



GRUPO CLARÍN S.A.

Interim Condensed Consolidated Financial Statements

for the six-month period ended June 30, 2017
presented on a comparative basis.

English free translation of the Financial Statements and Reports originally issued in Spanish.

GRUPO CLARÍN S.A.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2017 AND FOR THE SIX-MONTH PERIOD BEGINNING JANUARY 1, 2017 AND ENDED JUNE 30, 2017 PRESENTED ON A COMPARATIVE BASIS

GLOSSARY OF SELECTED TERMS

ADIRA	Association of Provincial Newspapers of the Republic of Argentina
AEDBA	Association of Newspaper Publishers of the City of Buenos Aires
AFA	<i>Asociación del Fútbol Argentino</i> (Argentine Football Association)
AFIP	<i>Administración Federal de Ingresos Públicos</i> (Argentine Federal Revenue Service)
AFSCA	<i>Autoridad Federal de Servicios de Comunicación Audiovisual</i> (Audiovisual Communication Services Law Federal Enforcement Authority)
AGEA	Arte Gráfico Editorial Argentino S.A.
AGR	Artes Gráficas Rioplatense S.A.
ANA	<i>Administración Nacional de Aduanas</i> (National Customs Administration)
APE	<i>Acuerdo preventivo extrajudicial</i> (pre-packaged insolvency plan)
ARPA	Association of Argentine Private Broadcasters
ARTEAR	Arte Radiotelevisivo Argentino S.A.
Auto Sports	Auto Sports S.A. (now Carburando S.A.)
Bariloche TV	Bariloche TV S.A.
BCBA	<i>Bolsa de Comercio de Buenos Aires</i> (Buenos Aires Stock Exchange).
Cablevisión	Cablevisión S.A.
Cablevisión Holding	Cablevisión Holding S.A.
Canal Rural	Canal Rural Satelital S.A.
CER	<i>Coeficiente de Estabilización de Referencia</i> (Reference Stabilization Coefficient, a consumer price inflation coefficient)
CIMECO	Compañía Inversora en Medios de Comunicación (CIMECO) S.A.
CLC	Compañía Latinoamericana de Cable S.A.
CMD	Compañía de Medios Digitales (CMD) S.A. (former PRIMA Internacional)
CMI	Comercializadora de Medios del Interior S.A.
CNDC	<i>Comisión Nacional de Defensa de la Competencia</i> (National Antitrust Commission);
CNV	<i>Comisión Nacional de Valores</i> (Argentine Securities Commission)
CPCECABA	<i>Consejo Profesional de Ciencias Económicas de la Ciudad Autónoma de Buenos Aires</i> (Professional Council in Economic Sciences of the City of Buenos Aires)
COMFER	<i>Comité Federal de Radiodifusión</i> (Federal Broadcasting Committee)
CSJN	Supreme Court of Argentina
CUSPIDE	Cúspide Libros S.A.
CVB	CV B Holding S.A.
Dinero Mail	Dinero Mail LLC
Adjusted EBITDA	Revenues less cost of sales and selling and administrative expenses (excluding depreciation and amortization). Additionally, the segment "Cable Television, Internet Access and Telephony Services" includes adjustments related to the recognition of revenues from installation services and transactions including separate items and the non-consolidation of special purpose entities.
Editorial Atlántida	Editorial Atlántida S.A.
EPN	Electro Punto Net S.A.
FACPCE	<i>Federación Argentina de Consejos Profesionales de Ciencias Económicas</i> (Argentine Federation of Professional Councils of Economic Sciences)
FADRA	<i>Fundación de Automovilismo Deportivo de la República Argentina</i> (Argentine Motor Racing Foundation)
Fintech	Fintech Advisory, Inc. together with its affiliates
GCGC	GC Gestión Compartida S.A.
GCSA Investments	GCSA Investments S.A.U, formerly GCSA Investments, LLC
GC Minor	GC Minor S.A.
GC Services	Grupo Clarín Services, LLC
GDS	Global Depositary Shares
Grupo Carburando	Carburando S.A.P.I.C.A.F.I., Mundo Show S.A. and Mundo Show TV S.A.

Signed for identification purposes
with the report dated August 10, 2017

See our report dated
August 10, 2017
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

C.P.C.E.C.A.B.A. Vol. 1 Fol. 17

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Grupo Clarín, or the Company	Grupo Clarín S.A.
Grupo Radio Noticias	Grupo Radio Noticias S.R.L.
Holding Teledigital	Holding Teledigital Cable S.A.
IASB	International Accounting Standards Board
Ideas del Sur	Ideas del Sur S.A.
IESA	Inversora de Eventos S.A.
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
IGJ	<i>Inspección General de Justicia</i> (Argentine Superintendency of Legal Entities)
Impripost	Impripost Tecnologías S.A.
VAT	Value Added Tax
La Razón	Editorial La Razón S.A.
La Capital Cable	La Capital Cable S.A.
Antitrust Law	Law No. 25,156, as amended
Broadcasting Law	Law No. 22,285 and its regulations
Audiovisual Communication Services Law	Law No. 26,522 and its regulations
LSE	London Stock Exchange
Multicanal	Multicanal S.A.
IAS	International Accounting Standards
NCP ARG	Argentine Professional Accounting Standards, except for Technical Resolutions No. 26 and 29 which adopt IFRS.
OSA	Oportunidades S.A.
Papel Prensa	Papel Prensa S.A.I.C.F. y de M.
Patagonik	Patagonik Film Group S.A.
Pol-Ka	Pol-Ka Producciones S.A.
PRIMA	Primera Red Interactiva de Medios Argentinos (PRIMA) S.A.
PRIMA Internacional	Primera Red Interactiva de Medios Americanos (PRIMA) Internacional S.A. (now CMD)
NEXTEL	NEXTEL Communications Argentina S.R.L.
Radio Mitre	Radio Mitre S.A.
SCI	<i>Secretaría de Comercio Interior</i> (Secretariat of Domestic Trade)
SECOM	<i>Secretaría de Comunicaciones</i> (Argentine Secretariat of Communications)
SHOSA	Southtel Holdings S.A.
SMC	<i>Secretaría de Medios de Comunicación</i> (Media Secretariat)
Supercanal	Supercanal Holding S.A.
TATC	Tres Arroyos Televisora Color S.A.
TCM	TC Marketing S.A.
Telba	Teledifusora Bahiense S.A.
Telecor	Telecor S.A.C.I.
Teledigital	Teledigital Cable S.A.
TFN	<i>Tribunal Fiscal de la Nación</i> (National Tax Court)
Tinta Fresca	Tinta Fresca Ediciones S.A.
TPO	Televisora Privada del Oeste S.A.
TRISA	Tele Red Imagen S.A.
TSC	Televisión Satelital Codificada S.A.
TSMA	Teledifusora San Miguel Arcángel S.A.
UNIR	Unir S.A.
Vistone	Vistone S.A.
VLG	VLG Argentina, LLC

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INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2017 AND FOR THE SIX-MONTH PERIOD BEGINNING JANUARY 1, 2017 AND ENDED JUNE 30, 2017 PRESENTED ON A COMPARATIVE BASIS

In Argentine Pesos (Ps.) – Note 2.1 to the interim condensed consolidated financial statements and Note 2.1 to the interim condensed parent company only financial statements.

Registered office: Piedras 1743, Buenos Aires, Argentina

Main corporate business: Investing and financing

Date of incorporation: July 16, 1999

Date of registration with the Public Registry of Commerce:

- Of the by-laws: August 30, 1999
- Of the latest amendment: April 27, 2017

Registration number with the IGJ: 1,669,733

Expiration of articles of incorporation: August 29, 2098

Information on Parent company:

Name: GC Dominio S.A.

Registered office: Piedras 1743, Buenos Aires, Argentina

CAPITAL STRUCTURE (See Note 15 to the parent company only financial statements)

Type	Number of votes per share	Subscribed, registered and paid-in capital
Class "A" Common shares, with nominal value of Ps. 1	5	28,226,683
Class "B" Common shares, with nominal value of Ps. 1	1	69,203,544
Class "C" Common shares, with nominal value of Ps. 1	1	9,345,777
Total as of June 30, 2017		<u>106,776,004</u>
Total as of December 31, 2016		<u>287,418,584</u>

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(Partner)

C.P.C.E.C.A.B.A. Vol. 1 Fol. 17

JORGE CARLOS RENDO
Chairman

GRUPO CLARÍN S.A.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017 AND 2016,
AND FOR THE THREE-MONTH PERIODS BEGINNING ON APRIL 1
AND ENDED ON JUNE 30, 2017 AND 2016
 In Argentine Pesos (Ps.)

	Notes	June 30, 2017	June 30, 2016	April 1, 2017 through June 30, 2017	April 1, 2016 through June 30, 2016
Revenues	5.1	6,281,834,700	4,832,119,144	3,606,014,916	2,746,230,471
Cost of Sales (1)	5.2	(4,123,848,793)	(2,993,057,969)	(2,219,224,361)	(1,621,499,661)
Subtotal - Gross Profit		2,157,985,907	1,839,061,175	1,386,790,555	1,124,730,810
Selling Expenses (1)	5.3	(978,538,717)	(754,339,124)	(523,784,045)	(400,711,696)
Administrative Expenses (1)	5.3	(992,458,271)	(782,990,811)	(529,422,953)	(448,715,423)
Other Income and Expenses, net		60,324,560	13,889,141	26,880,803	6,896,904
Financial Costs	5.4	(105,134,610)	(117,778,689)	(54,273,260)	(64,663,104)
Other Financial Results, net	5.5	(99,853,014)	(42,142,836)	(58,972,807)	(16,755,328)
Financial Results		(204,987,624)	(159,921,525)	(113,246,067)	(81,418,432)
Equity in Earnings from Affiliates and Subsidiaries		83,833,175	30,360,179	26,690,598	7,529,607
Income before Income Tax and Tax on Assets		126,159,030	186,059,035	273,908,891	208,311,770
Income Tax and Tax on Assets		(49,274,758)	(101,150,309)	(99,433,609)	(94,126,211)
Income for the period from continuing operations		76,884,272	84,908,726	174,475,282	114,185,559
Discontinued Operations					
Net Income from Discontinued Operations	5.13	2,366,560,702	1,977,983,637	462,487,207	835,536,508
Income for the period		<u>2,443,444,974</u>	<u>2,062,892,363</u>	<u>636,962,489</u>	<u>949,722,067</u>
Other Comprehensive Income					
Items which may be reclassified to net income					
Variation in Translation Differences of Foreign Operations from Continuing Operations		2,271,971	6,409,830	1,603,393	(1,254,006)
Variation in Translation Differences of Foreign Operations from Discontinued Operations		(77,530,768)	55,023,184	27,217,660	13,359,639
Other Comprehensive Income for the period		(75,258,797)	61,433,014	28,821,053	12,105,633
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>2,368,186,177</u>	<u>2,124,325,377</u>	<u>665,783,542</u>	<u>961,827,700</u>
Profit Attributable to:					
Shareholders of the Parent Company		1,494,174,040	1,227,753,295	445,517,396	595,043,467
Non-Controlling Interests		949,270,934	835,139,068	191,445,093	354,678,600
Total Comprehensive Income Attributable to:					
Shareholders of the Parent Company		1,463,810,439	1,277,202,305	462,115,034	602,739,301
Non-Controlling Interests		904,375,738	847,123,072	203,668,508	359,088,399
Basic and Diluted Earnings per Share from Continuing Operations (See Note 10)		0.39	0.30	1.02	0.40
Basic and Diluted Earnings per Share from Discontinued Operations (See Note 10)		6.19	3.97	1.65	1.67
Basic and Diluted Earnings per Share - Total (See Note 10)		6.58	4.27	2.67	2.07

(1) Includes amortization of intangible assets and film library, and depreciation of property, plant and equipment in the amount of Ps. 114,411,984 and Ps. 80,463,516 for the six-month periods ended June 30, 2017 and 2016, respectively.

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

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C.P.C.E.C.A.B.A. Vol. 150 Fol. 106

JORGE CARLOS RENDO
Chairman

GRUPO CLARÍN S.A.
CONSOLIDATED BALANCE SHEET
AS OF JUNE 30, 2017 AND DECEMBER 31, 2016
In Argentine Pesos (Ps.)

	Notes	June 30, 2017	December 31, 2016
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	5.6	857,874,806	780,775,774
Intangible Assets	5.7	222,071,203	221,713,090
Goodwill		270,923,529	270,923,529
Deferred Tax Assets		715,464,918	532,896,812
Investments in Unconsolidated Affiliates	5.8	391,646,359	368,314,257
Other Investments	5.9	-	7,412,878
Inventories		33,572,882	15,805,039
Other Assets		1,948,925	2,122,552
Other Receivables	5.10	168,049,632	159,206,993
Trade Receivables		97,648,264	99,857,137
Total Non-Current Assets		2,759,200,518	2,459,028,061
CURRENT ASSETS			
Inventories		705,817,447	901,013,829
Other Assets		43,168,404	11,838,743
Other Receivables	5.10	1,116,820,567	486,550,805
Trade Receivables		3,692,746,317	3,582,782,739
Other Investments	5.9	415,229,964	328,346,695
Cash and Banks		260,100,235	416,006,084
Total Current Assets		6,233,882,934	5,726,538,895
Assets Held for Distribution to Shareholders	5.13	-	28,082,220,838
Total Assets		8,993,083,452	36,267,787,794
EQUITY (as per the corresponding statement)			
Attributable to Shareholders of the Parent Company			
Shareholders' Contributions		746,952,203	2,010,638,503
Other Items		(20,992,689)	755,638,189
Accumulated Income		3,273,274,555	6,860,110,364
Total Attributable to Shareholders of the Parent Company		3,999,234,069	9,626,387,056
Attributable to Non-Controlling Interests		32,719,127	4,416,373,963
Total Shareholders' Equity		4,031,953,196	14,042,761,019
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions and Other		255,105,860	228,252,293
Debt	5.11	502,193,110	469,172,621
Deferred Tax Liabilities		838,256	209,849
Taxes Payable		63,094,762	59,188,405
Other Liabilities	5.12	61,343,577	61,662,068
Trade Payables and Other		36,079,777	27,347,968
Total Non-Current Liabilities		918,655,342	845,833,204
CURRENT LIABILITIES			
Debt	5.11	567,555,298	339,731,089
Seller Financings		12,992,225	14,256,467
Taxes Payable		270,871,510	296,868,894
Other Liabilities	5.12	356,492,966	508,464,913
Trade Payables and Other		2,834,562,915	2,958,209,807
Total Current Liabilities		4,042,474,914	4,117,531,170
Liabilities Held for Distribution to Shareholders	5.13	-	17,261,662,401
Total Liabilities		4,961,130,256	22,225,026,775
Total Equity and Liabilities		8,993,083,452	36,267,787,794

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GRUPO CLARÍN S.A.

Registration number with the IGJ: 1,669,733

GRUPO CLARÍN S.A.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017 AND 2016
In Argentine Pesos (Ps.)

	Equity attributable to Shareholders of the Parent Company											Equity Attributable to Non-Controlling Interests	Total Equity
	Shareholders' Contributions				Other Items		Accumulated Income			Total Equity of Controlling Interests			
	Capital Stock	Inflation Adjustment on Capital Stock	Additional Paid-in Capital	Subtotal	Translation of Foreign Operations	Other Reserves	Legal Reserve	Optional reserves (1)	Retained Earnings				
Balances as of January 1 st , 2017	287,418,584	309,885,253	1,413,334,666	2,010,638,503	814,523,312	(58,885,123)	119,460,767	4,210,607,765	2,530,041,832	9,626,387,056	4,416,373,963	14,042,761,019	
Set-up of reserves (Note 9.a.)	-	-	-	-	-	-	-	2,050,041,832	(2,050,041,832)	-	-	-	
Dividend Distribution (Note 9.a.)	-	-	-	-	-	-	-	-	(480,000,000)	(480,000,000)	-	(480,000,000)	
Dividends and Other Movements of Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	(662,836,071)	(662,836,071)	
Income for the period	-	-	-	-	-	-	-	-	1,494,174,040	1,494,174,040	949,270,934	2,443,444,974	
Spun-off Balances (See Note 12)	(180,642,580)	(194,762,882)	(888,280,838)	(1,263,686,300)	(749,470,539)	3,203,262	(75,081,092)	(3,691,570,698)	(834,358,059)	(6,610,963,426)	(4,625,194,503)	(11,236,157,929)	
Other Comprehensive Income:													
Variation in Translation Differences of Foreign Operations	-	-	-	-	(30,363,601)	-	-	-	-	(30,363,601)	(44,895,196)	(75,258,797)	
Balances as of June 30, 2017	106,776,004	115,122,371	525,053,828	746,952,203	34,689,172	(55,681,861)	44,379,675	2,569,078,899	659,815,981	3,999,234,069	32,719,127	4,031,953,196	
Balances as of January 1 st , 2016	287,418,584	309,885,253	1,413,334,666	2,010,638,503	595,897,405	(3,653,767)	119,460,767	2,625,678,396	1,884,929,369	7,232,950,673	3,175,288,997	10,408,239,670	
Set-up of reserves	-	-	-	-	-	-	-	1,584,929,369	(1,584,929,369)	-	-	-	
Dividend Distribution	-	-	-	-	-	-	-	-	(300,000,000)	(300,000,000)	-	(300,000,000)	
Dividends and Other Movements of Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	(614,031,016)	(614,031,016)	
Income for the period	-	-	-	-	-	-	-	-	1,227,753,295	1,227,753,295	835,139,068	2,062,892,363	
Other Comprehensive Income:													
Variation in Translation Differences of Foreign Operations	-	-	-	-	49,449,010	-	-	-	-	49,449,010	11,984,004	61,433,014	
Balances as of June 30, 2016	287,418,584	309,885,253	1,413,334,666	2,010,638,503	645,346,415	(3,653,767)	119,460,767	4,210,607,765	1,227,753,295	8,210,152,978	3,408,381,053	11,618,534,031	

(1) Broken down as follows: (i) Optional reserve for future dividends of Ps. 1,071,751,261; (ii) Judicial reserve for future dividend distribution of Ps. 387,028,756, (iii) Optional reserve for illiquidity of results of Ps. 257,959,160, (iv) Optional reserve to provide financial aid to subsidiaries and in connection with the Audiovisual Communication Services Law of Ps. 462,249,181, and (v) Optional reserve to ensure the liquidity of the Company and its subsidiaries of Ps. 390,090,541.

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GRUPO CLARÍN S.A.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017 AND 2016
In Argentine Pesos (Ps.)

	June 30, 2017	June 30, 2016
CASH PROVIDED BY OPERATING ACTIVITIES		
Income for the period	2,443,444,974	2,062,892,363
Income Tax and Tax on Assets	49,274,758	101,150,309
Accrued Interest, net	90,221,540	66,614,664
Adjustments to reconcile net income for the period to cash provided by operating activities:		
Depreciation of Property, Plant and Equipment	69,792,148	50,588,753
Amortization of Intangible Assets and Film Library	44,619,837	29,874,763
Net allowances	74,165,165	55,710,956
Financial Income, except interest	(3,610,471)	(53,008,412)
Equity in Earnings from Affiliates and Subsidiaries	(83,833,175)	(30,360,179)
Other Income and Expenses	(13,197,524)	(6,005,548)
Net Income from Discontinued Operations	(2,366,560,702)	(1,977,983,637)
Changes in Assets and Liabilities:		
Trade Receivables	(276,611,794)	(211,432,228)
Other Receivables	(704,727,435)	(363,165,223)
Inventories	175,497,682	(232,335,098)
Other Assets	(32,126,409)	1,897,477
Trade Payables and Other	15,706,895	(70,110,750)
Taxes Payable	(73,946,089)	6,076,363
Other Liabilities	311,438,012	181,697,731
Provisions	(45,361,521)	(41,866,817)
Income Tax and Tax on Assets Payments	(169,891,904)	(39,763,280)
Net Cash Flows Provided by Discontinued Operating Activities	3,398,556,976	3,734,775,859
Net Cash Flows Provided by Operating Activities	2,902,850,963	3,265,248,066
CASH PROVIDED BY INVESTMENT ACTIVITIES		
Acquisition of Property, Plant and Equipment, net	(149,166,223)	(126,202,334)
Acquisition of Intangible Assets	(42,923,370)	(43,455,529)
Payments for Acquisition of Subsidiaries, Net of Cash Acquired and Contributions in Associates	-	(964,250)
Dividends collected	17,000,000	500,000
Collection of Interest	-	127,832
Proceeds from Sale of Property, Plant and Equipment	16,435,050	25,986,896
Transactions with Securities, Bonds and Other Financial Instruments, Net	4,262,471	70,102
Collections of Certificates of Deposit	-	10,417,602
Net Cash Flows used in Discontinued Investment Activities	(3,185,408,150)	(5,515,331,853)
Net Cash Flows used in Investment Activities	(3,339,800,222)	(5,648,851,534)
CASH PROVIDED BY FINANCING ACTIVITIES		
Loans Obtained	935,917,196	463,903,747
Repayment of Loans and Issue Expenses	(337,166,793)	(106,948,003)
Payment of Interest	(61,439,176)	(63,408,755)
Payment of Dividends	(480,000,000)	(300,000,000)
Payments to Non-Controlling Interests, net	(7,649,539)	(10,471,721)
Collection of Derivatives	-	59,303,370
Net Cash Flows (used in) / provided by Discontinued Financing Activities	(396,395,065)	1,477,187,364
Net Cash Flows (used in) / provided by Financing Activities	(346,733,377)	1,519,566,002
FINANCING RESULTS GENERATED BY CASH AND CASH EQUIVALENTS FOR CONTINUING OPERATIONS	55,029,029	54,388,441
FINANCING RESULTS GENERATED BY CASH AND CASH EQUIVALENTS FOR DISCONTINUED OPERATIONS	36,860,464	642,980,463
FINANCING RESULTS GENERATED BY CASH AND CASH EQUIVALENTS	91,889,493	697,368,904
Net decrease in cash flow	(691,793,143)	(166,668,562)
Cash and Cash Equivalents at the Beginning of the Year	3,350,687,278	2,705,563,078
Spun-off Balances of Cash and Cash Equivalents (See Note 14)	(2,002,522,766)	-
Effect of Consolidation of Companies	-	2,052,951,267
Cash and Cash Equivalents at the Closing of the Period (Note 2.4)	656,371,369	4,591,845,783

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

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PRICE WATERHOUSE & CO. S.R.L.

CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

(Partner)
C.P.C.E.C.A.B.A. Vol. 1 Fol. 17
Dr. Carlos A. Pace
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. Vol. 150 Fol. 106

JORGE CARLOS RENDO
Chairman

GRUPO CLARÍN S.A.

Registration number with the IGJ: 1,669,733

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GRUPO CLARÍN S.A.
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2016,
PRESENTED ON A COMPARATIVE BASIS
In Argentine Pesos (Ps.)

NOTE 1 – GENERAL INFORMATION

Grupo Clarín is a holding company that operates in the Media industry. Its operating income and cash flows derive from the operations of its subsidiaries in which it participates directly or indirectly.

Note 1 to the annual Consolidated Financial Statements as of December 31, 2016 details the business segments in which Grupo Clarín is engaged through its subsidiaries.

Note 12 to these Interim Condensed Consolidated Financial Statements describes the current merger-spin-off process of the Company and certain subsidiaries.

These interim condensed consolidated financial statements present the financial position, the results of operations, the changes in equity and cash flows corresponding to the balances spun off to the new company, as provided under IFRS. See Note 5.13.

NOTE 2 - BASIS FOR THE PREPARATION AND PRESENTATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis for the preparation

Through General Resolutions No. 562/09 and No. 576/10, the Argentine Securities Commission ("CNV", for its Spanish acronym) provided for the application of Technical Resolutions ("TR") No. 26 and No. 29 issued by the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE", for its Spanish acronym), which adopt the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") for entities subject to the public offering regime governed by Law No. 26,831, whether on account of their equity or their notes, or which have requested authorization to be subject to such regime. The FACPCE issues Adoption Communications in order to implement IASB resolutions in Argentina.

These interim condensed consolidated financial statements of Grupo Clarín S.A. for the six-month period ended June 30, 2017, presented on a comparative basis, have been prepared in accordance with IAS 34 "Interim Financial Reporting". Some additional matters were included as required by the Argentine General Associations Law and/or CNV regulations, including the supplementary information provided by the last paragraph of Section 1, Chapter III, Title IV of General Resolution No. 622/13. That information is included in the Notes to these interim condensed consolidated financial statements, as provided by IFRS. The interim condensed consolidated financial statements have been prepared in accordance with the accounting policies the Company expects to adopt in its annual consolidated financial statements as of December 31, 2017. The accounting policies are based on the IFRS issued by the IASB and the interpretations issued by the IFRIC, which the Company expects will be applicable at such date.

These interim condensed consolidated financial statements have been prepared based on historical cost except for the valuation of financial instruments. In general, the historical cost is based on the fair value of the consideration granted in exchange for the assets.

IAS 29 "Financial Reporting in Hyperinflationary Economies" ("IAS 29") requires that the financial statements of an entity that reports in the currency of a hyperinflationary economy be stated in terms of the measuring unit

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current at the balance sheet closing date of the reporting period and details a series of factors that may indicate that an economy is hyperinflationary. Based on the guidelines of IAS 29, there is not enough evidence to conclude that Argentina was a hyperinflationary economy as of June 30, 2017 and, therefore, the Company did not apply the restatement criteria to the financial information for the periods reported as established under IAS 29.

These interim condensed consolidated financial statements should be read together with the Company's annual financial statements as of December 31, 2016 prepared under IFRS.

The accounting policies used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the financial statements as of December 31, 2016.

Certain figures reported in the financial statements presented on a comparative basis were reclassified in order to maintain the consistency in the disclosure of the figures corresponding to this period.

The attached consolidated information, approved by the Board of Directors at the meeting held on August 10, 2017, is presented in Argentine Pesos (Ps.), the Argentine legal tender, and arises from accounting records kept by Grupo Clarín S.A. and its subsidiaries.

2.2. Standards and Interpretations issued but not adopted to date

The Company has not adopted IFRS or revisions of IFRS issued as per the detail below, since their application is not required for the period ended June 30, 2017:

- IFRS 9 "Financial Instruments": issued in November 2009 and amended in October 2010 and July 2014. IFRS 9 introduces new requirements for the classification and measurement of financial assets and liabilities and for their derecognition. This standard is applicable to years beginning on or after January 1st, 2018.

- IFRS 15 "Revenue from contracts with customers": issued in May 2014 and applicable to fiscal years beginning on or after January 1, 2018. This standard specifies how and when revenue will be recognized, as well as the additional information to be disclosed by the Company in the financial statements. It provides a single, principles based five-step model to be applied to all contracts with customers.

- IFRS 16 "Leases": issued in January 2016 and applicable to fiscal years beginning on or after January 1, 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases.

As of the date of these financial statements, the Company cannot estimate its quantitative and qualitative impact because it is analyzing the corresponding accounting effects.

2.3 Basis for Consolidation

Note 2.4 to the Company's annual consolidated financial statements as of December 31, 2016 details the consolidation criteria used, as well as the detail of the most relevant consolidated subsidiaries and the interests in the capital stock and votes of those companies. See Note 12 to these Interim Condensed Consolidated Financial Statements.

2.4 Statement of Cash Flows

For the purposes of preparing the statement of cash flows, the item "Cash and Cash Equivalents" includes cash and bank balances, certain high liquidity short-term investments (with original maturities shorter than 90 days). Bank overdrafts payable on demand, if any, are deducted to the extent they are part of the Company's cash management.

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Bank overdrafts are classified as “Debt” in the consolidated balance sheet.

Cash and cash equivalents at each period-end, as disclosed in the consolidated statement of cash flows, may be reconciled against the items related to the consolidated balance sheet as follows:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Cash and Banks	260,100,235	1,906,667,689
Short-Term Investments	396,271,134	2,685,178,094
Total	<u>656,371,369</u>	<u>4,591,845,783</u>

NOTE 3 - ACCOUNTING ESTIMATES AND JUDGMENTS

In applying the accounting policies used in the preparation of these interim condensed consolidated financial statements, the Company has to make judgments and prepare accounting estimates of the value of the assets and liabilities that may not be obtained otherwise. The estimates and related assumptions are based on historical experience and other pertinent factors. Actual results may differ from these estimates.

The underlying estimates and assumptions are continually reviewed. The effects of the reviews of accounting estimates are recognized for the period in which estimates are reviewed.

The estimates and assumptions used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the financial statements as of December 31, 2016, which are disclosed in Note 3 to such annual consolidated financial statements.

NOTE 4 – SEGMENT INFORMATION

Note 4 to the annual consolidated financial statements as of December 31, 2016 details the Company's business segments and the considerations taken into account by the Company to assess the performance of those segments: the adjusted EBITDA.

The following tables include the information for the six-month periods ended June 30, 2017 and 2016, prepared on the basis of IFRS, for the business segments identified by the Company. Notes 5.13 and 12 describe the effects of the corporate reorganization process of the Company and some of its subsidiaries and the corresponding impact on the consolidated financial information as of June 30, 2017.

As mentioned in Note 12 to these consolidated financial statements, the information as of June 30, 2017 on the cable television, Internet Access and Telephony Services contains information about the four-month period beginning January 1, 2017 and ended April 30, 2017.

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GRUPO CLARÍN S.A.

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Information arising from Consolidated Income Statements as of June 30, 2017	Cable Television, Internet Access and Telephony Services (5)	Printing and Publishing	Broadcasting and Programming	Digital Content and Other	Deletions (1)	Adjustments (2)	Consolidated
Net Sales to Third Parties ⁽³⁾	12,645,183,946	2,684,434,673	2,703,044,983	472,743,880	-	(12,223,572,782)	6,281,834,700
Intersegment Sales	(112,264,547)	273,196,395	182,773,230	326,258,631	(360,617,092)	(309,346,617)	-
Net Sales	12,532,919,399	2,957,631,068	2,885,818,213	799,002,511	(360,617,092)	(12,532,919,399)	6,281,834,700
Cost of sales (excluding depreciation and amortization)	(4,498,985,122)	(1,893,311,273)	(1,736,674,444)	(517,225,726)	111,191,075	4,498,985,122	(4,036,020,368)
Subtotal	8,033,934,277	1,064,319,795	1,149,143,769	281,776,785	(249,426,017)	(8,033,934,277)	2,245,814,332
Expenses - excluding depreciation and amortization							
Selling Expenses	(1,737,869,160)	(801,064,087)	(144,824,545)	(102,056,889)	79,060,863	1,737,869,160	(968,884,658)
Administrative Expenses	(1,353,117,630)	(532,777,990)	(375,121,831)	(237,994,104)	170,365,154	1,353,117,630	(975,528,771)
Adjusted EBITDA	4,942,947,487	(269,522,282)	629,197,393	(58,274,208)	-	(4,942,947,487)	301,400,903
Depreciation of Property, Plant and Equipment							(69,792,148)
Amortization of Intangible Assets and Film Library (4)							(44,619,836)
Other Income and Expenses, net							60,324,560
Financial Costs							(105,134,610)
Other Financial Results, net							(99,853,014)
Financial Results							(204,987,624)
Equity in Earnings from Affiliates and Subsidiaries							83,833,175
Income Tax and Tax on Assets							(49,274,758)
Income for the period from continuing operations							76,884,272
Discontinued Operations							
Net Income from Discontinued Operations							2,366,560,702
Income for the period							<u>2,443,444,974</u>

Additional Consolidated Information as of June 30, 2017

Acquisition of Property, Plant and Equipment	3,098,568,761	33,005,346	105,448,808	10,712,069	-	(3,098,568,761)	149,166,223
Acquisition of Intangible Assets	478,240,913	35,111,195	3,231,787	4,580,388	-	(478,240,913)	42,923,370

- (1) Deletions are related to Grupo Clarín's intercompany operations.
- (2) Recognition of revenues from cable TV and Internet installation services and transactions including separate items, the non-consolidation of special purpose entities, and the results of discontinued operations (as disclosed in Notes 12 and 5.13) corresponding to the Cable Television, Internet Access and Telephony Services segment.
- (3) Includes also sales to unconsolidated companies.
- (4) Amortization of film rights acquired in perpetuity.
- (5) For the four-month period beginning January 1, 2017 and ended April 30, 2017.

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Information arising from consolidated income statements as of June 30, 2016	Cable Television, Internet Access and Telephony Services	Printing and Publishing	Broadcasting and Programming	Digital Content and Other	Deletions (1)	Adjustments (2)	Consolidated
Net Sales to Third Parties ⁽³⁾	14,297,634,103	2,418,308,157	1,774,883,369	300,448,085	-	(13,959,154,570)	4,832,119,144
Intersegment Sales	11,965,677	190,420,174	139,918,497	223,257,275	(215,116,413)	(350,445,210)	-
Net Sales	14,309,599,780	2,608,728,331	1,914,801,866	523,705,360	(215,116,413)	(14,309,599,780)	4,832,119,144
Cost of sales (excluding depreciation and amortization)	(5,324,453,860)	(1,557,607,841)	(1,100,607,342)	(297,410,042)	37,550,089	5,313,150,998	(2,929,377,998)
Subtotal	8,985,145,920	1,051,120,490	814,194,524	226,295,318	(177,566,324)	(8,996,448,782)	1,902,741,146
Expenses - excluding depreciation and amortization							
Selling Expenses	(1,863,304,164)	(617,790,967)	(120,556,691)	(75,473,670)	65,488,936	1,861,592,072	(750,044,484)
Administrative Expenses	(1,584,853,749)	(437,236,173)	(288,020,110)	(170,337,965)	112,077,388	1,597,868,703	(770,501,906)
Adjusted EBITDA	5,536,988,007	(3,906,650)	405,617,723	(19,516,317)	-	(5,536,988,007)	382,194,756
Depreciation of Property, Plant and Equipment							(50,588,753)
Amortization of Intangible Assets and Film Library ⁽⁴⁾							(29,874,763)
Other Income and Expenses, net							13,889,141
Financial Costs							(117,778,689)
Other Financial Results, net							(42,142,836)
Financial Results							(159,921,525)
Equity in Earnings from Affiliates and Subsidiaries							30,360,179
Income Tax and Tax on Assets							(101,150,309)
Income for the period from continuing operations							84,908,726
Discontinued Operations							
Net Income from Discontinued Operations							1,977,983,637
Income for the period							<u>2,062,892,363</u>
Additional consolidated information as of June 30, 2016							
Acquisition of Property, Plant and Equipment	3,809,650,249	45,323,273	73,288,638	7,590,423	-	(3,809,650,249)	126,202,334
Acquisition of Intangible Assets	23,024,703	32,292,838	4,485,114	6,677,577	-	(23,024,703)	43,455,529

(1) Deletions are related to Grupo Clarín's intercompany balances and operations.

(2) Recognition of revenues from cable TV and Internet installation services and transactions including separate items, the non-consolidation of special purpose entities, and the results of discontinued operations (Note 12), corresponding to the Cable Television, Internet Access and Telephony Services segment.

(3) Includes also sales to unconsolidated companies.

(4) Amortization of film rights acquired in perpetuity.

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NOTE 5 – BREAKDOWN OF MAIN ITEMS**5.1 - Sales**

	June 30, 2017	June 30, 2016
Advertising Sales	2,967,451,314	2,305,521,816
Circulation Sales	1,380,141,820	1,354,274,400
Printing Services Sales	114,285,049	179,359,573
TV Signals Sales	558,166,973	281,624,486
Sale of Property	184,049,197	90,278,273
Other Sales	1,077,740,347	621,060,596
Total	6,281,834,700	4,832,119,144

5.2. - Cost of Sales

	June 30, 2017	June 30, 2016
Inventories at the beginning of the year	923,136,437	517,702,414
Reclassification of inventories as assets held for distribution to shareholders	-	(4,921,973)
Purchases for the period	920,172,265	918,431,035
Production and Services Expenses (Note 5.3)	3,026,308,707	2,306,962,031
Less: Inventories at period-end	(745,768,616)	(745,115,538)
Cost of Sales	4,123,848,793	2,993,057,969

5.3 - Production and Services, Selling and Administrative Expenses

Item	Production and Services Expenses	Selling Expenses	Administrative Expenses	Total as of June 30, 2017	Total as of June 30, 2016
Fees for Services	304,170,984	90,474,307	153,761,455	548,406,746	458,078,577
Salaries, Social Security and Benefits to Personnel ⁽¹⁾	1,359,118,598	244,163,102	586,374,673	2,189,656,373	1,805,487,534
Advertising and Promotion Expenses	-	203,270,854	480,376	203,751,230	154,145,669
Taxes, Duties and Contributions	62,097,901	31,677,775	24,615,641	118,391,317	89,368,358
Bad Debts	-	20,472,502	-	20,472,502	13,187,352
Travel Expenses	70,655,044	7,880,709	17,245,724	95,781,477	86,418,905
Maintenance Expenses	104,229,605	4,339,415	32,352,479	140,921,499	117,523,006
Distribution Expenses	38,423,108	288,391,520	-	326,814,628	330,897,141
Communication Expenses	19,149,587	4,780,651	7,128,295	31,058,533	28,091,430
Contingencies	-	-	53,631,948	53,631,948	40,175,950
Stationery and Office Supplies	4,748,377	1,376,213	3,651,778	9,776,368	11,054,384
Commissions	-	27,370,980	-	27,370,980	20,731,257
Productions and Co-Productions	231,454,965	-	-	231,454,965	173,624,389
Printing Expenses	195,863,330	-	-	195,863,330	34,730,984
Rights	56,845,674	-	-	56,845,674	57,175,504
Services and Satellites	62,948,046	1,168,416	28,117,367	92,233,829	69,972,322
Severance Payments	256,365,773	16,546,386	34,705,321	307,617,480	77,812,117
Non-Computable VAT	26,481,869	-	-	26,481,869	21,175,508
Rentals	95,135,743	4,366,300	7,414,763	106,916,806	78,124,860
Amortization of Intangible Assets	25,466,398	7,162,859	10,120,441	42,749,698	28,098,558
Amortization of Film Library	1,870,138	-	-	1,870,138	1,776,205
Depreciation of Property, Plant and Equipment	60,491,889	2,491,200	6,809,059	69,792,148	50,588,753
Impairment of Inventories and Obsolescence of Materials	60,718	-	-	60,718	2,347,654
Other Expenses	50,730,960	22,605,528	26,048,951	99,385,439	93,705,549
Total as of June 30, 2017	3,026,308,707	978,538,717	992,458,271	4,997,305,695	
Total as of June 30, 2016	2,306,962,031	754,339,124	782,990,811		3,844,291,966

(1) As of June 30, 2017, it includes a recovery of approximately Ps. 208 million from the calculation of employer's contributions as tax credit on VAT by certain subsidiaries (Decree No. 746/03 issued by the Executive Branch), as mentioned in Notes 8.3.h. and 8.3.i to the Company's consolidated financial statements as of December 31, 2016.

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5.4 - Financial Costs

	June 30, 2017	June 30, 2016
Interest	(94,292,743)	(102,068,108)
Exchange Differences	(10,841,867)	(15,710,581)
Total	<u>(105,134,610)</u>	<u>(117,778,689)</u>

5.5 – Other Financial Results, net

	June 30, 2017	June 30, 2016
Exchange Differences	11,140,024	(5,407,712)
Interest	10,665,893	35,453,442
Financial Discounts on Assets and Liabilities	(8,989,099)	(6,249,111)
Other Taxes and Expenses	(111,602,107)	(79,287,642)
Results from transactions with securities and bonds	(248,850)	903,002
CER Restatement	565,131	(129,960)
Income from Changes in the Fair Value of Financial Instruments	(1,384,006)	12,575,145
Total	<u>(99,853,014)</u>	<u>(42,142,836)</u>

5.6 - Property, Plant and Equipment

Main Account	Residual Value as of June 30, 2017	Residual Value as of December 31, 2016
Real Property	330,830,748	336,921,581
Furniture and Fixtures	27,712,099	17,363,178
Telecommunication, Audio and Video Equipment	84,285,760	50,935,439
Computer Equipment	121,134,110	89,369,959
Technical Equipment	10,600,592	12,320,602
Workshop Machinery	104,448,118	103,327,755
Tools	207,069	267,515
Spare Parts	19,435,926	18,677,930
Installations	66,949,742	48,753,437
Vehicles	7,746,796	6,817,257
Works-In-Progress	61,827,598	75,075,683
Leasehold Improvements	22,696,248	20,945,438
	<u>857,874,806</u>	<u>780,775,774</u>

The following table details the changes in property, plant and equipment for the six-month period ended June 30, 2017 and the same period of the previous year:

	2017	2016
Balances as of January 1 st	780,775,774	9,026,866,357
Incorporation of Balances from Consolidation of Acquired Companies	-	692,994,669
Additions	149,659,578	3,986,745,399
Retirements	(1,791,950)	(190,142,421)
Transfers and other movements	(976,448)	(17,290,691)
Depreciation	<u>(69,792,148)</u>	<u>(1,124,193,218)</u>
Balances as of June 30	<u>857,874,806</u>	<u>12,374,980,095</u>

(1) Includes Ps. 1,073.6 million corresponding to depreciation included under net income from discontinued operations (See Note 5.13).

