GRUPO CLARÍN S.A.

Annual Report and Consolidated Financial Statements
For the year ended December 31, 2019,
presented on a comparative basis

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

GRUPO CLARÍN S.A.
2019 ANNUAL REPORT

To the Shareholders of

Grupo Clarín S.A.

We hereby submit for your consideration the Annual Report and Exhibit, the Separate Statement of Financial Position, the Separate Statement of Comprehensive Income, the Separate Statement of Changes in Shareholders' Equity and the Separate Statement of Cash Flows and Notes of Grupo Clarín S.A. (hereinafter, “the Company” or “Grupo Clarín”) for fiscal year No. 21 ended December 31, 2019 and the Consolidated Financial Statements as of December 31, 2019.

The main subsidiaries in which Grupo Clarín S.A. has a direct or indirect controlling interest are: Arte Gráfico Editorial Argentino S.A. (AGEA), Compañía Inversora en Medios de Comunicación S.A. (CIMECO), Arte Radiotelevisivo Argentino S.A.(ARTEAR), GC Gestión Compartida S.A., Inversora de Eventos S.A.(IESA) and Radio Mitre S.A.

2019 MACROECONOMIC ENVIRONMENT

During 2019, the performance of the Argentine economy was marked by an environment of uncertainty associated, among other factors, with the development of the presidential elections and the attempt of the Government then in office to make up for some of the damages derived from the 2018 balance of payments crisis.

The economic performance during 2019 can be divided, broadly, into two periods. The primary elections (called Simultaneous and Mandatory Open Primaries, PASO, for its Spanish acronym) held on August 11 and the presidential elections held on October 27 were, to some extent, the turning points that marked these stages.

The economic policies adopted by the outgoing administration were focused on furthering the process (already underway) of closing the fiscal gap and on attempting to preserve the stability of the exchange rate. It was expected that if the main quantitative targets undertaken with the IMF (primary fiscal balance at national level and freezing of the monetary base during the first semester) were met, the country would be granted disbursements for slightly more than US$ 22.0 Bn during 2019.

In this sense, the National Government focused on stabilizing the $/US$ exchange rate in order to help improve the possibilities of achieving lower inflation rates and, therefore, gradual improvements in the purchasing power of people's income, and admitted that it would have been difficult to achieve a tangible recovery of the GDP given the contractionary bias of the stabilization scheme.

But this was the case only in part. During the first half of the year, even with a relative exchange rate stability, the GDP deepened its decline and contracted by nearly 3% y/y, despite the good harvest achieved by the agricultural sector. Inflation accelerated driven by its own inertia and the adjustment in utility tariffs made during the first months of the year. This acceleration (from 47% in 2018 to about 55% y/y by the first half of 2019) prevented the recovery of revenues.

By the time the primary elections were held, the Argentine economy had few positive macroeconomic indicators, marked by a marginal recovery of the GDP circumscribed to the agricultural sector, a generalized erosion of the purchasing power of people's income and financial fragility. In this context, the election results achieved by the main opposition political party (“Frente de Todos”, 47.79%) and the gap of almost 16 percentage points with respect to the political party then in office “Juntos por el cambio” represented a new turning point in the downward trajectory of Argentine economy.

The collapse in the demand for Argentine pesos and assets caused a significant devaluation of the national currency and a significant loss of the Central Bank's reserves. In the days following the primary elections, the $/US$ nominal exchange rate recorded an abrupt jump of 25% (from US$45.40 to about US$57.0), exceeding the upper limit of the reference zone established by the Central Bank of Argentina (BCRA, for its Spanish acronym). In addition, the stock of gross reserves held by the BCRA decreased by approximately USD 23.0 Bn (from US$66.3 to US$43.6 Bn) in the 77 calendar days elapsed between the primary and the presidential elections.

There was also a sudden drain of USD deposits (which decreased by almost US$13.0 Bn, from US$32.5 to US$19.8 Bn during this transition period) and a growing decision of the investors not to renew the short-term maturities of sovereign debt after the primary elections.

This new depreciation of the Argentine peso, apart from deepening the stagflation, inhibited the possibility of preserving the exchange rate stability, which was a key pillar of the National Government's electoral strategy, and ultimately caused the replacement of the economic authorities by mid-August.

By the end of August, the new economic authorities decided to reschedule the interest payments on short-term treasury bills (in particular, LETES (dollar-denominated treasury bills) and LECAPs (peso-denominated treasury bills) - except for individuals))). At the same time, they announced that they also wanted to reschedule the terms of the sovereign debt with longer maturities.

The IMF's decision to suspend the US$5.4 Bn disbursement scheduled for September exacerbated the private sector's demand for foreign currency and led to the reinforcement of the above-mentioned measures through the implementation of exchange control. Through these measures, the National Government set a monthly limit to the purchase of foreign currency by individuals of US$10,000, reduced the terms within which exporters must exchange their foreign currency earnings in the domestic market, and imposed several restrictions on profit remittances.

The presidential elections held in October confirmed the party that won the primary elections and accentuated the portfolio dollarization process. As a result, and with the stated goal of safeguarding the position of the Central Bank, a new monthly limit to the purchase of foreign currency by individuals was set at US$200. Through this rationing, the foreign exchange market began to stabilize, and the drain of reserves began to cease as the new administration took office.

The closing figures of the main variables reflect the complexity of the current economic and social crisis and the hard effects of the devaluations in a dual currency economy such as Argentina. In 2019, the GDP contracted for the second consecutive year and, according to several estimates, it closed the year with a decrease even higher than the negative 2.5% recorded in 2018. The inflation rose to 53.8% in December, an annual record high since 1991.

In the fiscal front, the efforts made by the Government contrast with the burden of interest derived from the debt. In fact, the national primary deficit, rose from almost 0.5% of the GDP to 3.8% of the Product if interest payments are considered. In addition, the new decrease of the GDP in dollars increased the debt-to-GDP ratio to almost 90% of the GDP.

In the external front, the devaluation of the Argentine peso and its recessive effects generated a significant adjustment. In 2019, the trade balance recorded a surplus of almost US$16.0 Bn which contrasts with the US$3.7 Bn deficit recorded in 2018. The collapse of imports accounts for such reversal (which virtually balances the current account of the balance of payments). However and as a direct consequence of the lack of confidence, the stock of reserves of the Central Bank closed the year 2019 with US$21.0 Bn below the US$65.8 Bn recorded at the end of 2018.

Finally, the seriousness of the social context is reflected in the magnitude of the adjustment of the real wage (slightly more than 6% as of December 2019 according to the Registered Workers' Average Taxable Remuneration index (RIPTE, for its Spanish acronym), in addition to the almost 12% negative observed in 2018)), an unemployment rate that already exceeds 10% and poverty rates of 35% (INDEC).

Perspectives for the Upcoming Year

As of the date of this Annual Report, the new economic authorities are in the process of restructuring the sovereign debt. It should be noted that the outcome of this complex negotiation is a condition required in order to stabilize the economy in the short term with a reduction in interest rates and to begin to curb the carryover inflationary inertia.

For the year 2020, the aggregate of the debt maturities held with the private sector including the rescheduled treasury bills amounts to US$30.0 Bn. Slightly more than half of those maturities are denominated in Argentine pesos (Bills and Bonds issued under local law) and the rest is denominated in US dollars (a third under

international law and two thirds under local law). In addition, the bulk of the 2020 maturities corresponds to bonds issued under local law, which do not include the collective action clauses (CACs).

In the view of the new economic authorities, the current recession is mainly a consequence of the weakness of the aggregate demand. According to this viewpoint, the heavy burden of sovereign debt currently carried by the economy, deepens the drop in activity because it reduces the potential for effective demand.

Under normal conditions, this diagnosis would allow for applying expansionary macroeconomic policies to shore up demand. However, there is a limited margin to achieve this in Argentina. The country lacks voluntary financing to implement expansionary fiscal policies and despite the restrictions on the purchase of foreign currency, there seems to be no ceiling for an expansive monetary policy with inflation rates of around 55%.

The new administration maintained the priority of closing the fiscal gap, mainly through a heavier tax burden and, to a lesser extent, controlling spending (such as social security). With the initial set of measures, the Government has publicly stated that it will seek to protect the most vulnerable sectors and, at the same time, restore the basic macroeconomic consistency conditions that can contribute to cease the decline in consumption and activity.

Among the main measures of the Social Solidarity and Productive Reactivation Law, the following stand out:

a. The suspension of the current formula used to calculate pension benefits by indexing them to inflation;
b. An additional bonus of 5,000 Argentine pesos to be paid in January and February to retirees that receive the minimum pension and a fixed amount to be paid to private and public employees on account of future wage negotiations;
c. 30% tax on the purchase of foreign currencies by the private sector for savings purposes;
d. 3 percentage points increase to the upper limit of the withholdings on agricultural products;
e. New tariff scheme, to be implemented within a maximum term of 180 days, during which the adjustment of utility tariffs will continue to be suspended.
f. Increases in personal assets and income tax rates, suspension of the reductions in turnover tax and social security contributions, among others.

THE YEAR 2019 AND THE MEDIA SECTOR IN ARGENTINA AND THE WORLD

The complex process of reconversion and convergence in the media and communications industry forces companies engaged in these activities to reformulate their business models to adapt to the digital era and to the changes in consumption. This is coupled with the fact that the sustained migration of advertising towards the digital environment tends to concentrate among fully digital global platforms and social media.
In the face of this phenomenon, the sustainability challenges and certain negative side effects of the expansion of these players (such as the dissemination of disinformation campaigns or the worrying news biases boosted by algorithms that reinforce their users' own beliefs), the media all over the world continue to focus on strengthening their differential assets and on developing new ways of monetization. To such end, they highlight the credibility of their brands and the institutional role they have historically had in democratic societies as their assets.

Over the past few years, the multimedia paradigm has been fully consolidated. The multiplatform is the norm and, without exception, traditional media are exploring other languages. In this way, the consumption of contents is mostly simultaneous and through multiple windows. Therefore, the main challenge is to attract those audiences in all formats possible.

Even in a context of profound transformations, the content industry, in particular entertainment contents, continues to gain ground. According to the annual Global Entertainment and Media Outlook issued by Price Waterhouse Coopers, the revenues generated by this industry grew in 2019 at a rate of approximately 4% mainly driven by the subscriptions to OTT services, virtual reality platforms and Internet advertising (specially for mobile devices). In this way, digital advertising continues to increase its share in the structure of these companies and is becoming the main source of revenues.

In this sense, it is evident that more and more users are selecting the contents they consume prioritizing quality, convenience and true information. Therefore, the companies in this industry want to have direct contact with the user to build loyalty through the added value of their brands.

As audiences massively migrate to the digital world, users increasingly prefer mobile devices to search for the contents that best suit their preferences. The consumption of news through mobile devices grew significantly

worldwide during the year, according to Chartbeat. Two out of three visits to news sites are from a mobile phone. This phenomenon poses big challenges for an industry forced to constantly change and adapt the contents and the ads to mobile screens.

Thus, although depending on the degree of maturity of each market, the number of users willing to pay for viewing the contents that they consume the most is still growing, especially in the case of platforms or media that they already visited.

Thus, subscriptions continued to consolidate as the industry's main source of revenues during this year, mainly driven by the consumption of video streaming (mostly OTTs), music and video games. In fact, Deloitte estimates that as from this year in the USA there are more consumers subscribed to at least one video streaming service than to a traditional TV service.

In the local context, just like in 2018, the complex macroeconomic scenario, marked by the inflationary acceleration and a decline in private consumption and in the GDP, continued to have a considerable impact on the performance of this industry.

This performance is mostly accounted for by the sensitivity of Argentine media companies' revenue structure to the economic cycles. In this sense, media companies' advertising revenues are still especially sensitive to recessive cycles due to the early development of paid subscription models in the domestic market.

In this sense, it should be noted that advertising investment in real terms also shrank significantly during 2019 in line with the recession of the economy. This decline in advertising revenues was obviously sharper in analog media.

In contrast, the consolidated digital advertising revenues, in which Google and Facebook still hold a high share of approximately 75%, grew in line with inflation, remaining constant in real terms. Consequently, the digital pie retained its predominant position within the advertising investment volume and even widened the gap against the analog pie.

All this shows that traditional media need to focus on continued innovation, creating new and better digital products that will allow them to add new pathways to achieve sustainable business models. The industry worldwide is focusing on developing models to efficiently monetize digital advertising, exploiting the consumption of contents via mobile devices without becoming invasive for the user.

Argentine consumers' habits go in the same direction as the rest of the world. In the audiovisual segment, there was an increase in the new consumption patterns of non-linear TV and the emergence or consolidation of several OTTs or video streaming platforms.

As to the newspaper segment, according to IBOPE, in 2019 global circulation fell by approximately 20%, posing the challenge of capitalizing or monetizing these audiences in the digital ecosystem. The maturity of the market related to the paid digital news subscription system is still limited and has room to grow. In fact, more and more media are moving towards a paid digital subscription model. As to the radio segment, the changes in consumption patterns in households using analog television were offset by the growing number of digital users. In this way, the radio segment manages to consolidate as a multiplatform medium and penetrate in new generations.

As a result, the challenges faced by the local industry do not differ in essence from those faced by companies in developed countries, except for the complex macroeconomic context. Consumers' willingness to pay for Internet contents in this economic context and the search for new ways of generating value in digital advertising are two critical challenges to be addressed for the future of the industry. The media companies that achieve the most successful innovations and brands that add value will have a head start in the race to reach the user.

REGULATORY FRAMEWORK 2019

The latest substantial changes in legislation were introduced in December 2015 under Decree No. 267/2015, which amended Laws Nos. 26,522 and 27,078 ("Audiovisual Communication Services Law" and "Digital Argentina Law" respectively). The subsidiaries of the Company hold licenses and registrations and exploit Audiovisual Communication Services (Television, Radio, Cable Television Signals, Producers and Advertising Agencies), and are governed by the Audiovisual Communication Services Law. Currently, the only subsidiary

partially governed by the Digital Argentina Law is Gestión Compartida, as a result of the merger by acquisition executed with Compañía de Medios Digitales S.A. ("CMD"), holder of a Telecommunications License.

All the subsidiaries of the Company, owners of licenses for the exploitation of Audiovisual Communication Services have obtained an extension of the terms of their licenses, for the exploitation of broadcast television and AM and FM sound broadcasting services. All the licensees were deemed to have opted to request an extension under Article 20 of Decree No. 267/15, and were granted a new term for the first period of TEN (10) years, with the right to an automatic extension for a term of FIVE (5) more years, in every case.

