note Program, which is currently an outstanding amount of up to USD 300.0 million, for an additional amount of up to USD 200.0 million, and delegated implementation thereof to the board of directors.

**Sale of office units/parking spaces in Intercontinental Plaza building:**

IRSA CP executed a preliminary sales agreement to transfer to a non-related party 8,470 sqm corresponding to nine office floors and 72 parking spaces of the Intercontinental Plaza building located in the neighborhood of "Montserrat" in the City of Buenos Aires.

The transaction amount was ARS 376.4 million and gross income from the transaction was approximately ARS 122.2 million.

## VIII. Financial Transactions and Other

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### Interest in Banco Hipotecario S.A. ("BHSA")

As of June 30, 2015, we held a 29.99% interest in Banco Hipotecario, representing 13.01% of the consolidated assets as of such date. Established in 1886 by the Argentine government and privatized in 1999, Banco Hipotecario has historically been Argentina's leading mortgage lender, provider of mortgage-related insurance and mortgage loan services. All of its operations are located in Argentina where it operates through a nationwide network of 60 branches distributed in 23 provinces and the City of Buenos Aires and 15 additional points of sale throughout Argentina. Additionally, its subsidiary Tarshop S.A. has 25 sales offices.

Banco Hipotecario is an inclusive commercial bank that provides universal banking services, offering a wide variety of banking products and activities, including a wide range of individual and corporate loans, deposits, credit and debit cards and related financial services to individuals, small-and medium-sized companies and large corporations. As of June 30, 2015, Banco Hipotecario ranked thirteenth in the Argentine financial system in terms of shareholders' equity and thirteenth in terms of total assets. As of June 30, 2015, Banco Hipotecario's shareholders' equity was ARS 4,397.6 million, its consolidated assets were ARS 35,083.9 million, and its net income for the twelve-month period ended June 30, 2015 was ARS 465.2 million. Since 1999, Banco Hipotecario's shares have been listed on the Buenos Aires Stock Exchange in Argentina, and since 2006 it has had a Level I GDR program.

Banco Hipotecario continues its business strategy of diversifying its loan portfolio. Non-mortgage loans increased from ARS 7,676.1 million as of December 31, 2012 to ARS 10,708.0 million as of December 31, 2013, ARS 14,845.9 million as of December 31, 2014 and ARS 16,551.9 million as of June 30, 2015, increasing the interest in the aggregate loan portfolio to the non-financial private sector from 80.4% as of December 31, 2012 to 87.0% as of June 30, 2015. Non-performing loans represented 2.3% of its total portfolio as of June 30, 2015.

Furthermore, Banco Hipotecario has diversified its funding sources; it has reduced its international financing and has become one of the most frequent issuers of debt in Argentina by developing its presence in the local capital market and increasing its deposit base. Its financial debt represented 21.8% of the total financing as of June 30, 2015.

Its subsidiaries include BACS Banco de Crédito y Securitización S.A., a bank specialized in investment banking, securitization and asset management, BHN Vida S.A., a life insurance company, BHN Seguros Generales S.A., fire insurance company for home owners and Tarshop S.A., a company specialized in the sale of consumer financing products and cash advances to non-banking customers.

For further information visit <http://www.cnv.gob.ar> or <http://www.hipotecario.com.ar>.