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5.7 - Intangible Assets

Main Account	Residual Value as of June 30, 2017	Residual Value as of December 31, 2016
Exploitation Rights and Licenses	9,465,517	11,717,054
Exclusivity Agreements	4,383,852	5,040,931
Other Rights	435,111	652,214
Software	87,505,565	100,063,358
Trademarks and Patents	58,014,972	57,967,451
Projects in-Progress	53,162,034	26,077,527
Other	9,104,152	20,194,555
	<u>222,071,203</u>	<u>221,713,090</u>

The following table details the changes in intangible assets for the six-month period ended June 30, 2017 and the equivalent period of the previous year:

	2017	2016
Balances as of January 1st	221,713,090	258,146,566
Additions	43,842,353	66,480,230
Incorporation of Balances from Consolidation of Acquired Companies	-	46,257,723
Retirements	(918,981)	(2,669,018)
Transfers and other movements	184,439	815,388
Amortization	(42,749,698)	⁽¹⁾ (101,809,849)
Balances as of June 30	<u>222,071,203</u>	<u>267,221,040</u>

⁽¹⁾ Includes Ps. 73.7 million corresponding to amortization included under net income from discontinued operations (See Note 5.13).

5.8 - Investments in Unconsolidated Affiliates

	Main business activity	Country	Interest (%) (1)	Value Recorded as of June 30, 2017	Value Recorded as of December 31, 2016
Included in assets					
Interest in Associates					
Papel Prensa	Manufacturing of Newsprint	Argentina	49.00	168,929,717	169,878,762
Other Investments				14,875,920	6,632,746
Interests in Joint Operations					
TSC	Exploitation of events television broadcasting rights	Argentina	50.00	9,743,074	9,091,465
TRISA	Production and exploitation of sports events, advertising agency and financial and investing operations	Argentina	50.00	121,315,192	109,356,908
Canal Rural	Audiovisual production and sale of advertising	Argentina	64.99	9,305,128	14,351,137
Impripost	Variable printing	Argentina	50.00	10,554,392	8,964,915
AGL	Printing	Argentina	50.00	16,588,996	15,195,663
Ríos de Tinta	Editorial activities	Mexico	50.00	13,493,987	11,135,712
Patagonik	Film producer	Argentina	33.33	26,839,953	23,706,949
				<u>391,646,359</u>	<u>368,314,257</u>

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	Main business activity	Country	Interest (%) (1)	Value Recorded as of June 30, 2017	Value Recorded as of December 31, 2016
Included in liabilities					
Interests in Joint Operations					
Other Investments				-	1,234,644
				-	1,234,644

(1) Interest in capital stock and votes.

5.9 – Other Investments

	June 30, 2017	December 31, 2016
Non-Current		
Financial Instruments	-	7,412,878
	-	7,412,878
Current		
Financial Instruments	109,076,229	135,043,852
Securities	2,922,834	7,382,019
Mutual Funds	303,230,901	185,920,824
	415,229,964	328,346,695

5.10 – Other Receivables

	June 30, 2017	December 31, 2016
Non-Current		
Tax Credits	149,423,277	135,113,000
Guarantee Deposits	8,397,860	5,250,965
Advances	1,125,762	1,880,637
Related Parties	9,629,315	9,453,296
Other	1,040,998	9,076,675
Allowance for Other Bad Debts	(1,567,580)	(1,567,580)
	168,049,632	159,206,993
Current		
Tax Credits	266,499,967	200,003,480
Court-ordered and Guarantee Deposits	4,639,304	5,248,923
Prepaid Expenses	57,099,496	48,709,847
Advances	128,995,616	87,037,408
Related Parties	92,245,999	45,386,440
Dividends Receivable	483,863,373	-
Sundry Receivables	14,096,720	22,469,157
Other	72,623,856	80,343,584
Allowance for Other Bad Debts	(3,243,764)	(2,648,034)
	1,116,820,567	486,550,805

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5.11 - Debt

The following table details the changes in loans and indebtedness for the six-month period ended June 30, 2017 and the same period of the previous year:

	2017	2016
Balances as of January 1st	808,903,710	6,935,089,262
New Loans and Indebtedness ⁽¹⁾	943,926,208	7,939,320,504
Accrued Interest	93,807,281	459,572,746
Other Financial Effects	749,610	1,116,196,199
Spun-off Balances (See Note 14)	(367,813,013)	-
Payment of Interest	(61,439,177)	(589,673,903)
Payment of Principal	(348,386,211)	(4,933,765,638)
Balances as of June 30	<u>1,069,748,408</u>	<u>10,926,739,170</u>

5.11.1 – AGEA and subsidiaries

As of June 30, 2017, AGR and Cúspide had executed overdraft facility agreements with banks for a maximum of Ps. 160 million and Ps. 65 million, respectively. Those overdraft facilities accrue interest at a fixed annual rate ranging from 26.75% to 29.25%.

5.11.1 – ARTEAR

On May 5, 2017, ARTEAR entered into a bilateral loan agreement with Banco Itaú Argentina S.A. for up to Ps. 160 million, to finance working capital, capital expenditures and the company's needs for the development of its activities. Principal will be repaid in one installment due within a term of two years as from disbursement and will accrue interest payable on a monthly basis at an annual nominal rate of 24.75%. In connection with that loan, ARTEAR has undertaken certain covenants, which include the maintenance of a shareholders' equity of Ps. 500 million or more.

On May 15, 2017, ARTEAR and Industrial and Commercial Bank of China Limited, Dubai (DIFC) Branch executed an agreement whereby ARTEAR is the borrower under a bilateral loan for a principal amount of USD 15 million, payable within a 3-year term in equal consecutive semiannual installments. The first installment is due on the first anniversary of the origination of the loan. The funds will be used to refinance certain debts and other general corporate purposes. Principal accrues interest at an annual nominal fixed rate of 5.50% payable on a semiannual basis as from the origination of the loan. In connection with that loan, ARTEAR has undertaken certain covenants, which include the maintenance of certain ratios related to that company's financial debt within the values established by the bank, which to date are met.

On June 16, 2017, ARTEAR and Itau BBA International plc executed an agreement whereby ARTEAR is the borrower under a bilateral loan for a principal amount of USD 5 million, payable within a 2-year term in only one installment at maturity. Principal accrues interest at a variable annual rate established based on three-month LIBOR, plus a 4.50% margin, payable on a quarterly basis since the origination of the loan. In connection with that loan, ARTEAR has undertaken certain covenants, which include the maintenance of a shareholders' equity of Ps. 500 million or more.

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5.12 - Other Liabilities

	June 30, 2017	December 31, 2016
Non-Current		
Guarantee Deposits	268,079	256,239
Call Options	49,890,000	47,670,000
Investments in Unconsolidated Affiliates (Note 5.8)	-	1,234,644
Other	11,185,498	12,501,185
	<u>61,343,577</u>	<u>61,662,068</u>
	June 30, 2017	December 31, 2016
Current		
Advances from Customers	145,378,369	307,477,354
Dividends Payable	10,203,266	809,857
Related Parties	2,763,194	3,539,651
Unearned Revenue	127,670,626	119,754,967
Other	70,477,511	76,883,084
	<u>356,492,966</u>	<u>508,464,913</u>

5.13 – Assets and liabilities held for distribution to shareholders and Discontinued operations

As described in Note 12 to the interim condensed consolidated financial statements as of December 31, 2016, certain assets and liabilities have been classified as “Assets held for distribution to shareholders” and as “Liabilities held for distribution to shareholders”, respectively, as required under IFRS.

The following is a detail of those consolidated assets and liabilities disclosed under “Assets held for distribution to shareholders” and “Liabilities held for distribution to shareholders” as of December 31, 2016 (in millions of Argentine Pesos):

	December 31, 2016
ASSETS	
NON-CURRENT ASSETS	
Property, Plant and Equipment	15,365
Intangible Assets	1,906
Goodwill	3,516
Deferred Tax Assets	82
Investments in Unconsolidated Affiliates	282
Other Investments	817
Other Receivables	290
Total Non-Current Assets	<u>22,258</u>
CURRENT ASSETS	
Inventories	267
Other Receivables	633
Trade Receivables	1,674
Other Investments	2,003
Cash and Banks	1,247
Total Current Assets	<u>5,824</u>
Total Assets Held for Distribution to Shareholders	<u>28,082</u>

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	December 31, 2016
LIABILITIES	
NON-CURRENT LIABILITIES	
Provisions and Other	955
Deferred Tax Liabilities	375
Debt	8,579
Taxes Payable	4
Other Liabilities	110
Total Non-Current Liabilities	10,023
CURRENT LIABILITIES	
Debt	1,014
Taxes Payable	1,621
Other Liabilities	247
Trade Payables and Other	4,357
Total Current Liabilities	7,239
Total Liabilities Held for Distribution to Shareholders	17,262

In connection with the same situations mentioned above, the following is a detail of the results for the four and six-month periods ended April 30, 2017 and June 30, 2016, respectively, classified as discontinued operations in these interim condensed consolidated financial statements (in millions of Argentine Pesos):

	April 30, 2017	June 30, 2016
Revenues	12,243	13,892
Cost of Sales ⁽¹⁾	(5,458)	(6,277)
Subtotal - Gross Profit	6,785	7,615
Selling Expenses ⁽¹⁾	(1,760)	(1,907)
Administrative Expenses ⁽¹⁾	(1,322)	(1,516)
Income from Acquisition of Companies	-	114
Other Income and Expenses, net	10	1
Financial Costs	42	(1,708)
Other Financial Results	(201)	302
Financial Results, net	(159)	(1,406)
Equity in Earnings from Affiliates and Subsidiaries	53	44
Income before Income Tax and Tax on Assets	3,607	2,945
Income Tax and Tax on Assets	(1,240)	(967)
Net Income from Discontinued Operations	2,367	1,978

⁽¹⁾ Includes amortization of intangible assets, and depreciation of property, plant and equipment in the amount of Ps. 1,242 million and Ps. 1,147 million for the four and six-month periods ended April 30, 2017 and June 30, 2016, respectively.

In connection with the same situations mentioned above, the following is a detail of the cash flows for the four and six-month periods ended April 30, 2017 and June 30, 2016, respectively, classified as discontinued operations in these interim condensed consolidated financial statements (in millions of Argentine Pesos):

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	April 30, 2017	June 30, 2016
CASH PROVIDED BY OPERATING ACTIVITIES		
Net Income from Discontinued Operations	2,367	1,978
Income Tax and Tax on Assets	1,240	967
Accrued Interest, net	164	194
Adjustments to reconcile net income for the period to cash provided by discontinued operations:		
Depreciation of Property, Plant and Equipment	1,222	1,074
Amortization of Intangible Assets and Film Library	20	74
Net allowances	230	227
Financial Income, except interest	(173)	786
Equity in Earnings from Affiliates and Subsidiaries	(53)	(44)
Income from Acquisition of Associates	-	(114)
Other Income and Expenses	(2)	1
Retirement of Property, Plant and Equipment, Net	87	190
Retirement of Intangible Assets, Net	-	2
Changes in Assets and Liabilities	(1,506)	(928)
Income Tax and Tax on Assets Payments	(196)	(672)
Net Cash Flows Provided by Discontinued Operating Activities	<u>3400</u>	<u>3,735</u>
CASH PROVIDED BY INVESTMENT ACTIVITIES		
Acquisition of Property, Plant and Equipment, net	(3,099)	(3,809)
Acquisition of Intangible Assets	(478)	(23)
Proceeds from Sale of Property, Plant and Equipment and other	2	-
Payments for Acquisition of Subsidiaries, Net of Cash Acquired	-	(1,888)
Dividends collected	38	1
Transactions with Securities, Bonds and Other Financial Instruments, Net	351	204
Net Cash Flows used in Discontinued Investment Activities	<u>(3,186)</u>	<u>(5,515)</u>
CASH PROVIDED BY FINANCING ACTIVITIES		
Loans Obtained	408	7,475
Repayment of Loans and Issue Expenses	(390)	(4,827)
Payment of Interest	(63)	(593)
(Settlement) Collection on Derivatives	(26)	25
Payments to Non-Controlling Interests, net	(326)	(603)
Net Cash Flows provided by / (used in) Discontinued Financing Activities	<u>(397)</u>	<u>1,477</u>

NOTE 6 - PROVISIONS AND OTHER CONTINGENCIES

The following are the main contingent situations affecting the Company and its subsidiaries, as well as the significant changes, if any, that took place after the issue of the Company's consolidated financial statements as of December 31, 2016, in connection with the rest of the contingent situations described in those financial statements.

6.1 Claims and Disputes with Governmental Agencies

- a. In connection with the decisions made at the Company's Annual Ordinary Shareholders' Meeting held on April 28, 2011, on September 1, 2011 the Company was served with a preliminary injunction in re "National Social Security Administration v. Grupo Clarín S.A. re ordinary proceeding" whereby the Company may not in any way dispose, in part or in whole, of the Ps. 387,028,756 currently recorded under the retained earnings account, other than to distribute dividends to the shareholders.

On the same date, the Company was served with a claim brought by Argentina's National Social Security Administration requesting the nullity of the decision made on point 7 (Appropriation of Retained Earnings) of the agenda of the Annual Ordinary Shareholders' Meeting held on April 22, 2010. As of the date of these financial statements, the Company has duly answered the complaint, the parties have produced evidence and made allegations. Therefore, the court has to render a decision.

On November 1, 2011, the CNV issued Resolution No. 593, which provides that at shareholders' meetings in which financial statements are considered shareholders must expressly decide to, either distribute as dividends any retained earnings that are not subject to distribution restrictions and that may be disposed of pursuant to applicable law or capitalize such retained earnings and issue shares, or appropriate them to set up reserves other than legal reserves, or a combination of the above.

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On July 12, 2013, the Company was served notice of Resolution No. 17,131; dated as of July 11, 2013 whereby the CNV declared that the administrative effects of the decisions adopted at the Annual General Ordinary Shareholders' Meeting held on April 25, 2013 were irregular and ineffective, based on allegations that are absolutely false and irrelevant. According to the Company and its legal advisors, Resolution No. 17,131 is, among other things, null and void, because it lacks sufficient grounds and its enactment is a clear abuse of authority and a further step in the National Government's attempt to intervene in the Company. On October 11, 2013 Chamber No. 5 of the National Court of Appeals on Federal Administrative Matters issued a preliminary injunction in re "Grupo Clarín S.A. v. CNV – Resol No. 17.131/13 (File 737/13)" File No. 29,563/2013, whereby it suspended the effects of Resolution No. 17.131/2013 dated July 11, 2013 which had rendered irregular and with no effect for administrative purposes the Company's Annual Ordinary Shareholders' Meeting held on April 25, 2013. As of the date of these financial statements, the preliminary injunction is still in effect.

In August 2013 the Company was served with a nullification claim brought by Argentina's National Social Security Administration relating to the Annual Ordinary Shareholders' Meeting held on April 28, 2011 whereby it requested the nullity of all the decisions made at such meeting and, as a default argument, the nullity of the decisions made on points 2, 4 and 7 of that meeting's agenda, as well as the nullity of the decisions made at the Extraordinary Meetings of Class A, B and A and B Shareholders. As of the date of these financial statements, the judge ordered discovery proceedings and a hearing was called for conciliatory purposes under the terms of Section 360 of the Civil and Commercial Procedure Code.

On September 17, 2013 the Company was served with a nullification claim brought by Argentina's National Social Security Administration relating to the Annual Ordinary Shareholders' Meeting held on April 26, 2012 whereby it requested the nullity of all the decisions made at such meeting and, as a default argument, the nullity of the decisions made on points 8 and 4 of that meeting's agenda, as well as the nullity of the decisions made at the Extraordinary Meetings of Class A, B and A and B Shareholders. As of the date of these financial statements, the judge ordered discovery proceedings and a hearing was called for conciliatory purposes under the terms of Section 360 of the Civil and Commercial Procedure Code.

On March 21, 2014, the Company was served notice of a claim brought by Argentina's National Social Security Administration in re "National Social Security Administration v. GRUPO CLARÍN S.A. on Ordinary Proceeding" File No. 74,429, pending before the National Court of First Instance on Commercial Matters No. 17, Clerk's Office No. 34. This claim seeks to nullify and challenge the corporate decisions made at the Shareholders' Meeting held on April 25, 2013 and those made at the Board of Directors' Meeting held on April 26, 2013. As of the date of these financial statements, discovery proceedings have been initiated and evidence is being produced.

On September 16, 2014, the Company received a communication from its controlling shareholder, GC Dominio S.A., whereby that company informed that it had been summoned to court as a third party in re "National Social Security Administration v. Grupo Clarín S.A. on Ordinary Proceeding", pending before the National Court of First Instance on Commercial Matters No. 17, Clerk's Office No. 33. As of the date of these financial statements and as informed by GC Dominio S.A., that company has filed a response to the above-mentioned claim.

On April 4, 2017, the Company was served notice of a claim brought by Argentina's National Social Security Administration in re "National Social Security Administration v. GRUPO CLARÍN S.A. on Ordinary Proceeding" File -22658/2015, pending before the National Court of First Instance on Commercial Matters No. 17, Clerk's Office No. 34. This claim seeks to nullify and challenge the corporate decisions made at the Shareholders' Meeting held on April 29, 2014. As of the date of these financial statements, the Company has filed a response.

According to the Company and its legal advisors, the outstanding claims requesting the nullification of the Shareholders' Meetings have no legal grounds. Therefore, they believe that the Company will not have to face adverse consequences in this regard.

- b. On August 13, 2012, the parent company GC Dominio S.A. was served notice of a claim brought by the Argentine Superintendency of Legal Entities (IGJ) whereby that agency seeks to annul the registration

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with the Public Registry of Commerce of the appointment of GC Dominio S.A.'s authorities, approved at the Shareholders' Meeting held on May 17, 2011. The claim is pending before the Federal Court of First Instance on Commercial Matters No. 25, Clerk's Office No. 49 ("Inspección General de Justicia v. Dominio S.A. on/Ordinary", File No. 58652). The claim brought by the IGJ seeks to annul the registration with IGJ of the appointment of GC Dominio S.A.'s authorities, approved at the Annual General Ordinary Shareholders' Meeting of GC Dominio held on May 17, 2011. The appointment was registered with the IGJ on April 23, 2012 under No. 7147, Book No. 59 of Share Companies. According to the IGJ and as the case file is said to show, GC Dominio has allegedly failed to comply with certain regulations applicable to foreign shareholders upon registration of the appointment of authorities. Also within the framework of this claim, the Court issued an injunction in favor of the IGJ ordering that the existence of this claim be duly noted. The Chamber has confirmed the decision to order that the existence of this claim be duly noted. As of the date of these financial statements, the file has been submitted to the Federal Criminal and Correctional Court No. 4 - Clerk's office No. 8, where it is pending consideration.

GC Dominio S.A.'s legal advisors have strong grounds to argue that the resolution of IGJ's claim seeking the de-registration of the appointment of authorities has serious defects and infringes the guarantees of reasonableness and due process; a principle that derives from the constitutional guarantee of defense in court, which entails the right to be heard and to produce evidence to contradict a claim. GC Dominio S.A. has appealed such injunction because it considers that the IGJ has not shown that its legal arguments are, at least, plausible. The injunction was ratified by the court of appeals.

6.2 Other Claims and Disputes

- a. As mentioned under Note 8.3.a. to the consolidated financial statements as of December 31, 2016, which describes the events related to the claim brought by TSC against AFA for contractual breach and damages, TSC has executed an agreement with AFA whereby TSC undertook to withdraw the claim and waive its right to litigation, within the framework of negotiations regarding potential new businesses related to audiovisual rights to Argentine first division soccer tournament matches.
- b. As mentioned in Note 26.c. to the consolidated financial statements, as of December 31, 2016, on April 7, 2017 AGR's printing facilities located in the neighborhood of Pompeya were evicted under a court order. The eviction was carried out peacefully and with the intervention of the Police Department of the City of Buenos Aires.

