Earnings Release
Fiscal Year 2018

IRSA

IRSA invites you to participate in its Fiscal Year 2018 conference call

Friday, September 07, 2018 11:00 AM US EST

The call will be hosted by:

Alejandro Elsztain, IIVP

Daniel Elsztain, COO

Matias Gaivironsky, CFO

To participate, please call:

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

1-412-717-9602 (international)

Conference ID # IRSA

In addition, you can access through the following webcast:

http://webcastlite.mziq.com/cover.html?webcastId=7d191221-4be1-4e73-9f9f-7121205944a4

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

PLAYBACK

Available until September 19, 2018

Please call:

1-877-344-7529

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Access Code: **10123266**

FY 2018 Main Highlights

- Adjusted EBITDA for fiscal year 2018 was ARS 9,304 million (ARS 3,008 million from Argentina Business Center and ARS 6,296 million from Israel Business Center), increasing by 32% with respect to 2017.

- The net result for the period recorded a gain of ARS 21,295 million compared to a gain of ARS 5,220 million in fiscal year 2017, mainly explained by higher results due to changes in the fair value of investment properties in Argentina Business Center and higher results from the sale of Shufersal's stake in Israel Business Center, partially offset by higher net financial losses as a result of the exchange depreciation in Argentina.

- Tenant sales in our shopping centers grew by 25.3% in the FY 2018, while the average rent in the office portfolio reached USD / m2 26.1. The adjusted EBITDA of the rental segments in Argentina grew by 24.7% in the compared year.

- We achieved 98.5% occupancy in shopping centers, 92.3% in offices and 70.1% in our hotel portfolio.

- In Israel Business Center, we sold during the year and subsequently, an additional 20% of Clal Insurance through swap transactions. The stake of IDBD in Clal was reduced to 29.8% of its share capital.

Letter to Shareholders

Dear shareholders,

Fiscal year 2018 was marked by significant events in our two operations centers: Argentina and Israel. In Argentina, we made progress in the development of the projects underway and obtained highly satisfactory results in our rental segments despite a last quarter of currency volatility in the country. In Israel, we sold assets for very attractive prices and refinanced debt at each of the companies at very competitive interest rates. Additionally, the operating subsidiaries continued exhibiting solid performance and investing in new projects.

Adjusted EBITDA for fiscal year 2018, excluding the impact of the revaluation of our investment properties at fair value, reached Ps. 9.3 billion (Ps. 3.0 billion from Argentina and Ps. 6.3 billion from Israel), 32% higher than in 2017, whereas profit for the year was Ps. 21.3 billion, out of which Ps. 14.6 billion derive from the operations center in Argentina and Ps. 6.7 billion from the operations center in Israel.

As concerns our *Operations Center in Argentina,* we are highly satisfied with the performance of our commercial real estate subsidiary, IRSA Propiedades Comerciales, controlled in a 86.34% after the sale in the secondary market of an 8.13% stake on October 2018 with the objective of provide liquidity to the vehicle.

In operating terms, tenant sales in our 16 shopping malls grew by 25.3% in the year, and occupancy reached optimum levels of 98.5% while the portfolio of 7 premium office buildings remained at an average monthly rental price of approximately USD 26.1 per sqm, and reduced its occupancy rate to 92.3% due to the incorporation of Philips buildings, acquired on June 2017, occupied at 69.8%.

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

On March of this year, we have acquired a plot of land of 78,000 sqm in La Plata district, BA province for a total amount of USD 7.5 million and on July, we have acquired “Maltería Hudson” plot of land of approximately 148,000 sqm for an amount of USD 7.0 million. The purpose of both acquisitions is the future development of a mixed-use project, given that the properties have the characteristics of location and scale suitable for a real estate development.

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

Also, we will put into operation in 2019 the office building "Polo Dot" of 32,000 sqm of GLA, located in the commercial complex adjacent to our shopping Dot Baires, which is already totally leased to high-level tenants as the e-commerce company "Mercado Libre" and retailer "Falabella". We have evidenced an important demand for Premium office spaces in this new commercial center and we are confident that we will be able to generate a quality enterprise similar to the ones made by the company in the past with attractive income levels and high occupancy. The second stage of the project consists of two office / hotel buildings that will add 38,400 sqm of GLA to the complex and the future expansion of the shopping center in approximately 15,000 sqm of GLA.

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

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

In our Sales and Developments segment, during this year we sold our 50% interest in the “Baicom” land reserve of approximately 6,905 sqm, located in the neighborhood of Retiro, City of Buenos Aires, for USD 7 million and one floor of Libertador 498 office building for USD 3.7 million. Moreover, we advanced in the sale of 6 lots in the “Greenvielle” gated residential complex, adjoining the “Abril” private residential community in the District of Hudson, in the southern area of Buenos Aires, for an amount of USD 519.000. Our subsidiary IRSA Propiedades Comerciales has sold an office floor of Intercontinental Plaza building for USD 3 million and advanced in the sale of apartment units and parking spaces of the Astor Beruti building, located in Palermo (Buenos Aires) for USD 4.9 million.

Following our long-term vision of real estate as value reserve and the need to reactivate the mortgage market in Argentina, yet incipient, we maintained our 29.91% equity interest in Banco Hipotecario S.A., which has made a favorable contribution to our results, as it added income for Ps. 619 million during this fiscal year.

As concerns our investments outside Argentina, we have refinanced successfully “Lipstick” office building debt to 2020 at a very competitive interest rate and our main challenge will be to keep optimizing its financing structure. Our investment in the Condor Hospitality Trust Hotel REIT (NASDAQ: CDOR) has continued rolling out its strategy of making selective sales of Economy class hotels and acquiring higher class category hotels and has showed very good operating and financial results that let Condor pay common and preferred dividends, quarterly.

Regarding our Operations Center in Israel, we have complied this year with the requirement of the concentration law to eliminate a public company level by transferring the shares of Discount Corporation Ltd. ("DIC") from IDBD to Dolphin Dolphin IL Investment Ltd., controlled by IRSA. We have also consolidated the investment in a single vehicle after having acquired IFISA' stake in IDBD. In this way, IRSA now controls its investment in Israel through its 100% indirect stake in IDBD, whose main asset is Clal Insurance and 77.9% in DIC, whose main subsidiaries are PBC (real estate), Shufersal (supermarkets), Elron (Technology) and Cellcom (Telecommunications).

During this fiscal year, we have improved the financial solvency in Israel, maintaining the strategy of reducing debt in each of the companies, improving credit ratings and increasing the levels of liquidity in IDBD and DIC that cover debt maturities until 2020 and 2021, respectively. A major event of the year was the recent sale by DIC of 16.56% of its stake in Shufersal Ltd. for an amount of NIS 853.7 million that generated an accounting gain in IRSA of approximately ARS 8,500 million. In relation to the insurance company Clal Insurance, we have sold an additional 20% stake during and after the year at market price through swap transactions with local banks. The rest of the operating subsidiaries continue to grow with attractive real estate projects (PBC and Gav-Yam), through online sales and their own brand (Shufersal) and through their strategy of transforming a cell phone company into a telecommunications group, focusing on cost optimization (Cellcom).

IDBD's main challenges for the next period are the sale or control of CLAL Insurance and the definition of the plan to comply with the second stage of the requirement of the Concentration Law, which requires eliminating one more level of public company before December 2019.

We plan to simplify the structure in Israel even further, by retaining those assets we believe are potentially valuable while making progress in our strategy aimed at improving operating margins in each business unit. We trust in the value of this investment, from which we expect to keep obtaining very good results in the future.

The economic results obtained during this year have been accompanied by several sustainability and social responsibility practices. For 25 years to date, we have invested in the communities where we operate, building strong bonds with 180 NGOs. At corporate level, we have two volunteer programs with over 200 participants. Through the IRSA Foundation, we tripled the amount of donations made by our employees to NGOs. We have implemented waste separation in all our buildings and shopping malls and one of our rental buildings has recently obtained the LEED Gold level certification, the highest sustainability qualification for a building.