In connection with digital television, all the subsidiaries that hold broadcast television licenses were awarded a digital channel to render terrestrial digital television services. The following are the Resolutions that determined the final award of each of the digital channels:

- Resolution No. 10,090/ENACOM/2016 (as amended by Resolution No. 1631-ENACOM/2017) awarded Canal 33.1 to ARTEAR as holder of LS 85 TV CANAL 13 DE BUENOS AIRES
- Resolution No. 35/AFSCA/2015 awarded Canal 27.1 to TELECOR S.A.C.I. as holder of LV81 TV CANAL 12 DE CÓRDOBA.
- Resolution No. 381/AFSCA/2015 awarded Canal 27.1 to Bariloche TV as holder of LU 93 TV CANAL 6 DE BARILOCHE.
- Resolution No. 236/AFSCA/2015 awarded Canal 28.1. to Teledifusora Bahiense S.A. as holder of LU81 TV CANAL 7 DE BAHÍA BLANCA

Notwithstanding the foregoing, ARTEAR filed in due time an unconstitutionality claim requesting the revision of the legal regime applicable to the transition to digital television (Decree No. 2,456/2014 and Resolutions Nos. 1,329/AFSCA/2014, 24/AFSCA/2015, 35/AFSCA/2015 and 39/AFSCA/2015) in the understanding that, through its application, the rights of the current broadcast television licensees could be infringed. These rights should be preserved intact as established in Law No. 26,522, which has higher hierarchy.

Even though during 2018, through Resolution No. 4,954/2019, a bill for the "Amendment of the National Digital Audiovisual Communication Services Plan approved under Decree No. 2,456/14" was submitted to public consultation, which could revoke the unconstitutional obligations of multiplexing and transmission of third party channels imposed on some of the channels that fall within the scope of said legal regime, this bill would maintain the detriment in some situations. As a consequence, ARTEAR submitted the corresponding opinions and proposals concerning the Bill approved and requested primarily the allocation of a 6-MHz radioelectric channel in every case, maintaining its opposition to the imposition of multiplexing and transmission obligations, and requested an extension of the analog switch-off due date, scheduled for September 1, 2019.

Through Decree No. 173/2019, the Executive Branch decided to postpone the analog switch-off due date until August 2021. During this term, the television stations must release the radioelectric spectrum bands they use for analog transmissions and migrate them to digital ones.

In addition, in connection with sound broadcasting, Radio Mitre added two new stations because within the framework of the regularization process of FM services with "*Permiso Precario y Provisorio*" (Provisional Permit), it was provided:

- Through Resolution No. 4,587/ENACOM/2019 dated as of October 21, 2019, the ENACOM approved the bid aimed at regularizing the "*Permiso Precario y Provisorio*" (Provisional Permit) No. 1,108, subsequently registered under No. 941, corresponding to the frequency modulation sound broadcasting station called "RADIO MITRE CÓRDOBA", frequency 97.9 MHz. of the City of Córdoba, Province of Córdoba, awarding Radio Mitre a license for the exploitation over a term of 10 years, counted as from the final authorization of the service. Upon the expiration of said term, the licensee may request an extension.
- Through Resolution No. 4,558/ENACOM/2019, dated as of October 18, 2019, the ENACOM approved the bid aimed at regularizing the "*Permiso Precario y Provisorio*" (Provisional Permit) No. 1,274, subsequently registered under No. 1,645, corresponding to the frequency modulation sound broadcasting station called "RADIO MITRE", frequency 91.5 MHz. of the City of Buenos Aires, awarding Radio Mitre a license for the exploitation such station over a term of 10 years, counted as from the final authorization of the service. Upon the expiration of said term, Radio Mitre may request an extension.

Lastly, as a consequence of the issuance of Resolutions Nos. 5,160-E/2017 and 4,337-E/2018, which provided for some changes to the must carry regime for the different subscription television services (physical link, radio electric link and satellite), ARTEAR executed during 2018 and 2019 several agreements with

subscription television service providers that are within its coverage area, including the commercialization for consideration of the signal corresponding to LS 85 TV Canal 13.

THE COMPANY. ORIGIN, EVOLUTION AND PROFILE

Grupo Clarín is Argentina's most prominent and diversified media group and one of the most important in the Spanish-speaking world. The Company is organized and operates in Argentina and its controlling shareholders and management are Argentine. Grupo Clarín is present in the Argentine print media, radio, broadcast television, audiovisual production, and in the printing industry. Substantially all of Grupo Clarín's assets, operations and audiences are located in Argentina, where it generates most of its revenues. The Company also carries out operations at a regional level. Today, Grupo Clarín employs almost 5,000 people.

Grupo Clarín's history dates back to 1945, the year in which Roberto Noble founded the newspaper Clarín of Buenos Aires ("Diario Clarín"), with the goal of becoming a mass distribution and quality newspaper, privileging information and committing to the comprehensive development of the country. Between 1969 and 2017, Diario Clarín was led by his wife, Ernestina Herrera de Noble. It became the flagship national newspaper and has consolidated its position throughout the years thanks to the work of its journalists and the loyalty of its readers. Diario Clarín is now one of the Spanish-language newspapers with the highest circulation in the world. In 2016, Diario Clarín became the most widely read digital newspaper in the Spanish-speaking world and received a record high of 22 million unique users during December 2019. Over the years, Grupo Clarín has been one of the main actors in the changes undergone by the media worldwide. It incorporated new and varied printing activities and decided to embrace technological developments, investing to reach its audiences through new platforms and channels and through new audiovisual and digital languages.

In this way, Grupo Clarín entered the radio and television sectors. Today, it is the owner of one of the two leading broadcast television channels in Argentina (ARTEAR/ eltrece) and of AM/FM broadcast radio stations. Along with the newspaper, these media are recognized as the most credible and considered leaders of Argentine journalism in one of the most diverse media markets in the region. For example, in Buenos Aires, the Company's media compete in a market that has 5 broadcast television stations, 6 news signals, 550 radio stations, and more than 10 national newspapers.

Grupo Clarín also publishes Olé, the first and only sports newspaper in Argentina, and the magazines Ñ, Genios, Jardín de Genios, Pymes and Elle. Through CIMECO, the Company holds equity interests in the newspapers La Voz del Interior and Los Andes, in a market of approximately 200 regional and local newspapers. In the audiovisual front, it also produces 5 cable signals. A news signal, (Todo Noticias), and the signals Volver, Magazine, Quiero Música en mi Idioma and Canal (á). It also produces sports channels and events (TyC Sports), television contents and motion pictures (Pol-ka and Patagonik Film Group).

In line with the global trend, Grupo Clarín has committed itself to expanding digital content production. Grupo Clarín's Internet portals and sites receive more than half of the visits to Argentine websites. The Group's digital media are benchmarks of journalistic quality and have high credibility rates. Its social media accounts have the largest number of followers and generate significant interaction. Over the last years, the Group's media and journalists have received many awards for their ventures in different digital platforms. In 2016 and 2017, at the WAN-IFRA LATAM Digital Media Awards, Grupo Clarín's media received three awards each year, and, in 2018, Diario Clarín received an award for its subscription strategy. In 2019, Clarín received awards granted by ADEPA in the categories "Human Rights", "Photography", "General Information and Entertainment", "Infographics" and "Economy". In addition, FOPEA granted an award to Clarín in the category "National Print Media" for the coverage of the sexual abuses that took place at Próvolo Institute's summer camp and the Society for News Design granted to the newspaper the award "Special News Topics Editor's Choice" for the sports section with the coverage of the FIFA World Cup held in Russia. It also received many awards from the Inter-American Press Association (IAPA), the Association of Argentine Journalistic Entities and other national and international agencies.

In 1999, Grupo Clarín was incorporated as an Argentine *sociedad anónim*a, a corporation with limited liability. It gradually opened its capital to other participants and, since October 2007, it is listed on the Buenos Aires Stock Exchange and on the London Stock Exchange. It takes pride in having grown in Argentina, in being a source of influence on a local level in an increasingly transnational market with a size that enables it to compete without losing strength among large international players.

Grupo Clarín's investments in Argentina in the last 20 years have been very significant, always with the same central focus: Journalism, the media, production and distribution of contents and communications. Its activities

have contributed to the creation of an important Argentine cultural industry and generate qualified and genuine employment. Its vision and business model focus on investing, producing, informing and entertaining, preserving Argentine values and identity, and preserving business independence in order to ensure journalistic independence.

In addition, since its foundation, Grupo Clarín has undertaken intense community activities. Grupo Clarín, together with the Noble Foundation, which was established in 1966, organizes and sponsors several programs and activities, particularly focused on education, culture and civic involvement. Furthermore, as an indication of its social responsibility, Grupo Clarín focuses on the ongoing improvement of its processes, develops initiatives that arise from discussions with different stakeholders, and works towards sustainability.

As from May 1, 2017, Grupo Clarín span off its telecommunications operations to a separate company, Cablevisión Holding. Grupo Clarín S.A. retained the journalistic media and content production. This includes AGEA, ARTEAR, Radio Mitre, IESA and GC Gestión Compartida, among others.

GRUPO CLARÍN AND ITS BUSINESS SEGMENTS IN 2019

In 2019, Grupo Clarín faced strong challenges but managed to maintain its market position, despite the drop in sales recorded by the industry. Grupo Clarín also experienced this drop in real terms as a result of the inflation adjustment under IAS 29, due to the fact that over the last years Argentine economy became highly inflationary.

In this context, the Group's net consolidated sales decreased during the year by 14.1%, from $ 29,619 to $ 25,429 million in constant currency as of December 31, 2019. It should be noted that the variation was mainly accounted for by the restatement of the revenues recorded in 2018 compared to those of 2019.

By the end of 2019, Grupo Clarín's consolidated gross financial indebtedness (including sellers financing, accrued interest and fair value adjustments) stood at approximately $1,871 million, and the cash position at year-end stood at $2,212 million.

The following is a description of the most significant events related to the situation and management of each of Grupo Clarín's business segments during 2019.

PRINTING AND PUBLISHING

Grupo Clarín, through AGEA, is the main newspaper publisher in Argentina and one of the most prominent editorial content producers in Latin America.

Arte Gráfico Editorial Argentino

Arte Gráfico Editorial Argentino S.A. (AGEA) publishes two national newspapers. In the first place, AGEA publishes Clarín, the flagship Argentine newspaper and one of the most important in terms of circulation in the Spanish-speaking world. It also publishes Olé, founded in 1996, the first and only sports newspaper of its kind in the Argentine market. In addition, it publishes regional newspapers; Genios, a very popular magazine among schoolchildren; Jardín de Genios, aimed at children between 2 and 5 years of age that comes with a supplement for parents; Ñ, a cultural magazine; Pymes, aimed at small- and medium-sized businesses; and ARQ, aimed at the construction world, architects and designers. AGEA also publishes the Argentine version of Elle, a magazine aimed at women.

AGEA has a strong presence in the digital content segment through its websites clarin.com and ole.com.ar, which are among the most visited websites in Latin America. It stands out in vertical sites of sectors such as cars, real estate and jobs.

Clarín

With a long-standing journalistic and commercial leadership consolidated in its 74-year track record, Clarín is the most prominent Argentine newspaper in terms of outreach to its readers, circulation and advertising.
The success of its prestigious editorial line lies in its identification with the interests, needs and emotions of its audience through a plural and independent journalistic style.

With innovation at the core, Clarín has a multi-platform newsroom that works simultaneously for the different versions of the newspaper -paper, mobile and digital-. In this around-the-clock news production process, all the journalists work for all the platforms in order to maintain the Company's leadership in the print and digital market and, at the same time, boost its web and mobile services. A leader in terms of unique users, the newspaper seeks to continue expanding this base with readers of all ages and different reading frequencies and, at the same time, it seeks to offer quality contents for those frequent readers that, given their periodicity, choose to become digital subscribers. The quality of its contents, flexibility, immediacy and close bond with the readers are the key pillars to face these new challenges.

In addition, VIVA, the magazine which has come for free with the Sunday newspaper for 25 years, is noted for a strong representation of Argentine people, through its articles and contents that reflect the social phenomena and the current issues.

During the year, Diario Clarín's daily average sales stood at 215,000 copies, including digital editions. Its circulation was 130% higher than its closest competitor, while Sunday's sales stood at 400,000 daily copies on average. This places Clarín among the major Sunday newspapers of the world. Clarín has a 46.45% share in the newspaper market in the City of Buenos Aires and the province of Buenos Aires, and a 28.27% share at a national level.

Having its printing capacity in its own printing facilities is a very important competitive advantage.

The Zepita facility -where the newspaper Clarín and its sections, as well as the newspaper Olé are printed- is located in the City of Buenos Aires and has a surface area of 35,000 m2 and capacity to store 12,000 tons of newsprint. It has five Goss Metrocolor rotary offset printing presses that enable it to print 300,000 copies of 80 full-color pages per hour. AGL's printing facility, located in the province of Santa Fe, has a surface area of 3,000 m2 and has a Goss Uniliner rotary offset printing press which enables it to print 40,000 copies per hour. The entire production process is developed in accordance with leading industrial criteria -such as computer to plate (CTP)- and environment preservation standards, such as, ISO 14001.

During 2019, AGL's printing facility, in association with El Litoral, continued to print the newspapers Clarín, Olé (for the littoral region), the morning and evening editions of El Litoral, Diario Castellanos from Rafaela, Mirador Provincial (Santa Fe), Mirador Provincial (Entre Ríos) and El Diario de Paraná. In addition, during 2019, AGL started to print the newspapers La Capital in Rosario, Diario Uno in Paraná and El Ciudadano in Rosario.

Clarín 365 is a readers' club created in 2010 to build loyalty among readers and to reinforce its close bond with them, as well as to strengthen circulation. Its subscribers enjoy a program that offers discounts, promotions and benefits in more than 1,600 trademarks and 7.7 thousand stores nationwide. In 2019, the Company recorded over 7 million transactions. In the last quarter of 2019, the Company launched its new 365 app, which allows subscribers to look for benefits and locate them on an interactive map. In addition, 365 consolidated new alliances, such as the Argentine Tennis Association and the sports card.

During 2019, Clarín received several national and international awards. Among them, the following stand out: the awards granted by ADEPA in the categories "Human Rights", "Photography", "General Information and Entertainment", "Infographics" and "Economy". In addition, FOPEA granted an award to Clarín in the category "National Print Media" for the coverage of the sexual abuses that took place at Próvolo Institute's summer camp.

In addition, the Society for News Design granted to the newspaper the award "Special News Topics Editor's Choice" for the sports section with the coverage of the FIFA World Cup held in Russia. Finally, the INMA (International New Media Association) distinguished Clarin.com as finalist of the awards in the category "Best brand awareness campaign with project" for the production "Argentinos, a campaign that seeks to reinforce our brand value".