6.3 Matters concerning Papel Prensa

As mentioned under Note 8.4 to the consolidated financial statements as of December 31, 2016, on March 30, 2017, the hearing that had been called by Chamber C of the National Court of Appeals on Commercial Matters was held. At that hearing, it was decided that the procedural periods regarding the claims pending before that court of appeals shall remain suspended, and Papel Prensa requested that the majority of the claims involving Papel Prensa be declared moot. The Court of Appeals served notice of these decisions on the National Government. The request is still pending. Papel Prensa submitted the same request to the Court of First Instance on Commercial Matters before which the claims that were not submitted to the court of appeals are pending. At the General Annual Ordinary Shareholders' Meeting that approved the financial statements of Papel Prensa for the year ended December 31, 2016, the shareholders disapproved the management of the representatives of the National Government in the Board of Directors and in the Oversight Board who held office until February 2016, as well as the performance of the syndics who held office until the Shareholders' Meeting of October 19, 2016, also in representation of the National Government, and decided to bring a corporate liability action (Section 276 of Law 19,550, as amended).

NOTE 7 – FINANCIAL INSTRUMENTS

Grupo Clarín's activities are exposed to several financial risks: Market risk (including exchange risk, fair value interest rate risk and price risk), credit risk and liquidity risk.

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No changes were made in the risk department or to risk management policies, as from the annual consolidated financial statements as of December 31, 2016.

The following table shows the monetary assets and liabilities denominated in US dollars, which is the foreign currency most commonly used in Grupo Clarín's operations as of June 30, 2017 and December 31, 2016:

	(in millions of Argentine pesos)	(in millions of Argentine pesos)
	June 30, 2017	December 31, 2016
ASSETS		
Other Receivables	52	53
Trade Receivables	124	176
Other Investments	23	33
Cash and Banks	67	143
Total assets	266	405
LIABILITIES		
Debt	17	368
Seller financings	13	14
Other Liabilities	14	14
Trade Payables and Other	415	407
Total Liabilities	459	803

Bid/offered exchange rates as of June 30, 2017 and December 31, 2016 were of Ps. 16.53 and Ps. 16.63; and Ps. 15.79 and Ps. 15.89; respectively.

7.1 Financial Instruments at Fair Value

The following table shows Grupo Clarín's financial assets and liabilities measured at fair value at the closing of the reporting period and year, respectively (amounts stated in millions of Argentine pesos):

	June 30, 2017	Quoted Prices (Level 1)	Other Significant Observable Items (Level 2)
Assets			
Current Investments	328	305	23
	December 31, 2016	Quoted Prices (Level 1)	Other Significant Observable Items (Level 2)
Assets			
Current Investments	306	215	91

Financial assets and liabilities at fair value are measured using quoted prices for identical assets and liabilities (Level 1), and the prices of similar instruments arising from sources of information available in the market (Level 2). At the closing of the reporting period and year, Grupo Clarín did not have financial assets or liabilities at fair value for which a comparison had not been conducted against observable market data to determine their fair value (Level 3).

7.2 Fair Value of Financial Instruments

The book value of cash, accounts receivable and current liabilities is similar to their fair value, due to the short-term maturities of these instruments.

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The book value of receivables with estimated collection periods that extend through time, is measured considering the estimated collection period, the time value of money and the specific risks of the transaction at the time of measurement and, therefore, such book value approximates its fair value.

Non-current investments classified as loans and receivables have been measured at amortized cost, and their book value approximates their fair value.

The fair value of non-current financial liabilities (Level 2) is measured based on the future cash flows of those liabilities, discounted at a representative market rate available to Grupo Clarín for liabilities with similar terms (currency and remaining term) prevailing at the time of measurement.

The following table shows the estimated fair value of non-current financial liabilities (amounts stated in millions of Argentine pesos):

	June 30, 2017		December 31, 2016	
	Book Value	Fair Value	Book Value	Fair Value
Non-Current Debt	502	432	469	443

NOTE 8 - COVENANTS, SURETIES AND GUARANTEES PROVIDED

The following are the main guarantees set up during the period, in addition to those already mentioned in Note 18 to the Company's annual consolidated financial statements as of December 31, 2016.

- Grupo Clarín became the guarantor for up to Ps. 24 million to secure certain financial obligations of EPN with Banco Santander Río S.A. effective until September 2017.
- Grupo Clarín became the guarantor for up to Ps. 135 million to secure certain financial obligations of AGR with Banco Santander Río S.A. effective until October 2017.
- Grupo Clarín became the guarantor for up to Ps. 10 million to secure certain financial obligations of CMD with Banco Ciudad de Buenos Aires effective until March 2018.

NOTE 9 - RESERVES, RETAINED EARNINGS AND DIVIDENDS**a. Grupo Clarín**

On April 27, 2017, at the Annual Ordinary Shareholders' Meeting of the Company, the shareholders decided, among other things, to appropriate the net income for the fiscal year 2016, which amounted to Ps. 2,530,041,832, as follows: (i) Ps. 480,000,000 to the distribution of dividends payable within 30 days as from the date of the Shareholders' Meeting, (ii) Ps. 1,000,000,000 to the reserve for future dividends and (iii) Ps. 1,050,041,832 to the creation of an optional reserve to ensure the liquidity of the Company and its subsidiaries. As of the date of these financial statements, the Company has paid all of the distributed dividends.

b. Cablevisión

On March 30, 2017, at the Annual General Ordinary and Extraordinary Shareholders' Meeting of Cablevisión, its shareholders decided to distribute cash dividends in the amount of Ps. 1,600 million, payable in Argentine Pesos or US Dollars, in two installments, the first one to be paid within a term of thirty days as from the date of such Shareholders' Meeting and the second one to be paid on December 31, 2017 or earlier as determined by the Board of Directors, and delegated on the Board of Directors of Cablevisión the power to establish the time and payment method. Of that amount, approximately Ps. 640 million corresponds to the non-controlling interest in this company. In April 2017, Cablevisión canceled Ps. 800 million of distributed dividends.

Signed for identification purposes
with the report dated August 10, 2017

See our report dated
August 10, 2017
PRICE WATERHOUSE & CO. S.R.L.

CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

(Partner)
C.P.C.E.C.A.B.A. Vol. 1 Fol. 17

GRUPO CLARÍN S.A.

Registration number with the IGJ: 1,669,733

NOTE 10 – EARNINGS PER SHARE

The following table shows the net income and the weighted average of the number of common shares used in the calculation of basic earnings per share:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>April 1, 2017 through June 30, 2017</u>	<u>April 1, 2016 through June 30, 2016</u>
Net Income used in the Calculation of Basic Earnings per Share (gain):				
From Continuing Operations	88,650,073	87,105,665	170,741,514	115,227,648
From Discontinued Operations	<u>1,405,523,967</u>	<u>1,140,647,630</u>	<u>274,775,882</u>	<u>479,815,819</u>
	<u>1,494,174,040</u>	<u>1,227,753,295</u>	<u>445,517,396</u>	<u>595,043,467</u>
Weighted Average of the Number of Common Shares used in the Calculation of Basic Earnings per Share				
	227,204,390	287,418,584	166,990,198	287,418,584
Earnings per Share	6.58	4.27	2.67	2.07

The weighted average of outstanding shares for the six-month period ended June 30, 2017 was 227,204,390. Since no debt securities convertible into shares were recorded, the same weighted average should be used for the calculation of diluted earnings per share.

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>April 1, 2017 through June 30, 2017</u>	<u>April 1, 2016 through June 30, 2016</u>
Basic and Diluted Earnings per Share				
From Continuing Operations	0.39	0.30	1.02	0.40
From Discontinued Operations	6.19	3.97	1.65	1.67
Total Earnings per Share	6.58	4.27	2.67	2.07

On April 27, 2017, the shareholders of the Company decided to distribute dividends in the amount of Ps. 480 million (Ps. 1.67 per share taking into consideration a total of 287,418,584 outstanding shares as of that date).

NOTE 11 - LAW No. 26,831 CAPITAL MARKETS

On December 28, 2012, Capital Markets Law No. 26,831 (the "Capital Markets Law"), passed on November 29, 2012 and enacted on December 27, 2012, was published in the Official Gazette. The Law provides for a comprehensive amendment of the public offering regime, previously governed by Law No. 17,811. Among other things, the new law enhances the National Government's oversight powers and changes the authorization, control and oversight mechanisms of all stages of the public offering process and the role of all the entities and individuals involved. The Law became effective on January 28, 2013.

On July 29, 2013, the National Government issued Decree No. 1023/2013 to regulate partially the Capital Markets Law that had been passed on November 29, 2012. Among other provisions, the Decree regulates Section 20 of said Law, pursuant to which the CNV may appoint an overseer with veto rights over the decisions made by the boards of directors of entities subject to the public offering regime, or otherwise remove the boards from such entities for up to 180 days until all deficiencies found by the CNV are solved. Said Decree amends the Law it seeks to regulate and, therefore, constitutes a regulatory abuse. Thus, whereas the Law vests on the CNV the power to appoint an overseer or to remove the board of directors, the Decree allows the CNV to exercise that power if the shareholders and/or noteholders with a two percent (2%) interest in the company's capital stock or outstanding debt securities claim that they have suffered actual and certain damages or if they believe their rights may be seriously jeopardized in the future. The Decree also vests on the CNV the power to appoint the administrators or co-administrators that will hold office as a consequence of the removal of the boards of directors. Thus, the Decree amends the Law by granting the CNV powers that were not provided therein. By doing so, the Executive Branch is assuming strictly legislative functions in breach of constitutional provisions.

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On September 5, 2013 within the framework of the Capital Markets Law and its Decree, the CNV issued Resolution No. 622/2013 (the “Rules”), whereby it approved the applicable Rules that repeal the Rules that had been effective until that date (as restated in 2001). The new Rules have introduced several changes in connection with CNV’s powers over the companies under that agency’s oversight, and also in connection with the information that these companies must disclose.

On August 20, 2013, at the request of Mr. Rubén Mario Szwarc, a minority shareholder of the Company, and by means of public deed number two hundred forty-five, the Company was served notice of the decision rendered by Chamber A of the National Court of Appeals on Commercial Matters on August 12, 2013, in re “SZWARC, Rubén Mario v. National Government and Others on Preliminary Injunction” File No. 011419/2013. That Chamber decided, among other things, (i) to declare the unconstitutionality of Sections 2, 4, 5, 9, 10, 11, 13, 15 and 16 of Law No. 26,854, and (ii) to order the provisional, injunctive suspension of Section 20, subsection a), second part, paragraphs I and II (or 1 and 2) of Law No. 26,831 and of all laws, rules or administrative acts issued or that may be issued pursuant to such legal provisions, with respect to Grupo Clarín S.A., until the judge that is finally declared competent to render a decision on the merits assumes full jurisdiction of the case and renders a final decision relating to the injunction.

NOTE 12 - THE COMPANY’S CORPORATE REORGANIZATION PROCESS

On September 28, 2016, at the Company’s Extraordinary Shareholders Meeting, the shareholders approved the execution of a corporate reorganization process to be implemented in two successive steps: a) first the merger of Southtel Holdings S.A., Vistone S.A., Compañía Latinoamericana de Cable S.A. and CV B Holding S.A. (the “Absorbed Companies”), through which Grupo Clarín held a controlling interest in Cablevisión (the “Merger”), and, b) the subsequent partial spin-off of the Company to create a new company under the name Cablevisión Holding S.A. (the “Spin-off”, and together with the Merger, the “Corporate Reorganization”).

The purpose of the Corporate Reorganization is to enhance efficiency, synergy and streamlining of the Company’s costs, processes and resources and to promote the specialization of the existing asset portfolio of Grupo Clarín and its subsidiaries. This allows the implementation of differentiated growth strategies and goals for, on the one hand, the telecommunications segment, and, on the other hand, the media business (print, TV, programming, radio etc.). Thus, each of those segments is able to focus on its own markets, risks, organizational processes and capital structures.

As a result of the Merger, and since Grupo Clarín was the direct and indirect holder of 100% of the capital stock of the absorbed companies, Grupo Clarín’s capital stock was not increased. Therefore, it was not necessary to establish an exchange ratio. In addition, the absorbed companies were dissolved early without liquidation and Grupo Clarín assumed, effective as from October 1, 2016 (the “Effective Date of the Merger”), the activities, receivables, property, rights and obligations of the above-mentioned companies, existing on the Effective Date of the Merger, or any that may exist or arise due to previous or subsequent acts or activities.

As part of the equity subject to the spin-off, as provided under the Merger and Spin-off Prospectus filed with the CNV and published in the Financial Information Highway, the Company transferred to Cablevisión Holding S.A. certain equity interests or participations held by Grupo Clarín, including the direct and indirect equity interests of Grupo Clarín in Cablevisión and in GCSA Equity, LLC. Consequently, after the Corporate Reorganization was executed, Cablevisión Holding S.A. became the owner, directly or indirectly, of 60% of the capital stock and votes of Cablevisión and of 100% of the participation of GCSA Equity, LLC. Grupo Clarín retained and continued with all activities, operations, assets and liabilities that were not specifically allocated to Cablevisión Holding S.A.

Signed for identification purposes
with the report dated August 10, 2017

See our report dated
August 10, 2017
PRICE WATERHOUSE & CO. S.R.L.

CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

(Partner)
C.P.C.E.C.A.B.A. Vol. 1 Fol. 17

GRUPO CLARÍN S.A.

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The Corporate Reorganization Transaction was registered with the IGJ on April 27, 2017. In view of the above and taking into consideration that, under the terms of the spin-off, the effective date of the Spin-off (the "Effective Date of the Spin-off") would be the first day of the month following the date on which the latest of the following registrations has been completed: (i) the registration of the Corporate Reorganization with the IGJ, or (ii) the registration of the incorporation of Cablevisión Holding S.A. with the IGJ, the Effective Date of the Spin-off was May 1, 2017. As from this date, Cablevisión Holding S.A. began activities on its own, and the accounting and tax effects of the Spin-off became effective, and the Company transferred to Cablevisión Holding S.A. the operations, risks and benefits described in the Exhibit to the Prospectus published by the Company as well as the assets and liabilities that make up the "Equity Subsequently Allocated", which include a USD 6 million receivable with VLG and a financial debt of USD 23 million with Cablevisión, as decided by the Company's Board of Directors on April 28, 2017, pursuant to the powers delegated by the Extraordinary Shareholders' Meeting held on September 28, 2016.

As a result of the Spin-off of Grupo Clarín, its equity was reduced pro rata and part of the Company's Class A, Class B and Class C shares were canceled in exchange for a set of shares of the same class and with substantially the same rights to be distributed by Cablevisión Holding S.A. Grupo Clarín continues to be subject to the public offering regime in Argentina. Cablevisión Holding has requested authorization to be admitted to the above-mentioned public offering regime in Argentina and has begun a similar process in an international market.

On August 10, 2017, the Argentine Securities Commission approved the prospectus for admission to the public offering regime filed by Cablevisión Holding and, consequently, the Company fulfilled the conditions detailed in the Resolution No. CNV 18818.

Due to the fact that, as of the date of these financial statements, the Company has not obtained all of the required regulatory authorizations, Grupo Clarín and Cablevisión Holding have not yet exchanged their shares pursuant to the exchange ratio approved by the Company's shareholders at the time of approval of the spin-off process. Once those approvals have been obtained, Grupo Clarín and Cablevisión Holding will exchange their shares. Consequently, and while that situation has not concluded, the Board of Directors recommends that these financial statements be read together with those of Cablevisión Holding as of the same date, which will be available at the public information websites corresponding to the markets on which Grupo Clarín is listed.

The Corporate Reorganization detailed in this note was executed in compliance with applicable regulations of the General Associations Law and subject to obtaining the regulatory authorizations and/or intervention (as applicable) from the CNV, Merval, IGJ and *Ente Nacional de Comunicaciones* (National Communications Agency "ENACOM"). On April 25, 2017, the Corporate Reorganization was authorized by the CNV through Resolution No. 18,619 and was registered with the IGJ on April 27, 2017 under No. 7,920, Book 83 of Stock Companies.

The terms and conditions of the Corporate Reorganization were established by the Directors of the Company, who approved the Special Parent Company Only Financial Statement of Grupo Clarín as of June 30, 2016, the Special Balance Sheet for Merger and Spin-off as of the same date and the Merger -and Spin-off Prospectus at the Board of Directors' Meeting held on August 16, 2016.

NOTE 13 - APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors of Grupo Clarín has approved the interim condensed consolidated financial statements and authorized their issuance for August 10, 2017.

Signed for identification purposes
with the report dated August 10, 2017

See our report dated
August 10, 2017
PRICE WATERHOUSE & CO. S.R.L.

CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

(Partner)
C.P.C.E.C.A.B.A. Vol. 1 Fol. 17

JORGE CARLOS RENDO
Chairman

SUPPLEMENTARY FINANCIAL INFORMATION

As of June 30, 2017

1. COMPANY ACTIVITIES

Grupo Clarín is the most prominent and diversified media group in Argentina and one of the most important in the Spanish-speaking world. It has presence in the printed media, radio, broadcast and cable television, audiovisual content production, the printing industry and Internet. Its leadership in the different media is a competitive advantage that enables Grupo Clarín to generate significant synergies and expand into new markets. As of June 30, 2017, Grupo Clarín's activities are grouped into three main segments: Printing and Publishing, Broadcasting and Programming, and Digital Content and Other.

Among the main activities carried out during the period, the following were the most significant:

In the Printing and Publishing segment, during the period, Clarín became the first Argentine newspaper to launch a digital subscription service. That model has already been successfully implemented by the most prestigious newspapers worldwide and has proven to be an effective alternative to make quality journalism sustainable in all formats. With the subscription service, Grupo Clarín continues to add tools to address different reader segments. The goal is always the same, to continue to offer our readers professional, investigative and specialized journalism, which is what has identified us for more than 71 years. The Company continued to publish its traditional newspapers and magazines, with a wide range of collectible editorial offerings; which generate high added value and meet the current needs of the readers in the diverse demographic groups.

In the Broadcasting and Programming Segment, El Trece maintained the highest audience share, in a context of growth in the audience share in broadcast TV in the first half of the year. This leading position is mostly attributable to the good performance of its programming grid both during the Prime Time, and at other times. During prime time, the most outstanding features were "ShowMatch", the fiction show "Las Estrellas", the newscast Telenoche, and the single episodes "La fragilidad de los cuerpos" (coproduction between El trece, Cablevisión SA and Turner). Noticiero Trece, El Diario de Mariana and Este es el Show delivered good results in the afternoon. The lunches and dinners hosted by Mirtha Legrand and the Argentine soccer first division tournament matches contributed to a good performance during weekends.

On September 28, the shareholders of Grupo Clarín decided to implement the merger - spin-off process proposed by the Board of Directors during August 2016, mentioned in Note 14 to the consolidated financial statements. First, Grupo Clarín merged with certain subsidiaries, and then it span off a portion of its equity to create a new company under the name Cablevisión Holding S.A. Grupo Clarín retained and continued with all activities, operations, assets and liabilities that were not specifically allocated to Cablevisión Holding S.A.

See our report dated

August 10, 2017

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C.A.B.A. Vol. 1 Fol. 17

JORGE CARLOS RENDO
Chairman

2. CONSOLIDATED FINANCIAL STRUCTURE

Note: the amounts are rounded and stated in thousands of Argentine Pesos. The figures under total amounts may not represent the exact arithmetic sum of the other figures in the table. Pursuant to CNV regulations, the following table shows the balances and results for the period, on a comparative basis with the prior periods, prepared under IFRS.

	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014.	June 30, 2013.
Non-current assets	2,759,201	19,906,867	11,618,059	10,146,657	8,631,832
Current assets	6,233,883	11,926,459	8,397,382	5,492,379	3,806,965
Assets held for sale	-	-	170,725	139,383	-
Total Assets	8,993,084	31,833,326	20,186,166	15,778,419	12,438,797
Equity of the Parent Company	3,999,234	8,210,153	6,161,001	4,820,666	4,204,326
Equity of Non-Controlling Interests	32,719	3,408,381	2,622,898	1,808,555	1,408,310
Total Equity	4,031,953	11,618,534	8,783,899	6,629,221	5,612,636
Non-current liabilities	918,655	9,535,507	4,514,333	3,848,319	3,123,944
Current liabilities	4,042,475	10,679,285	6,887,933	5,300,879	3,702,217
Total Liabilities	4,961,130	20,214,792	11,402,267	9,149,198	6,826,160
Total Equity and Liabilities	8,993,083	31,833,325	20,186,166	15,778,419	12,438,796

3. CONSOLIDATED COMPREHENSIVE INCOME STRUCTURE

Note: the amounts are rounded and stated in thousands of Argentine Pesos. The figures under total amounts may not represent the exact arithmetic sum of the other figures in the table. Pursuant to CNV regulations, the following table shows the balances and results for the period, on a comparative basis with the prior periods, prepared under IFRS.