Looking ahead to fiscal year 2019, we expect to continue growing in each of our business lines, adding footage to our real estate asset portfolio in Argentina and Israel, selling assets we regard as non-strategic for our portfolio, and optimizing the capital structures in our two operations centers. 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.

Eduardo S. Elsztain

Chairman

I

Buenos Aires, September 5 2018 - IRSA Inversiones y Representaciones Sociedad Anónima (NYSE: IRS) (BYMA: IRSA), Argentina's leading real estate company, announces today the results of its operations for the Fiscal Year 2018 ended June 30, 2018.

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

Consolidated Results

In Ps. Million	IVQ 18	IVQ 17	Var a/a	FY 18	FY 17	Var a/a
Revenues	9,852	6,904	42.7%	33,088	27,004	22.5%
Net gain from fair value adjustment of investment properties	9,973	1,396	614.4%	22,605	4,340	420.9%
Profit from operations	11,090	2,324	377.2%	28,114	7,879	256.8%
Depreciation and amortization	928	813	14.1%	3,737	3,377	10.7%
EBITDA	**12,018**	**3,137**	**283.1%**	**31,851**	**11,256**	**183.0%**
Adjusted EBITDA	**2,136**	**1,659**	**28.8%**	**9,304**	**7,044**	**32.1%**
Profit for the period	**10,935**	**-544**	**-2,110.1%**	**21,295**	**5,220**	**308.0%**
Attributable to equity holders of the parent	5,970	-457	-1,406.3%	15,003	3,030	395.1%
Attributable to non-controlling interest	4,965	-87	-5,806.9%	6,292	2,190	187.3%

*EBITDA: Net gain from fair value adjustment on investment properties plus disposal of investment properties.

Consolidated revenues from sales, rentals and services increased by 22.5% in fiscal year 2018 compared to FY 2017, while adjusted EBITDA, which excludes the effect of the result from changes in the unrealized fair value of investment properties reached ARS 9,304 million, 32.1% higher than in fiscal year 2017.

The net result showed a profit of ARS 21,295 million for fiscal year 2018, as a result of a higher result due to changes in the fair value of our investment properties in Argentina Business Center and the result of the sale of the stake in Shufersal in our Israel Business Center. This effect was offset by higher net financial losses in Argentina due to the currency depreciation and the non-monetary effect of the debt exchange at the Discount Corporation ("DIC") level in Israel's Business Center.

Argentina Business Center

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

The shopping malls operated by us comprise a total of 344,025 square meters of GLA. Total tenant sales in our shopping malls, as reported by retailers, were Ps. 43,130 million for fiscal year 2018 and Ps. 34,428 million for fiscal year 2017, which implies an increase of 25.3%.

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

Shopping Malls' Financial Indicators

(in ARS million)	IVQ 18	IVQ 17	YoY Var	FY 18	FY 17	YoY Var
Revenues from sales, leases and services	969	831	16.6%	3,665	3,047	20.3%
Net gain from fair value adjustment on investment properties	2,317	686	237.8%	11,340	2,068	448.4%
Profit from operations	3,017	1,178	156.1%	14,060	4,258	230.2%
Depreciation and amortization	7	2	244.5%	28	18	54.9%
EBITDA	**3,024**	**1,180**	**156.3%**	**14,088**	**4,276**	**229.5%**
Adjusted EBITDA	**707**	**494**	**43.1%**	**2,748**	**2,208**	**24.5%**

Shopping Malls' Operating Indicators

(in ARS million, except as indicated)	FY18	FY16	FY15
Gross leasable area (sqm)	344,025	341,289	333,155
Occupancy	98.5%	98.5%	98.4%

Revenues from this segment grew 20.3%, while Adjusted EBITDA reached ARS 2,748 million (+24.5% compared to the same period of 2017) and EBITDA margin, excluding income from expenses and collective promotion fund, was 75%.

The following table shows certain information of our shopping malls as of June 30, 2018:

	Date of opening	Location	Gross Leasable Area sqm (1)	Stores	Occupancy (2)	IRSA CP's Interest (3)
Alto Palermo	Dec-97	City of Buenos Aires	18,648	136	99.5%	100%
Abasto Shopping(4)	Nov-99	City of Buenos Aires	36,796	170	99.1%	100%
Alto Avellaneda	Dec-97	Province of Buenos Aires	38,422	132	98.9%	100%
Alcorta Shopping	Jun-97	City of Buenos Aires	15,746	114	99.8%	100%
Patio Bullrich	Oct-98	City of Buenos Aires	11,397	86	97.1%	100%
Buenos Aires Design	Nov-97	City of Buenos Aires	13,735	62	96.1%	53.70%
Dot Baires Shopping	May-09	City of Buenos Aires	49,407	157	99.5%	80%
Soleil	Jul-10	Province of Buenos Aires	15,214	79	97.7%	100%
Distrito Arcos (5)	Dec-14	City of Buenos Aires	14,169	68	99.7%	90.00%
Alto Noa Shopping	Mar-95	Salta	19,063	88	96.8%	100%
Alto Rosario Shopping(5)	Nov-04	Santa Fe	33,358	141	99.5%	100%
Mendoza Plaza Shopping	Dec-94	Mendoza	42,867	141	98.3%	100%
Córdoba Shopping	Dec-06	Córdoba	15,276	105	100.0%	100%
La Ribera Shopping	Aug-11	Santa Fe	10,530	68	94.9%	50%
Alto Comahue (6)	Mar-15	Neuquén	9,397	99	94.4%	99.95%
Patio Olmos(7)	Sep-15	Córdoba				
Total			**344,025**	**1,646**	**98.5%**	

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

Tenants' Retail Sales (1) (2)

The following table shows the approximate total amount of tenants' retail sales in millions of pesos in the shopping malls where we have an interest during the fiscal years indicated:

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

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

Cumulative sales per Type of Business

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

Detailed Revenues as of June 30, 2018 and 2017

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

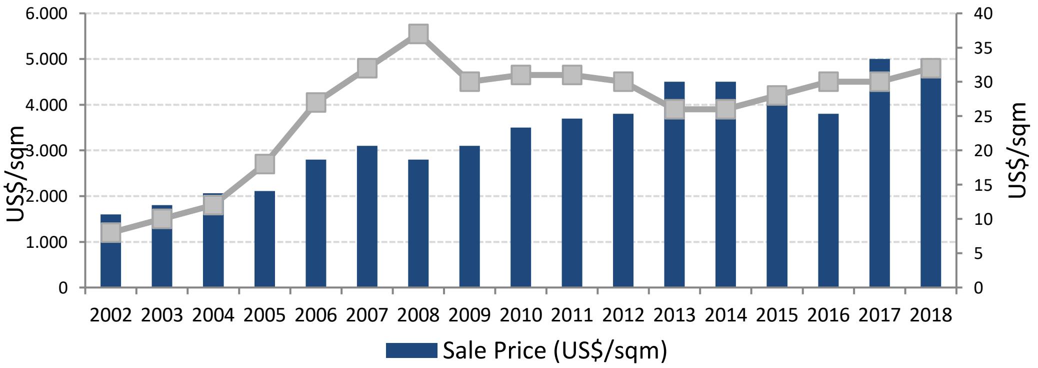
(1) Includes Revenues from stands for ARS 267.6 million cum Jun, 2018.
(2) The difference with the revenues of the segment corresponds to accounting eliminations.
(3) Does not include Patio Olmos.