## IX. Reconciliation with the Consolidated Statement of Income

	Common Expenses and Common									
	Total Segment		Joint Businesses		Advertising Fund		Inter.-segment Deletions		Statement of Income	
	FY15	FY14	FY15	FY14	FY15	FY14	FY15	FY14	FY15	FY14
Revenues from sales, leases and services	2,548.4	2,155.8	(27.5)	(40.6)	-	736.3	(5.5)	(6.3)	515.4	2,845.2
Revenues from common expenses and common advertising fund	-	-	-	-	887.2	-	-	-	887.2	-
Costs	(627.9)	(638.7)	14.8	23.2	(901.3)	(743.7)	3.9	4.7	(1,510.6)	(1,354.5)
<b>Gross profit/loss</b>	<b>1,920.5</b>	<b>1,517.1</b>	<b>(12.8)</b>	<b>(17.4)</b>	<b>(14.1)</b>	<b>(7.4)</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>1,892.1</b>	<b>1,490.7</b>
Income / (loss) from the sale of investment properties	1,162.8	235.5	-	-	-	-	-	-	1,162.8	235.5
General and administrative expenses	(378.1)	(300.1)	1.0	0.8	-	-	2.6	2.3	-374.5	(297.0)
Selling expenses	(195.9)	(150.1)	2.1	3.5	-	-	0.3	0.4	(193.5)	(146.2)
Other operating income, net	28.7	(47.9)	1.1	3.2	-	-	(1.3)	(1.1)	28.5	(45.8)
<b>Operating income / (loss) before income / (loss) from interests in equity investees and joint businesses</b>	<b>2,538.0</b>	<b>1,254.5</b>	<b>(8.6)</b>	<b>(9.9)</b>	<b>(14.1)</b>	<b>(7.4)</b>	<b>-</b>	<b>-</b>	<b>2,515.4</b>	<b>1,237.2</b>
Income / (loss) from interests in equity investees and joint businesses	(446.1)	(440.1)	12.2	26.4	-	-	-	-	(434.0)	(413.7)
<b>Operating income / loss before financial result and income tax</b>	<b>2,091.8</b>	<b>814.4</b>	<b>3.6</b>	<b>16.5</b>	<b>(14.1)</b>	<b>(7.4)</b>	<b>-</b>	<b>-</b>	<b>2,081.4</b>	<b>823.5</b>

June 30, 2015							
	Shopping Centers	Offices	Sales and Developments	Hotels	International	Financial Transactions and Other	Total
<b>Operating income / (Loss)</b>	1,190.2	101.6	1,113.0	(12.0)	147.9	(2.7)	2,538.0
<b>Depreciation and Amortization</b>	<b>136.5</b>	<b>25.4</b>	<b>-</b>	<b>14.6</b>	<b>0.3</b>	<b>-</b>	<b>176.8</b>
<b>EBITDA 2015(*)</b>	<b>1,326.7</b>	<b>237.4</b>	<b>1,113.0</b>	<b>2.6</b>	<b>148.2</b>	<b>(2.7)</b>	<b>2,825.3</b>

(\*) EBITDA: Operating Income plus Depreciation and Amortization excluding stamp tax expenses incurred in the transfer of assets.

June 30, 2014							
	Shopping Centers	Offices	Sales and Developments	Hotels	International	Financial Transactions and Other	Total
<b>Operating income / (Loss)</b>	868.2	163.4	244.5	11.0	(30.0)	(2.6)	1,254.5
<b>Depreciation and Amortization</b>	<b>142.7</b>	<b>37.1</b>	<b>-</b>	<b>14.1</b>	<b>37.4</b>	<b>-</b>	<b>231.3</b>
<b>EBITDA 2014(*)</b>	<b>1,010.9</b>	<b>200.5</b>	<b>244.5</b>	<b>25.1</b>	<b>7.4</b>	<b>(2.6)</b>	<b>1,485.9</b>

(\*) EBITDA: Operating Income plus Depreciation and Amortization.

	Shopping Centers	Offices	Sales and Developments	Hotels	International	Financial Transactions and Other	Total
<b>EBITDA VARIATION (ARS)</b>	<b>315.8</b>	<b>36.9</b>	<b>868.5</b>	<b>(22.5)</b>	<b>140.8</b>	<b>(0.1)</b>	<b>1,339.4</b>
<b>EBITDA VARIATION (%)</b>	<b>31.2%</b>	<b>18.4%</b>	<b>355.2%</b>	<b>(89.6)%</b>	<b>1,897.7%</b>	<b>4.1%</b>	<b>90.1%</b>

## **X. Brief comment on prospects for the coming fiscal year**

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Our real estate businesses in Argentina and the investments abroad have shown highly satisfactory results in 2015. We believe that the diversification of our business in real estate assets in Argentina and abroad favorably positions us to face all the challenges and opportunities that may arise in 2016.

The commercial real estate vehicle we have created places us in a highly favorable position to seize all potential opportunities in Argentina. The shopping center and office property industry's potential in the country is huge and we have a large extension of land reserves for future commercial developments in the country.