	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Operating income/loss from continuing operations (1)	186,989	301,731	3,133,672	1,554,924	881,263
Financial Results	(204,988)	(159,922)	(714,100)	(1,163,873)	(564,808)
Equity in Earnings from Affiliates and Subsidiaries	83,833	30,360	53,144	18,237	(4,322)
Other Income and Expenses, net	60,325	13,889	8,345	3,431	2,994
Income/loss from continuing operations before income tax and tax on assets	126,159	186,059	2,481,060	412,719	315,128
Income Tax and Tax on Assets	(49,275)	(101,150)	(803,998)	(111,533)	(124,975)
Income for the period from continuing operations	76,884	84,909	1,677,062	301,185	190,153
Net income for the period from discontinued operations	2,366,561	1,977,984	-	6,535	8,691
Income for the period	2,443,445	2,062,892	1,677,062	307,721	198,844
Other Comprehensive Income for the period	(75,259)	61,433	(219,899)	259,832	58,051
Total Comprehensive Income for the Period	2,368,186	2,124,325	1,457,163	567,552	256,894

(1) Defined as net sales less cost of sales and expenses.

(2) The amounts corresponding to the periods ended June 30, 2015, 2014 and 2013 do not include the breakdown of the results corresponding to the discontinued operations mentioned in Note 5.13.

See our report dated
August 10, 2017
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C.A.B.A. Vol. 1 Fol. 17

JORGE CARLOS RENDO
Chairman

4. CASH FLOW STRUCTURE

Note: the amounts are rounded and stated in thousands of Argentine Pesos. The figures under total amounts may not represent the exact arithmetic sum of the other figures in the table. Pursuant to CNV regulations, the following table shows the balances and results for the period, on a comparative basis with the prior periods, prepared under IFRS.

	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Cash provided by (used in) Operating Activities	2,902,851	3,265,248	2,625,096	2,025,035	949,034
Cash provided by (used in) Investment Activities	(3,339,800)	(5,648,852)	(1,553,452)	(1,492,493)	(809,097)
Cash provided by (used in) Financing Activities	(346,733)	1,519,566	2,033	(632,327)	(355,761)
Total Cash provided (used) for the Year	<u>(783,683)</u>	<u>(864,037)</u>	<u>1,073,677</u>	<u>(99,784)</u>	<u>(215,824)</u>
Financial Results Generated By Cash And Cash Equivalents	91,889	697,369	261,434	194,831	72,783
Total Changes in Cash	<u>(691,793)</u>	<u>(166,668)</u>	<u>1,335,110</u>	<u>95,047</u>	<u>(143,041)</u>

5. STATISTICAL DATA

	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Cable TV subscribers ^{(1) (5)}	-	3,522,074	3,510,790	3,519,197	3,452,029
Cable TV homes passed ^{(2) (5)}	-	7,815,445	7,732,236	7,511,367	7,455,787
Cable TV churn ratio ⁽⁵⁾	-	14.0	12.9	13.4	13.0
Internet access subscribers ^{(1) (5)}	-	2,101,425	1,923,843	1,786,746	1,616,425
Newspaper circulation ⁽³⁾	214,134	242,286	266,708	283,210	304,895
Canal 13 audience share					
Prime Time ⁽⁴⁾	34.8	31.8	36.3	31.5	34.9
Total Time ⁽⁴⁾	32.0	30.1	29.3	25.4	27.8

⁽¹⁾ Includes companies controlled, directly and indirectly, by Cablevisión (Argentina and Uruguay).

⁽²⁾ Contemplates the elimination of the overlapping of networks between Cablevisión and subsidiaries (including Multicanal and Teledigital).

⁽³⁾ Average quantity of newspapers per day (Diario Clarín and Olé), pursuant to the Instituto Verificador de Circulaciones (this figure represents sales in Argentina and abroad).

⁽⁴⁾ Share of prime time audience of broadcast television stations in the Metropolitan Area of Buenos Aires, as reported by IBOPE. Prime time is defined as 8:00 PM to 12:00 AM, Monday through Friday. Total time is defined as 12:00 PM to 12:00 AM, Monday through Sunday.

⁽⁵⁾ See Note 12.

6. RATIOS

	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Liquidity (current assets / current liabilities)	1.54	1.12	1.22	1.04	1.03
Solvency (equity / total liabilities)	0.81	0.57	0.77	0.72	0.82
Capital assets (non-current assets / total assets)	0.31	0.63	0.58	0.64	0.69

See our report dated
August 10, 2017
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C.A.B.A. Vol. 1 Fol. 17

JORGE CARLOS RENDO
Chairman

7. OUTLOOK

The Company remains committed to informing with independence, to reaching all sectors of society and to supporting the quality and credibility values of its media.

Grupo Clarín's corporate strategy is aimed at maintaining and consolidating its presence in the production of contents, strengthening its presence in the traditional media, with a growing focus on digital media. The Company seeks to leverage its positioning and access to opportunities for growth in the Argentine and regional industry to strengthen and develop its current businesses.

The Company will keep focusing on the core processes that allow for a sustainable and efficient growth from different perspectives: financial structure, management control, business strategy, human resources, innovation and corporate social responsibility.

See our report dated

August 10, 2017

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C.A.B.A. Vol. 1 Fol. 17

JORGE CARLOS RENDO
Chairman

GRUPO CLARÍN S.A.

RATIFICATION OF PRINTED SIGNATURES

We hereby ratify our signatures appearing in printed form on the preceding sheets from page 1 to 32 in Grupo Clarín S.A.'s interim condensed consolidated financial statements for the six-month period ended June 30, 2017.

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

CARLOS ALBERTO PEDRO DI CANDIA
Supervisory Committee

C.P.C.E.C.A.B.A. Vol. 1 Fol. 17
Dr. Carlos A. Pace
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. Vol. 150 Fol. 106

JORGE CARLOS RENDO
Chairman

Free translation from the original prepared in Spanish

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders, President and Directors of
Grupo Clarín S.A.
Legal domicile: Piedras 1743
Autonomous City of Buenos Aires
CUIT No 30-70700173-5

Introduction

We have reviewed the attached interim condensed consolidated financial statements of Grupo Clarín S.A. and its controlled subsidiaries (the "Company") which comprise the consolidated balance sheet at June 30, 2017, the consolidated statements of comprehensive income for the six and three-month period ended at June 30, 2017 and the consolidated statements of changes in equity and of cash flows for the six-month period ended on that date and selected explanatory notes.

The balances and other information corresponding to fiscal year 2016 and its interim period are an integral part of the above-mentioned financial statements and, therefore, should be considered in relation to those financial statements.

Management's responsibility

The Board of Directors of the Company is responsible for the preparation and presentation of the financial statements in accordance with International Financial Reporting Standards, adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE, for its Spanish acronym) as professional accounting standards and incorporated by the Argentine Securities Commission (CNV, for its Spanish acronym) to its regulations, as approved by the International Accounting Standards Board (IASB) and, therefore, is responsible for the preparation and presentation of the interim condensed consolidated financial statements mentioned in the first paragraph in accordance with International Accounting Standard 34 "Interim Financial Reporting" (IAS 34).

Scope of our review

Our review was limited to the application of the procedures established by International Standard on Review Engagements ISRE 2410 "Review of interim financial information performed by the independent auditor of the entity", which was adopted as review standard in Argentina by Technical Resolution No. 33 of the FACPCE as it was approved by the International Auditing and Assurance Standards Board (IAASB). A review of interim financial information consists of making inquiries to the Company's personnel responsible for preparing the information included in the interim condensed consolidated financial statements and applying analytical and other review procedures. The scope of this review is substantially less than an audit conducted in accordance with International Standards on Auditing, and consequently, a review does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated balance sheet, consolidated comprehensive income and consolidated cash flows of the Company.

Conclusion

Based on our review, nothing has come to our attention that caused us to believe that the interim condensed consolidated financial statements mentioned in the first paragraph of this report, are not prepared, in all material respects, in accordance with International Accounting Standard 34.

Report on compliance with current regulations

In accordance with current regulations, in respect to Grupo Clarín S.A., we report that:

- a) the interim condensed consolidated financial statements of Grupo Clarín S.A. have been transcribed to the “Inventory and Balance Sheet” book and comply with the General Associations Law and pertinent resolutions of the Argentine Securities Commission, as regards those matters that are within our competence;
- b) the interim condensed parent company only financial statements of Grupo Clarín S.A. arise from accounting records kept in all formal respects in conformity with legal provisions;
- c) we have read the supplementary financial information, on which, as regards those matters that are within our competence, we have no observations to make;
- d) at June 30, 2017, the debt accrued in favor of the (Argentine) Integrated Social Security System of Grupo Clarín S.A. according to the Company’s accounting records and calculations amounted to \$4,603,024, none of which was claimable at that date.

Autonomous City of Buenos Aires, August 10, 2017

PRICE WATERHOUSE & CO. S.R.L.

by _____ (Partner)
Carlos A. Pace



GRUPO CLARÍN S.A.

Interim Condensed Parent Company Only Financial Statements
for the six-month period ended June 30, 2017,
presented on a comparative basis.

English free translation of the Financial Statements and Reports originally issued in Spanish.

GRUPO CLARÍN S.A.

Registration number with the IGJ: 1,669,733

GRUPO CLARÍN S.A.
PARENT COMPANY ONLY STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017 AND 2016,
AND FOR THE THREE-MONTH PERIODS BEGINNING ON APRIL 1 AND ENDED ON JUNE 30, 2017 AND 2016
In Argentine Pesos (Ps.)

	Notes	June 30, 2017	June 30, 2016	April 1, 2017 through June 30, 2017	April 1, 2016 through June 30, 2016
Equity in Earnings from Affiliates and Subsidiaries	4.3	122,862,237	1,212,081,829	184,551,307	585,858,248
Management fees		120,248,503	88,950,000	56,948,503	44,475,000
Administrative Expenses (1)	5	(174,206,627)	(117,159,306)	(83,079,473)	(58,795,230)
Other Income and Expenses, net		4,302,247	(8,515,395)	3,553,767	(4,933,191)
Financial Costs	4.9	3,748,885	(58,789,954)	(2,129,006)	(15,592,414)
Other Financial Results, net	4.10	8,877,985	3,384,208	7,040,195	1,307,891
Financial Results		12,626,870	(55,405,746)	4,911,189	(14,284,523)
Income before Income Tax and Tax on Assets		85,833,230	1,119,951,382	166,885,293	552,320,304
Income Tax and Tax on Assets		(4,423,237)	(1,407,516)	(3,383,909)	(983,276)
Net Income from Continuing Operations		81,409,993	1,118,543,866	163,501,384	551,337,028
Net Income from Discontinued Operations	4.11	1,412,764,047	109,209,429	282,016,012	43,706,439
Income for the period		1,494,174,040	1,227,753,295	445,517,396	595,043,467
Other Comprehensive Income					
Items which may be reclassified to net income					
Variation in Translation Differences of Foreign Operations from Continuing Operations		3,020,130	45,404,248	2,981,674	6,853,251
Variation in Translation Differences of Foreign Operations from Discontinued Operations		(33,383,731)	4,044,762	13,615,964	842,583
Other Comprehensive Income for the period		(30,363,601)	49,449,010	16,597,638	7,695,834
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		1,463,810,439	1,277,202,305	462,115,034	602,739,301

- (1) Includes depreciation of property, plant and equipment and amortization of intangible assets in the amount of Ps. 1,113,792 and Ps. 415,862 for the six-month periods ended June 30, 2017 and 2016, respectively.

The notes are an integral part of these interim condensed parent company only financial statements.

Signed for identification purposes
with the report dated August 10, 2017

See our report dated
August 10, 2017
PRICE WATERHOUSE & CO. S.R.L.

CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

(Partner)
C.P.C.E.C.A.B.A. Vol. 1 Fol. 17
Dr. Carlos A. Pace
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. Vol. 150 Fol. 106

JORGE CARLOS RENDO
Chairman

GRUPO CLARÍN S.A.
PARENT COMPANY ONLY BALANCE SHEET
AS OF JUNE 30, 2017 AND DECEMBER 31, 2016
 In Argentine Pesos (Ps.)

	Notes	June 30, 2017	December 31, 2016
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	4.1	11,744,319	6,364,387
Intangible Assets	4.2	612,389	41,564
Deferred Tax Assets		22,754,776	21,723,720
Investments in Unconsolidated Affiliates	4.3	2,995,726,284	3,311,592,293
Other Receivables	4.4	314,203,398	30,000
Total Non-Current Assets		3,345,041,166	3,339,751,964
CURRENT ASSETS			
Other Receivables	4.4	681,814,398	157,656,503
Other Investments	4.5	64,081,163	84,222,441
Cash and Banks		3,796,317	34,438,063
Total Current Assets		749,691,878	276,317,007
Assets Held for Distribution to Shareholders	4.11	-	6,816,875,217
Total Assets		4,094,733,044	10,432,944,188
EQUITY (as per the corresponding statement)			
Shareholders' Contributions		746,952,203	2,010,638,503
Other Items		(20,992,689)	755,638,189
Accumulated Income		3,273,274,555	6,860,110,364
Total Equity		3,999,234,069	9,626,387,056
LIABILITIES			
NON-CURRENT LIABILITIES			
Other Liabilities	4.3	25,499,834	-
Debt	4.6	-	367,813,013
Total Non-Current Liabilities		25,499,834	367,813,013
CURRENT LIABILITIES			
Debt	4.6	-	3,475,247
Taxes Payable		10,719,226	9,056,387
Other Liabilities		803,025	818,127
Trade Payables and Other		58,476,890	74,257,310
Total Current Liabilities		69,999,141	87,607,071
Liabilities Held for Distribution to Shareholders	4.11	-	351,137,048
Total Liabilities		95,498,975	806,557,132
Total Equity and Liabilities		4,094,733,044	10,432,944,188

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JORGE CARLOS RENDO
Chairman

GRUPO CLARÍN S.A.
PARENT COMPANY ONLY STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017 AND 2016
In Argentine Pesos (Ps.)

	Equity attributable to Shareholders of the Parent Company									
	Shareholders' Contributions				Other Items		Accumulated Income			Total Equity of Controlling Interests
	Capital Stock	Inflation Adjustment on Capital Stock	Additional Paid-in Capital	Subtotal	Translation of Foreign Operations	Other Reserves	Legal Reserve	Optional reserves (1)	Retained Earnings	
Balances as of January 1st, 2017	287,418,584	309,885,253	1,413,334,666	2,010,638,503	814,523,312	(58,885,123)	119,460,767	4,210,607,765	2,530,041,832	9,626,387,056
Set-up of reserves (Note 12.a.)	-	-	-	-	-	-	-	2,050,041,832	(2,050,041,832)	-
Dividend Distribution (Note 12.a.)	-	-	-	-	-	-	-	-	(480,000,000)	(480,000,000)
Income for the period	-	-	-	-	-	-	-	-	1,494,174,040	1,494,174,040
Spun-off Balances (See Note 14)	(180,642,580)	(194,762,882)	(888,280,838)	(1,263,686,300)	(749,470,539)	3,203,262	(75,081,092)	(3,691,570,698)	(834,358,059)	(6,610,963,426)
Other Comprehensive Income:										
Variation in Translation Differences of Foreign Operations	-	-	-	-	(30,363,601)	-	-	-	-	(30,363,601)
Balances as of June 30, 2017	106,776,004	115,122,371	525,053,828	746,952,203	34,689,172	(55,681,861)	44,379,675	2,569,078,899	659,815,981	3,999,234,069
Balances as of January 1st, 2016	287,418,584	309,885,253	1,413,334,666	2,010,638,503	595,897,405	(3,653,767)	119,460,767	2,625,678,396	1,884,929,369	7,232,950,673
Set-up of reserves (Note 12.a.)	-	-	-	-	-	-	-	1,584,929,369	(1,584,929,369)	-
Dividend Distribution (Note 12.a.)	-	-	-	-	-	-	-	-	(300,000,000)	(300,000,000)
Income for the period	-	-	-	-	-	-	-	-	1,227,753,295	1,227,753,295
Other Comprehensive Income:										
Variation in Translation Differences of Foreign Operations	-	-	-	-	49,449,010	-	-	-	-	49,449,010
Balances as of June 30, 2016	287,418,584	309,885,253	1,413,334,666	2,010,638,503	645,346,415	(3,653,767)	119,460,767	4,210,607,765	1,227,753,295	8,210,152,978

(1) Broken down as follows: (i) Optional reserve for future dividends of Ps. 1,071,751,261, (ii) Judicial reserve for future dividend distribution of Ps. 387,028,756, (iii) Optional reserve for illiquidity of results of Ps. 257,959,160, (iv) Optional reserve to ensure the liquidity of the Company and its subsidiaries of Ps. 390,090,541, and (v) Optional Reserve to give financial aid to its subsidiaries and the LSCA: Ps. 462,249,181.

The notes are an integral part of these interim condensed parent company only financial statements.

Signed for identification purposes
with the report dated August 10, 2017

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JORGE CARLOS RENDO
Chairman

GRUPO CLARÍN S.A.

Registration number with the IGJ: 1,669,733

GRUPO CLARÍN S.A.
PARENT ONLY STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017 AND 2016
 In Argentine Pesos (Ps.)

	June 30, 2017	June 30, 2016
CASH PROVIDED BY OPERATING ACTIVITIES		
Income for the period	1,494,174,040	1,227,753,295
Income Tax and Tax on Assets	4,423,237	1,407,516
Accrued Interest, net	1,541,234	10,423,972
Adjustments to reconcile net income for the period to cash used in operating activities:		
Depreciation of Property, Plant and Equipment and Amortization of Intangible Assets	1,113,792	415,862
Exchange Differences and Other Financial Results	(17,515,443)	41,799,531
Equity in Earnings from Affiliates and Subsidiaries	(122,862,237)	(1,212,081,829)
Disposal of other investments	(748,480)	-
Net Income from Discontinued Operations	(1,412,764,047)	(109,209,429)
Other Income and Expenses	-	(529,596)
Changes in Assets and Liabilities:		
Other Receivables	(49,038,500)	(26,432,349)
Trade Payables and Other	(14,718,464)	(14,307,946)
Taxes Payable	4,057,667	(1,762,855)
Other Liabilities	(15,102)	(3,434,786)
Income Tax and Tax on Assets Payments	(3,143,522)	(903,130)
Net Cash Flows used in Operating Activities	<u>(115,495,825)</u>	<u>(86,861,744)</u>
CASH PROVIDED BY INVESTMENT ACTIVITIES		
Dividends collected	853,840,087	318,159,209
Payment for Acquisition of Investments	-	(10,000)
Acquisition of Property, Plant and Equipment, net	(6,476,843)	(794,479)
Acquisition of Intangible Assets	(587,707)	-
Loans granted	(305,900,000)	-
Loans and interest collected	38,561	1,109,336
Proceeds from Disposal of Non-Current Investments	3,050,000	-
Collections of Placements of Forward Instruments	-	70,102
Net Cash Flows provided by Investment Activities	<u>543,964,098</u>	<u>318,534,168</u>
CASH PROVIDED BY FINANCING ACTIVITIES		
Loans Obtained	-	35,425,000
Payment of Dividends	(480,000,000)	(300,000,000)
Payment of Debts	(3,499,408)	-
Payment of Interest	-	(181,428)
Net Cash Flows used in Financing Activities	<u>(483,499,408)</u>	<u>(264,756,428)</u>
FINANCING RESULTS GENERATED BY CASH AND CASH EQUIVALENTS	<u>4,248,111</u>	<u>6,494,306</u>
Net decrease in cash flow	(50,783,024)	(26,589,698)
Cash and Cash Equivalents at the Beginning of the Year	118,660,504	32,041,533
Cash and Cash Equivalents at the Closing of the Period (Note 2.3)	<u>67,877,480</u>	<u>5,451,835</u>

The notes are an integral part of these interim condensed parent company only financial statements.

Signed for identification purposes
with the report dated August 10, 2017

See our report dated
August 10, 2017
PRICE WATERHOUSE & CO. S.R.L.

CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

(Partner)
C.P.C.E.C.A.B.A. Vol. 1 Fol. 17
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JORGE CARLOS RENDO
Chairman

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Signed for identification purposes
with the report dated August 10, 2017

See our report dated
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GRUPO CLARÍN S.A.
NOTES TO THE INTERIM CONDENSED PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017,
PRESENTED ON A COMPARATIVE BASIS
In Argentine Pesos (Ps.)

NOTE 1 – GENERAL INFORMATION

Grupo Clarín is a holding company that operates in the Media industry. Its operating income and cash flows derive from the operations of its subsidiaries in which it participates directly or indirectly.