III. Offices

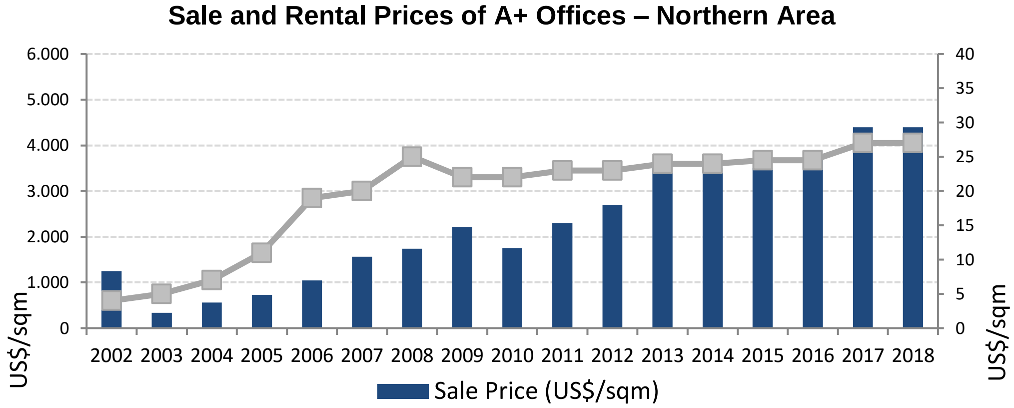
The A+ office market in the City of Buenos Aires remains robust even after the period of highest exchange volatility in recent years. The price of Premium commercial spaces stood at USD 5,000 per square meter while rental prices increased slightly as compared to the previous year, averaging USD 32 per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

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

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



Source: LJ Ramos



Source: LJ Ramos

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

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

(In millions of Ps.)	IVQ 18	IVQ 17	YoY Var	FY 18	FY 17	YoY Var
Revenues from sales, leases and services	150	114	31.6%	532	434	22.6%
Net gain from fair value adjustment on investment properties	3,519	675	421.3%	5,004	1,359	268.2%
Profit from operations	3,607	751	380.4%	5,343	1,636	226.6%
Depreciation and amortization	-1	0	100.0%	5	6	-16.7%
EBITDA	**3,606**	**751**	**380.3%**	**5,348**	**1,642**	**225.7%**
Adjusted EBITDA	**87**	**76**	**14.7%**	**344**	**283**	**21.6%**

	FY 18	FY 17	FY 16
Leasable area (sqm)	83,213	87,919	81,020
Total portfolio occupancy	92.3%	96.2%	98.7%
Rent ARS/sqm	755	419	358
Rent USD/sqm	26.1	25.3	24.0

During fiscal year 2018, revenues from the offices segment increased 22.6% as compared to the same period of 2017 Last quarter of the year boosted the growth given the effect of the exchange rate depreciation in Argentina in our contracts denominated in dollars. Adjusted EBITDA from this segment grew 21.6% in fiscal year 2018 compared to the previous year reaching ARS 344 million.

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

	Date of Acquisition	Gross Leasable Area (sqm) (1)	Occupancy (2)	IRSA's Effective Interest	Monthly Rental Income (in th. of Ps.) (3)	Annual accumulated rental income (thousands of Ps)(4)		
						2018	2017	2016
Offices								
Edificio República (5)	04/28/08	19,885	98.4%	100%	16,112	126,318	112,758	75,122
Torre Bankboston (5)	08/27/07	14,873	85.6%	100%	10,875	86,825	79,498	51,690
Bouchard 551	03/15/07	-	-	100%	296	9,486	3,000	3,000
Intercontinental Plaza (5)	11/18/97	2,979	100.0%	100%	1,910	20,435	18,810	29,078
Bouchard 710 (5)	06/01/05	15,014	100.0%	100%	14,094	121,129	85,465	67,250
Dique IV	12/02/97	-	-	100%	-	-	-	15,000
Maipú 1300	09/28/95	-	-	100%	75	301	6,000	6,000
Libertador 498	12/20/95	-	-	100%	-	8,289	7,000	6,000
Suipacha 652/64 (5)	11/22/91	11,465	86.2%	100%	4,373	33,631	30,007	22,507
Madero 1020	12/21/95	-	-	100%	5	57	44	-
Dot Building (5)	11/28/06	11,242	100.0%	80.0%	7,881	63,913	50,172	31,229
Philips Building (5)	06/05/17	7,755	69.8%	100%	3,416	16,313	-	-
Subtotal Offices		**83,213**	**92.3%**	**N/A**	**59,037**	**486,697**	**392,754**	**306,876**
Other Properties								
Santa María del Plata S.A	10/17/97	116,100	91.4%	100%	1,717	13,790	11,981	12,000
Nobleza Piccardo (6)	05/31/11	109,610	78.0%	50.0%	1,731	6,269	13,217	2,172
Other Properties (7)	N/A	23,240	64.8%	N/A	1,875	19,860	12,838	11,000
Subtotal Other Properties		**248,950**	**83.2%**	**N/A**	**5,323**	**39,919**	**38,036**	**25,172**
Total Offices and Others		**332,163**	**85.5%**	**N/A**	**64,360**	**526,616**	**430,790**	**332,048**

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

The following table shows the occupancy rate (1) of our offices at the closing of the fiscal years ended June 30, 2018 and 2017:

	Occupancy Rate (1)	
	2017	2016
Offices		
Edificio República	98.4%	95.2%
Torre Bankboston	85.6%	100.0%
Intercontinental Plaza	100.0%	100.0%
Bouchard 710	100.0%	100.0%
Suipacha 652/64	86.2%	86.3%
DOT Building	100.0%	100.0%
Libertador 498	-	100.0%
Edificio Phillips	69.8%	-
Subtotal Oficinas	**92.3%**	**96.2%**

(1) Leased square meters pursuant to lease agreements in effect as of June 30, 2018, 2017 and 2016 over gross leasable area of offices for the same periods.**IV.**

Sales and Developments

	IVQ 18	IVQ 17	Var a/a	FY 18	FY 17	Var a/a
Revenues from sales, leases and services	42	95	-55.8%	120	99	21.2%
Net gain from fair value adjustment of investment properties	3,704	717	416.6%	4,771	849	462.0%
Profit from operations	3,756	761	393.5%	4,759	808	488.9%
Depreciation and amortization	-	-1	-100.0%	1	-	0.0%
EBITDA	**3,756**	**760**	**394.1%**	**4,760**	**808**	**489.0%**
Adjusted EBITDA	**164**	**45**	**263.2%**	**386**	**80**	**381.6%**

Income from Sales and Developments segment grew 21.2% in fiscal year 2018 compared to 2017. Adjusted EBITDA was ARS 386 million compared to ARS 80 million during previous year, as a result of the impact of the fair value due to higher sales of investment properties (Maipú 1300, Libertador 498, BAICOM plot and Intercontinental, through IRCP).

Land Reserves

The following table shows the land reserves at IRSA CP level as of June 30, 2018

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

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

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

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

The following table shows the land reserves of IRSA as of June 30, 2018

	IRSA's Interest	Date of acquisition	Land surface (sqm)	Buildable surface (sqm)	GLA (sqm)	Salable surface (sqm)	Book Value (ARS millions)
RESIDENTIAL - BARTER AGREEMENTS							
Pereiraola (Greenville) - Buenos Aires	100%	4/21/2010	-	-	-	35,239	107
Zetol – Uruguay	90%	6/1/2009	-	-	-	64,080	518
Vista al Muelle - Uruguay	90%	6/1/2009	-	-	-	60,360	467
Total Intangibles (Residential)			**-**	**-**	**-**	**159,679**	**1,092**
LAND RESERVES							
Catalinas - BA City	100%	5/26/2010	3,648	14,820	14,820		583
Subtotal Oficinas			**3,648**	**14,820**	**14,820**	**-**	583
Total under Development			**3,648**	**14,820**	**14,820**	**-**	**583**
La Adela - Buenos Aires	100%	8/1/2014	9,878,069	3,951,227	-	-	433
Puerto Retiro - BA City [2]	50%	5/18/1997	82,051	246,153	-	-	40
Solares Santa María - BA City	100%	7/10/1997	716,058	716,058	-	-	6,498
Subtotal Mixed-uses			**10,676,178**	**4,913,438**	**-**	**-**	6,971
Caballito Manzana 35 -BA City	100%	22/10/1998	9,879	-	-	57,192	459
Subtotal Residential			**9,879**	**-**	**-**	**57,192**	459
Total Future Developments			**10,686,057**	**4,913,438**	**-**	**57,192**	**7,431**
Another Land Reserves[4]			**6,932,987**	**-**	**-**	**4,713**	**687**
Total Land Reserves			**17,622,692**	**4,928,258**	**14,820**	**61,905**	**8,702**
Total Land Reserves IRSA + IRSA CP Proportional			**18,921,761**	**6,116,506**	**151,576**	**93,206**	**13,298**

(1) Includes Pilar R8 Km 53, Pontevedra, Mariano Acosta, Merlo, San Luis plot, Llao Llao plot and Casona Abril remaining surface.
(2) This land plot maintains its value at historical cost

V. CAPEX

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

Shopping Mall Expansions

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

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

First Stage of Polo Dot

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

Catalinas building

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

VI. Hotels

During fiscal year 2018, the Hotels segment recorded an increase in revenues of 34.2% mainly due to the depreciation of the exchange rate, an increase in the average rate per room and in the occupancy rate. The segment's EBITDA reached ARS 39 million during the period under review.