Also during 2019, Clarín designated a Gender Editor to ensure a gender perspective in all the areas of the newspaper. The decision, which is being adopted in several of the leading newspapers worldwide, is in line with the demand of audiences that look for and deserve information and stories adapted to the new times.

Products

The basic offer of the newspaper is comprised by the main body and its Spot, Sports and Classified ads sections. Weekly sections (such as, Rural, Countries, Económico, Autos, Viajes and The New York Times) make Diario Clarín one of the most comprehensive newspapers in the market.

The regional newspapers support in terms of circulation the Thursdays' edition of the newspaper. The regional newspapers cover the following locations: Vicente López, San Isidro, Morón, La Matanza, Ituzaingó, Hurlingham, Lomas de Zamora, Alte. Brown, Echeverría, Ezeiza, Avellaneda, Lanús, San Martín, Tres de Febrero, San Miguel, José C. Paz, Tigre, San Fernando, Malvinas Argentinas, Quilmes, Berazategui and Florencio Varela. The monthly regional newspapers published for Pilar, Escobar, Zárate and Campana, Moreno, General Rodríguez and Luján are also part of the offering.

Diario Clarín's Economic Section offers its readers a thorough analysis of the economy, the secrets of leading companies, personal finances, marketing and labor market with valuable information, easy-to-read texts and the opinion of national and international prestigious columnists.

In 2019, Diario Clarín's sports section covered the most prominent sports events held across the world. The Basketball World Cup in China, the Rugby World Cup in Japan, the Pan American Games in Lima, among others.

The Rural section is a management tool for the production sector. It offers all the information about agricultural businesses. It is published once a week and has a digital platform. It was present at 2019 Expoagro, the agro-industrial fair that is held every year in March.

Clarín constantly keeps up to date and offers a wide range of editorial products together with the core product.

Magazines

During 2019, the cultural Magazine Ñ, together with Clarín, was the sponsor and main supporter of the Buenos Aires Book Fair. With a stand that renewed its stake, it offered cultural contents, artistic events, reading spaces, talks, debates and workshops. Through the award Premio Clarín Novela, Magazine Ñ promotes the production and publishing of literary fiction in Spanish language. The 22nd edition was held in 2019, and the award was granted to Negro el Dolor del Mundo, by Marcelo Caruso.

Since 2002, Diario de Arquitectura ARQ has been published every Tuesday and offers professionals a benchmark editorial product. It is supported by optional sections, which are highly valued by its readers. ARQ is present at the most important events such as Casa FOA and the Ibero-American Biennial of Architecture.

Revista ELLE is a high-end magazine for women, focused on fashion and beauty. It was incorporated in 1994 to AGEA's product portfolio and in 2019 it sold more than 20,500 copies per month countrywide. In addition, the magazine's website receives a monthly average of 550,000 visits. The magazine ELLE also offers ELLE Decoración and ELLE Cocina published twice a year with average sales of 17.000 and 14.000 each.

The magazine Genios, published once a week, provides education and entertainment for children with a clear and up-to-date language. In 2019, its average sales exceeded 18,000 copies. The monthly edition of Jardín de Genios maintained its leadership in the category children's magazine with over 27,000 copies sold.

Olé

Diario Olé is the first and only sports newspaper in Argentina. Since its launch in 1996, it has been a benchmark in sports information. Its editorial offering provides the most comprehensive and complete coverage of football and other sports like tennis, basketball, rugby and motor racing. With an annual sales average of 17,600 daily copies, Olé continues to consolidate itself as a leader both in its print and digital versions -www.ole.com.ar- and applications for mobile devices. It consolidated itself as the most visited sports portal of Argentina, with an average of 14 million monthly unique users.

Internet Business

Clarín has a strong share in every large social platform and all its products follow an innovative communication strategy. In this way, it has achieved a leading position in social media journalism and in Internet in general.

Clarín.com addresses the significant changes derived from the Internet in the way people consume news and information. The website, with a large display of images, sections and a structure that reconfigures the traditional news categories, is constantly updated through an integrated newsroom that works around-the-clock, 365 days a year. In addition, Clarin.com has several versions for mobile devices through web applications that allow users of mobile phones and tablets with any operating system to access the site.

During 2019, Clarín continued to work on the access to the web version through a user registration system in order to provide a better service and generate greater interaction with the reader. Clarin.com is still the news site with the highest market share in Argentina with over 21 million unique visitors and more than 400 million-page views per month.

In 2017, Clarín became the first Argentine newspaper to launch a digital subscription system. As of December 2019, it had more than 243,000 subscribers.

With its sites “Argenprop” and “Empleos Clarín”; the company has a strong presence in the on-line classified ads for real estate and jobs.

El Gran DT is the most popular game in Argentina and has engaged over 5 million people in its 23 editions. In 2019, it engaged over 350,000 people.

Tinta Fresca

Tinta Fresca Ediciones S.A. is an Argentine publishing company that was founded in 2004 and is engaged in textbook publishing for all stages of the Argentine education system. In addition, apart from textbooks, the editorial offers a broad range of publications aimed at teachers and learners, such as children and youth literature, dictionaries and reference books. Since its foundation, Tinta Fresca has published more than 470 titles. Its contents have earned the recognition of technical-educational teams both from public and private education.

In 2018, Tinta Fresca executed an agreement with Alfaomega Grupo Editor Argentino S.A. and also with Pearson in 2019 for publications in English, which allowed Tinta Fresca to boost its book offering for catalogs as from 2019 with more titles published for elementary and high school.

In addition, apart from textbooks, the editorial offers a broad range of publications aimed at teachers and learners (such as children and youth literature) and digital solutions. Among them, the most remarkable is LMS (Learning Management System), an adaptive learning management platform and digital library.

In 2019, the company created the an ebookstore and the digital library Tinta Fresca. The company also consolidated the product “Veoyleo”, which is a digital children literature library that has 500 titles published by Tinta Fresca and by several prestigious publishers of children and youth literature.

In the second half of the year, the company generated and implemented a new value and business model proposal in order to provide all the elements necessary for the digital transformation of educational institutions.

During 2019, Rios de Tinta, founded in Mexico in 2007, in association with the Mexican group MILENIO, has been authorized by the Secretariat of Public Education to publish 10 titles to be used at high schools registered in the national educational system. In addition, in 2019, the official purchase was the largest in terms of the number of copies since the foundation of Ríos de Tinta, reaching 884,655 copies, which accounts for a 18% increase compared to 2018.

Impripost

Impripost Tecnologías S.A. is a company mainly engaged in production and variable printing, including invoices, advertising brochures, forms, labels and cards. It also provides envelope-stuffing services. Today, it is one of the main companies in the market of variable data printing and finishing in large volumes.

Cúspide

Cúspide is one of the main Argentine companies engaged in the distribution and sale of books. Today, it has three business areas: The first one is a retail business, with 30 branches located throughout the country, and a digital channel, cúspide.com. The second one is engaged in wholesale distribution with over 500 customers. And the third one manages the revenues generated by the franchises. Today, the company has 10 franchised locations.

Cúspide owns a 3,200-square meter warehouse to store and supply its own branches and its wholesale customers.

Like every year, Cúspide participated in the Buenos Aires Book Fair and in the Children's Book Fair during school break. 2019 was an excellent year for the company because for the first time its revenues exceeded $1 Bn.

Unir

UNIR S.A. is a company engaged in mail reception, classification, scheduling, transportation, warehouse, logistics, distribution, and delivery services throughout the country.

UNIR has its own distribution network in the City of Buenos Aires and its surrounding areas. The rest of the country is served through agreements with other companies. It works together with Impripost and other subsidiaries of Grupo Clarín, which allows UNIR to complete the process ranging from the printing of invoices and brochures to the delivery to the final consumer.

In 2019, the logistics unit increased its share in the overall business and showed a 33% increase in revenues. Postal services grew by over 60%.

During 2019, UNIR's total sales increased by 40% mostly due to new businesses, which are also expected to be an important driver in 2020.

Compañía Inversora en Medios de Comunicación (CIMECO) S.A.

CIMECO was organized in 1997 with the aim of acquiring equity interests in Argentine and foreign newspapers, seeking to preserve the regional journalism industry, blending experience, synergy and economies of scale, preserving its editorial principles. CIMECO holds a majority interest in two of the three largest regional newspapers in Argentina: La Voz del Interior (Córdoba) and Los Andes (Mendoza). During 2019, the Company intensified the adaptation of its traditional businesses to new technologies, preserving its profitability model.

CIMECO continues to focus its businesses on the digital area. During 2019, the company consolidated the foundations of the news network Vía País for the purposes of covering the largest number of locations in Argentina. By the end of 2019, there were 61 active nodes (Vía Argentina, Buenos Aires, Córdoba, Mendoza, Rosario, Neuquén, Río Cuarto, San Nicolás, among others.) In December 2019, the system reached 15 million unique users.

La Voz del Interior S.A. leads the print and digital market in the central region of the country. Its newspaper, La Voz del Interior, has a significant market share in the province of Córdoba.

In 2019, La Voz focused its editorial policy on consolidating a multiplatform strategy by adjusting the printed and digital products to new trends in the consumption of news. During 2019, it launched projects that had an impact on the community, such as the broad coverages about the national economic crisis and its impact on the province, the electoral processes that took place during the year, which concentrated much of the editorial efforts. LVI covered the electoral process in a multiplatform scheme (in print and digital formats, social networks and television), which included local and provincial elections, as well as national primary and general elections. It published special reports with the proposals of each candidate, affidavits and disclosure of proposals, with interviews in the television show Voz y Voto.

LVI also consolidated the production of exclusive contents with high added value for premium subscribers and ran a pilot experience for the publication of "digital first" contents to widen the quality digital contents offering.

It launched specific newsletters for specific audience segments and audiovisual products aimed at young audiences (Cazatormentas), and the daily newscast for Instagram users (Flash!).

In 2019, LVI consolidated the program for the sale of products and services to audiences by charging fees to high-consumption users of digital platforms. The challenge to charge users for the access to contents available in our portals implies the development of information logistics in order to analyze and engage readers; the implementation of platforms and systems to manage the business strategy; the planning of marketing actions to promote these new products and services; and the development of attractive and significant contents for our audiences in general, but specifically for those who subscribe to the digital products.

As of December 2019, the company had over 24,600 subscribers to these products and its annual sales grew by 345% compared to 2018.

CIMECO also owns Los Andes newspaper, which has been reporting Mendoza's news since 1882. In that year, the Calle family founded one of the oldest journalistic companies in the country. Los Andes is a benchmark brand in the market.

During 2019, Los Andes focused on maintaining its leadership position both in its print and digital versions. Los Andes Pass, the newspaper's loyalty program, reached 25,219 subscribers as of December. The percentage of readers subscribed to this program represented 51.4% of the net monthly circulation at year-end taking into consideration the digital editions in PDF.

Following in its tradition, the newspaper participated actively in all the important events held in Mendoza and focused on the growth of its on-line version and on increasing the value-added products that are sold with the newspaper.

During 2019, the brand Los Andes was renewed, adopting a new corporate identity to consolidate its leadership in the sector. Los Andes adopted differential elements related to the key pillars of its business: It maintained the color blue as a sign of its identity and characteristic values, its typography is more elegant and modern and an image of a mountain. Its new design highlights its strength, adopting one of the images that best identifies the inhabitants of the province of Mendoza: The mountain range.

During 2019, there was a change in circulation rates because by the end of December 2018, Diario UNO, the company's main competitor, closed down its plant and discontinued printing to focus exclusively on the digital edition. Los Andes enhanced its market share in the province. Since August, digital sales increased thanks to the implementation of the digital kiosk in PDF available to all the subscribers of the print edition. It added the distribution and sale of the magazines Gente and Paparazzi, under an agreement with Editorial Atlántida.
Los Andes also continued with the distribution and sale of optional products in more than 100 points of sale throughout the province, reaching a volume of 25,420 units.

During 2019, Los Andes' newsroom underwent a growth period. In a year full of political and electoral activities, the newspaper managed to maintain its brand positioning across all platforms, leading in terms of audience and influence in the region, both on a massive scale and at governmental circles. In parallel, the newspaper furthered the internal transformation plan concerning processes, channels, formats and products, as well as the synergy with other areas of the company.
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Regarding new products, the company made headway with radio experiences in several senses. On the one hand, of particular note is the daily production of ten news summaries (five in the morning and five in the afternoon), with the most important news of each day, aired in twenty FM radio stations that cover the whole province. On the other hand, the company launched the program "Agenda Los Andes", hosted by three journalists of the newsroom on Saturday mornings in a local FM radio.Among the proposals designed to adapt contents to the new genre perspectives, a new section was added aimed at informing, guiding and raising awareness on problems, procrastinations and disadvantages suffered by women in different aspects of everyday life. The company also publishes the weekly section "Ellas", entirely focused on women's sports. A space to display the achievements, stories and sports in which women are the main protagonists.

Comercializadora de Medios del Interior S.A.

During 2019, CMI continued to consolidate itself as the most important network in the provinces. During this year, the Company intensified the adaptation of its traditional businesses to the new technologies.

It also publishes the magazine Rumbos, which celebrated its 16th anniversary in the market and is consolidating itself as the leading Sunday magazine in the provinces. As from December, it is the only Sunday magazine in the provinces because its competitor ceased circulation. Among the main newspapers that distribute the magazine Rumbos, the following stand out La Voz del Interior, Diario Los Andes, El Litoral in Santa Fe, El Diario de Paraná, Época de Corrientes, Diario de Cuyo and El Liberal in Santiago del Estero.

Papel Prensa

Papel Prensa S.A.I.C.F. y de M. is the first producer of newsprint that is wholly owned by Argentine capital. Currently, it also works on the production of paper used for printing, writing and packaging. It is currently the largest Argentine producer of newsprint, with an annual production capacity of approximately 175,000 tons. As of December 31, 2018, Grupo Clarín held a 37% interest in Papel Prensa through AGEA and a 12% through CIMECO.

Oportunidades S.A.

Oportunidades, incorporated on May 26, 2003, is engaged in several activities including, among others, the exploitation of advertising companies; editing, publishing, distribution, import and export of magazines, books, etc. In 2012, and together with Ferias y Exposiciones Argentinas SA (FEASA) the Company incorporated a corporation called +Mas Logística S.A. Said company is mainly engaged in the transportation and distribution of newspapers, magazines and books. Oportunidades holds a 95% equity interest in that company.