We are analyzing various shopping centers and office property projects and the best time to launch them. 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. We expect to continue selling those non-strategic assets of the office portfolio that have not been transferred to our subsidiary IRSA Propiedades Comerciales due to their sale purpose.

We will continue to promote marketing actions, organize events and targeted promotional actions at our shopping centers to attract consumers in the understanding that these actions shall be the result of the joint endeavors of the Company, the retailers and the credit card issuer banks. These actions have proved to be highly effective and are welcomed by the public.

As concerns our investments outside Argentina, we will continue working on improving operating ratios in the only building we have in New York after the sale of Madison, the Lipstick Building. As concerns our investment in Supertel Hospitality Inc. hotel REIT, last March a new CEO was appointed, who is working in relaunching the REIT: its name has been changed to "Condor Hospitality Trust" and its ticker in Nasdaq is now "CDOR". The strategy is based on simplifying the company's shareholding structure and then injecting capital to fund its business plan consisting in the selective disposition of hotels within the lowest category range and replacing them with hotels in higher categories. We trust the new senior management and expect to obtain good results from this investment in the future. As concerns our recent investment in the Israeli company IDBD, in 2016 we will continue to work towards optimizing the return of its various business lines and capital structure. We trust in the value of this investment, from which we expect to obtain very good results in the medium term.

Given the quality of the real estate assets in our portfolio, the Company's financial position and low indebtedness level, its experience in taking advantage of market opportunities and its credentials in the capital markets, we believe that we are on the right way to continue consolidating the best real estate portfolio of Argentina. Moreover, as part of our continuous strategy of being on the watch for business opportunities and contingent upon the general and specific conditions in the domestic and international markets, we continue to evaluate different alternatives in order to optimize our capital structure. This investment reengineering could include different transactional aspects, including capital increases, repurchase of shares or disposition of a minority interest in IRSA CP or other subsidiaries.

**Consolidated Balance Sheets**  
**as of June 30, 2015 and 2014**

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

	Note	06.30.2015	06.30.2014
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Investment properties.....	10	3,490,077	3,269,595
Property, plant and equipment.....	11	243,134	220,013
Properties for sale .....	12	128,104	130,657
Intangible assets .....	13	127,409	124,085
Investments in equity investees and joint businesses .....	8.9	3,172,549	2,260,805
Deferred tax asset .....	27	52,810	368,641
Accounts receivable for income tax and minimum presumed income tax .....		108,522	110,185
Trade and other accounts receivable .....	17	115,141	92,388
Investments in financial assets .....	18	702,503	274,716
Derivate financial instruments.....	19	206,407	-
<b>Total non-current assets .....</b>		<b>8,346,656</b>	<b>6,851,085</b>
<b>Current assets</b>			
Properties for sale .....	12	3,300	4,596
Inventories .....	14	22,770	16,963
Restricted assets .....	16	9,424	-
Accounts receivable for income tax and minimum presumed income tax .....		19,009	15,866
Assets available for sale .....	42	-	1,357,866
Trade and other accounts receivable .....	17	1,150,070	706,846
Investments in financial assets .....	18	295,409	234,107
Derivative financial instruments .....	19	29,158	12,870
Cash and cash equivalents .....	20	375,180	609,907
<b>Total current assets .....</b>		<b>1,904,320</b>	<b>2,959,021</b>
<b>TOTAL Assets .....</b>		<b>10,250,976</b>	<b>9,810,106</b>
<b>SHAREHOLDERS' EQUITY</b>			
<b>Equity and reserves attributable to controlling company's shareholders</b>			
Stock capital .....		574,451	573,771
Treasury stock .....		4,225	4,905
Restatement for capital stock and treasury stock .....		123,329	123,329
Additional paid-in capital .....		793,123	793,123
Premium for trading of common shares .....		7,233	-
Cost of treasury stock .....		(33,729)	(37,906)
Changes in non-controlling interest .....		(5,659)	(21,808)
Reserve for stock based payments .....	26	63,824	53,235
Legal reserve .....		116,840	116,840
Special reserve .....		3,824	375,487
Reserve for new projects.....		-	413,206
Reserve for conversion.....		305,852	398,931
Retained earnings.....		520,940	(784,869)
<b>Total equity and reserves attributable to controlling company's shareholders.....</b>		<b>2,474,253</b>	<b>2,008,244</b>
Non-controlling interest.....		396,913	548,352
<b>TOTAL SHAREHOLDERS' EQUITY.....</b>		<b>2,871,166</b>	<b>2,556,596</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Trade and other accounts payable .....	21	254,628	202,652
Loans.....	24	3,736,028	3,756,003
Derivative financial instruments .....	19	263,969	320,847
Differed tax liability.....	27	51,440	345,607
Salaries and social security charges .....	22	2,220	3,749
Provisions .....	23	374,121	205,228
<b>Total non-current Liabilities .....</b>		<b>4,682,406</b>	<b>4,834,086</b>
<b>Current Liabilities</b>			
Trade and other accounts payable .....	21	895,996	678,725
Income tax and minimum presumed income tax payable .....		135,380	64,677
Liabilities available for sale .....	42	-	806,612
Salaries and social security charges .....	22	122,606	99,276
Derivative financial instruments .....	19	244,114	14,225
Loans.....	24	1,247,796	737,477
Provisions .....	23	51,512	18,432
<b>Total current liabilities .....</b>		<b>2,697,404</b>	<b>2,419,424</b>
<b>TOTAL LIABILITIES .....</b>		<b>7,379,810</b>	<b>7,253,510</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY .....</b>		<b>10,250,976</b>	<b>9,810,106</b>