Hotels (in millions of ARS)	IVQ 18	IVQ 17	YoY Var	FY 18	FY 17	YoY Var
Revenues	234	157	49.0%	973	725	34.2%
(Loss) / profit from operations	-10	-30	-66.7%	25	6	316.7%
Depreciation and amortization	3	6	-50.0%	14	14	0.0%
EBITDA	**-7**	**-24**	**-70.8%**	**39**	**20**	**95.0%**

	IVQ 18	IIIQ 18	IIQ 18	IQ 18	IV 17
Average Occupancy	70.1%	71.9%	71.5%	68.4%	67.3%
Average Rate per Room (ARS/night)	3,682	3,625	3,420	3,290	2,803
Average Rate per Room (USD/night)	191	198	195	190	181

The following is information on our hotel segment as of June 30, 2018:

Hotels	Date of Acquisition	IRSA's Interest	Number of rooms	Occupancy(1)	Average Price per Room Ps. (2)	Fiscal Year Sales as of June 30 (in millions)		
						2018	2017	2016
Intercontinental (3)	11/01/1997	76.34%	309	74.9%	2,781	343	272	195
Sheraton Libertador (4)	03/01/1998	80.00%	200	76.1%	2,728	212	151	119
Llao Llao (5)	06/01/1997	50.00%	205	56.9%	6,713	424	302	220
Total	**-**	**-**	**714**	**70.1%**	**3,682**	**979**	**725**	**534**

(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.

VII. International

Lipstick Building, New York, United States

The Lipstick Building is a landmark building in the City of New York, located at Third Avenue and 53th Street in Midtown Manhattan, New York. It was designed by architects John Burgee and Philip Johnson (Glass House and Seagram Building, among other renowned works) and it is named after its elliptical shape and red façade. Its gross leasable area is approximately 58,000 sqm and consists of 34 floors.

As of June 30, 2018, the building's occupancy rate was 96.9%, thus generating an average rent of USD 77.5 per sqm.

Lipstick	Jun-18	Jun-17	YoY Var
Gross Leasable Area (sqm)	58,092	58,094	-
Occupancy	96.9%	95.2%	1.7 p.p.
Rental price (USD/sqm)	77.5	69.2	12.0%

During 2018 we have successfully refinanced the "Lipstick" building debt, reducing it from USD 113 million to USD 53 million, extending the term to April 30, 2020 and reducing the loan interest rate from the Libor + 4% to Libor + 2%. Our main challenge in the future will be to continue optimizing its financing structure and to occupy the sqm that will be released by its main tenant, Latham & Watkins, in the fiscal year 2021.

Investment in Condor Hospitality Inc.

We maintain our investment in the Condor Hospitality Trust Hotel REIT (NYSE: CDOR) mainly through our subsidiary Real Estate Investment Group VII L.P. ("REIG VII"), in which we hold a 100% interest. Condor is a REIT listed in NYSE focused on medium-class hotels located in various states of the United States of America, managed by various operators and franchises.

Condor's investment strategy is to build a branded premium, select service hotels portfolio within the top 100 Metropolitan Statistical Areas ("MSA") with a particular focus on the range of MSA 20 to 60. Since the beginning of the reconversion of the hotel portfolio in 2015, Condor has acquired 14 high quality select service hotels in its target markets for a total purchase price of approximately $ 277 million. In addition, during this time, he has sold 53 legacy assets for a total value of approximately $ 161 million.

As of June 30, 2018, the Group held 2,245,100 common shares of Condor's capital stock, accounting for approximately 18.9% of that company's capital stock and votes. The Group also held 325,752 Series E preferred shares, and a promissory note convertible into 64,964 common shares (at a price of USD 10.4 each).

VIII. Corporate

(in millions of ARS)	IVQ 18	IVQ 17	YoY Var	FY 18	FY 17	YoY Var
Revenues	-	-	-	-	-	-
(Loss) / profit from operations	-38	-46	-17.4%	-151	-132	14.4%
Depreciation and amortization	1	1	0.0%	1	1	0.0%
EBITDA	**-37**	**-45**	**-17.8%**	**-150**	**-131**	**14.5%**

IX. Financial Operations and Others

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

- BHSA is a leading bank in the mortgage lending industry, in which IRSA held an equity interest of 29.91% as of June 30, 2018 (excluding treasury shares). In fiscal year 2018, the investment in Banco Hipotecario generated an income of ARS 619 million vs ARS 83 million on fiscal year 2017. On April 9, 2018, Banco Hipotecario approved the distribution of a cash dividend of ARS 200 million, which was made available on April 23, 2018. The company has received ARS 59.8 million, according to its stake in the bank.
- For further information, visit http://www.cnv.gob.ar or http://www.hipotecario.com.ar.

Operations Center in Israel

X. Investment in IDB Development Corporation and Discount Investment Corporation ("DIC")

Within this operations center, the Group operates the following segments:

- The **"Real Estate"** segment mainly includes the assets and profit from operations derived from the business related to the subsidiary PBC. Through PBC, the Group operates rental and residential properties in Israel, United States and other locations in the world, and executes commercial projects in Las Vegas, United States of America.
- The **"Supermarkets"** segment includes the assets and profit from operations derived from the business related to the subsidiary Shufersal. Through Shufersal, the Group mainly operates a supermarket chain in Israel.
- The **"Telecommunications"** segment includes the assets and profit from operations derived from the business related to the subsidiary Cellcom. Cellcom is supplier of telecommunication services and its main businesses include the provision of cellular and fixed telephone, data and Internet services, among others.
- The **"Insurance"** segment includes the investment in Clal. This company is one of the largest insurance groups in Israel, whose businesses mainly comprise pension and social security insurance and other insurance lines. As stated in Note 14, the Group does not hold a controlling interest in Clal; therefore, it is not consolidated on a line-by-line basis, but under a single line as a financial instrument at fair value, as required under IFRS under the current circumstances in which no control is exercised.
- The **"Others"** segment includes the assets and profit from other miscellaneous businesses, such as technological developments, tourism, oil and gas assets, electronics, and other sundry activities.

Segment Results

The following table sets for the results of our Operations Center in Israel for the consolidated 12-month period ended in 2018 and 2017

Operations Center in Israel (ARS Million)

June 30, 2018 (for the period 07/01/17 through 06/30/18)

	Real Estate	Super-markets	Telecommu-nications	Insurance	Others	Corporativo	Total
Revenues from sales, leases and services	6,180	60,470	19,347	-	583	-	86,580
Costs	-2,619	-44,563	-13,899	-	-314	-	-61,395
Gross profit	**3,561**	**15,907**	**5,448**	**-**	**269**	**-**	**25,185**
Gain from disposal of investment properties	1,996	164	-	-	-	-	2,160
General and administrative expenses	-363	-878	-1,810	-	-445	-374	-3,870
Selling expenses	-115	-12,749	-3,974	-	-148	-	-16,986
Other operating results, net	98	-177	140	-	-28	434	467
Profit / (loss) from operations	**5,177**	**2,267**	**-196**	**-**	**-352**	**60**	**6,956**
Share of profit of associates and joint ventures	167	20	-	-	-230	-	-43
Segment profit / (loss)	**5,344**	**2,287**	**-196**	**-**	**-582**	**60**	**6,913**
Operating assets	134,037	13,303	49,797	12,254	36,178	21,231	266,800
Operating liabilities	-104,202	-	-38,804	-1,214	-2,658	-68,574	-215,452
Operating assets / (liabilities), net	**29,835**	**13,303**	**10,993**	**11,040**	**33,520**	**-47,343**	**51,348**

Following is the comparative information by segments of our operations center in Israel for the period between July 1 and June 30 of both periods.