In December 2017, Oportunidades acquired a rotary printing press and a digital one, together with a stock of raw materials to be used in the printing industry. During 2018 and 2019, that company implemented all the proceedings required for the startup of the above-mentioned equipment, developing both Heatset and Coldset printings, which entail two types of treatments for the drying of the ink after it is applied to paper, for advertising brochures and graphics solutions for the publishing of books, magazines and catalogs.
In 2019, Oportunidades almost completed the procedures to put into operation the rotary printer Sunday 3026, which has generated a remarkable improvement in production. The only thing pending is the connection of the output tapes that will allow for the automated palletization of the production, which is currently performed manually.

Regarding digital printing, the implementation of variable data technology in publications has allowed the engagement of new customers.

Xpand Ventures S.A.U.

Xpand is a company engaged in making investments or capital contributions in high impact companies or those that are developing a project.

Its main investment was Kilimo – a technological company engaged in the agricultural sector. On December 16, 2019, it transferred its equity interest in Kilimo INC to GC Minor SAU for $ 5,500,000.

Subsequently, in order to streamline operating costs and optimize the technical, administrative and financial structures, it executed a merger with Arte Gráfico y Editorial Argentino S.A. effective as of January 1, 2020.

BROADCASTING AND PROGRAMMING

Grupo Clarín is the leading company in the audiovisual broadcasting and programming segment. Through ARTEAR, it exploits the license LS85 TV Canal 13 Buenos Aires, one of the two largest broadcast television channels in Argentina, in terms of advertising and audience share. It also has a presence in broadcast television stations in Córdoba (Telecor), Bahía Blanca (Telba), and Bariloche (Bariloche TV). Grupo Clarín also produces cable television signals.

Its role in the production of audiovisual contents includes agreements and equity interests in benchmark TV and film producers, such as Pol-Ka Producciones and Patagonik Film Group. Grupo Clarín also owns prominent radio stations, such as Mitre AM 790, La 100 (FM 99.9), both in Buenos Aires, and Mitre AM 810 in the province of Córdoba. Grupo Clarín also has a strong stake in sports commercialization and broadcasting rights, directly and through joint ventures.

ARTEAR

During 2019, the broadcast television sector registered a HUT (households using television) of 46 points. Paid television recorded a 6% decrease compared to 2018, while broadcast television only decreased by 0.5%, from 21.2 to 21.1 rating points.

The share of paid television over total television has exceeded 50% since 2017. This year, the trend reversed and the value is 1% lower compared to 2018 (54.4 vs 54.7). On the contrary, broadcast television grew by 5% compared to the same period (45.8 vs 43.8).

During 2019, ARTEAR ratified its audience leadership in its broadcast and cable signals and in its digital platform. The average rating registered by El Trece was 6,9 points.

ARTEAR owns El Trece, one of the main broadcast channels in Buenos Aires. El Trece combines fiction, news and entertainment embracing a varied offering.

The shows that achieved the highest audience share in broadcast television were: *ShowMatch* with 14.0 points, representing an increase of around 2% compared to the 13.7 points recorded in 2018; *Argentina, tierra de amor y venganza* with 13.5 points, 28% higher than the fiction Simona aired in 2018; *Periodismo para todos* also showed a good performance with almost 10 points.

During 2019, “Eltrecetv.com.ar” was the most visited portal among the Argentine broadcast stations. This site includes the live streaming of the signal, in addition to all the programming, full episodes, TV listings and information about all its products. The site can be accessed through Facebook, Twitter, Instagram, and, most recently, YouTube.

In the cable TV segment, ARTEAR has informative and entertainment signals. The Spanish language music signal “Quiero Música en mi Idioma” was quick to lead audience ratings in the music genre. “Volver” offers the best of classic and vintage Argentine films and television shows. In addition, Canal (á), a signal that offers arts, cultural and show business programs, mainly in Buenos Aires, is operated by ARTEAR.

ARTEAR also owns TN (Todo Noticias), the most prestigious 24/7 cable news signal in Argentina. TN is a news signal and its programming is based on ongoing news programs and a varied general interest programming comprising music, technology, politics, stories, investigations, economy, show business, among others. During the year, TN ratified its position as one of the leading cable signals in terms of rating.

With live on-site news coverage and correspondents from the provinces and abroad, Todo Noticias is the largest news signal of Argentine television. In addition, TN.com.ar consolidated itself as the most important multimedia platform of Argentina. With over 160 million page views, it is a leader in Argentina in terms of followers in all social media. It accumulates over 18 million video views, which represents 60% of the market in this segment.

Ciudad Magazine, also owned by ARTEAR, is another cable signal that arose from the merger of two leading media in show business, Magazine and Ciudad.com. This merger leveraged the best of each and their potential, to provide the audience with broader news coverage, more entertainment and better connection. It has a strong presence in social media with almost 10 unique users, 2 million followers in Facebook, 1.2 million followers in Instagram and 100 million page views.

Quiero, the Spanish language music signal, is also owned by ARTEAR. A leader in its category, it offers varied programming comprising national and Latin-American rock, hip hop, reggaeton, alternative music, pop and melodic music, among others. By the end of 2019, Quiero has over 1.4 million followers in social media.
ARTEAR also produces Canal (á), a 24/7 signal focused on culture. The signal Volver preserves Argentine television history and owns the largest national film library.

Cucinare is the best local signal for gastronomy lovers. Cuisine fans can find easy recipes and sophisticated dishes with the premise of providing easy-to-prepare recipes. A 100% digital brand in its origin which grew until achieving a 360° format with presence on television and off-line. It has almost 4 million followers only considering Facebook.

América Sports is the sports signal that offers 24 hours of passion covering all sports. With a special focus on motor racing, turf, hunting, fishing, kitesurf, and extreme and non-conventional sports in general.

In the digital arena, the sites El Trece, TN, Ciudad.com, and Cucinare.tv lead each of the categories to which they belong and its mobile applications, focused on multimedia contents, are among the most downloaded applications in their respective categories. ARTEAR's social networks have the largest number of followers and spur the highest interaction in the industry. During 2019, all the sites owned by ARTEAR increased their audiences. El trece stood out, which virtually doubled the number of registered users.

Also during 2019, ARTEAR started the migration of the sites technology to ARC, the tool provided by Amazon for the management of news sites, which substantially improved the applications of each of its brands.

During 2019, ARTEAR moved forward with the digital transformation across all of its areas, not only for content production and advertising revenues, but also for the processes involving all areas. From the business point of view, new advertising formats were added, which increased the stock available for sale and increased the production of branded content with its integration into a new season of De Barrio, and its multiplatform distribution.

ARTEAR is no longer just a broadcaster, it has become a content generator for multiple distribution platforms. Thus, ARTEAR was forced to invest in more and better technology. Among the most important technical investments, ARTEAR updated the video switchers used for newscasts which serve the three newscast studios owned by that company. They were replaced by a new model that contemplates the increased operational needs of the sector, as a result of the natural enhancement of video sources that the new programs require. It also started to deploy the plan for the replacement of the power amplifier equipment of ARTEAR's mini outside broadcast vans with the acquisition of the first two; and it completed phase II of the internal archive project for its own productions.

ARTEAR controls Canal 12 of Córdoba, 6 of Bariloche and 7 of Bahía Blanca. All of those signals invest heavily in journalistic and entertainment contents. They have solid audience shares and a good outlook.
In 2018, Pol-Ka produced for the prime time of El Trece the daily fiction *Argentina, tierra de amor y venganza*, which aired over 200 episodes. It was the fiction that achieved the largest audience rating in broadcast television in 2019, and was very popular in social media.

During 2019, together with ARTEAR/Turner/Telecom, Pol-KA produced the single episodes of *El Tigre Verón* (which achieved high audience ratings and popularity both in Flow and TNT) and *Tu parte del trato*, a crime series with a very high technical and artistic quality.

Pol-Ka also produced the first exclusive fiction for streaming, *Chueco en línea*, featuring Adrián Suar, for Flow. On the occasion of its 25th anniversary, it relaunched its brand image with a change of logo, in line with the new trends, but without losing its essence. The launch was made at an important event held at Polka studios, with the presence of prominent show business celebrities.

IESA

During 2018, Inversora de Eventos S.A. (IESA) continued to exploit the sports audiovisual content generation business through its subsidiaries Tele Red Imagen (owner of 50% of the signal TyC Sports), Televisión Satelital Codificada S.A. and Auto Sports S.A. / Carburando S.A. The last two companies exploit the comprehensive motor racing business in Argentina and are also holders of the rights to broadcast the SUPER TC2000 and TC2000 sports categories. During this year, TyC Sports aired the live soccer matches of 2019 Copa América held in Brazil and the Pan American Games. In addition, it renewed the audiovisual rights related to the matches of Nacional B Tournament and those of the lower division categories organized by the Argentine Soccer Association.

Mitre

Radio Mitre S.A. provides sound broadcasting services through Mitre AM 790 (amplitude modulation), La 100 (99.9) (frequency modulation) in the city of Buenos Aires, and Mitre AM 810 and FM 102.9 in the province of Córdoba.

Mitre AM 790 focuses its programming on strong journalistic productions supported by the high credibility and professionalism of its team. The first morning radio talk show is hosted by Marcelo Longobardi and the team of *Cada Mañana*, from 6 AM to 10 AM. It has maintained its leadership, with around 50 points. After that show, Radio Mitre airs *Lanata sin Filtro* from 10 AM to 2 PM, hosted by Jorge Lanata, Diego Leuco and a team of specialists, which lead audience shares, exceeding during several months 40 percentage points. The program

can also be watched in high definition at radiomitre.cienradios.com. In addition, *Encendidos en la tarde*, hosted from 2 pm to 5 pm by María Isabel Sánchez and Rolo Villar, is a fun afternoon show that combines information, humor and interviews. The show also leads its time slot.

From 5 pm to 7 pm, Alfredo Leuco hosts *Le doy mi palabra*. His editorials are very popular and achieve high audience levels of around 50 points. From 7 pm to 8 pm, Pablo Rossi hosts Volviendo a Casa, a show with all the necessary information for those who return to their homes.

The evening slot starts at 8 pm with Jorge Fernández Díaz hosting *Pensándolo Bien*. At 10 PM, Cristina Pérez and her team host *Confesiones en la Noche*. A show that deals with different current topics and also with history topics. Finally, at 11 pm, Tato Young ends the day with *La Catarsis*.

On the other hand, *Mitre Informa Primero* is still the most awarded radio news service of Argentina.

La 100 closed the year 2019 leading audience shares, with almost 16 points. It combines famous artists and an ideal mix of music and innovative contents. During the year, Santiago del Moro led morning audience ratings, from 6 AM to 10 AM, with *El Club del Moro,* a program co-hosted by Maju Lozano. During 2019, it achieved record high months in terms of audience, with over 26 points. It received two Martín Fierro Awards (Best General Interest Daily FM Program and Best FM operator). Guido Kaczka and Claudia Fontán host *No está todo dicho*, from 10 AM to 2 PM. Ronnie Arias hosts *Sarasa*, from 2 pm to 5 pm, a radio magazine with a fresh style. Afterwards, Sergio Lapegüe hosts *Atardecer de un día agitado*. The show *Románticos*, aired from 8 PM to 12 AM, ranked first and second in audience ratings within its time slot. During Saturday mornings, Guillermo López hosts the classic *Ranking Yenny*, a program that combines music, humor, show business and general information. Mariano Peluffo hosts *Abierto los domingos* from 10 am to 2 pm.

Mitre 810 is the radio with the second highest audience share in the province of Córdoba. With a permanent team in the city and its own news service, *Mitre informa primero*, Mitre AM 810 develops comprehensive coverage of news comprising Córdoba, Argentina and the world. Its programming includes hosts such as Jorge “Pepete” Martínez, Pablo Rossi, Juan A. Mateyko and Omar Pereyra.

Cienradios maintains its positioning with the most prominent on-line radio and content menu in Latin America. It offers a wide range of radios, videos, interviews, shows, games and a premium sound quality. Cienradios is the largest music portal and recommender of the region and the first one in Argentina, with almost 30 million unique browsers by the end of 2019.

Audience:

Mitre AM 790 closed the year 2019 with an audience share of almost 42 points leaving behind its competitor with a gap of more than 26 points. Mitre maintained its leadership throughout the year, with over 1 million listeners.

La 100 closed the year leading audience share with over 16 points, reaching over 1 million listeners.

Mitre AM 810 has the second highest audience share in Córdoba, with approximately 25% measured at the end of 2019.

DIGITAL CONTENT AND OTHER

Gestión Compartida is a company engaged in providing comprehensive solutions to meet the management and operational needs of companies, which allows its customers to focus their efforts on the activities that represent their core business. Each area has professional and technological resources and operates in Argentina and several countries of South America, with a working team of more than 600 professionals.
Today, GC Gestión Compartida serves over 100 companies from different industries, size and origin. During 2019, Gestión Compartida increased its sales to companies not related to Grupo Clarín by 54%, compared to 2018. In addition, it continued to grow in the public sector. Also during 2019, Gestión Compartida executed a Payroll service agreement with Codere at a global level. This agreement will allow Gestión Compartida to have presence in 11 countries between Latin America and Europe in 2020.

In addition, GC Gestion Compartida S.A. and Compañía de Medios Digitales (CMD) S.A. executed a merger agreement effective as of January 1, 2019. GC Gestión Compartida S.A., as absorbing company, absorbed the assets, liabilities, rights and obligations of CMD, which was dissolved without liquidation and GC Gestión

Compartida S.A. assumed all the activities, receivables, property and all the rights and obligations of Compañía de Medios Digitales (CMD) S.A., existing as of the date of the merger.

In addition, during September, October and November of this year, Gestión Compartida made irrevocable contributions in Electro Punto Net S.A., a company controlled as a result of the merger, for a total of 267,240,015. Such contribution will be used to absorb the accumulated deficit of Eletro Punto Net S.A.
During 2018, Compañía de Medios Digitales (CMD) carried out a strong corporate reorganization under a merger process with Gestión Compartida S.A., which ended on January 1, 2019. Gestión Compartida is the surviving company of CMD's businesses.

Ferias y Exposiciones

The principal business activity of Ferias y Exposiciones Argentinas S.A. (FEASA) is to invest in companies mainly engaged in the organization of events, conferences and fairs.

Created in 2016, Exponenciar S.A.'s main shareholders are Ferias y Exposiciones Argentinas S.A. and Publirevistas S.A., with equal equity interests, and one of its main activities is the organization of Expoagro. The fair has been held once a year in the City of San Nicolás at a fixed location for 15 years.
In 2019, Exponenciar also organized the Fair Caminos y Sabores at La Rural. Caminos y Sabores is a fair intended to foster Argentina's gastronomy and handicrafts and to promote the region's major tourist destinations. In August, Exponenciar S.A. organized for the first time Expoagro at Rural de Corrientes. The event was organized in association with Sociedad Rural of Corrientes.