The operations of its subsidiaries include cable television and Internet access services, newspaper and other printing, publishing and advertising activities, broadcast television, radio operations and television content production, on-line and new media services, and other media related activities. A substantial portion of its revenues is generated in Argentina.

Note 14 to these Interim Condensed Parent Company Only Financial Statements describes the current merger-spin-off process of the Company and certain subsidiaries.

NOTE 2 - BASIS FOR THE PREPARATION AND PRESENTATION OF THE INTERIM CONDENSED PARENT COMPANY ONLY FINANCIAL STATEMENTS

2.1 Basis for the preparation

Through General Resolutions No. 562/09 and No. 576/10, the Argentine Securities Commission ("CNV", for its Spanish acronym) provided for the application of Technical Resolutions ("TR") No. 26 and No. 29 issued by the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE", for its Spanish acronym), which adopt the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") for entities subject to the public offering regime governed by Law No. 26,831, whether on account of their equity or their notes, or which have requested authorization to be subject to such regime. The FACPCE issues Adoption Communications in order to implement IASB resolutions in Argentina.

Technical Resolution No. 43 "Amendment of Technical Resolution No. 26", effective for fiscal years beginning on or after January 1, 2016, sets out that parent company only financial statements shall be prepared fully in accordance with IFRS without applying any changes, i.e. complying with the full contents of those standards as issued by the IASB and with the mandatory or guiding provisions established by IASB in each document. That Resolution provides that for its disclosure in parent company only financial statements of entities that are required to present consolidated financial statements, the investments in subsidiaries, joint ventures and associates shall be valued under the equity method as set out by IFRS.

In preparing these interim condensed parent company only financial statements for the six-month period ended June 30, 2017, presented on a comparative basis, the Company has followed the guidelines provided by TR 43, and, therefore, these financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting". Some additional matters were included as required by the Argentine General Associations Law and/or CNV regulations, including the supplementary information provided by the last paragraph of Section 1, Chapter III, Title IV of General Resolution No. 622/13. That information is included in the Notes to these parent company only financial statements, as provided by IFRS.

The interim condensed parent company only financial statements have been prepared in accordance with the accounting policies the Company expects to adopt in its annual parent company only financial statements as of December 31, 2017. The accounting policies are based on the IFRS issued by the IASB and the interpretations issued by the IFRIC, which the Company expects will be applicable at such date.

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with the report dated August 10, 2017

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GRUPO CLARÍN S.A.

Registration number with the IGJ: 1,669,733

The interim condensed parent company only financial statements have been prepared based on historical cost, except for the measurement at fair value of certain non-current assets and financial instruments. In general, the historical cost is based on the fair value of the consideration granted in exchange for the assets.

IAS 29 "Financial Reporting in Hyperinflationary Economies" ("IAS 29") requires that the financial statements of an entity that reports in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the balance sheet closing date of the reporting period and details a series of factors that may indicate that an economy is hyperinflationary. Based on the guidelines of IAS 29, there is not enough evidence to conclude that Argentina was a hyperinflationary economy as of June 30, 2017 and, therefore, the Company did not apply the restatement criteria to the financial information for the periods reported as established under IAS 29.

These interim condensed parent company only financial statements should be read together with the Company's annual financial statements as of December 31, 2016 prepared under IFRS.

The accounting policies used in the preparation of these interim condensed parent company only financial statements are consistent with those used in the preparation of the financial statements as of December 31, 2016.

Certain figures reported in the financial statements presented on a comparative basis were reclassified in order to maintain the consistency in the disclosure of the figures corresponding to this period.

The attached information, approved by the Board of Directors at the meeting held on August 10, 2017, is presented in Argentine Pesos (Ps.), the Argentine legal tender, and arises from accounting records kept by Grupo Clarín S.A.

2.2 Standards and Interpretations issued but not adopted to date

The Company has not adopted IFRS or revisions of IFRS issued as per the detail below, since their application is not required for the period ended June 30, 2017:

- IFRS 9 Financial Instruments: issued in November 2009 and amended in October 2010 and July 2014. IFRS 9 introduces new requirements for the classification and measurement of financial assets and liabilities and for their derecognition. This standard is applicable to years beginning on or after January 1st, 2018.

- IFRS 15 "Revenue from contracts with customers": issued in May 2014 and applicable to fiscal years beginning on or after January 1, 2018. This standard specifies how and when revenue will be recognized, as well as the additional information to be disclosed by the Company in the financial statements. It provides a single, principles based five-step model to be applied to all contracts with customers.

- IFRS 16 "Leases": issued in January 2016 and applicable to fiscal years beginning on or after January 1, 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases.

As of the date of these financial statements, the Company cannot estimate its quantitative and qualitative impact because it is analyzing the corresponding accounting effects.

2.3 Statement of Cash Flows

For the purposes of preparing the statement of cash flows, the item "Cash and Cash Equivalents" includes cash, certain high liquidity short-term investments (with original maturities shorter than 90 days) and, if any, bank overdrafts payable on demand, to the extent they form part of the Company's cash management.

Bank overdrafts are classified as "Debts" in the balance sheet.

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Cash and cash equivalents at each period-end, as disclosed in the statement of cash flows, may be reconciled against the items related to the parent company only balance sheet as follows:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Cash and Banks	3,796,317	3,579,614
Short-Term Investments	64,081,163	1,872,221
Cash and Cash Equivalents	<u>67,877,480</u>	<u>5,451,835</u>

NOTE 3 - ACCOUNTING ESTIMATES AND JUDGMENTS

In applying the accounting policies used in the preparation of these interim condensed parent company only financial statements, the Company has to make judgments and prepare accounting estimates of the value of the assets and liabilities that may not be obtained otherwise. The estimates and related assumptions are based on historical experience and other pertinent factors. Actual results may differ from these estimates.

The underlying estimates and assumptions are continually reviewed. The effects of the reviews of accounting estimates are recognized for the period in which estimates are reviewed.

The estimates and assumptions used in the preparation of these interim condensed parent company only financial statements are consistent with those used in the preparation of the financial statements as of December 31, 2016, which are disclosed in Note 3 to such annual parent company only financial statements.

NOTE 4 – BREAKDOWN OF MAIN ITEMS**4.1 - Property, Plant and Equipment**

Main Account	Historical value			
	Balance at the Beginning	Additions	Retirements	Balances as of June 30, 2017
Furniture and Fixtures	709,463	1,808,048	-	2,517,511
Audio and Video	213,208	234,370	-	447,578
Telecommunication Equipment	303,526	179,111	-	482,637
Computer Equipment	11,185,225	696,146	-	11,881,371
Improvements in Third-Party Property	1,822,196	3,559,168	-	5,381,364
Total as of June 30, 2017	14,233,618	6,476,843	-	20,710,461
Total as of June 30, 2016	7,782,968	794,479	-	8,577,447

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Chairman of the Supervisory Committee

(Partner)
C.P.C.E.C.A.B.A. Vol. 1 Fol. 17

GRUPO CLARÍN S.A.

Registration number with the IGJ: 1,669,733

Main Account	Depreciation					Net Book Value as of June 30, 2017	Net Book Value as of December 31, 2016
	Useful Life (in years)	Balance at the Beginning	Retirements	For the period	Balances as of June 30, 2017		
Furniture and Fixtures	10	369,568	-	36,785	406,353	2,111,158	339,895
Audio and Video	5	136,043	-	16,687	152,730	294,848	77,165
Telecommunication	5	207,295	-	32,218	239,513	243,124	96,233
Equipment	3	7,156,327	-	952,035	8,108,362	3,773,009	4,028,898
Computer Equipment	10	-	-	59,184	59,184	5,322,180	1,822,196
Improvements in Third-Party Property							
Total as of June 30, 2017		7,869,233	-	1,096,909	8,966,142	11,744,319	6,364,387
Total as of June 30, 2016		6,524,192	-	382,978	6,907,170	1,670,277	

4.2 - Intangible Assets

Main Account	Historical value			
	Balance at the Beginning	Additions	Retirements	Balances as of June 30, 2017
Software	406,468	-	-	406,468
Projects in-Progress	-	587,707	-	587,707
Total as of June 30, 2017	406,468	587,707	-	994,175
Total as of June 30, 2016	406,468	-	-	406,468

Main Account	Amortization					Net Book Value as of June 30, 2017	Net Book Value as of December 31, 2016
	Amortization Period (in years)	Balance at the Beginning	Retirements	For the period	Balances as of June 30, 2017		
Software	3	364,903	-	16,883	381,786	24,682	41,564
Projects in-Progress		-	-	-	-	587,707	-
Total as of June 30, 2017		364,903	-	16,883	381,786	612,389	41,564
Total as of June 30, 2016		299,135	-	32,884	332,019	74,449	

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Chairman of the Supervisory Committee(Partner)
C.P.C.E.C.A.B.A. Vol. 1 Fol. 17

GRUPO CLARÍN S.A.

Registration number with the IGJ: 1,669,733

4.3 - Investments in Unconsolidated Affiliates

Information about the issuer - Latest financial statements											
	Class	Nominal Value	Number	Value recorded as of June 30, 2017 (1)	Value recorded as of December 31, 2016 (1)	Main business activity	Date	Capital Stock	Net Income	Equity	Interest (%)
<u>Non-Current Investments</u>											
AGEA	Common	Ps. 1	1,397,974,126	1,212,461,051	1,401,922,087	Publishing and Printing	June 30, 2017	1,441,374,151	(193,064,881)	1,253,623,783	96.99%
AGR	Common	Ps. 1	68,630,128	-	33,892,207	Printing	June 30, 2017	308,959,139	(266,202,124)	(108,143,175)	22.21%
CIMECO	Common	Ps. 1	37,412,958	52,108,924	51,926,349	Investing and financing	June 30, 2017	180,479,453	2,082,036	391,145,807	20.70% (3)
Goodwill				58,837,707	58,837,707						
CMI	Common	Ps. 1	98	390,429	370,572	Advertising	June 30, 2017	12,000	2,431,546	47,807,610	0.80%
ARTEAR.	Common	Ps. 1	57,747,859	973,666,679	1,146,222,082	Broadcasting Services	June 30, 2017	59,611,118	298,230,243	1,100,393,523	96.87% (2)
IESA	Common	Ps. 1	52,812,454	233,818,787	178,887,402	Investing and financing	June 30, 2017	38,325,795	57,396,143	244,863,887	96.00%
Radio Mitre	Common	Ps. 1	63,555,121	195,686,629	153,489,032	Broadcasting Services	June 30, 2017	65,413,136	43,711,631	204,805,147	97.15%
GC Services	-	-	-	37,824,978	36,131,665	Investing and financing	June 30, 2017	19,075,942	1,693,313	37,824,978	100%
GCGC	Common	Ps. 1	29,382,546	40,714,019	24,102,843	Services	June 30, 2017	30,291,285	17,124,922	41,973,212	97.00%
CMD	Common	Ps. 1	232,305,711	96,508,650	124,820,353	Investing and services	June 30, 2017	236,475,711	(27,115,970)	143,447,448	98.24%
GC Minor	Common	Ps. 1	44,878,808	58,655,269	59,675,143	Investing and financing	June 30, 2017	47,237,879	301,579	63,799,154	95.00%
GCSA Investments	-	-	-	35,053,162	41,314,851	Investing and financing	June 30, 2017	25,998,910	6,126	24,879,454	100%
Total				2,995,726,284	3,311,592,293						
<u>Other Non-Current Liabilities</u>											
AGR	Common	Ps. 1	68,630,128	25,499,834	-						
Total				25,499,834	-						

(1) In certain cases, the equity value does not correspond to the related shareholders' equity due to: (i) the adjustment of the equity value to the Company's accounting policies, as required by professional accounting standards, (ii) the elimination of goodwill generated by transactions between companies under the Company's common control, (iii) the existence of irrevocable contributions, and (iv) adjustments to fair market value of net assets for acquisitions made by the Company.

(2) Interest in votes amounts to 98.8%.

(3) Interest in votes amounts to 23.2%.

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Chairman of the Supervisory Committee

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(Partner)
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GRUPO CLARÍN S.A.

Registration number with the IGJ: 1,669,733

Equity in Earnings from Affiliates and Subsidiaries

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
SHOSA ⁽¹⁾	-	590,463,759
Vistone ⁽¹⁾	-	406,201,960
CVB ⁽¹⁾	-	99,882,082
CLC ⁽¹⁾	-	23,140,121
AGEA	(191,766,466)	(77,850,353)
IESA	54,931,385	29,166,489
CIMECO	182,575	2,492,093
GCSA Investments	(6,261,689)	(52,688,006)
ARTEAR.	292,404,113	175,826,448
Radio Mitre	42,197,597	22,813,499
GCGC	16,611,176	12,700,863
CMD	(26,555,408)	(13,601,870)
GC Services	1,693,313	4,576,524
Other	(60,574,359)	(11,041,780)
	<u>122,862,237</u>	<u>1,212,081,829</u>

⁽¹⁾ See Note 14**4.4. Other Receivables**

	<u>June 30, 2017</u>	<u>December 31, 2016</u>
Non-Current		
Related Parties (Note 8)	314,173,398	-
Guarantee Deposits	30,000	30,000
Tax on assets	37,359,316	33,853,449
Valuation Allowance for Tax on Assets (Note 4.8)	(37,359,316)	(33,853,449)
	<u>314,203,398</u>	<u>30,000</u>
Current		
Related Parties (Note 8)	188,402,873	148,303,413
Tax Credits	2,302,934	2,554,573
Advances	7,884,296	3,887,337
Dividend Receivable (Note 8)	479,983,334	2,160,068
Judicial Liens	482,017	482,017
Other	2,758,944	269,095
	<u>681,814,398</u>	<u>157,656,503</u>

On June 26, 2017, the Company executed a loan agreement for consideration with a related company for USD 19 million, at an annual rate of 3%, due in December 2018.

4.5 – Other Investments

	<u>June 30, 2017</u>	<u>December 31, 2016</u>
Money Market	20,387,119	24,883,519
Term Deposits	12,120,204	-
Mutual Funds	31,573,840	59,338,922
	<u>64,081,163</u>	<u>84,222,441</u>

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4.6 - Debt

	June 30, 2017	December 31, 2016
Non-Current		
Related Parties (Note 6)	-	367,813,013
	-	367,813,013
Current		
Bank Overdraft	-	3,475,247
	-	3,475,247

The following table details the changes in loans and indebtedness for the periods ended June 30, 2017 and 2016:

	2017	2016
Balances as of January 1st	371,288,260	287,999,976
New Loans and Indebtedness	-	35,425,000
Accrued Interest	7,664,377	11,875,930
Exchange Differences	(11,413,262)	46,914,024
Taxes	-	3,821,121
Settlement of principal and interest	(3,499,407)	-
Spun-off Balances (See Note 14)	(364,039,968)	-
Balances as of June 30	-	386,036,051

4.7 - Assets and Liabilities in Foreign Currency

Items	June 30, 2017			December 31, 2016		
	Type and Amount of Foreign Currency	Prevailing Exchange Rate	Amount in Local Currency	Type and Amount of Foreign Currency	Amount in Local Currency	
ASSETS						
CURRENT ASSETS						
Other Receivables	USD 1,090	16.53	18,018	USD 1,090	17,211	
Other Investments	USD 1,233,340	16.53	20,387,119	USD 1,575,904	24,883,519	
Cash and Banks	USD 78,588	16.53	1,299,060	USD 79,049	1,248,190	
Total Current Assets			21,704,197		26,148,920	
NON-CURRENT ASSETS						
Other Receivables	USD 19,006,255	16.53	314,173,398		-	
Total Non-Current Assets			314,173,398		-	
Total Assets			335,877,595		26,148,920	
LIABILITIES						
NON-CURRENT LIABILITIES						
Debt ⁽¹⁾	USD -	16.63	-	USD 23,147,452	367,813,013	
Total Non-Current Liabilities			-		367,813,013	
Total Liabilities			-		367,813,013	

USD - US Dollars

⁽¹⁾ See Notes 14 and 4.11.

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4.8 Changes in Allowances

Items	Balance at the Beginning	Increases	Spun-off Balances ⁽²⁾	Decreases	Balances as of June 30, 2017	Balances as of December 31, 2016
Deducted from Assets						
Valuation Allowance for Net Deferred Tax Assets	89,544,792	14,539,668 ⁽¹⁾	-	-	104,084,460	89,544,792
Valuation Allowance for Tax on Assets	<u>33,853,449</u>	<u>6,735,992 ⁽¹⁾</u>	<u>(1,246,405)</u>	<u>(1,983,720) ⁽¹⁾</u>	<u>37,359,316</u>	<u>33,853,449</u>
Total	<u>123,398,241</u>	<u>21,275,660</u>	<u>(1,246,405)</u>	<u>(1,983,720)</u>	<u>141,443,776</u>	<u>123,398,241</u>

⁽¹⁾ Charged to Income Tax and Tax on Assets⁽²⁾ See Note 14.**4.9 - Financial Costs**

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Exchange Differences	11,413,262	(46,914,024)
Interest	<u>(7,664,377)</u>	<u>(11,875,930)</u>
	<u>3,748,885</u>	<u>(58,789,954)</u>

4.10 – Other Financial Results, net

	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Exchange Differences and Other Financial Results	6,102,181	5,044,391
Results from transactions with securities and bonds	-	70,102
Interest	6,123,143	1,451,958
Other Taxes and Expenses	<u>(3,347,339)</u>	<u>(3,182,243)</u>
	<u>8,877,985</u>	<u>3,384,208</u>

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4.11 – Assets and liabilities held for distribution to shareholders and Discontinued operations

As described in Note 14 to the interim condensed parent company only financial statements as of December 31, 2016, the Company's interest in Cablevisión, PEM, VLG and in GCSA Equity and certain assets and liabilities of the Company have been classified as of that date as "Assets held for distribution to shareholders" and as "Liabilities held for distribution to shareholders", respectively, as required under IFRS.

The following is a detail of those assets and liabilities disclosed under "Assets held for distribution to shareholders" and "Liabilities held for distribution to shareholders" as of December 31, 2016 (in millions of Argentine Pesos):

	December 31, 2016
ASSETS	
NON-CURRENT ASSETS	
Deferred Tax Assets	11
Investments in Unconsolidated Affiliates ⁽¹⁾	6,806
Total Non-Current Assets	6,817
Total Assets Held for Distribution to Shareholders	6,817
LIABILITIES	
NON-CURRENT LIABILITIES	
Debt ⁽³⁾	-
Other Liabilities ⁽²⁾	351
Total Non-Current Liabilities	351
CURRENT LIABILITIES	
Taxes Payable	-
Total Non-Current Liabilities	-
Total Liabilities Held for Distribution to Shareholders	351

⁽¹⁾ Corresponds to the interest in VLG, Cablevisión and PEM.

⁽²⁾ Corresponds to the interest in GCSA Equity.

In connection with the same situations mentioned above, the following is a detail of the results for the four and six-month periods ended April 30, 2017 and June 30, 2016, respectively, classified as discontinued operations corresponding to Equity in earnings from Cablevisión, VLG and GCSA Equity (in millions of Argentine Pesos):

	April 30, 2017	June 30, 2016
Cablevisión	806.1	-
VLG	602.3	109.2
GCSA Equity	4.4	-
Net Income from Discontinued Operations	1,412.8	109.2

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NOTE 5 - INFORMATION REQUIRED UNDER SECTION 64, SUBSECTION b) OF LAW No. 19,550

Item	Administrative Expenses	
	June 30, 2017	June 30, 2016
Salaries, Social Security and Benefits to Personnel	94,951,829	69,345,758
Supervisory Committee's fees	990,000	824,999
Fees for services	50,783,016	29,062,583
Taxes, Duties and Contributions	6,563,121	4,636,646
Other personnel expenses	4,309,730	1,734,939
General expenses	166,653	149,177
IT expenses	363,620	816,656
Maintenance Expenses	4,758,500	1,160,319
Communication expenses	992,526	588,606
Advertising expenses	480,376	625,422
Travel Expenses	4,398,788	3,939,131
Stationery and Office Supplies	82,908	345,585
Depreciation of Property, Plant and Equipment	1,096,909	382,978
Amortization of Intangible Assets	16,883	32,884
Other expenses	4,251,768	3,513,623
Total	174,206,627	117,159,306

NOTE 6 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The following table shows the breakdown of the Company's balances with its related parties as of June 30, 2017 and December 31, 2016.