Real Estate (Property & Building - PBC) - Ps. MM	IVQ 18	IVQ 17	YoY Var	FY 18	FY 17	YoY Var
Revenues	2,387	1,076	121.8%	6,180	4,918	25.7%
Net gain from fair value adjustment of investment properties	785	-661	-218.8%	1,996	261	664.8%
Profit from operations	1,616	-89	-1,915.7%	5,177	2,511	106.2%
Depreciation and amortization	5	4	25.0%	19	27	-29.6%
EBITDA	**1,621**	**-85**	**-2,007.1%**	**5,196**	**2,538**	**104.7%**
Adjusted EBITDA	**838**	**434**	**93.1%**	**3,289**	**2,296**	**43.2%**

Revenues and operating income of the **Real Estate** segment through the subsidiary Property & Building ("PBC") reached in the 12-month period ended June 30, 2018 $ 6,180 million and $ 5,177 million, respectively, and for the same period ended on June 30, 2017, reached $ 4,918 million and $ 2,511 million respectively. This is mainly due to an average depreciation of 27% of the Argentine peso against the Israeli shekel, an increase of approximately 25,000 m2 compared to fiscal year 2017 and an increase in the value of the rent. Additionally, the market was characterized by maintaining stability in terms of demand and occupancy rates, maintaining a high occupancy rate of approximately 97%.

Supermarkets (Shufersal) - $ MM	IVQ 18	IVQ 17	YoY Var	FY 18	FY 17	YoY Var
Revenues	18.010	12.176	47$9%	60.470	47.277	27$9%
Net gain from fair value adjustment of investment properties	0	15	-100$0%	164	113	45$1%
Profit from operations	600	503	19$3%	2.267	1.762	28$7%
Depreciation and amortization	501	347	44$4%	1.777	1.314	35$2%
EBITDA	**1.101**	**850**	**29$5%**	**4.044**	**3.076**	**31$5%**
Adjusted EBITDA	**1.101**	**835**	**31$9%**	**3.880**	**2.963**	**30$9%**

The segment of **Supermarkets**, through Shufersal, reached in fiscal year 2018 revenues of $ 60,470 million, while the operating result of this segment reached $ 2,267 million, during fiscal year 2017 the revenues were of $ 47,277 million, while the operating result of this segment was $ 1,762 million. This is mainly due to an average depreciation of 27% of the Argentine peso against the Israeli shekel, the consolidation of New Pharm in Shufersal starting in 3Q of 2018, started by an increase in marketing expenses because of the new ICC card. Additionally, the mix of the portfolio, where the own brand gained participation, was improved generating an increase in profitability followed by a reduction in distribution costs from the automation of a Shufersal plant.

Telecommunications (Cellcom) - $ MM	IVQ 18	IVQ 17	YoY Var	FY 18	FY 17	YoY Var
Revenues	5,317	4,061	30.9%	19,347	15,964	21.2%
Profit from operations	-229	-98	133.7%	-196	-253	-22.5%
Depreciation and amortization	900	745	20.8%	3,602	3,210	12.2%
EBITDA	**671**	**647**	**3.7%**	**3,406**	**2,957**	**15.2%**

The **Telecommunications** segment carried out by "Cellcom" reached in the 12-month period ended June 30, 2018 the $ 19,347 million incomes and an operating loss of $ 196 million. For the same period in 2017, revenues were $ 15,964 million and operating loss of $ 253 million. This is mainly due to an average depreciation of 27% of the Argentine peso against the Israeli shekel and to the constant erosion in revenues from mobile services, which was partially offset by an increase in revenues related to landlines, television and the internet. In addition, content costs for television and internet increased more than the revenues generated, as well as an increase in marketing expenses in order to attract more customers

Others (other subsidiaries) - $ MM	IVQ 18	IVQ 17	YoY Var	FY 18	FY 17	YoY Var
Revenues	308	79	289.9%	583	263	121.7%
Loss from operations	-167	-120	39.2%	-352	-364	-3.3%
Depreciation and amortization	11	80	-86.3%	59	120	-50.8%
EBITDA	**-156**	**-40**	**290.0%**	**-293**	**-244**	**20.1%**

The "**Other**" segment reached revenues in the 12-month period ended June 30, 2018 for $ 583 million and an operating loss of $ 352 million. During the same period ended June 30, 2017, it reached revenues of $ 263 million and an operating loss of $ 364 million. This is mainly due to an average depreciation of 27% of the Argentine peso against the Israeli shekel and an improvement in Epsilon's revenues.

Corporate (DIC, IDBD y Dolphin) - $ MM	IVQ 18	IVQ 17	YoY Var	FY 18	FY 17	YoY Var
Revenues	-	-	-	-	-	-
Loss from operations	-88	-66	33.3%	60	-432	-113.9%
Depreciation and amortization	-	-	-	-	-	-
EBITDA	**-88**	**-66**	**33.3%**	**60**	**-432**	**-113.9%**

The "**Corporate**" segment reached in the 12-month period ended June 30, 2018 an operating result of $ 60 million and for the same period ended June 30, 2017, an operating loss of $ 432 million. This is mainly due to an average depreciation of 27% of the Argentine peso against the Israeli shekel and a positive result of NIS 80 Million was registered for the favourable resolution in the Ma'ariv trial.

In relation to "Clal", the Group values its holding in said **insurance** company as a financial asset at market value. The valuation of Clal's shares as of 06/30/2018 raised to $ 12,254 million.

Following instructions imparted by Israel’s Capital Market, Insurance and Savings Commission to the Trustee regarding the guidelines for selling Clal’s shares, during and after fiscal year 2018, IDBD sold an additional 20% of its equity interest in Clal by way of four swap transaction, pursuant to terms identical to those applied to the swap transaction made and reported to the market on May 3, 2017. Upon completion of these transactions, IDBD’s equity interest in Clal was reduced to 29.8% of its stock capital. In addition, IDBD is entitled to a potencial result, in the framework of swap transactions, which amounts to 25% of Clal's shares.

XI. EBITDA by segment (ARS millions)

Operations Center in Argentina

FY 18	Shopping Malls	Offices	Sales and Developments	Hotels	International	Corporate	Other	Total
Profit / (loss) from operations	14,060	5,343	4,759	25	-69	-151	209	24,176
Depreciation and amortization	28	5	1	14	1	1	0	50
EBITDA	**14,088**	**5,348**	**4,760**	**39**	**-68**	**-150**	**209**	**24,226**

FY 17	Shopping Malls	Offices	Sales and Developments	Hotels	International	Corporate	Other	Total
Profit / (loss) from operations	4,258	1,636	808	6	-16	-132	4	6,564
Depreciation and amortization	18	6	0	14	0	1	0	39
EBITDA	4,276	1,642	808	20	-16	-131	4	6,603
EBITDA Var	**229.5%**	**225.7%**	**489.0%**	**95.0%**	**325.0%**	**14.5%**	**5,125.0%**	**266.9%**

Operations Center in Israel

FY 18	Real Estate	Supermarkets	Tele-communications	Other	Total
Profit / (loss) from operations	**5,177**	**2,267**	**-196**	**-352**	**6,896**
Depreciations and amortizations	19	1,777	3,602	59	5,457
EBITDA	**5,196**	**4,044**	**3,406**	**-293**	**12,353**
Net gain from fair value adjustment of investment properties, not realized	-1,907	-164	-	-	-2,071
Adjusted EBITDA	**3,289**	**3,880**	**3,406**	**-293**	**10,282**

FY 17	Real Estate	Supermarkets	Tele-communications	Other	Total
Profit / (loss) from operations	**2,511**	**1,762**	**-253**	**-364**	**3,656**
Depreciations and amortizations	27	1,314	3,210	120	4,671
EBITDA	**2,538**	**3,076**	**2,957**	**-244**	**8,327**
Net gain from fair value adjustment of investment properties, not realized	-242	-113	-	-	-355
Adjusted EBITDA	**2,296**	**2,963**	**2,957**	**-244**	**7,972**
EBITDA Var	**104.7%**	**31.5%**	**15.2%**	**20.1%**	**48.3%**
Adjusted EBITDA Var	**43.2%**	**30.9%**	**15.2%**	**20.1%**	**29.0%**

XII. Reconciliation with Consolidated Statements of Income / (Operations) (ARS millions)

Below is an explanation of the reconciliation of the company's profit by segment with its Consolidated Statements of Income / (Operations). The difference lies in the presence of joint ventures included in the segment but not in the Statements of Income / (Operations).