Finally, Exponenciar S.A. organized in November the second edition of the award Aliment.AR in association with Banco Galicia, in order to recognize companies that export food and beverages to the world.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

1. SUSTAINABILITY

Since its foundation, Grupo Clarín has assumed its responsibility as a media company with the sustainable development of the country. To this end, it focuses on fulfilling and consolidating the citizens' right to information, with a comprehensive journalistic and entertainment offering, based on accuracy, credibility, freedom of expression and interaction with the audience.

Under this framework, the Social Responsibility Policy proposes different forms of engagement that allow the company to have a positive impact on the growth of the community. Sustainability is at the core of its daily actions and all the business units and areas of the Company focus on four management pillars:

1. Creation of Responsible Contents
2. Sustainable management across all business units.
3. Transparent communication
4. Promotion of diversity

a. Independence, transparency and international guidelines/standards

Independence is at the core of Grupo Clarín as a guarantee of the freedom to exercise the journalistic role and promote the strengthening of Argentine democracy. Independence is also an assumed responsibility, a way of exercising and guaranteeing rights and a condition required to ensure sustainability from the organization's standpoint.

The business has a diversity of revenues that contributes to generating conditions to inform without any conditionings and thus sustain its editorial independence. No advertiser, either public or private, generated revenues that exceeded 5% of Grupo Clarín's total revenues. At the same time, the administrative and editorial functions are conducted separately to avoid conflicts of interest in the creation of contents. Special emphasis is placed on the fact that journalists are completely detached from the sale of advertising so as to allow for the exercise of journalism, free of any conditioning factor. In addition, each of Grupo Clarín's media gives special care to the distinction between advertising and editorial spaces.

Independence requires transparency. Grupo Clarín's shares have been listed in the London Stock Exchange and in the Buenos Aires Stock Exchange for 12 years, which drives us to continually focus on promoting transparency in our corporate, social and environmental performance. At a local level, the Company presents on an annual basis the Annual Report and the Financial Statements, which include the Code of Corporate Governance required by the *Comisión Nacional de Valores* (Argentine Securities Commission, CNV, for its Spanish acronym).

Since 2015, Grupo Clarín has been publishing its annual Sustainability Report and is the only journalistic company in Argentina that has issued this type of document. In this way, the Company leads the transparency and sustainability path in the sector. All the information is available on the websites of grupoclarin.com and of the CNV. The Company also makes available a wide range of channels to ensure a transparent management and stay communicated with the audiences.

In line with the aim of ensuring a transparent accountability, the Group uses several international sustainability guidelines, which allow the Company to standardize information and show its contribution to sustainable development in an accurate and rigorous way.

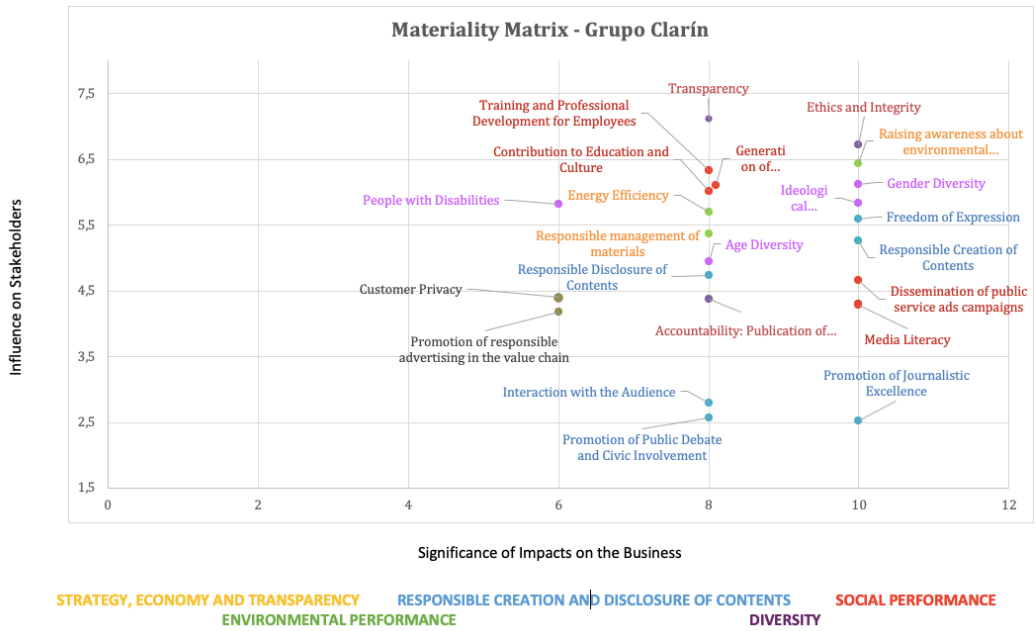
Since 2004, the Company has remained committed to the United Nations Global Compact and reports on the progress made concerning the 10 guiding principles on human rights, labor rights, the environment and anti-corruption practices. The Company also reports on its contribution to the 2030 Global Agenda for the Sustainable Development Goals.

It also uses the Global Reporting Initiative (GRI) Standards under the option Core. GRI's content index is included in the integrated report, which will be presented for the first time to report on the performance of the Company during 2019. It will be available at www.grupoclarin.com. In its management, the Company adopted the principles and guidelines established by the ISO 26000:2010 International Social Responsibility Standard. For the first time, the Annual Report and Financial Statements of Grupo Clarín have been prepared using The International <IR> Framework established by the International Integrated Reporting Council (IIRC).

Grupo Clarín also participates in national and international initiatives: *Pacto Global Argentina* (Argentina Global Compact), *Consejo Empresario Argentino para el Desarrollo Sostenible* (Argentine Business Council for Sustainable Development), *Instituto Argentino de RSE* (CSR Argentine Institute), *Red de Empresas por la Diversidad* (Network of Companies For Diversity), *Grupo de Fundaciones y Empresas* (Group of Foundations and Companies), *Red de Empresas contra el Trabajo Infantil* (Network of Companies against Child Labor), *Consejo Publicitario Argentino, Mesa de Diversidad Empresarial de Instituto Nacional contra del Discriminación*, *Xenofobia y el Racismo* (Business Diversity Council of the National Institute against Discrimination, Racism and Xenophobia). Lastly, it contributed to the presentation of the first sustainability stock index in Argentina, together with the Argentine Stock Exchanges and Markets (BYMA) and the Inter-American Development Bank (IDB).

Materiality Assessment

Since 2015, Grupo Clarín has performed the materiality assessment in accordance with international guidelines, primarily the GRI. This practice allows to identify the most relevant and significant issues regarding the business strategy and stakeholders' needs. The process comprises the following stages: Identification; prioritization; and review and validation. Stakeholders were asked to take a survey on their expectations, following the recommendations of *AccountAbility* 1000:AA1000SES (*Stakeholder Engagement Standard*). As a result, the Company obtained a materiality matrix that showed the relevance of these material issues.



b. Responsible Creation and Distribution of Contents

(a) <u>Ethics and Editorial Guidelines</u>

Grupo Clarín focuses on ensuring the strict compliance with ethical standards in all its media, in a context of social and technological changes. In order to achieve this goal, several editorial guidelines and ethical manuals steer the daily work of journalists: Journalistic style manual in the newspaper Clarín, La Voz del Interior and Radio Mitre; web content practices manual in Clarín; guide for the journalistic work in social media in Clarín and La Voz del Interior, drafting manual for mobile in La Voz del Interior; and a decalogue of operation in Los Andes.

These manuals embrace the Group's main journalistic values: Professionalism, search for truth, respect, independence, quality, accuracy, rigor and responsibility.

On the other hand, the Company applies guidelines to address contents, such as: freedom of expression, search for pluralism, verification of information, preservation of the identity of journalistic sources, protection of children and adolescents in the informative context, protection of witnesses and accusers, prohibition of explicit images of violent situations and bullying, prioritization of the institutional order in case of social turmoil, cooperation in the search for people and visibility of aid services, in compliance with effective legislation.

In 2019, Clarín designated a gender editor, whose main function is to provide guidelines to address news with gender perspective and avoid the reproduction of stereotypes.

<u>Digital Transformation, Convergence and New Technologies</u>

The industry is undergoing a transformation process: Technology offers challenging environments, but with big opportunities. During 2019, the most outstanding coverages were the presidential elections and the different regional crises. They were all multiplatform coverages. Each platform leveraged its own advantages, achieving a diverse and multidisciplinary coverage.

Clarín made minute-by-minute coverages for social media in the two presidential debates and in the debate of the candidates for the office of Mayor of the City of Buenos Aires. In the primary elections, it made a live coverage from the newsroom showing journalists in an electoral Sunday. On Sunday, October 27, the Company organized two teams for social media and video recording at each of the locations where the main political parties waited for the results of the elections, from which they made a coverage in real time for Twitter and Instagram.

13 years after its first steps, TN.com.ar consolidates its position as the youngest news site of Argentina and the one that grows the most. The Company continues to focus on innovation: It continues to explore new formats, such as the video explainers, which explain complex issues in a few minutes. In addition, the site participated in YouTube's pilot test *Breaking News Alert,* which was made available to Argentina in July.

Outstanding Investigations and Contents

The investigations made by the Group's media are recognized at a global level. In 2019, Clarín conducted several investigations and in-depth productions. Among them, the following two were the most visited: "La luna, 50 años de conquista y siglos de fascinación" (The moon, 50 years after its conquest and centuries of fascination) and "Frenético intercambio de llamadas entre Cristina y Berni tras la muerte de Nisman" (Frantic calls between Cristina Fernandez and Berni after the death of Nisman).

Grupo Clarín focuses on on-the-scene journalism. In 2019, Nelson Castro became "The correspondent", covering high impact news for ARTEAR (eltrece and TN). It is a project that involves a major production and logistics effort, in which the journalist gives his own insights. The news covered included, protests in Caracas, the crisis in Venezuela; the migration dramatic situation in the border between Mexico and the USA; an interview made to Brigitte Macron after the mass in honor of the burned-down Notre Dame cathedral held in Paris; Chernobyl's exclusion zone and even an interview made to members of narco militias at the favelas in Río de Janeiro.

In addition, in 2019, ARTEAR relaunched EL INVESTIGA. It started as a section of the newscast Telenoche in 1994, setting a milestone in Argentine television and producing high impact reports. With new hosts, EL INVESTIGA makes a multiplatform production aimed at reaching different audiences which, in many cases, do not consume traditional television.

At Radio Mitre, the most outstanding investigation was about the case of a girl from the province of Tucumán who in February 2019 had a C-section because she was denied the possibility of a safe abortion. That investigation was covered in a special report entitled "Girl". Another highlight was the report on the arrest of the former vice president Amado Boudou, called "The fall of a vice president". Both investigations received international awards.

Other highlights were the coverages of crisis situations. In 2019, outstanding journalists made rigorous and in-depth coverages of serious conflicts and protests in Bolivia and Chile.

Interaction with Audiences and Readers

The Group has a long track record of closeness with its audiences and readers. It promotes the creation of spaces to engage their participation as a *sine qua non* condition to promote freedom of expression, respect for diversity and pluralism.

Citizen journalism is already an essential part of journalism as the main or secondary source, which is subject to a verification process to avoid the dissemination of fake news. We interact with our audiences on a daily basis, be it through social media, live surveys or telephone calls. An example of this interaction is "TN y la Gente" where audiences upload their materials, many of which become news in themselves, reinforcing them with interviews, live on-the-scene news coverages, etc. As every year, in a special ceremony, the Company grants the "Mazzone Awards", which recognize the most relevant videos uploaded by users.

Another example of the participation of the audiences was on the occasion of a general power outage that affected the whole country: The television viewers of the signal TN were encouraged to provide information about the neighborhoods affected by power outages. Each broadcast newscast increased its participation in social media, intensifying a direct relationship with their own audiences.

Grupo Clarín is also committed to creating local contents and giving voice to its communities. Clarín publishes regional newspapers that publish contents related to 30 locations in the surroundings areas of the City of Buenos Aires, focused on showing the identity and local issues of each city. In addition, the Group has two of the most important regional newspapers of Argentina, La Voz del Interior in the province of Córdoba, and Los Andes in the province of Mendoza. It also has broadcast channels in Buenos Aires, Bahía Blanca, Córdoba and Río Negro. In addition, the news signal Todo Noticias (TN) offers nationwide coverage and is present at the significant events that take place in every province of Argentina. The most important issues in all the

communities of Argentina are reflected both by people interviewed live and by the correspondents of Radio Mitre all over the country.

Social and Sustainability Coverage

Grupo Clarín recognizes the importance of reflecting the diversity of audiences in its contents, as well as covering and raising awareness on social issues.

In this sense, the main media companies of Grupo Clarín (Clarín, eltrece and La Voz del Interior) adhered to the UN Women Step It Up for Gender Equality Media Compact, which seeks to contribute to the eradication of inequality between men and women. The initiative focuses on the creation of gender-sensitive contents and the promotion of internal policies that ensure gender equality.

There is gender parity in the newscasts aired by eltrece and in the different news segments of the signal TN. There are mixed pairs of anchors and there is always a balance in the coverages made by reporters. The Company seeks to find a balance in the participation of columnists.

The Company focuses on increasing contents with gender perspective, seeking to eliminate negative stereotypes and incorporating new male and female models. As every year on March 8, the Company made a multiplatform coverage of gender equality issues.

Grupo Clarín provides tools to keep its employees up to date regarding the generation of contents. In 2019, Grupo Clarín held a series of training courses for the staff of the newsrooms of Clarín and Olé, provided by ELA (Latin American Task Force on Justice and Gender). The subjects covered were: Human Rights and Gender, Violence, Childhood and Adolescence and Disability and Gender. In addition, ARTEAR promotes the UN Women guide for the use of gender-inclusive language, with the support of a linguist. La Voz del Interior held a workshop on gender perspective given a journalist specialized in this subject. TyC Sports also worked on a training program on gender and diversity headed by two specialized journalists, with the participation of 133 employees from the areas of production, anchoring, newsroom, general coordination of the master control and heads of teams.

The column “Miradas” published in Clarín on Fridays, in the section Opinion, addresses the advocacy of women’s rights and gender equality challenges. In addition, Clarín issues on a quarterly basis a CSR section that addresses social, environmental, economic inclusion and development issues.