Company	Item	June 30,	December 31,
<u>Subsidiaries</u>			
AGEA	Other Receivables	147,051,186	125,271,186
	Trade Payables and Other	(619,050)	(425,820)
ARTEAR.	Other Receivables	8,651,836	5,989,835
	Trade Payables and Other	(67,342)	(67,343)
IESA	Dividends Receivable	-	2,160,068
Radio Mitre	Other Receivables	7,236,041	1,876,323
GCGC	Other Receivables	10,741	115,835
	Trade Payables and Other	(163,403)	(36,830)
CMD	Other Receivables	2,571,838	2,449,031
	Trade Payables and Other	(124,926)	(124,926)
GC MINOR	Other Receivables	-	50,000
GC Services	Other Receivables	18,018	17,211

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Company	Item	June 30, 2017	December 31, 2016
<u>Indirectly controlled</u>			
AGR	Other Receivables	3,630,000	-
	Other Non-Current Receivables	314,173,398	-
	Trade Payables and Other	(24,823)	(16,575)
UNIR	Other Receivables	6,076,157	3,396,157
	Trade Payables and Other	(2,360)	(2,360)
Impripost	Other Receivables	1,635,675	1,635,675
Ferias y Exposiciones S.A.	Other Receivables	128	128
TRISA	Trade Payables and Other	(1,625,183)	(1,938,127)
DLA	Trade Payables and Other	(10,890)	-
<u>Other Related Parties</u>			
Cablevisión	Trade Payables and Other	(1,397,075)	(1,251,819)
	Other Receivables	32	7,502,032
	Dividends Receivable	274,713,334	-
	Debts (1)	-	(367,813,013)
Cablevisión Holding	Other Receivables	11,521,363	-
VLG	Dividends Receivable	205,270,000	-

⁽¹⁾ See Notes 14 and 4.11.Signed for identification purposes
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The following table details the transactions carried out by the Company with related parties for the six-month periods ended June 30, 2017 and 2016:

Company	Item	June 30, 2017	June 30, 2016
<u>Subsidiaries</u>			
AGEA	Management fees	18,000,000	9,000,000
	Advertising	(168,282)	(124,165)
ARTEAR.	Management fees	42,000,000	28,800,000
Radio Mitre	Management fees	12,000,000	1,950,000
GCGC	Services	(10,092,889)	(8,036,295)
CMD	Interest income from loans	197,801	294,497
SHOSA	Interest expense from loans	-	(7,801,935)
CVB	Interest expense from loans	-	(452,666)
VISTONE	Interest expense from loans	-	(3,621,329)
<u>Indirectly controlled</u>			
UNIR	Management fees	6,000,000	4,200,000
PRIMA	Services	-	(506,678)
AGR	Management fees	3,000,000	7,800,000
	Services	(6,733)	-
	Interest income from loans	103,256	(4,806)
<u>Other Related Parties</u>			
Cablevisión	Management fees	30,400,000	37,200,000
	Services	(1,057,641)	(123,639)
	Interest expense from loans	(7,640,216)	-
Cablevisión Holding	Management fees	8,848,503	-

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NOTE 7 - TERMS AND INTEREST RATES OF INVESTMENTS, RECEIVABLES AND LIABILITIES

	<u>June 30, 2017</u>
<u>Other Investments</u>	
Without any established term ⁽¹⁾	51,960,958
Due	
Within three months ⁽³⁾	12,120,205
	<u>12,120,205</u>
	<u>64,081,163</u>
<u>Receivables</u>	
Without any established term ⁽²⁾	189,237,304
Due	
Within three months ⁽⁴⁾	12,623,760
More than three months and up to six months ⁽⁵⁾	479,983,334
More than one and up to two years (6)	314,173,398
	<u>806,780,492</u>
	<u>996,017,796</u>
<u>Liabilities</u> ⁽⁵⁾	
Without any established term	5,689,370
Due	
Within three months	27,964,309
More than six months and up to nine months	30,636,546
In more than nine months and up to twelve months	5,708,916
	<u>64,309,771</u>
	<u>69,999,141</u>

⁽¹⁾ Bearing interest at variable rate. They include a balance of USD 1,233,340.⁽²⁾ They do not bear interest and include a balance of USD 1,090.⁽³⁾ It includes Ps. 12,000,000 and accrues interest at a fixed rate.⁽⁴⁾ Includes Ps. 1.8 million which bears interest at a fixed rate, the remaining balance does not bear any interest.⁽⁵⁾ Non-interest bearing.⁽⁶⁾ It includes USD 19,000,000 and accrues interest at a fixed rate.**NOTE 8 - PROVISIONS AND OTHER CONTINGENCIES**

The following are the main contingent situations affecting the Company and its subsidiaries, as well as the significant changes, if any, that took place after the issue of the Company's parent company only financial statements as of December 31, 2016, in connection with the rest of the contingent situations described in those financial statements.

8.1 Claims and Disputes with Governmental Agencies

- a. In connection with the decisions made at the Company's Annual Ordinary Shareholders' Meeting held on April 28, 2011, on September 1, 2011 the Company was served with a preliminary injunction in re "National Social Security Administration v. Grupo Clarín S.A. re ordinary proceeding" whereby the Company may not in any way dispose, in part or in whole, of the Ps. 387,028,756 currently recorded under the retained earnings account, other than to distribute dividends to the shareholders.

On the same date, the Company was served with a claim brought by Argentina's National Social Security Administration requesting the nullity of the decision made on point 7 (Appropriation of Retained Earnings) of the agenda of the Annual Ordinary Shareholders' Meeting held on April 22, 2010. As of the date of these financial statements, the Company has duly answered the complaint, the parties have produced evidence and made allegations. Therefore, the court has to render a decision.

On November 1, 2011, the CNV issued Resolution No. 593, which provides that at shareholders' meetings in which financial statements are considered shareholders must expressly decide to, either

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distribute as dividends any retained earnings that are not subject to distribution restrictions and that may be disposed of pursuant to applicable law or capitalize such retained earnings and issue shares, or appropriate them to set up reserves other than legal reserves, or a combination of the above.

On July 12, 2013, the Company was served notice of Resolution No. 17,131; dated as of July 11, 2013 whereby the CNV declared that the administrative effects of the decisions adopted at the Annual General Ordinary Shareholders' Meeting held on April 25, 2013 were irregular and ineffective, based on allegations that are absolutely false and irrelevant. According to the Company and its legal advisors, Resolution No. 17,131 is, among other things, null and void, because it lacks sufficient grounds and its enactment is a clear abuse of authority and a further step in the National Government's attempt to intervene in the Company. On October 11, 2013 Chamber No. 5 of the National Court of Appeals on Federal Administrative Matters issued a preliminary injunction in re "Grupo Clarín S.A. v. CNV – Resolución No. 17.131/13 (File 737/13)" File No. 29,563/2013, whereby it suspended the effects of Resolution No. 17.131/2013 dated July 11, 2013 which had rendered irregular and with no effect for administrative purposes the Company's Annual Ordinary Shareholders' Meeting held on April 25, 2013. As of the date of these financial statements, the preliminary injunction is still in effect.

In August 2013 the Company was served with a nullification claim brought by Argentina's National Social Security Administration relating to the Annual Ordinary Shareholders' Meeting held on April 28, 2011 whereby it requested the nullity of all the decisions made at such meeting and, as a default argument, the nullity of the decisions made on points 2, 4 and 7 of that meeting's agenda, as well as the nullity of the decisions made at the Extraordinary Meetings of Class A, B and A and B Shareholders. As of the date of these financial statements, the judge ordered discovery proceedings and a hearing was called for conciliatory purposes under the terms of Section 360 of the Civil and Commercial Procedure Code.

On September 17, 2013 the Company was served with a nullification claim brought by Argentina's National Social Security Administration relating to the Annual Ordinary Shareholders' Meeting held on April 26, 2012 whereby it requested the nullity of all the decisions made at such meeting and, as a default argument, the nullity of the decisions made on points 8 and 4 of that meeting's agenda, as well as the nullity of the decisions made at the Extraordinary Meetings of Class A, B and A and B Shareholders. As of the date of these financial statements, the judge ordered discovery proceedings and a hearing was called for conciliatory purposes under the terms of Section 360 of the Civil and Commercial Procedure Code.

On March 21, 2014, the Company was served notice of a claim brought by Argentina's National Social Security Administration in re "National Social Security Administration v. GRUPO CLARÍN S.A. on Ordinary Proceeding" File No. 74,429, pending before the National Court of First Instance on Commercial Matters No. 17, Clerk's Office No. 34. This claim seeks to nullify and challenge the corporate decisions made at the Shareholders' Meeting held on April 25, 2013 and those made at the Board of Directors' Meeting held on April 26, 2013. As of the date of these financial statements, discovery proceedings have been initiated and evidence is being produced.

On September 16, 2014, the Company received a communication from its controlling shareholder, GC Dominio S.A., whereby that company informed that it had been summoned to court as a third party in re "National Social Security Administration v. Grupo Clarín S.A. on Ordinary Proceeding", pending before the National Court of First Instance on Commercial Matters No. 17, Clerk's Office No. 33. As of the date of these financial statements and as informed by GC Dominio S.A., that company has filed a response to the above-mentioned claim.

On April 4, 2017, the Company was served notice of a claim brought by Argentina's National Social Security Administration in re "National Social Security Administration v. GRUPO CLARÍN S.A. on Ordinary Proceeding" File -22658/2015, pending before the National Court of First Instance on Commercial Matters No. 17, Clerk's Office No. 34. This claim seeks to nullify and challenge the corporate decisions made at the Shareholders' Meeting held on April 29, 2014. As of the date of these financial statements, the Company has filed a response.

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According to the Company and its legal advisors, the outstanding claims requesting the nullification of the Shareholders' Meetings have no legal grounds. Therefore, they believe that the Company will not have to face adverse consequences in this regard.

- b. On August 13, 2012, the parent company GC Dominio S.A. was served notice of a claim brought by the Argentine Superintendency of Legal Entities (IGJ) whereby that agency seeks to annul the registration with the Public Registry of Commerce of the appointment of GC Dominio S.A.'s authorities, approved at the Shareholders' Meeting held on May 17, 2011. The claim is pending before the Federal Court of First Instance on Commercial Matters No. 25, Clerk's Office No. 49 ("Inspección General de Justicia v. Dominio S.A. on/Ordinary", File No. 58652). The claim brought by the IGJ seeks to annul the registration with IGJ of the appointment of GC Dominio S.A.'s authorities, approved at the Annual General Ordinary Shareholders' Meeting of GC Dominio held on May 17, 2011. The appointment was registered with the IGJ on April 23, 2012 under No. 7147, Book No. 59 of Share Companies. According to the IGJ and as the case file is said to show, GC Dominio has allegedly failed to comply with certain regulations applicable to foreign shareholders upon registration of the appointment of authorities. Also within the framework of this claim, the Court issued an injunction in favor of the IGJ ordering that the existence of this claim be duly noted. The Chamber has confirmed the decision to order that the existence of this claim be duly noted. As of the date of these financial statements, the file has been submitted to the Federal Criminal and Correctional Court No. 4 - Clerk's office No. 8, where it is pending consideration.

GC Dominio S.A.'s legal advisors have strong grounds to argue that the resolution of IGJ's claim seeking the de-registration of the appointment of authorities has serious defects and infringes the guarantees of reasonableness and due process; a principle that derives from the constitutional guarantee of defense in court, which entails the right to be heard and to produce evidence to contradict a claim. GC Dominio S.A. has appealed such injunction because it considers that the IGJ has not shown that its legal arguments are, at least, plausible. The injunction was ratified by the court of appeals.

8.2 Other Claims and Disputes

- a. As mentioned under Note 10.3.a. to the parent company only financial statements as of December 31, 2016, which describes the events related to the claim brought by TSC against AFA for contractual breach and damages, TSC has executed an agreement with AFA whereby TSC undertook to withdraw the claim and waive its right to litigation, within the framework of negotiations regarding potential new businesses related to audiovisual rights to Argentine first division soccer tournament matches.
- b. As mentioned in Note 21.b. to the parent company only consolidated financial statements, as of December 31, 2016, on April 7, 2017 AGR's printing facilities located in the neighborhood of Pompeya were evicted under a court order. The eviction was carried out peacefully and with the intervention of the Police Department of the City of Buenos Aires.

8.3 Matters concerning Papel Prensa

As mentioned in Note 10.4 to the parent company only financial statements as of December 31, 2016, on March 30, 2017, the hearing that had been called by Chamber C of the National Court of Appeals on Commercial Matters was held. At that hearing, it was decided that the procedural periods regarding the claims pending before that court of appeals shall remain suspended, and Papel Prensa requested that the majority of the claims involving Papel Prensa be declared moot. The Court of Appeals served notice of these decisions on the National Government. The request is still pending. Papel Prensa submitted the same request to the Court of First Instance on Commercial Matters before which the claims that were not submitted to the court of appeals are pending. At the General Annual Ordinary Shareholders' Meeting that approved the financial statements of Papel Prensa for the year ended December 31, 2016, the shareholders disapproved the management of the representatives of the National Government in the Board of Directors and in the Oversight Board who held office until February 2016, as well as the performance of the syndics who held office until the Shareholders' Meeting of October 19, 2016, also in representation of the National Government, and decided to bring a corporate liability action (Section 276 of Law 19,550, as amended).

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Chairman of the Supervisory Committee

(Partner)
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NOTE 9 – FINANCIAL INSTRUMENTS

Grupo Clarín's activities are exposed to several financial risks: Market risk (including exchange risk, fair value interest rate risk and price risk), credit risk and liquidity risk.

No changes were made in the risk department or to risk management policies, as from the annual parent company only financial statements as of December 31, 2016.

The following table shows the assets and liabilities denominated in US dollars, which is the foreign currency most commonly used in Grupo Clarín's operations as of June 30, 2017 and December 31, 2016:

	USD	USD
	June 30, 2017	December 31, 2016
ASSETS		
CURRENT ASSETS		
Cash and Banks	78,588	79,049
Other Investments	1,233,340	1,575,904
Other Receivables	1,090	1,090
Total Current Assets	1,313,018	1,656,043
NON-CURRENT ASSETS		
Other Receivables	19,006,255	-
Total Non-Current Assets	19,006,255	-
Total assets	20,319,273	1,656,043
LIABILITIES		
NON-CURRENT LIABILITIES		
Debt	-	23,147,452
Total Non-Current Liabilities	-	23,147,452
Total Liabilities	-	23,147,452

Bid/offered exchange rates as of June 30, 2017 and December 31, 2016 were of Ps. 16.53 and Ps. 16.63; and Ps. 15.79 and Ps. 15.89; respectively.

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9.1. Financial Instruments at Fair Value

The following table shows Grupo Clarín's financial assets and liabilities measured at fair value at the closing of the reporting period and year:

	<u>June 30, 2017</u>	<u>Quoted Prices (Level 1)</u>	<u>Other Significant Observable Items (Level 2)</u>
<u>Assets</u>			
Current Investments	51,960,958	31,573,840	20,387,119

	<u>December 31, 2016</u>	<u>Quoted Prices (Level 1)</u>	<u>Other Significant Observable Items (Level 2)</u>
<u>Assets</u>			
Current Investments	84,222,441	59,338,922	24,883,519

Financial assets at fair value are measured using quoted prices for identical assets and liabilities (Level 1), or the prices of similar instruments arising from sources of information available in the market (Level 2). As of June 30, 2017 and December 31, 2016, the Company did not have assets or liabilities at fair value for which a comparison had not been conducted against observable market data to determine their fair value (Level 3).

9.2. Fair Value of Financial Instruments

The book value of cash and banks, accounts receivable and short-term liabilities is similar to the fair value because these are instruments with short-term maturities.

NOTE 10 - INTERESTS IN SUBSIDIARIES AND AFFILIATES

- a. On March 13, 2017, Grupo Clarín submitted a share acquisition offer to GC Minor, whereby Grupo Clarín sells to GC Minor 4,170,000 shares of CMD representing 1.7633% of the capital stock and votes of that company for Ps. 3,000,000, which was collected in full as of the date of these financial statements.

NOTE 11 - COVENANTS, SURETIES AND GUARANTEES PROVIDED

The following are the main guarantees set up during the period, in addition to those already mentioned in Note 15 to the Company's annual parent company only financial statements as of December 31, 2016.

- a. Grupo Clarín became the guarantor for up to Ps. 24 million to secure certain financial obligations of EPN with Banco Santander Río S.A. effective until September 2017.
- b. Grupo Clarín became the guarantor for up to Ps. 135 million to secure certain financial obligations of AGR with Banco Santander Río S.A. effective until October 2017.
- c. Grupo Clarín became the guarantor for up to Ps. 10 million to secure certain financial obligations of CMD with Banco Ciudad de Buenos Aires effective until March 2018.

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NOTE 12 - RESERVES, RETAINED EARNINGS AND DIVIDENDS**a. Grupo Clarín**

On April 27, 2017, at the Annual Ordinary Shareholders' Meeting of the Company, the shareholders decided, among other things, to appropriate the net income for the fiscal year 2016, which amounted to Ps. 2,530,041,832, as follows: (i) Ps. 480,000,000 to the distribution of dividends payable within 30 days as from the date of the Shareholders' Meeting, (ii) Ps. 1,000,000,000 to the reserve for future dividends and (iii) Ps. 1,050,041,832 to the creation of an optional reserve to ensure the liquidity of the Company and its subsidiaries. As of the date of these financial statements, the Company has paid all of the distributed dividends.

b. Cablevisión

On March 30, 2017, at the Annual General Ordinary and Extraordinary Shareholders' Meeting of Cablevisión, its shareholders decided to distribute cash dividends in the amount of Ps. 1,600 million, payable in Argentine Pesos or US Dollars, in two installments, the first one to be paid within a term of thirty days as from the date of such Shareholders' Meeting and the second one to be paid on December 31, 2017 or earlier as determined by the Board of Directors, and delegated on the Board of Directors of Cablevisión the power to establish the time and payment method. Of that amount, approximately Ps. 640 million corresponds to the non-controlling interest in this company. In April 2017, Cablevisión canceled Ps. 800 million of distributed dividends.

c. Artear

On April 25, 2017, at the Annual General Ordinary and Extraordinary Shareholders' Meeting, the shareholders of ARTEAR decided to distribute cash dividends in the amount of Ps. 480 million. As of the date of these financial statements, the Company collected all the dividends to which it was entitled based on its equity interest.

NOTE 13 - LAW No. 26,831 CAPITAL MARKETS

On December 28, 2012, Capital Markets Law No. 26,831 (the "Capital Markets Law"), passed on November 29, 2012 and enacted on December 27, 2012, was published in the Official Gazette. The Law provides for a comprehensive amendment of the public offering regime, previously governed by Law No. 17,811. Among other things, the new law enhances the National Government's oversight powers and changes the authorization, control and oversight mechanisms of all stages of the public offering process and the role of all the entities and individuals involved. The Law became effective on January 28, 2013.

On July 29, 2013, the National Government issued Decree No. 1023/2013 to regulate partially the Capital Markets Law that had been passed on November 29, 2012. Among other provisions, the Decree regulates Section 20 of said Law, pursuant to which the CNV may appoint an overseer with veto rights over the decisions made by the boards of directors of entities subject to the public offering regime, or otherwise remove the boards from such entities for up to 180 days until all deficiencies found by the CNV are solved. Said Emergency Decree amends the Law it seeks to regulate and, therefore, constitutes a regulatory abuse. Thus, whereas the Law vests on the CNV the power to appoint an overseer or to remove the board of directors, the Decree allows the CNV to exercise that power if the shareholders and/or noteholders with a two percent (2%) interest in the company's capital stock or outstanding debt securities claim that they have suffered actual and certain damages or if they believe their rights may be seriously jeopardized in the future. The Decree also vests on the CNV the power to appoint the administrators or co-administrators that will hold office as a consequence of the removal of the boards of directors. Thus, the Decree amends the Law by granting the CNV powers that were not provided therein. By doing so, the Executive Branch is assuming strictly legislative functions in breach of constitutional provisions.

On September 5, 2013 within the framework of the Capital Markets Law and its Decree, the CNV issued Resolution No. 622/2013 (the "Rules"), whereby it approved the applicable Rules that repeal the Rules that had been effective until that date (as restated in 2001). The new Rules have introduced several changes in

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connection with CNV's powers over the companies under that agency's oversight, and also in connection with the information that these companies must disclose.

On August 20, 2013, at the request of Mr. Rubén Mario Szwarc, a minority shareholder of the Company, and by means of public deed number two hundred forty-five, the Company was served notice of the decision rendered by Chamber A of the National Court of Appeals on Commercial Matters on August 12, 2013, in re "SZWARC, Rubén Mario v. National Government and Others on Preliminary Injunction" File No. 011419/2013. That Chamber decided, among other things, (i) to declare the unconstitutionality of Sections 2, 4, 5, 9, 10, 11, 13, 15 and 16 of Law No. 26,854, and (ii) to order the provisional, injunctive suspension of Section 20, subsection a), second part, paragraphs I and II (or 1 and 2) of Law No. 26,831 and of all laws, rules or administrative acts issued or that may be issued pursuant to such legal provisions, with respect to Grupo Clarín S.A., until the judge that is finally declared competent to render a decision on the merits assumes full jurisdiction of the case and renders a final decision relating to the injunction.