	Total as per segment	Joint ventures*	Expenses and CPF	Discontinued Operations	Elimination of inter-segment transactions	Total as per Statements of Income / (Operations)
Revenues	91,888	-46	-60,470	1,726	-10	33,088
Costs	-62,461	29	44,563	-1,760	-	-19,629
Gross profit	**29,427**	**-17**	**-15,907**	**-34**	**-10**	**13,459**
Gain from disposal of investment properties	23,507	-738	-164	-	-	22,605
General and administrative expenses	-4,773	13	878	-	13	-3,869
Selling expenses	-17,418	6	12,749	-	-	-4,663
Other operating results, net	389	19	177	-	-3	582
Profit from operations	**31,132**	**-717**	**-2,267**	**-34**	**-**	**28,114**
Share of income of associates and joint ventures	-1,312	611	-20	-	-	-721
Profit before financial results and income tax	**29,820**	**-106**	**-2,287**	**-34**	**-**	**27,393**

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

XIII. Financial Debt and Other Indebtedness

Operations Center in Argentina

The following table contains a breakdown of our indebtedness as of June 30, 2018:

Description	Currency	Amount (1)	Interest Rate	Maturity
Bank overdrafts	ARS	22.8	Floating	< 360 days
IRSA 2020 Series II Non-Convertible Notes.	USD	71.4	11.50%	Jul-20
Series VII Non-Convertible Notes	ARS	13.3	Badlar + 299	Sep-19
Series VIII Non-Convertible Notes	USD	184.5	7.00%	Sep-19
Other debt	USD	44.1	-	Feb-22
IRSA's Total Debt		**336.2**		
IRSA's Cash + Cash Equivalents + Investments (2)	USD	0.9		
IRSA's Net Debt	**USD**	**335.3**		
Bank overdrafts	ARS	0.2	-	< 360 d
PAMSA loan	USD	35.0	Fixed	Feb-323
IRCP NCN Class IV	USD	140.0	5.0%	Sep-20
IRSA CP NCN Class II	USD	360.0	8.75%	Mar-23
IRSA CP's Total Debt		**535.2**		
Cash & Cash Equivalents + Investments (3		304.7		
Consolidated Net Debt		**230.5**		

(1) Principal amount in USD (million) at an exchange rate of Ps. 28.85 Ps./USD, without considering accrued interest or eliminations of balances with subsidiaries.
(2) "IRSA's Cash & Cash Equivalents plus Investments" includes IRSA's Cash & Cash Equivalents + IRSA's Investments in current and non-current financial assets.
(3) "IRSA CP's Cash & Cash Equivalents plus Investments" includes IRSA CP's Cash and cash equivalents + Investments in Current Financial Assets and our holding in TGLT's convertible Notes.

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

Operations Center in Israel

Financial debt as of June 30, 2018:

Indebtedness	Amount (1)
IDBD's Total Debt	966
DIC's Total Debt	973

(1) Principal amount in USD (million) at an exchange rate of 3.6573 NIS/USD, without considering accrued interest or elimination of balances with subsidiaries. Includes bonds and loans.
(2) Includes IDB Tourism, Bartan and IDBG.

XIV. Material and Subsequent Events

Operations Center in Argentina

July 2017: Sale of BAICOM land reserve

On July 19, the Company, acting through a subsidiary, sold to an unrelated third party a land reserve of approximately 6,905 sqm located at Av. P. Ramón Castillo, at the corner of Av. Antártida Argentina, in the neighborhood of Retiro, City of Buenos Aires.

This land reserve was owned by BAICOM Networks S.A., a company in which IRSA held an indirect controlling interest of 50%.

The transaction amount was USD 14,000,000 (fourteen million Dollars) (USD 7 million corresponding to IRSA), and it has been fully paid.

August 2017: Purchase of DIC's shares by Dolphin Netherlands B.V.

On August 22, 2017, under the scope of the Law to Promote Competition and Reduce Concentration (the "Concentration Law"), Dolphin Netherlands B.V. made a non-binding offer to purchase all the shares held by IDB Development Corporation Ltd. ("IDBD") in Discount Investment Corporation Ltd. ("DIC").

No assurance may be given that the parties will execute or perform any binding agreement. The offer is subject to review by IDBD's independent board committee and the terms and conditions will be negotiated after such review. This transaction could significantly extend over time or could fail to be consummated or be consummated under different terms over the course of the negotiations, as it must be approved by IDBD's corporate bodies and other entities, which could withhold their consent.

For purposes of the transaction, an independent board committee has been organized to assess the offer and negotiate its terms and conditions.

October 2017: Sale of Equity Interest in IRSA Propiedades Comerciales

On October 26, 2017, the Company sold 10,240,000 common shares of ARS 1.00 pare value each, represented by American Depositary Shares ("ADS"), in the over-the-counter market. Each ADS represents four common shares of IRSA Propiedades Comerciales S.A., accounting for 8.1% of its stock capital. After the consummation of this transaction, the Company's equity interest in IRSA CP is now 86.5%.

October 2017: General Ordinary and Extraordinary Shareholders' Meeting

At the General Ordinary and Extraordinary Shareholders' Meeting held on October 31, 2017, the following matters, inter alia, were resolved:

- Distribution of a cash dividend for ARS 1,400 million.
- Fees payable to the Board of Directors and Supervisory Committee for fiscal year 2017 closed as of June 30, 2017.

- Renewal of regular and alternate Directors due to expiration of their terms and appointment of new alternate director.
- Creation of a new Global Note Program for up to USD 350 million.

November 2017: Payment of cash dividend

At the Board meeting held on November 1, 2017, it was resolved to make available to the shareholders, as from November 14, 2017, a cash dividend of Ps. 1,400,000,000 (Argentine legal tender) equivalent to 241,931389433% of the Stock Capital, i.e., an amount per share (ARS 1 par value) of $2.41931389433 and an amount per ADR (Argentine Pesos per ADR) of $24.1931389433 to be charged against the fiscal year ended June 30, 2017, which was paid to all the shareholders recorded as such as of November 13, 2017, according to the register kept by Caja de Valores S.A.

Operations Center in Israel

November 2017: Purchase of DIC shares by Dolphin

As mentioned in Note 7 to the Consolidated Financial Statements as of June 30, 2017, in connection with the Promotion of Competition and Reduction of Concentration Law in Israel, after June 30, 2017, Dolphin Netherlands B.V. made a non-binding tender offer for the acquisition of all DIC shares held by IDBD. For purposes of the transaction, a committee of independent Directors has been set up to assess the tender offer and negotiate the terms and conditions. The Audit Committee has issued an opinion without reservations as to the transaction in accordance with the terms of section 72 et al. of the Capital Markets Law N° 26,831.

In November 2017, Dolphin IL Investment Ltd. (Dolphin IL), a subsidiary of Dolphin Netherlands B.V., has subscribed the final documents for the acquisition of the total shares owned by IDBD in DIC.