At TN.com.ar, the stories featured in the section “Somos familia” (“We are family”) seek to shed light on the new family models and raise awareness on the struggles of sexual minorities for their rights, the scientific advances that make gestation possible for infertile couples, same-sex couples or single persons or families that decide to open their arms further. Under this section, in 2019 TN launched Todes Nosotres, an inclusion and diversity community created by TN.com.ar, with the aim of creating a strong network to understand and, ultimately, respect the differences of any kind. For example, a debate was held on inclusive language, and there was a report on the cases of people with disabilities, in order to raise awareness on how fireworks affect people with autism.

Debates were held in the newscasts with opposing positions on political, economic, social, education and health issues, among others. In this sense, several debates were held in “A dos voces”, one of the political programs of TN.

TN continues to draw attention to multiple social problems in the program of “Esta es mi villa” in TN, hosted by Julio Bazán, who visits slums and shanty towns to cover stories about people that overcome obstacles in the context of extreme poverty. Through the section “Héroes de la selva”, Telenoche seeks to draw attention to different actions focused on raising civic awareness and promoting solidarity.

The Company also raises awareness through entertainment. “Reacción en cadena” is a program hosted by Fundación Huésped on the occasion of the World AIDS Day aimed at reflecting on the prejudices and discrimination faced by people with HIV/aids. The production of this program is done on a cost basis, actors work ad honorem and eltrece donates all the advertising revenues to the Foundation.

Civic Involvement and Public Debate

Promoting debate and civil involvement are fundamental pillars of democracy. In 2019, the Company implemented an in-depth coverage of the presidential debates, giving visibility to platforms and campaign proposals. The Company made a multiplatform coverage in the days preceding the elections and during elections.

The Group's media promoted political pluralism, giving visibility to electoral platforms, the main topics under discussion and the different positions supported by the political parties and their candidates.

During 2019, Clarín held three editions of the program “Democracia y Desarrollo” under the title "Argentina en un año clave: desafíos internos y externos". In the first one, there were open interviews to the former president of the Spanish government Felipe González; the then governor of the Province of Buenos Aires, María Eugenia Vidal, and the presidential candidate Roberto Lavagna. In the second one, Clarín’s main journalists interviewed the former Chilean president Ricardo Lagos, the candidate to the vice presidency for the official party Miguel Pichetto, the then governor of Salta Juan Manuel Urtubey, the running-mate of the presidential candidate Roberto Lavagna, and Sergio Massa, who led the list of candidates of the party Frente de Todos in the Province of Buenos Aires. The last edition featured an interview to the former Brazilian president Fernando Henrique Cardoso and the presidential candidates Mauricio Macri and Alberto Fernández. In addition, the interaction and dialog with the authorities is promoted through written articles in interview format, published in Clarín under the title “Cara a cara” (face to face) in the political section.

Among the biggest concerns as a media are fake news, disinformation and the way in which this undermines democracy. During the 2019 elections, the Group's media adhered to Reverso, the initiative aimed at fighting disinformation in Argentina. It was a nationwide collaborative project that made available to citizens tools to identify fake news and discourage the circulation of fake news contents that may influence decision making at the elections.

(b) Accessibility and Protection of Vulnerable Audiences

Through technology, the Group’s audiovisual companies seek to ensure that all the audiences can have access to their contents. In this sense, eltrece uses subtitling, audio description, audio description interpretation and sign language. In addition, both eltrece and TyC Sports offer closed caption.

At the same time, the Company focuses on ensuring that children can only access contents that are suitable for their age. The Group complies with the laws: at 10 pm we show a safe harbor sign and include warnings provided by the National Institute of Film and Audiovisual Arts, INCAA, for its Spanish acronym, that state the age suitable for viewing contents, and we also include warnings when contents are not suitable for children and adolescents, among other practices.

c. Customers and Suppliers

(c) Customer Service and Satisfaction

Gestión Compartida continued to work on the service provided to suppliers. In 2019, it received 22,970 requests. 96% of them were met and only 1% generated complaints. In addition, that company conducted once again the annual satisfaction survey; respondents gave our customer service 7.95 points out of 10. The Company started to work on a program called Customer Experience, a project aimed at creating a customer-centered culture.

La Voz del Interior received on average 4,800 subscriber requests per month through its call center, which is certified under ISO 9001:2015 standard. The number of requests received in 2019 accounts for a 17% decrease compared to 2018, generated by the changes in our processes and the implementation of Shipo, a new system that allows to manage subscriptions from a single platform, including the resolution of complaints. In addition, it conducted a digital subscribers satisfaction survey which served as input to generate actions for improvement. 80% of customers stated their satisfaction and understanding of the process at the time of subscribing to the service; they gave Club La Voz 3.5 points out of 5; and 7 out of 10 customers know and

identify premium content productions and rate them as good or very good. The average rating was 3.81 points out of 5.

Value Chain

Through a strategic view on procurement policies, Grupo Clarín contributes to the application of criteria with a threefold impact: Economic, social and environmental on the business and on the value chain. It focuses on its relationship with 5,026 suppliers from Gestión Compartida, a subsidiary that concentrates the relationship with most of the Group's suppliers.

The suppliers of Grupo Clarín, through Gestión Compartida, assume a formal commitment to the sustainability of their operations comprising 10 key factors: Compliance with effective legislation; respect for human rights; good working conditions and equal labor opportunities; eradication of forced or child labor; freedom of association; proper handling of information and data; fight against corruption; and respect for the environment. All our suppliers receive these conditions in the purchase orders. In addition, the daily interaction with our suppliers is made through Gestión Compartida's Customer Service Center, which in 2019 received over 1,100 calls per month, with an average resolution rate of 91%.

d. Our People

Team Management

As a creator of employment, Grupo Clarín plays an active role in the economic growth and in the development of social wellbeing in Argentina. Grupo Clarín's success and leadership are mostly the result of the efforts, talent, professionalism and creativity of its 4,977 employees in 19 provinces.

During 2019, the Company continued to work on committees on a quarterly basis, created in order to share good practices among its business units and, as from this year, they are called links. They were reorganized and unified by topic to generate greater synergy: Communication and Work Environment Management; Compensation and Benefits; Recruiting and Training; Health and Safety; and Social.

Employees by Gender	2019
Women	1,416
Men	3,561
Total	**4,977**

Employees by Age 2019	Women	Men	Total
Up to 30 years old	330	463	793
Between 31 and 50 years old	909	2,148	3,057
Over 51 years old	177	950	1,127
Total	**1,416**	**3,561**	**4,977**

Employees by type of employment in 2019	Women	Men	Total
Part-time	60	93	153
Full-time	1,356	3,468	4,824
Total	**1,416**	**3,561**	**4,977**

Employee Turnover Ratio 24%

Diversity

Grupo Clarín does not tolerate any type of discrimination related to gender, disability, age, ideology, culture, physical appearance, health, sexual orientation and gender identity, religion, socio-economic vulnerability, family situation or civil status. At Grupo Clarín, we believe that the diversity of our teams is key to create innovative contents, products and services that reflect the diversity of our audiences.

Grupo Clarín’s Diversity Program establishes four main action pillars: gender diversity, people with disabilities, age diversity and ideological diversity. In addition, it proposes 8 dimensions on which the Program is focused: communication; awareness; pay equity; recruiting and hiring; leadership training; professional promotion and development; work-life balance; workplace and sexual harassment and violence and working conditions.

The Group's main media have adhered to the UN Women Step It Up for Gender Equality Media Compact and, at corporate level, to Women's Empowerment Principles (WEPs) established by UN Women. The Group's Business Units worked together on making progress with the goals relating to gender, age and origin in order to offer plural contents. In this sense, it incorporated the role of a gender editor at Clarín. In addition, during 2019, the Company gave training on diversity in the main media of the Group[1].

In addition, the Company provides benefits aimed at creating a diverse workforce and allowing for the development of women at the workplace such as breastfeeding rooms, longer parental leaves and adoption leaves, as well as flexible return to work[2]. Under this framework, the Company seeks to drive co-responsibility in caregiving.

Digital media convergence urges companies to address age diversity. In this sense, the Company accompanies young people in their first jobs. Through framework agreements executed with universities all over the country, we seek to attract students with high potential. In alliance with Fundación Forge, Gestión Compartida seeks to facilitate access to a first-time quality job for underserved young people and considers those who attend the workshops given by the Foundation in job searches of the Group and of third-party customers.

In addition, Gestión Compartida continues its association with the organization INCLUYEME for the incorporation of people with disabilities to formal work. In this sense, eldoce has two workers with disabilities in its payroll, within the framework of the Supervised Labor Practice, of the Degree in Competencies for Social and Labor Inclusion.

Dialog

During 2019, the Company carried out different actions to improve the working environment. In this sense, it held the Olympic Games between different companies of the Group, with the participation of 150 employees from 10 business units.

In our internal communication, three new topics were developed: Nuestro Medio (news), Nuestro Vínculo (work environment and benefits), Nuestro Talento (development). As to the digital platform Smart, we renewed the communication channels in order to offer an ondemand content system: News, Work Environment Management, Talent Management.

On the other hand, the Company conducted the first Internal Communication Survey in 8 business units of the Group, with the participation of 1,393 people from different hierarchy levels, with the general satisfaction of 6.5 points out of 10. The results obtained will allow us to work on improving our internal communication. In 2020, we will also conduct the Internal Opinion Survey, which is held every two years.

As to our communication with union representatives, we hold regular meetings with them to address several employment issues. Out of Grupo Clarín's total employees 66.83% is covered by collective bargaining agreements.

(d) Work-Life Balance and Benefits

Through its benefits policy, Grupo Clarín promotes the wellbeing of its employees and their families. The link between Compensation and Benefits unifies criteria and proposes value actions. In addition, each business unit grants additional benefits according to the tasks performed.

During 2019, Grupo Clarín and Clarín changed their parental leave policy which consists of 30 paid days in addition to the days provided by law for the mother or the primary caregiver and 14 paid calendar days for the father or secondary caregiver, instead of the two days established in the Employment Contract Law. In addition, they implemented the gradual return policy for the primary caregiver.

Some of the benefits granted are:

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[1] For more information, please see the section Responsible Creation and Distribution of Contents in this Annual Report.
[2] For more information, please see the section Benefits in this Annual Report.

- **Flexibility:** Flexible work, home office, flex Fridays, day off on birthday and vacation days in addition to those provided by law.
- **Family:** Reimbursement of daycare fees for the children of our employees, events with the children of our employees, benefits for the family of our employees (health care and fitness center), breastfeeding rooms in our offices, parental leave beyond the term provided by law, gradual return to work after the parental leave, adoption leave, special leaves for premature children, wedding policy, extra half hour for breastfeeding mothers beyond the period established by law and additional days of sick leave to provide care for a sick dependent.
- **Other Employee Value Propositions**: tarjeta 365, English classes, preferential prices for insurance, several discounts in products and services, vending machines, value recognition policy, financial aid and long-term savings plan for executives.

In 2019, 59 women and 60 men took the parental leave, of which 69% and 100% returned to work at the end of the leave, respectively[3]. The retention rate was of[4] 74% in women and 95% in men.

Professional Development

With the aim of continuing to foster the development of its leaders, Grupo Clarín implements a Leadership Model focused on the managers that report to directors or CEOs through specific training.

Grupo Clarín invests in the training of its employees with two kinds of programs: those conducted by each business unit, focused on the specific needs of each activity and, on the other hand, the Corporate Training Program, which includes a wide range of training proposals.

In addition, the Company continued to promote the second part of the Degree in Human Resources together with Universidad de San Andrés with the aim of providing a training and updating space for HR professionals that work in the subsidiaries of the Group, in order to standardize the training of the professionals who graduated from different universities.

In order to promote internal mobility, the Group continued to make Open Internal Job Postings. This process provides equality and transparency for those who participate in job posting.

Together with Universidad de San Andrés, Grupo Clarín continued to develop the Master's Degree in Journalism.

8.47 hours of training per employee
42,149 hours of training

(e) Health and Safety

The Group focuses its efforts on maintaining the safety at the printing plants and on safeguarding the integrity of the employees that work on the field: Journalists, technicians, reporters, who are more exposed to risks. The Safety and Hygiene Link continued to work on standardizing the working conditions and favoring an adequate working environment in all the Business Units.

During 2019, Grupo Clarín continued to give talks and workshops about programs relating to health and prevention of illnesses and accidents, and offered its employees annual medical check-ups and influenza vaccination, both for free. The Group also implemented several actions aimed at creating a healthy lifestyle: Soccer tournaments, healthy menus, evacuation drills.

At the same time, Polka takes care of its actors and actresses. In this sense, that company complies with the laws relating to child labor. It worked on developing an internal protocol regarding gender-based violence. Together with the Argentine Chamber of Independent TV Producers (“CAPIT”, for its Spanish acronym), the Company executed an “Agreement to guarantee workspaces free of violence in theater and audiovisual activities", signed with the Argentina Association for the Management of Actors and Performers (SAGAI, for

[3] 16 women were still on maternity leave as of December 31, 2019.

[4] Percentage of people that returned to work after the parental leave and stayed in the Company 12 months after returning.

its Spanish acronym). In addition, the Company participated with the National Women's Institute (INAM, for its Spanish acronym) in training courses relating to gender equality.

e. Social Development

(f) Private social investment strategy

The social investment initiatives developed by the Group focus on media literacy; donation of advertising space; local development, culture and education; and support to civil society organizations. The projects are implemented by Fundación Noble, the Group's business units and the corporate areas. The total cash and in-kind contributions represent in the aggregate a contribution of over $ 230 million.

Contribution to the Community (in pesos)	2019
Social Investment Programs	8,437,890
Donation of advertising space	222,622,098

(g) Community Engagement and Social Advertising

Grupo Clarín provides resources, time and advertising space to promote and raise awareness on social, civic and environmental issues and, in this way, help strengthen civil society.

Donation of Advertising Space	2019
Seconds	472,359
Pages	183
Printing of Online Banners	289,907,273
Amount of Pesos Donated	222,622,098

(h) The Role of the Media in Education

In order to promote critical and creative reading of media contents, Fundación Noble has been implementing for over 30 years the initiative "The Role of the Media in Education". This a pioneer program widely recognized abroad that consists of workshops and educational content suited to the needs of teachers and students. Since its creation, 197,210 teachers and 555,524 students participated.

In 2019, it focused on strengthening teacher training in the use of the media and digital technologies for teaching and learning. During 2019, it gave 18 workshops on seven topics related to media and digital literacy. Overall, 658 teachers of the three educational levels participated all over the country.