NOTE 14 - THE COMPANY'S CORPORATE REORGANIZATION PROCESS

On September 28, 2016, at the Company's Extraordinary Shareholders Meeting, the shareholders approved the execution of a corporate reorganization process to be implemented in two successive steps: a) first the merger of Southtel Holdings S.A., Vistone S.A., Compañía Latinoamericana de Cable S.A. and CV B Holding S.A. (the "Absorbed Companies"), through which Grupo Clarín held a controlling interest in Cablevisión (the "Merger"), and, b) the subsequent partial spin-off of the Company to create a new company under the name Cablevisión Holding S.A. (the "Spin-off", and together with the Merger, the "Corporate Reorganization").

The purpose of the Corporate Reorganization is to enhance efficiency, synergy and streamlining of the Company's costs, processes and resources and to promote the specialization of the existing asset portfolio of Grupo Clarín and its subsidiaries. This allows the implementation of differentiated growth strategies and goals for, on the one hand, the telecommunications segment, and, on the other hand, the media business (print, TV, programming, radio etc.). Thus, each of those segments is able to focus on its own markets, risks, organizational processes and capital structures.

As a result of the Merger, and since Grupo Clarín was the direct and indirect holder of 100% of the capital stock of the absorbed companies, Grupo Clarín's capital stock was not increased. Therefore, it was not necessary to establish an exchange ratio. In addition, the absorbed companies were dissolved early without liquidation and Grupo Clarín assumed, effective as from October 1, 2016 (the "Effective Date of the Merger"), the activities, receivables, property, rights and obligations of the above-mentioned companies, existing on the Effective Date of the Merger, or any that may exist or arise due to previous or subsequent acts or activities.

As part of the equity subject to the spin-off, as provided under the Merger and Spin-off Prospectus filed with the CNV and published in the Financial Information Highway, the Company transferred to Cablevisión Holding S.A. certain equity interests or participations held by Grupo Clarín, including the direct and indirect equity interests of Grupo Clarín in Cablevisión and in GCSA Equity, LLC. Consequently, after the Corporate Reorganization was executed, Cablevisión Holding S.A. became the owner, directly or indirectly, of 60% of the capital stock and votes of Cablevisión and of 100% of the participation of GCSA Equity, LLC. Grupo Clarín retained and continued with all activities, operations, assets and liabilities that were not specifically allocated to Cablevisión Holding S.A.

The Corporate Reorganization Transaction was registered with the IGJ on April 27, 2017. In view of the above and taking into consideration that, under the terms of the spin-off, the effective date of the Spin-off (the "Effective Date of the Spin-off") would be the first day of the month following the date on which the latest of the following registrations has been completed: (i) the registration of the Corporate Reorganization with the IGJ, or (ii) the registration of the incorporation of Cablevisión Holding S.A. with the IGJ, the Effective Date of the Spin-off was May 1, 2017. As from this date, Cablevisión Holding S.A. began activities on its own, and the accounting and tax effects of the Spin-off became effective, and the Company transferred to Cablevisión Holding S.A. the operations, risks and benefits described in the Exhibit to the Prospectus published by the Company as well as the assets and liabilities that make up the "Equity Subsequently Allocated", which include a USD 6 million receivable with VLG and a financial debt of USD 23 million with Cablevisión, as decided by

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the Company's Board of Directors on April 28, 2017, pursuant to the powers delegated by the Extraordinary Shareholders' Meeting held on September 28, 2016.

As a result of the Spin-off of Grupo Clarín, its equity was reduced pro rata and part of the Company's Class A, Class B and Class C shares were canceled in exchange for a set of shares of the same class and with substantially the same rights to be distributed by Cablevisión Holding S.A. Grupo Clarín continues to be subject to the public offering regime in Argentina. Cablevisión Holding has requested authorization to be admitted to the above-mentioned public offering regime in Argentina and has begun a similar process in an international market.

On August 10, 2017, the Argentine Securities Commission approved the prospectus for admission to the public offering regime filed by Cablevisión Holding and, consequently, the Company fulfilled the conditions detailed in Resolution No. CNV 18818.

Due to the fact that, as of the date of these financial statements, the Company has not obtained all of the required regulatory authorizations, Grupo Clarín and Cablevisión Holding have not yet exchanged their shares pursuant to the exchange ratio approved by the Company's shareholders at the time of approval of the spin-off process. Once those approvals have been obtained, Grupo Clarín and Cablevisión Holding will exchange their shares. Consequently, and while that situation has not concluded, the Board of Directors recommends that these financial statements be read together with those of Cablevisión Holding as of the same date, which will be available at the public information websites corresponding to the markets on which Grupo Clarín is listed.

The Corporate Reorganization detailed in this note was executed in compliance with applicable regulations of the General Associations Law and subject to obtaining the regulatory authorizations and/or intervention (as applicable) from the CNV, Merval, IGJ and Ente Nacional de Comunicaciones (National Communications Agency "ENACOM"). On April 25, 2017, the Corporate Reorganization was authorized by the CNV through Resolution No. 18,619 and was registered with the IGJ on April 27, 2017 under No. 7,920, Book 83 of Stock Companies.

The terms and conditions of the Corporate Reorganization were established by the Directors of the Company, who approved the Special Parent Company Only Financial Statement of Grupo Clarín as of June 30, 2016, the Special Balance Sheet for Merger and Spin-off as of the same date and the Merger -and Spin-off Prospectus at the Board of Directors' Meeting held on August 16, 2016.

NOTE 15 - CAPITAL STOCK STRUCTURE

Upon the Company's public offering during 2007, the capital stock amounted to Ps. 287,418,584, represented by:

- 75,980,304 Class A common, registered, non-endorsable shares, with nominal value of Ps. 1 each and entitled to 5 votes per share.
- 186,281,411 Class B book-entry common shares, with nominal value of Ps. 1 each and entitled to 1 vote per share.
- 25,156,869 Class C common, registered, non-endorsable shares, with nominal value of Ps. 1 each and entitled to 1 vote per share.

On October 5 and 11, 2007, the CNV and BCBA, respectively, granted authorization for the Company's admission to the initial public offering of its capital stock, having authorized the Company to consider (i) the public offering of its Class B book-entry common shares; (ii) the listing of its Class B book-entry common shares; and (iii) the listing of its registered non-endorsable Class C common shares, trading of which was suspended due to restrictions on transfers set forth by the Bylaws. Also in the last quarter of 2007, the Company was granted authorization for the listing of its GDSs in the LSE. Each GDS represents two of the Company's Class B common shares.

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As mentioned in Note 14, on April 27, 2017, the IGJ registered the Corporate Reorganization Transaction mentioned in that note and, therefore, the equity of the Company has been reduced, effective as of the Effective Date of the Spin-off, to Ps. 106,776,004, represented by:

- 28,226,683 Class A common, registered, non-endorsable shares, with nominal value of Ps. 1 each and entitled to 5 votes per share.
- 69,203,544 Class B book-entry common shares, with nominal value of Ps. 1 each and entitled to 1 vote per share.
- 9,345,777 Class C common, registered, non-endorsable shares, with nominal value of Ps. 1 each and entitled to 1 vote per share.

Once Cablevisión Holding has obtained authorization for admission to the public offering regime and the listing of its shares, the Company will deliver to the shareholders the corresponding shares in proportion to the exchange ratio approved by the shareholders of the Company at the time of approval of the spin-off process.

NOTE 16 – INFORMATION REQUIRED UNDER CNV RESOLUTION No. 629 – RECORD KEEPING

On August 14, 2014, the Argentine Securities Commission issued General Resolution No. 629, which provides for record keeping regulations.

The Company keeps certain supporting documentation related to the record of its operations and economic-financial events at GCGC located at Patagones 2550, City of Buenos Aires, and at the warehouse located at Ruta 36 Km 31.500, Florencio Varela, of the supplier AdeA - Administración de Archivos S.A., during the periods established by effective laws.

NOTE 17 – SUBSEQUENT EVENTS

- a. On July 27, 2017, the Company and CMD executed an Agreement relating to Irrevocable Contributions on Account of Future Share Subscriptions for a total of USD 750,000. As of the date of these financial statements, the Company has already made the contribution.
- b. On August 7, 2017, the Company and CMD executed an Irrevocable Contributions Agreement in order to absorb a portion of that company's accumulated deficit for a total of Ps. 1,813,096 contributing to such end the receivable that the Company holds with CMD.

NOTE 18 - APPROVAL OF THE INTERIM CONDENSED PARENT COMPANY ONLY FINANCIAL STATEMENTS

The Board of Directors has approved the interim condensed parent company only financial statements and authorized their issuance for August 10, 2017.

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Chairman

ADDITIONAL INFORMATION TO THE NOTES TO THE FINANCIAL STATEMENTS
SECTION No. 12 TITLE IV CHAPTER III OF GENERAL RESOLUTION No. 622/13 OF THE ARGENTINE
SECURITIES COMMISSION
BALANCE SHEET AS OF JUNE 30, 2017

1.a) There are no specific material regulatory regimes currently applicable to the Company that may entail the contingent loss or acquisition of legal benefits.

1.b) Note 14 to the parent company only financial statements describes the Company's current merger-spin-off process, whereby the Company merged with certain of its subsidiaries and subsequently spun off to a new company its direct and indirect interest in Cablevisión.

2) The classification of receivables and liabilities by maturity is detailed in Note 7 to the parent company only financial statements.

3) The classification of receivables and liabilities according to their related financial effects is detailed in Note 7 to the parent company only financial statements.

4) Equity interest under Section 33 of Law No. 19,550 is detailed in Note 4.3 of the parent company only financial statements. Accounts receivable from and payable to related parties are disclosed under Note 6 to the parent company only financial statements. The following table summarizes the breakdown of such accounts payable and receivable as per the above points 2) and 3).

	<u>Receivables</u>		<u>Liabilities</u>	
Without any established term	186,421,539	(1)	4,035,052	(1)
Due				
Within three months	1,981,476	(2)	-	
More than three months and up to six months	479,983,334	(1)	-	
More than one and up to two years (6)	314,173,398	(3)	-	
Total	<u>982,559,747</u>		<u>4,035,052</u>	

(1) Balances are denominated in local currency and do not accrue any interest.

(2) The balances are stated in local currency and include Ps. 1,813,097 which bear interest at a fixed rate, the remaining balance does not bear interest.

(3) It includes a balance of USD 19 million and accrues interest at a fixed rate.

5) There are no trade receivables or loans to directors, members of the Supervisory Committee and their relatives up to, and including, the second degree of kinship and no such trade receivables or loans existed during the period.

6) The Company does not have any inventories.

7) The Company is not subject to the restrictions under section 31 of Law No. 19,550, since its main corporate purposes are investment and finance.

8) The Company assesses the recoverable value of its long-term investments each time it prepares its financial statements. In the case of investments for which the Company does not book goodwill with an indefinite useful life, it assesses their recoverable value when there is any indication of impairment. In the case of investments for which the Company books goodwill with an indefinite useful life, it assesses their recoverable value by comparing the book value with cash flows discounted at the corresponding discount rate, considering the weighted average capital cost, and taking into consideration the projected performance of the main operating variables of the respective companies.

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9) As of June 30, 2017, the Company does not have any relevant tangible property, plant and equipment requiring efficient insurance coverage.

10.a) Booked provisions for contingencies do not exceed, either individually or as a whole, two percent (2%) of the Company's shareholders' equity.

10.b) As of the date of these financial statements, the Company does not have any contingent situations, the financial effects of which, if any, have not been booked (see Note 8 to the parent company only financial statements).

11) The Company does not have any irrevocable contributions on account of future share subscriptions.

12) The Company does not have any unpaid cumulative dividends on preferred shares

13) In Notes 8.1.a. and 12.a. to the interim condensed parent company only financial statements reference is made to the treatment given to retained earnings.

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JORGE CARLOS RENDO
Chairman

GRUPO CLARÍN S.A.

RATIFICATION OF PRINTED SIGNATURES

We hereby ratify our signatures appearing in printed form on the preceding sheets from page 1 to 28 in Grupo Clarín S.A.'s interim condensed parent company only financial statements for the six-month period ended June 30, 2017.

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

CARLOS ALBERTO PEDRO DI CANDIA
Supervisory Committee

C.P.C.E.C.A.B.A. Vol. 1 Fol. 17
Dr. Carlos A. Pace
Certified Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. Vol. 150 Fol. 106

JORGE CARLOS RENDO
Chairman

Free translation from the original prepared in Spanish

REPORT ON REVIEW OF INTERIM PARENT COMPANY ONLY FINANCIAL STATEMENTS

To the Shareholders, President and Directors of
Grupo Clarín S.A.
Legal domicile: Piedras 1743
Autonomous City of Buenos Aires
CUIT No 30-70700173-5

Introduction

We have reviewed the attached interim condensed parent company only financial statements of Grupo Clarín S.A. (the "Company") which comprise the parent company only balance sheet at June 30, 2017, the parent company only statements of comprehensive income for the six and three-month period ended at June 30, 2017 and the parent company only statements of changes in equity and of cash flows for the six-month period ended on that date and selected explanatory notes.

The balances and other information corresponding to fiscal year 2016 and its interim period are an integral part of the above-mentioned financial statements and, therefore, should be considered in relation to those financial statements.

Management's responsibility

The Board of Directors of the Company is responsible for the preparation and presentation of the financial statements in accordance with International Financial Reporting Standards, adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE, for its Spanish acronym) as professional accounting standards and incorporated by the Argentine Securities Commission (CNV, for its Spanish acronym) to its regulations, as approved by the International Accounting Standards Board (IASB) and, therefore, is responsible for the preparation and presentation of the interim condensed parent company only financial statements mentioned in the first paragraph in accordance with International Accounting Standard 34 "Interim Financial Reporting" (IAS 34).

Scope of our review

Our review was limited to the application of the procedures established by International Standard on Review Engagements ISRE 2410 "Review of interim financial information performed by the independent auditor of the entity", which was adopted as review standard in Argentina by Technical Resolution No. 33 of the FACPCE as it was approved by the International Auditing and Assurance Standards Board (IAASB). A review of interim financial information consists of making inquiries to the Company's personnel responsible for preparing the information included in the interim condensed parent company only financial statements and applying analytical and other review procedures. The scope of this review is substantially less than an audit conducted in accordance with International Standards on Auditing, and consequently, a review does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the parent company only balance sheet, parent company only comprehensive income and parent company only cash flows of the Company.

Conclusion

Based on our review, nothing has come to our attention that caused us to believe that the interim condensed parent company only financial statements mentioned in the first paragraph of this report, are not prepared, in all material respects, in accordance with International Accounting Standard 34.

Report on compliance with current regulations

In accordance with current regulations, in respect to Grupo Clarín S.A., we report that:

- a) the interim condensed parent company only financial statements of Grupo Clarín S.A. have been transcribed to the “Inventory and Balance Sheet” book and comply with the General Associations Law and pertinent resolutions of the Argentine Securities Commission, as regards those matters that are within our competence;
- b) the interim condensed parent company only financial statements of Grupo Clarín S.A. arise from accounting records kept in all formal respects in conformity with legal provisions;
- c) we have read the additional information to the Notes to the interim condensed parent company only financial statements required by Article 12°, Chapter III, Title IV of the regulations of the Argentine Securities Commission, on which, as regards those matters that are within our competence, we have no observations to make;
- d) at June 30, 2017, the debt accrued in favor of the (Argentine) Integrated Social Security System of Grupo Clarín S.A. according to the Company’s accounting records and calculations amounted to \$4,603,024, none of which was claimable at that date.

Autonomous City of Buenos Aires, August 10, 2017

PRICE WATERHOUSE & CO. S.R.L.

by _____ (Partner)
Carlos A. Pace

SUPERVISORY COMMITTEE'S REPORT ON THE REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS

To the Shareholders of:

Grupo Clarín S.A.

TAX ID No. 30-70700173-5

Registered office: Piedras 1743

City of Buenos Aires

I. INTRODUCTION

In our capacity as members of Grupo Clarín S.A.'s Supervisory Committee, pursuant to the regulations of the Argentine Securities Commission (CNV, for its Spanish acronym) and of the Buenos Aires Stock Exchange, we have performed a review of:

a) The attached Interim Condensed Parent Company Only Financial Statements of Grupo Clarín S.A. comprising the Parent Company Only Balance Sheet as of June 30, 2017, the Parent Company Only Statement of Comprehensive Income for the six-month and three-month periods ended June 30, 2017, the Parent Company Only Statement of Changes in Equity and the Parent Company Only Statement of Cash Flows for the six-month period then ended, together with the corresponding notes.

b) The attached Interim Condensed Consolidated Financial Statements of Grupo Clarín S.A. and its subsidiaries comprising the Consolidated Balance Sheet as of June 30, 2017, the Consolidated Statement of Comprehensive Income for the six-month and three-month periods ended June 30, 2017, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the six-month period then ended, together with the corresponding notes.

The balances and other information corresponding to fiscal year 2016 and its interim periods are an integral part of the financial statements mentioned above and, therefore, should be considered in relation to those financial statements.

II. RESPONSIBILITY OF THE COMPANY'S MANAGEMENT

The Company's Board of Directors is responsible for the preparation and presentation of the financial statements detailed in point I. in accordance with the International Financial Reporting Standards (IFRS) adopted by the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE", for its Spanish acronym) as professional accounting standards and incorporated by the CNV to its regulations, as approved by the International Accounting Standards Board (IASB). Therefore, the Board of Directors is responsible for the preparation and presentation of the financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting" (IAS 34).

III. SCOPE OF OUR REVIEW

We conducted our review in accordance with effective statutory auditing standards established by the Argentine General Associations Law (Law No. 19,550, as amended) and by Technical Resolution No. 15 issued by the FACPCE. (amended by Technical Resolution No. 45 issued by the FACPCE). Said standards require that the review of the documents detailed in point I. be conducted in accordance with effective audit standards for the review of interim condensed financial statements; that the documents be checked for consistency with the information on corporate decisions stated in minutes and that such decisions conform to the law and the by-laws, in all formal and documentary aspects.

In order to conduct our professional work on the documents detailed in point I., we have reviewed the work performed by the Company's external auditor, Carlos A. Pace, a partner of Price Waterhouse & Co. S.R.L., who issued his reports on August 10, 2017, pursuant to International Standard on Review Engagements 2410 ("ISRE 2410") about "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", which was adopted as a

standard of review in Argentina through Technical Resolution No. 33 issued by the FACPCE as approved by the International Auditing and Assurance Standards Board (IAASB) .

A review of interim financial information consists of making inquiries of the Company's personnel engaged in the preparation of the information included in the interim condensed financial statements and applying analytical and other review procedures. The scope of this review is substantially lower than that of an audit review performed in accordance with international auditing standards and, consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that may be identified in an audit. Accordingly, we do not express an audit opinion on the Company's financial position, the comprehensive income and the cash flow position (both on a consolidated and parent company basis).

We have not performed any management control and, therefore, we have not assessed the business criteria and decisions on administrative, financing, commercialization and production matters, since these issues are the exclusive responsibility of the Board of Directors.

IV. CONCLUSION

Based on our work, within the review scope described in point III of this report, nothing has come to our attention that caused us to believe that the financial statements mentioned in point I are not prepared, in all material respects, in accordance with International Accounting Standard 34.

V. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with effective regulations, we report with respect to Grupo Clarín S.A. that:

- a) The interim condensed financial statements detailed in point I a) and b) comply with the provisions of the General Associations Law and the regulations concerning accounting documentation issued by the CNV, and have been transcribed to the Inventory and Balance Sheet Book.
- b) The financial statements detailed in point I a) arise from the Company's accounting records kept, in all formal aspects, in accordance with effective legislation.
- c) Furthermore, we report that in exercise of the legality control within our field of competence, during the six-month period ended June 30, 2017 we have applied the procedures set forth in Section 294 of the General Associations Law, as deemed necessary pursuant to the circumstances and we have no observations to make in that regard.
- d) We have read the additional information to the notes to the financial statements detailed in point I a) required under section 12, Chapter III, Title IV of CNV regulations, on which, within our field of competence, we have no observations to make.

City of Buenos Aires, August 10, 2017.

Supervisory Committee

Carlos Alberto Pedro Di Candia
Chairman