The transaction has been made for an amount of NIS 1,843 million (equivalent to NIS 17.20 per share of DIC). The consideration was paid NIS 70 million in cash (equivalent to Ps. 348 million as of the date of the transaction) and NIS 1,773 million (equivalent to Ps. 8,814 million as of the date of the transaction) was financed by IDBD to Dolphin, maturing in five years, with the possibility of an extension of three additional years in tranches of one year each, that will accrue an initial interest of 6.5% annually, which will increase by 1% annually in case of extension for each year. In addition to these payment conditions the payment of NIS 70 million in cash is added. Furthermore, guarantees have been implemented for IDBD, for IDBD bondholders and their creditors, through pledges of different degree of privilege over DIC shares resulting from the purchase. Moreover, a pledge will be granted in relation to 9,636,097 (equivalent to 6.38%) of the shares of DIC that Dolphin currently holds in the first degree of privilege in favor of IDBD and in second degree of privilege in favor of IDBD's creditors. This transaction has no effect in the Groups consolidation structure and has been accounted in equity as a decrease in the equity holders of the parent for an amount of Ps. 114 million.

It should be noted that the financial position of IDBD and its subsidiaries at the Operations Center in Israel does not affect the financial position of IRSA and subsidiaries at the Operations Center in Argentina. In addition, the commitments and other covenants resulting from IDBD’s financial debt do not have impact on IRSA since such indebtedness has no recourse against IRSA and it is not granted by IRSA’s assets.

December 2017: Purchase of shares of IDBD to IFISA

In December 1, 2017, Dolphin Netherlands BV (Dolphin), has executed a share purchase agreement for all of the shares that IFISA held of IDBB, which amounted to 31.7% of the capital stock. In this way, as of the end of December 31, 2017, Dolphin controls 100% of IDBD's shares.

The transaction was made at a price of NIS 398 million (equivalent to NIS 1.968 per share and approximately to Ps. 1,968 million as of the date of the transaction). As consideration of the transaction all receivables from Dolphin to IFISA have been canceled plus a payment of USD 33.7 million (equivalents to Ps. 588 million as of the date of the transaction). This transaction was accounted in equity as a decrease in the equity holders of the parent for an amount of Ps. 2,923 million.

May 2018: DIC shares swap

On May 6, 2018 IDBD agreed on a SWAP on shares of DIC held by third parties with a banking entity not related to the group for a period of one year with the possibility of extending an additional year. The total of shares subject to the agreement is 6,020,811 and the value of the swap at the time of subscription is on average NIS 10,12 per share, approximately NIS 60 million (approximately $ 342 million on the day of the transaction). The present transaction will be settled in cash for the difference between the quotation at the end of the agreement and the agreed price. For this transaction, the group has not increased its participation in DIC for this transaction and granted guarantees on certain financial assets.

June 2018: Sale of Shufersal shares

On June 20, 2018, DIC has sold to institutional investors a 16.56% stake of Shufersal Ltd. stock capital for an amount of NIS 853.7 million (NIS / share 21.83) reducing its stake from 50.1% to approximately 33.6% of its capital stock and ceasing to control Shufersal Ltd. As a result, DIC will discontinue the consolidation of Shufersal's financial statements in its financial statements.

The accounting profit of this operation and the revaluation at fair value of the remaining stake in Shufersal Ltd. amounts to ARS 8,500 million and will be recognized in IRSA´s financial statements of the fourth quarter of fiscal year 2018.

XV. Brief comment on prospects for the next period

Our businesses in the operations center in Argentina and Israel have posted sound results for fiscal year 2018. We believe that the diversification of our business, with real estate assets in Argentina and abroad, favorably positions us to face all the challenges and opportunities that may arise in the coming years.

As concerns our operations center in Argentina, our subsidiary IRSA Propiedades Comerciales S.A. continues to consolidate itself as the leading commercial real estate company in Argentina, as its main shopping mall and office businesses recorded positive growth levels this year. The exchange rate volatility of the last quarter of this fiscal year has modified the growth projection of economic activity for the year 2019 downwards, and in this context, it is a challenge to be able to maintain the level of consumption in our shopping malls.

Regarding investments, during the next fiscal year, we plan to incorporate approximately 17,000 sqm of the expansion works in progress of some of our shopping malls. Also, we will put into operation the office building "Polo Dot", of 32,000 sqm of GLA, located in the commercial complex adjacent to our shopping Dot Baires, which is already leased in its entirety to high-level tenants as the e-commerce company "Mercado Libre" and the retailer "Falabella". Additionally, we will advance in the development of 35,468 sqm of GLA of the "Catalinas" building located in one of the most premium areas for the development of offices in Argentina.

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

As concerns our investments outside Argentina, we have successfully refinanced the debt of the "Lipstick" building to 2020 at a very competitive interest rate and our main challenge in 2019 will be to optimize its capital structure.

With regard to the investment in the Israeli company IDBD, we are very satisfied with the results obtained during the fiscal year 2018. We will continue working in 2019 to continue reducing the company's debt levels, sell the non-strategic assets of the portfolio and improve margins at each of the operating subsidiaries. Likewise, we will work on the fulfillment of the 2nd stage of Concentration Law, which requires eliminating one more level of public company before December 2019.

Taking into account the quality of the real estate assets in our portfolio, the Company’s financial position and low indebtedness level and its franchise for accessing the capital markets, we remain confident that we will continue consolidating the best real estate portfolio in Argentina and Israel. Moreover, in line with our continuous pursuit of business opportunities and having in mind the general and specific conditions of the national and international markets, we keep evaluating different actions to optimize our capital structure.

Consolidated Balance Sheets
as of June 30, 2018, 2017 and 2016.

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

	Note	06.30.2018	06.30.2017	06.30.2016
ASSETS				
Non-current assets				
Investment properties	9	162,726	99,953	82,703
Property, plant and equipment	10	13,403	27,113	24,049
Trading properties	11, 24	6,018	4,532	4,730
Intangible assets	12	12,297	12,387	11,763
Other assets		189	-	-
Investments in associates and joint ventures	8	24,650	7,885	16,880
Deferred income tax assets	20	380	285	51
Income tax and MPIT credit		415	145	123
Restricted assets	13	2,044	448	54
Trade and other receivables	14	8,142	4,974	3,441
Employee benefits		-	-	4
Investments in financial assets	13	1,703	1,772	2,226
Financial assets held for sale	13	7,788	6,225	3,346
Derivative financial instruments	13	-	31	8
Total non-current assets		**239,755**	**165,750**	**149,378**
Current assets				
Trading properties	11, 24	3,232	1,249	241
Inventories	24	630	4,260	3,246
Restricted assets	13	4,245	506	564
Income tax and MPIT credit		399	339	506
Group of assets held for sale	31	5,192	2,681	-
Trade and other receivables	14	14,947	17,264	13,409
Investments in financial assets	13	25,503	11,951	9,656
Financial assets held for sale	13	4,466	2,337	1,256
Derivative financial instruments	13	87	51	19
Cash and cash equivalents	13	37,317	24,854	13,866
Total current assets		**96,018**	**65,492**	**42,763**
TOTAL ASSETS		**335,773**	**231,242**	**192,141**
SHAREHOLDERS' EQUITY				
Capital and reserves attributable to equity holders of tke parent				
Share capital		575	575	575
Treasury shares		4	4	4
Inflation adjustment of share capital and treasury shares		123	123	123
Share premium		793	793	793
Additional paid-in capital from treasury shares		19	17	16
Legal reserve		143	143	117
Special reserve		2,751	2,751	2,755
Other reserves		2,111	2,165	990
Retained Earnings (Accumulated deficit)		30,902	19,293	16,259
Shareholders' equity attributable to equity holders of the parent (according to corresponding statement)		37,421	25,864	21,632
Non-controlling interest		37,120	21,472	14,224
TOTAL SHAREHOLDERS' EQUITY		**74,541**	**47,336**	**35,856**
LIABILITIES				
Non-current liabilities				
Borrowings	19	181,046	109,489	90,680
Deferred income tax liabilities	20	26,197	23,024	19,150
Trade and other payables	17	3,484	3,040	1,518
Provisions	18	3,549	943	532
Employee benefits	28	110	763	689
Income tax and MPIT liabilities		-	-	-
Derivative financial instruments	13	24	86	105
Salaries and social security liabilities		66	127	11
Total non-current liabilities		**214,476**	**137,472**	**112,685**
Current liabilities				
Trade and other payables	17	14,617	20,839	17,874
Borrowings	19	25,587	19,926	22,252
Provisions	18	1,053	890	1,039
Group of liabilities held for sale	31	3,243	1,855	-
Salaries and social security liabilities		1,553	2,041	1,707
Income tax and MPIT liabilities		522	797	616
Derivative financial instruments	13	181	86	112
Total current liabilities		**46,756**	**46,434**	**43,600**
TOTAL LIABILITIES		**261,232**	**183,906**	**156,285**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**335,773**	**231,242**	**192,141**