In addition, we held the fifth edition of the photography contest for the youth #sosVOSenlared2019, with the participation of high school students and teachers from all over the country. We received 300 productions in two categories: #QuienSos (a single photo) and #UnaHistoriaEnFotos (photo interview), and a jury selected the winners.

Another way of driving media literacy is through guided visits. Clarín, Olé, La Voz del Interior, Radio Mitre, eldoce and Los Andes offer the possibility to educational institutions and community organizations of visiting the premises of television channels and radio stations, the printing plant, the production process of print media from the moment news are born up to its publication on paper or digital devices, and the newsroom processes, among others. For example, Diario Clarín received 12,913 students from 226 institutions of the City of Buenos Aires and its surrounding areas, Córdoba, Santa Fe, Misiones, San Miguel de Tucumán, Las Heras, Pinamar, Mercedes and, from abroad, Brazil, USA and Ecuador.

(i) Fostering Education

Grupo Clarín promotes actions to raise awareness on the importance of education as a right and as a critical element in Argentina's social development. In this framework, one of the most prominent initiatives is the award "Premio Clarín- Zúrich a la Educación". In 2019, we recognized the best Programming and Robotics projects in high school. Over 80 projects were reviewed and the winner was "Maker Space Misiones", which proposes to set up corners equipped with screens, notebooks, 3D printers and tablets for students to learn

robotics and develop their creativity. We also granted special mentions to institutions from Puerto Iguazú, Misiones; Villa Mercedes, San Luis; and the City of Buenos Aires.

At the same time, through the Noble Foundation, the Company continued to donate bibliographical material, and renewed its support to public schools named after the founder of Clarín (Escuelas Roberto Noble.). We made 117 donations, 70 of which were addressed to elementary, middle and high schools, 3 to libraries and 33 to civil associations (foundations, parish churches and cultural centers) and a hospital. Our donations reached over 27,000 people.

Donation of Educational Materials	2019
Books	7,976
Magazines	10,258
Manuals / Booklets	540

As every year, Fundación Noble sponsored the Reading Marathon of Fundación Leer and the Company contributed with dissemination spaces in Clarín and social media. In this sense, it fosters equal opportunities in education through its publishing company Tinta Fresca with the generation of updated, affordable and quality educational materials for students, teachers and schools throughout the country.

(j) Promotion of Culture and Social Development

The Group's media contribute to the promotion of local culture and identity through their contents. In addition, the Company grants two awards that contribute to the generation of culture and development ecosystems in Argentina and the region.

Premio Clarín Novela is one of the most prestigious literary contests of Spanish America. The 22th edition was held at Centro Cultural Kirchner. The winner was Marcelo Caruso for his novel “Negro el dolor del mundo” and received a prize of $400,000 and the publishing of his book.

In addition, Premio PyME, an initiative of Revista Pymes and Banco Galicia, seeks to recognize the work of small and medium-sized companies all over the country. The third edition was held and companies were recognized in three categories. Innovative small and medium-sized company: Terragene (Santa Fe); Small and medium-sized company with a High Social or Environmental Impact: Ecofactory (Buenos Aires): Family small and medium-sized company: Combustibles del Norte (Salta).

(k) Alliances with civil society organizations

Grupo Clarín once again participated in the program “Un sol para los chicos”, together with ARTEAR and UNICEF, with the aim of raising funds for projects in which UNICEF Argentina works all the year round aimed at the recognition, respect and fulfillment of the rights of children and adolescents. In 2019, the gross funds raised reached $105,695,146.

At the same time, in 2019, ARTEAR and Fundación Noble organized, as every year, a new edition of "Abanderados de la Argentina Solidaria”, another initiative to foster the value of solidarity in Argentine society. Juan Chalbaud, founder of Monte Adentro, was chosen by the public as Abanderado del Año, and received $ 400,000 to continue building and generating opportunities for the rural communities of Chaco. On the occasion of the 10th anniversary, the Company paid a special tribute to the 88 people who received the award Abanderados de la Argentina Solidaria over the past ten years and shared new stories of those whose lives were changed by the awardees.

f. The Environment

Environmental Awareness Contents

As part of its commitment to environmental care, Grupo Clarín takes the opportunity to inform society about the preservation of the planet and its resources through the dissemination of journalistic investigations, articles on scientific developments, coverage of news and tips to get involved, among other initiatives. This is how we address the growing awareness and concern for the environment among audiences.

All of its media covered the climate change demonstrations and presented information and investigations related to this issue. This included the coverage of COP25 and of Greta Thunberg's initiative.

Clarín publishes the section ECO in the magazine VIVA, which addresses different topics (textile, food, construction, industry) relating to the protection of the environment.

In TN, Nelson Castro covered the dramatic fires in the Amazonas, the lungs of the planet. In Telenoche, el Investiga presented an investigation about the clearcutting of native forests in Chaco Salteño. For example, the newscast Telenoche showed the story of Gastón in the section "Héroes", who cleans the beaches of Pinamar to raise awareness. The program "Fenómenos", hosted by the meteorologists José Bianco and Matías Bertolotti, continued to cover environmental issues.

Another highlight was "SusTNtables", a new project of Polka presented in TN's digital platforms. The program "Take care today of tomorrow's world" seeks to highlight and promote the importance of environmental care in all forms, through the conscious and responsible use of natural resources. The Company offered exclusive materials for each platform, adapted to the use and consumption of each community. A trip was conducted on a hybrid car to learn about people who devote their lives to a sustainable project: Ecologic heating, lamps with recycled cardboard, energy generated by waste, natural energy for cookers, recovered plastic, recycled textile, among other innovative proposals.

At Radio Mitre, through the blog Planeta Vivo, we provide information to the public about several environmental and sustainability issues. La Voz del Interior made an investigation on the use of the technological waste in the City of Córdoba, made by Ary Garbovetzky, within the framework of the project Solutions Journalism.

Environmental Management and Policy

During 2019, Grupo Clarín worked on optimizing the results and decreasing the possible impacts of its operations on the environment, through the implementation of measurement schemes and plans for the improvement of its production processes.

In addition, as a practice that has been in place for various years, the Company implements sustainable methods aimed at obtaining and using resources, such as recovered paper, invests in equipment with better technology, promotes the adoption and certification of environmental standards and works on raising awareness on the preservation of resources.

The Group's Social Responsibility and Sustainability Policy sets out the commitments to environmental management and the related goals. At AGEA, Clarín's printing plant has in place an Environmental Policy which was updated in April 2019 in order to include new business printing and binding processes that are conducted at its premises. In this sense, the Company obtained the recertification of its Environmental Management System under ISO 14001:15 standard, changing the scope of the new activities mentioned above.

Materials

Grupo Clarín works on reducing the consumption of materials and streamline the management of the resources used, both concerning production inputs and office supplies.

At the printing plants, the Company continued to follow guidelines to ensure the provision of materials at quality levels compatible with international standards for newsprint, inks and other specific inputs.

Most of the paper used for the printing of newspapers is from Papel Prensa, in which Grupo Clarín holds an equity interest. 85% of the fiber used comes from plantations certified by PEFC and FSC on the Chain of Custody and Controlled Wood, which provides assurance that the certified product originates from sustainably managed forests. 10% of the remaining fiber (the maximum percentage that can be added to the process) derives from recycled material (pre and post consumption) and the remaining 5% derives from the purchase of FSC certified long fiber. In addition, Papel Prensa has an agreement with the National Institute of Agricultural Technology (INTA, for its Spanish acronym) for the enhancement of the willow forestry performance. With a comprehensive view of the lifecycle of some products, we continue working on recovering the largest amount of wastepaper possible (printing errors, paper jam, etc.) and the unsold newspapers to sell them to Papel Prensa, which recycles newspapers.

CONSUMPTION OF THE MAIN MATERIALS (in tons)	
	2019
Paper	
- Graphic Printing	56,222.29
- Office	48.77
Ink (1)	652.73
CTP Aluminum plates	154.66
(1) Includes figures from AGEA Zepita from January to November 2019.	

Energy and Emissions

The efficient use of electricity is essential for business management, because it accounts for 80% of energy consumption. Even though the Company has alternative power generators in place for offices and industrial facilities that require fuel, the main indirect consumption is the electricity provided by the power supply network.

The Company continued to replace traditional lighting equipment with LED systems for a better power efficiency. La Voz del Interior, according to an energy efficiency master plan designed during 2019, changed the operational routines, added other transportation lines to the agreements with outsourced companies, thus saving a significant amount of Km, and also limited from three to one day per week the procurement of the paper reels layout.

DIRECT AND INDIRECT POWER CONSUMPTION (in GJ)	2019
Electricity	144,646.34
Natural gas	38,248.62
Gasoline	3,209.68
Gasoil	5,566.48
CNG	308.02
Renewable Energy (1)	8.03
Total	**191,987.17**
(1) Estimated data.	

GREENHOUSE GAS EMISSIONS (in tons of CO2 equivalent)	2019
Direct Emissions (Scope 1)	2,493.64
Indirect Emissions (Scope 2) (1)	18,623.22
Other Indirect Emissions (Scope 3)	81,237.03
Total	**102,353.89**
(1) Emission factor used: 0.4635 tCO2/MWh	

Waste

The waste management strategy implemented by the subsidiaries of the Group is focused on reducing the generation of hazardous waste and its proper final disposal with authorized companies; and the separation of urban like waste into recyclable and non-recyclable. The industrial waste from printing processes, such as ink, oil, grease and solvents, are sent to third party facilities for their recycling, reuse or safe final disposal.

With a focus on circular economy, we recover paper at Clarín's Plant as part of the newspaper return process. We work on the separation of paper and cardboard, which are used in the production process, and its delivery to partnering organizations and foundations. In addition, fully reusable materials are used in the printing process, such as aluminum plates.

WASTE BY TYPE AND TREATMENT METHOD	
Type of Waste (in tn)	**2019**
Total Hazardous Waste (1)	133.64
Total urban-like or non-hazardous waste	1,313.04
(1) Hazardous waste is not exported, nor imported.	

The most significant effluents generated by the Company are those resulting from the printing facilities' development processes. They are subject to rigorous treatments and measurements before disposal. At AGEA's printing Plant, we reuse water. Therefore, the Company avoids discharging effluents except in exceptional cases. At La Voz del Interior, wastewater is subject to treatment and is then reused for irrigation at the Company's facilities. The Company's office buildings and other facilities only discharge domestic wastewater.

Water Discharge by Quality and Usage (1)	2019
Annual Volume Discharged (in m3)	9,013.11
(1) The effluents generated are not discharged in water bodies.	

CORPORATE GOVERNANCE, ORGANIZATION AND INTERNAL CONTROL SYSTEM

Grupo Clarín's Board of Directors is responsible for the Company's management and approves its policies and overall strategies. Pursuant to the By-laws, the Board of Directors is composed of ten permanent directors and ten alternate directors who are elected at the Ordinary Shareholders' Meeting on an annual basis. Four of them (two permanent and two alternate members) are required to be independent directors, appointed in accordance with the requirements provided under the CNV rules.

Members of the Board of Directors

Grupo Clarín's Board of Directors is comprised by the following members, appointed at the Annual Ordinary Shareholders' Meeting and Special Meeting per Class of Shares, held on April 30, 2019:

Rendo, Jorge Carlos	Chairman
Aranda, Héctor Mario	Vice Chairman
Aranda, Alma Rocío	Permanent Director
Noble Herrera, Felipe	Permanent Director
Magnetto, Horacio Ezequiel	Permanent Director
Pagliaro, Francisco	Permanent Director
Driollet, Ignacio Rolando	Permanent Director
Calcagno, Lorenzo[1]	Permanent Director
Riportella, Andrés Gabriel[1]	Permanent Director
Quiros, Horacio	Permanent Director
Colugio, Patricia Mirian	Alternate Director
Acevedo, Francisco Iván	Alternate Director
Etchevers, Martín Gonzalo	Alternate Director
Sosa Mendoza, Eugenio	Alternate Director
Boncagni, Marcelo Fernando	Alternate Director
Rebay, Carlos[1]	Alternate Director
Fernández, Luis Germán[1]	Alternate Director
Puente Solari, Lucas	Alternate Director
Kahrs, Alfredo Enrique	Alternate Director

Prieri Belmonte, Eloisa	Alternate Director

[1]*Independent Director*

Grupo Clarín also has a Supervisory Committee comprised of 3 permanent members and 3 alternate members, who are also appointed on an annual basis at the Ordinary Shareholders' Meeting. The Board of Directors, through an Audit Committee, is in charge of the ongoing oversight of all matters related to control information systems and risk management, and issues an annual report on these topics. The members of the Company's Audit Committee may be nominated by any member of the Board of Directors and a majority of its members must meet the independence requirement provided under CNV rules.

Supervisory Committee

The Company's Supervisory Committee is composed of the following members, appointed at the Annual Ordinary Shareholders' Meeting and Special Meeting per Class of Shares, held on April 30, 2019:

Piano, Adriana Estela[1]	Permanent Member of the Supervisory Committee
Di Candia, Carlos Alberto Pedro[1]	Permanent Member of the Supervisory Committee
López, Hugo Ernesto[1]	Permanent Member of the Supervisory Committee
Tedín, Silvia Andrea[1]	Alternate Member of the Supervisory Committee
Mazzei, Miguel Angel[1]	Alternate Member of the Supervisory Committee
De la María Martínez de Hoz, Jorge J.J [1]	Alternate Member of the Supervisory Committee

[1] Independent member of the Supervisory Committee

Audit Committee

The Audit Committee is composed as follows:

Calcagno, Lorenzo	Chairman
Riportella, Andrés Gabriel	Vice Chairman
Aranda, Héctor Mario	Permanent Member
Acevedo, Francisco Iván	Alternate Member
Rebay, Carlos	Alternate Member
Fernández, Luis Germán	Alternate Member

The overall criteria used to appoint managers are based on the background and experience in the position and the industry, companies they have worked for, age, professional and moral competence, among other factors.

In order to identify opportunities and streamline structures and systems with the aim of improving processes and making informed decisions, Grupo Clarín sets forth several procedures and policies for controlling the Company's operations. The areas responsible for the Company's internal controls, both at the Company level and at the level of its subsidiaries and affiliates, contribute to the safeguarding of shareholders' equity, the reliability of financial information and the compliance with laws and regulations.

Compensation of the Members of the Board of Directors and Senior Management

Compensation of the members of the Board of Directors is decided at the Shareholders' Meeting after the close of each fiscal year, considering the cap established by Article 261 of Law No. 19,550 and related regulations of the CNV.