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



**Consolidated Income Statements**  
**for the fiscal years ended June 30, 2015, 2014 and 2013**

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

	Note	06.30.2015	06.30.2014	06.30.2013
Revenues from sales, leases and services.....	30	2,515,421	2,108,874	1,592,890
Revenues from common expenses and common advertising fund .....	30	887,208	736,302	594,290
Costs .....	31	(1,510,574)	(1,354,493)	(1,087,611)
<b>Gross income.....</b>		<b>1,892,055</b>	<b>1,490,683</b>	<b>1,099,569</b>
Income / (loss) from sale of investment properties.....	10	1,162,770	235,507	183,767
General and administrative expenses .....	32	(374,481)	(296,928)	(194,841)
Selling expenses .....	32	(193,470)	(146,236)	(106,125)
Other operating results, net.....	34	28,488	(45,870)	93,268
<b>Operating income.....</b>		<b>2,515,362</b>	<b>1,237,156</b>	<b>1,075,638</b>
Income / (loss) from interests in equity investees and joint businesses .....	8.9	(433,973)	(413,771)	(7,391)
<b>Income before financial results and income tax .....</b>		<b>2,081,389</b>	<b>823,385</b>	<b>1,068,247</b>
Financial income .....	35	137,114	131,509	119,525
Financial expenses .....	35	(1,107,173)	(1,726,875)	(772,412)
Other financial results .....	35	27,561	(123,903)	14,695
Financial results, net .....	35	(942,498)	(1,719,269)	(638,192)
<b>Income / (Loss) before income tax.....</b>		<b>1,138,891</b>	<b>(895,884)</b>	<b>430,055</b>
Income tax .....	27	(488,266)	64,267	(132,847)
<b>Net Income / (Loss).....</b>		<b>650,625</b>	<b>(831,617)</b>	<b>297,208</b>
<b>Attributable to:</b>				
Controlling company's shareholders .....		520,161	(786,487)	238,737
Non-controlling interest .....		130,464	(45,130)	58,471
<b>Net income / (Loss) per share attributable to controlling company's shareholders (Note 36):</b>				
Basic .....		0.91	(1.37)	0.41
Diluted .....		0.90	(1.37)	0.41

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

**Consolidated Comprehensive Income Statements**  
**for the fiscal years ended June 30, 2015, 2014 and 2013**

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

	<b>(a) 06.30.2015</b>	<b>06.30.2014</b>	<b>06.30.2013</b>
Net Income / (loss) .....	650,625	(831,617)	297,208
<b>Other comprehensive results:</b> .....			
<b>Items that may be later reclassified to profit or loss:</b> .....			
Conversion difference .....	(75,845)	442,844	56,799
<b>Other comprehensive results for the fiscal year (i)</b> .....	<b>(75,845)</b>	<b>442,844</b>	<b>56,799</b>
<b>Total comprehensive results for the fiscal year</b> .....	<b>574,780</b>	<b>(388,773)</b>	<b>354,007</b>
 <b>Attributable to:</b>			
Controlling company's shareholders .....	427,082	(438,332)	287,926
Non-controlling interest .....	147,698	49,559	66,081

(i) The components of other comprehensive results do not impact on income tax.