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

Consolidated Income Statements
for the fiscal years ended June 30, 2018, 2017, and 2016

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

	Note	06.30.18	06.30.17	06.30.16
Revenues	22	33,088	27,004	12,916
Costs	23, 24	(19,629)	(16,033)	(7,036)
Gross profit		**13,459**	**10,971**	**5,880**
Net gain from fair value adjustment of investment properties	9	22,605	4,340	17,536
General and administrative expenses	23	(3,869)	(3,219)	(1,639)
Selling expenses	23	(4,663)	(4,007)	(1,842)
Other operating results, net	25	582	(206)	20
Profit from operations		**28,114**	**7,879**	**19,955**
Share of loss of associates and joint ventures	8	(721)	109	(135)
Profit before financial results and income tax		**27,393**	**7,988**	**19,820**
Finance income	26	1,761	937	1,264
Finance costs	26	(21,058)	(8,072)	(5,571)
Other financial results	26	596	3,040	(509)
Financial results, net		**(18,701)**	**(4,095)**	**(4,816)**
Profit before income tax		**8,692**	**3,893**	**15,004**
Income tax expense	20	124	(2,766)	(6,325)
Profit for the year from continuing operations		**8,816**	**1,127**	**8,679**
Profit for the year from discontinued operations	32	12,479	4,093	817
Profit for the year		**21,295**	**5,220**	**9,496**
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Currency translation adjustment		12,689	1,309	2,699
Share of other comprehensive income of associates and joint ventures		922	1,920	(178)
Revaluation reserve		99	-	-
Change in the fair value of hedging instruments net of income taxes		(19)	124	3
Items that may not be reclassified subsequently to profit or loss, net of income tax:				
Actuarial profit from defined contribution plans		(12)	(10)	(10)
Other comprehensive income for the year from continuing operations		**13,679**	**3,343**	**2,514**
Other comprehensive income for the year from discontinued operations		435	1,170	1,641
Total other comprehensive income for the year		**14,114**	**4,513**	**4,155**
Total comprehensive income for the year		**35,409**	**9,733**	**13,651**
Total comprehensive income from continuing operations		22,495	4,470	11,193
Total comprehensive income from discontinued operations		12,914	5,263	2,458
Total comprehensive income for the year		**35,409**	**9,733**	**13,651**
Profit for the year attributable to:				
Equity holders of the parent		15,003	3,030	8,973
Non-controlling interest		6,292	2,190	523
Profit from continuing operations attributable to:				
Equity holders of the parent		5,278	1,383	8,635
Non-controlling interest		3,538	(256)	44
Total comprehensive income attributable to:				
Equity holders of the parent		15,532	4,054	9,065
Non-controlling interest		19,877	5,679	4,586
Total comprehensive income from continuing operations attributable to:				
Equity holders of the parent		5,338	1,802	8,296
Non-controlling interest		17,157	2,668	2,897
Profit per share from continuing operations attributable to equity holders of the parent:				
Basic		26.09	5.27	15.61
Diluted		25.91	5.23	15.50
Profit from continuing operations per share attributable to equity holders of the parent:				
Basic		9.18	2.41	15.02
Diluted		9.12	2.39	14.91

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

Consolidated Cash Flow Statements
For the fiscal years ended June 30, 2018, 2017, and 2016

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

	Note	06.30.18	06.30.17	06.30.16
Operating activities:				
Net cash generated from continuing operating activities before income tax paid	15	11,176	6,736	4,015
Income tax and MPIT paid		(981)	(957)	(778)
Net cash generated from continuing operating activities		**10,195**	**5,779**	**3,237**
Net cash generated from discontinued operating activities		4,144	3,280	889
Net cash generated from operating activities		**14,339**	**9,059**	**4,126**
Investing activities:				
Interest held decrease (increase) in associates and joint ventures		(209)	(531)	(207)
Acquisition and improvements of investment properties		(3,200)	(2,751)	(882)
Advance payments		-	-	(7)
Proceeds from sales of investment properties		674	291	1,325
Acquisitions and improvements of property, plant and equipment		(1,877)	(1,298)	(477)
Proceeds from sales of property, plant and equipment		17	8	-
Acquisitions of intangible assets		(629)	(370)	(86)
Acquisitions of subsidiaries, net of cash acquired		(46)	(46)	9,193
Net increase of restricted assets		(3,065)	(396)	-
Dividends received from associates and joint ventures		301	216	14
Dividends received from financial assets		289	35	72
Proceeds from sales of interest held in associates and joint ventures		252	-	9
Proceeds from loans granted		612	-	-
Proceeds from associate liquidation		7	-	-
Acquisitions of investments in financial assets		(21,999)	(4,752)	(11,895)
Proceeds from investments in financial assets		20,526	4,569	11,951
Interest received from financial assets		463	212	102
Payment for other assets acquisition		(120)	-	-
Loans granted to related parties		(348)	(4)	(862)
Loans granted		(102)	-	-
Net cash (used in) generated from continuing investing activities		**(8,454)**	**(4,817)**	**8,250**
Net cash (used in) generated from discontinued investing activities		(3,119)	2,749	(27)
Net cash (used in) generated from in investing activities		**(11,573)**	**(2,068)**	**8,223**
Financing activities:				
Borrowings and issuance of non-convertible notes		17,853	26,596	146,396
Payment of borrowings and non-convertible notes		(17,969)	(17,780)	(145,401)
Obtention / (cancellation), net of short term notes		345	(862)	752
Obtention of loans from related parties		4	-	4
Payment of borrowings to related parties		-	(14)	(6)
Interests paid		(6,999)	(5,326)	(2,934)
Issuance of capital in subsidiaries		-	857	-
Capital distributions to non-controlling interest in subsidiaries		(31)	73	(184)
Capital contributions from non-controlling interest in subsidiaries		1,347	202	1
Acquisition of non-controlling interest in subsidiaries		(612)	(117)	(802)
Proceeds from sales of non-controlling interest in subsidiaries		2,507	2,528	-
Dividend paid		(1,392)	-	-
Receipts from claims		-	-	90
Dividends paid to non-controlling interest in subsidiaries		(1,259)	(2,037)	(106)
Acquisition of derivative financial instruments		-	(131)	-
Proceeds net from derivative financial instruments		81	151	1,331
Net cash (used in) generated from continuing financing activities		**(6,125)**	**4,140**	**(859)**
Net cash generated from (used in) discontinued financing activities		2,258	(2,603)	(3,109)
Net cash (used in) generated from financing activities		**(3,867)**	**1,537**	**(3,968)**
Net (decrease) increase in cash and cash equivalents from continuing activities		(4,384)	5,102	10,628
Net increase (decrease) in cash and cash equivalents from discontinued activities		3,283	3,426	(2,247)
Net (decrease) increase in cash and cash equivalents		**(1,101)**	**8,528**	**8,381**
Cash and cash equivalents at beginning of year	13	24,854	13,866	375
Net decrease in cash and cash equivalents reclassified to held for sale		(347)	(157)	-
Foreign exchange gain on cash and fair value of cash equivalents		13,911	2,617	5,110
Cash and cash equivalents at end of year	13	**37,317**	**24,854**	**13,866**

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

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