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

**Consolidated Cash Flow Statements**  
**for the fiscal years ended June 30, 2015, 2014 and 2013**

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

	Note	06.30.2015	06.30.2014	06.30.2013
<b>Operating activities:</b>				
Cash provided by operating activities.....	20	1,447,725	1,298,251	1,141,013
Income tax and minimum presumed income tax paid.....		(421,702)	(276,272)	(277,640)
<b>Net cash provided by operating activities.....</b>		<b>1,026,023</b>	<b>1,021,979</b>	<b>863,373</b>
<b>Investing activities:</b>				
Capital contributions in equity investees and joint businesses .....	8.9	(39,307)	(20,059)	(67,438)
Acquisition of equity investees and joint businesses .....	3.8.9	(1,241,562)	(1,131,806)	(25,899)
Acquisition of investment properties .....	10	(407,365)	(264,853)	(210,456)
Collections from sale of investment properties .....	10	2,447,065	402,139	127,688
Acquisition of property, plant and equipment .....	11	(47,788)	(23,224)	(13,415)
Acquisition of intangible assets .....	13	(4,668)	(11,739)	(800)
Increase in investments in financial assets .....		(2,941,585)	(1,533,331)	(950,913)
Collections from sale of investments in financial assets.....		2,339,172	1,647,674	1,197,240
Advances to suppliers .....		(13,995)	(29,647)	(15,780)
Collection from sale of joint businesses.....		55,843	22,754	-
Acquisition of subsidiary, net of acquired proceeds .....	3	-	-	(117,874)
Interest collected.....		95,051	10,166	18,399
Loans granted .....		-	(2,090)	(41,591)
Dividends collected .....		12,873	16,896	54,246
Collection of loans granted to related parties.....		-	-	701
<b>Net cash used in investing activities.....</b>		<b>253,734</b>	<b>(917,120)</b>	<b>(45,892)</b>
<b>Financing activities:</b>				
Borrowings .....		606,258	501,770	646,750
Repayment of loans.....		(963,900)	(446,164)	(206,390)
Repayment of loans for purchase of companies .....		(105,861)	(1,640)	(10,910)
Acquisition of non-controlling interest in subsidiaries .....		(5,750)	(1,208)	(4,062)
Repayment for purchase of non-controlling interest .....	29	(69,200)	(113,251)	(239,652)
Dividends paid .....		15,914	139,039	6,510
Contributions of non-controlling interest .....		(546,916)	(414,932)	(269,785)
Interest paid .....		(224,315)	(4,163)	(152,102)
Capital distributions .....		(2,688)	-	-
Repayment of financial leases.....		-	(37,906)	-
Repurchase of treasury stock.....		-	(1,871)	(1,107)
Repayment of financed purchases.....		(110,848)	(37,961)	-
Acquisition of derivative financial instruments.....		1,506	62,158	-
Collections for derivative financial instruments .....		-	218,262	-
Issuance of non-convertible notes.....		22,151	17,246	70,672
Payment of principal on notes.....		(2,250)	(188,906)	-
Loans from equity investees and joint businesses, net.....		-	(287,240)	(146,192)
<b>Net cash used in financing activities.....</b>		<b>(1,385,899)</b>	<b>(596,767)</b>	<b>(306,268)</b>
<b>Net increase / (decrease) in cash and cash equivalents .....</b>		<b>(106,142)</b>	<b>(491,908)</b>	<b>511,213</b>
Cash and cash equivalents at the beginning of the fiscal year .....	20	609,907	796,902	259,169
Loss from exchange difference of cash and cash equivalents .....		(128,585)	304,913	26,520
<b>Cash and cash equivalents at the end of the fiscal year</b>	20	<b>375,180</b>	<b>609,907</b>	<b>796,902</b>

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

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**IRSA**

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