All of Grupo Clarín's subsidiaries have compensation arrangements with all of their officers in executive and managerial positions, which contemplate a fixed and variable remuneration scheme. Fixed compensation is tied to the level of responsibility attached to each position, prevailing market salaries and performance. The annual variable component is tied to performance during the fiscal year based on the objectives set at the beginning of the year. Grupo Clarín does not have any stock option plans in place for its personnel.

As mentioned in Note 18 to the Consolidated Financial Statements, on January 1, 2008 Grupo Clarín began to implement a long-term savings plan for certain executives of Grupo Clarín and its subsidiaries. Executives who adhere to such plan will contribute regularly a limited portion of their salary to a fund that will allow them to increase their income at the retirement age. Furthermore, each company matches the sum contributed by such executives. This matching contribution will be added to the fund raised by the employees. Under certain conditions, employees can access such fund upon retirement or upon termination of their jobs with Grupo Clarín. This long-term benefit has a strong withholding component and is considered as an integral part of the employee's total compensation for comparative purposes with prevailing market salaries. During 2013, certain changes were made to the savings system, although its operation mechanism and the main characteristics with regard to the obligations undertaken by the company were essentially maintained.

The parameters used in fixing compensations are in line with customary market practices followed by companies of the scale of Grupo Clarín. To this end, the Company assesses the relative weight of the different positions within the company, as well as the performance of the employee that holds the position. In order to assess positions and compare salaries in different markets, the Company uses the services and reports of prestigious HR companies at national and international level.

Annual Shareholders' Meeting

Grupo Clarín held its Annual Ordinary Shareholders' Meeting on April 30, 2019. On this occasion, the shareholders reviewed and approved the accounting records for fiscal year No. 20 ended on December 31, 2018 and the performance and compensation of the members of the Board of Directors and the Supervisory Committee. Among other things, they elected the permanent members and alternate members of the Board of Directors and the Supervisory Committee for the year 2019.

Dividend Policy

Grupo Clarín does not have a formal dividend policy governing the amount and payment of dividends or other distributions. According to its By-laws and the Argentine Corporate Law, Grupo Clarín may lawfully pay and make declarations of dividends only out of the retained earnings stated in the Company's annual Financial Statements prepared in accordance with Argentine GAAP and CNV regulations and approved at the Shareholders' Meeting. In such case, dividends must be paid on a pro rata basis to all holders of shares of common stock as of the relevant record date.

Set-up of Reserves

Pursuant to the Argentine Corporate Law and CNV resolutions, Grupo Clarín is required to set up a legal reserve of no less than 5% of each year's retained earnings until such reserve reaches 20% of its outstanding capital stock plus the corresponding adjustment. The legal reserve is not available for distribution to shareholders.

Code of Corporate Governance

In addition to the aforementioned, and in conformity with Resolution No. 707/2019 issued by the Argentine Securities Commission, the Company prepared the Report on the Corporate Governance Code in accordance with Exhibit III, Title IV of Chapter I, Section I of the Rules, which is attached as an exhibit to this Annual Report.

BUSINESS PROJECTIONS AND PLANNING

Grupo Clarín seeks to maintain and consolidate its presence in the local and regional market, focusing on the creation of quality contents in all multimedia and multiplatform formats.

All of the Group’s business units will strive to seize opportunities, seeking to reinforce, improve and expand the range of products and services offered; increase market share; reach new audiences and promote permanent innovations in all of its activities.

Grupo Clarín will continue to optimize even more the productivity and efficiency levels in all of its areas and companies. It will seek to develop and apply best practices in each of its processes.

At a corporate level, it will continue to focus on the main processes that allow sustainable, healthy and efficient growth from different perspectives: financial structure, management control, business strategy, human resources, innovation and corporate social responsibility.

Grupo Clarín will continue to analyze alternative new ventures related to its mission and strategic objectives both in Argentina and abroad, as long as they add value to shareholders and are feasible and viable under the prevailing economic environment.

Grupo Clarín remains committed to traditional media, with a growing focus on digital media, which have been one of the largest strategic stakes of the Company for nearly two decades. To this end, it will rely on the value and prestige of its trademarks, which have the largest rates of credibility and acceptance in Argentina. The Company will use its broad experience in the creation of contents, recognized worldwide -especially in the Spanish-speaking world-, to boost the success of its new platforms and formats.

Grupo Clarín reaffirms its sustained commitment to regulatory compliance, its readers, audiences and the country. In its daily work, Grupo Clarín seeks to assume with strength and responsibility the role that the media are called to play through professional and independent journalism and through the defense and promotion of principles and values, such as freedom of speech, the effectiveness of republican democracy and the promotion of the comprehensive development of Argentina and its inhabitants.

SUPPLEMENTARY FINANCIAL INFORMATION

The information included in the Supplementary Financial Information is part of this Annual Report and, therefore, both should be read in conjunction.

FINANCIAL POSITION AND RESULTS OF ITS OPERATIONS

During this year, the main changes in the Company's financial position and results of its operations were the following:

Working capital (current assets minus current liabilities) at year-end decreased by $ 1,344 million compared to the previous year, from (positive) $ 1,254 million to (negative) $ 90 million. This decrease is mainly evidenced in the decrease in Company funds (the items Cash and Banks and certain current investments) in the amount of $ 289 million, and a decrease in Other Current Receivables of $ 983 million. In addition, taxes payable decreased by $ 72 million and accounts payable and other liabilities increased by $ 49 million and $ 95 million, respectively.

The most significant changes in non-current assets were: (i) the $ 1,075 million decrease in Investments in associates, mainly due to the net decrease generated by the losses of the company's subsidiaries Arte Gráfico Editorial Argentino S.A. and GC Gestión Compartida S.A., net of the gains generated by the subsidiaries Arte Radiotelevisivo Argentino S.A. and Inversora de Eventos S.A. and the increase generated by new contributions made in GC Gestión Compartida S.A., and to the decrease generated by the collection of dividends of the subsidiary Inversora de Eventos S.A.; and (ii) the $ 1,031 million increase in Property, plant and equipment mainly due to the purchase of a building, mentioned in Note 4.1 to the separate financial statements.

The Statement of Income as of December 31, 2019 recorded a net loss of $ 1,507 million. This net loss is mainly accounted for by the $ 1,013 million loss generated by the investments in controlled companies, the $ 84 million loss generated by financial results, and the $ 254 million net loss generated by administrative expenses net of management fees and the $ 132 million loss generated by income tax.

Grupo Clarín S.A. is still controlled by GC Dominio S.A., which holds 64.2% of its voting rights. Balances and transactions with related parties are detailed in Note 8 to the Separate Financial Statements.

PROPOSAL OF THE BOARD OF DIRECTORS

The Company is a holding company. Its results derive mainly from the operations of its subsidiaries. Therefore, its liquidity position depends, among other things, on the distribution of dividends of Grupo Clarín's subsidiaries -which have to meet their investment and interest payments needs-, the contributions required by other subsidiaries and the expected future cash flows from operating and financing activities. In particular, the media are faced with the challenge posed by digital transformation, with the development of a new

business model that does not compromise their journalistic independence and the quality of their contents in a mature market, and with the strong impact that Argentine economy has on its revenues.

In the year ended December 31, 2019, the Company recorded a net loss of $1,507,321,349, mainly derived from the deficit generated by the Printing and Publishing and Digital Content and Other segments. Since the Company does not have earnings appropriated to reserves because they were used in conformity with the decision of the shareholders at the Shareholders' Meeting held on April 30, 2019 and in accordance with CNV Rules for the absorption of the accumulated deficit stated in the financial statements as of December 31, 2018, the Board of Directors proposes to absorb the full deficit accumulated in the last year through the partial reversal of the Paid-in capital.

The Board of Directors of Grupo Clarín would like to thank its customers, suppliers, employees, banking and financial institutions and other stakeholders, who are the key players in achieving the results obtained this fiscal year by the Company's management.

The Board of Directors

Buenos Aires, March 9, 2020

EXHIBIT - REPORT ON THE CORPORATE GOVERNANCE CODE OF GRUPO CLARÍN S.A.
ROLE OF THE BOARD OF DIRECTORS
Principles

I. The company shall be led by a professional and qualified Board of Directors in charge of laying the foundations for the company's sustainable success. The Board of Directors is the guardian of the company and the rights of all its shareholders.

II. The Board of Directors shall be responsible for determining and promoting the corporate culture and values. The Board of Directors' performance shall guarantee the observance of the highest standards of ethics and integrity, based on the best interest of the company.

III. The Board of Directors shall be in charge of ensuring a strategy inspired by the company's vision and mission, aligned with its values and culture. The Board of Directors shall engage constructively with management to ensure the correct development, execution, monitoring and revision of the company's strategy.

IV. The Board of Directors shall control and supervise on an ongoing basis the direction of the company, ensuring that management takes actions aimed at the implementation of the strategy and the business plan approved by the Board of Directors.

V. The Board of Directors must have the necessary mechanisms and policies in order to efficiently and effectively fulfill the role of the Board and each of its members.

Recommended Practices

1. The Board of Directors generates an ethical work culture and establishes the vision, mission and values of the company.

   The Company applies the recommended practice. The Board of Directors establishes the values and principles that set the general framework within which the Company's activities must be developed. They are implemented by Management through a consistent message in the conduction of its daily activities, and are reflected in its corporate policies, among which the most relevant is the Code of Ethics and Conduct. Those principles and values follow the highest ethical standards, as demonstrated by the Company along its track record.

2. The Board of Directors sets out the general strategy for the Company and approves the strategic plan developed by Management. In doing so, the Board of Directors takes into consideration environmental, social and corporate governance factors. The Board of Directors supervises its implementation through the use of key performance indicators and taking into consideration the best interest of the Company and the rights of all its shareholders.

   The Company applies the recommended practice. The Company's Board of Directors and Management design the general strategy, considering as the global framework the opportunities and threats of the context in which it operates (external risk factors), the Company's internal situation (internal risk factors) in the light of the established mission and values, and analyze, discuss and approve on an annual basis the strategic plan, composed of it short, medium and long term goals, and monitor its implementation using metrics that allow for an adequate oversight of said strategic plan.

3. The Board of Directors supervises management and ensures that it develops, implements and maintains an adequate internal control system with clear reporting lines.

   The Company applies the recommended practice. The Board of Directors, which is mostly composed of non-executive directors, oversees the Company's operations not only with respect to the achievement of the established objectives and goals, but also with respect to the integrity and commitment with the values of the organization, the consistency of its actions with its mission and values and the capacity to convey those values to all its employees. Through a set of mechanisms and procedures, the Board of Directors monitors that the activities carried out by Management comply with the policies in place, that the objectives be accomplished, that the changes in the environment be contemplated in the decisions adopted, and that the measures required to correct deviations be

implemented. Among the main mechanisms, the Company has detailed systems and procedures that set quantitative and qualitative rules for the approval of transactions, regular management control meetings, and internal audits. The Corporate Control Management follows high standards of control to assure the general control system and compliance by the Company. Through previously established metrics, the upper management regularly reports on its performance, allowing the Board of Directors to assess the performance of those responsible for the Company's operations. The Company's Board of Directors, through its Audit Committee, monitors that the Company has in place an adequate internal control system.

4. The Board of Directors designs corporate governance structures and practices, appoints the person responsible for their implementation, monitors their effectiveness, and suggests changes as deemed necessary.

   The Company does not apply the recommended practice within the terms mentioned above because the Board of Directors has not formally designated an officer responsible for the implementation of the corporate governance structures and initiatives. However, the Company has the Corporate Control and Corporate Affairs Departments, which lead the implementation of the Company's corporate governance practices, and analyze the need to introduce changes upon amendments in regulations, upon or changes in the Company's businesses, processes or structure. In this sense, the Company also has an Investor Relations Department, an Internal Audit Department, the Audit Committee and the Supervisory Committee. Those practices have been deemed adequate and approved by the Company's Board of Directors. For that reason, the Company applies the principles that underlie this practice.

5. The members of the Board of Directors have sufficient time to perform their duties in a professional and efficient manner. The Board of Directors and its committees have clear and formalized rules of operation and organization, which are disclosed through the Company's website.

   The Company applies the recommended practice. The Company's Board of Directors is composed of members that have impeccable personal and professional qualifications that enable them to perform their duties in the Board. In addition, they devote sufficient time to adequately perform their duties and, therefore, they attend without fail the meetings to which they are called and receive relevant information sufficiently in advance so that they can make informed decisions at the Board. As a result of the above, given the fact that the rules that govern their actions, as well as their roles, functions and responsibilities arise from the Company's Bylaws, which are published in the Financial Information Highway and on the Company's website, the Company has not deemed it necessary to state in an additional document the rules that set out the duties, roles and functions of the members of the Board of Directors.

CHAIR OF THE BOARD OF DIRECTORS AND COMPANY SECRETARY
Principles

VI. The Chair of the Board is in charge of ensuring the effective fulfillment of the functions of the Board of Directors and has a leading role among the members. The Chair shall generate a positive work dynamic and promote the constructive engagement of the members of the Board, and shall also ensure that they have the elements and information necessary for decision-making. The above also applies to the Chairs of each committee of the Board of Directors, regarding their corresponding functions.

VII. The Chair must lead processes and establish structures to ensure the commitment, objectivity and competence of the members of the Board, as well as the best operation of the body as a whole and its evolution according to the company's needs.

VIII. The Chair must ensure that the Board of Directors as a whole is fully committed and responsible for the succession of the CEO.

Recommended Practices

6. The Chair of the Board of Directors is responsible for the proper organization of the Board of Directors' meetings, prepares the agenda ensuring the cooperation of the other members, and ensures that they

receive the necessary materials well in advance for their efficient and informed participation. The Chairs of the committees bear the same responsibilities for their meetings.

The Company applies the recommended practice. The Chair of the Company's Board of Directors chairs and organizes the Board of Directors' meetings and the Shareholders' Meetings and receives the support of the Corporate Affairs Department, which, among its functions, is responsible for the provision of assistance to the Chair of the Board regarding the coordination of meetings, of technical support, of information for the work carried out by the Directors and is also responsible for minute-taking at those meetings, among other activities. The members of the Board of Directors are called sufficiently in advance so that they can attend the meetings and receive in due time the relevant information required to decide on the items of the agenda of the meeting to which they are called.

7. The Chair of the Board of Directors ensures the proper internal operation of the Board of Directors by implementing formal processes for conducting annual performance reviews.

   The Company does not apply the recommended practice through the implementation of a formal annual performance review process. However, it complies with the principles that underlie the recommended practice because the Chair of the Company's Board of Directors ensures the correct and adequate internal functioning of the Board through the verification of the compliance with all the obligations applicable to its members and those that arise from the Bylaws, the laws and the Code of Ethics and Conduct. The shareholders gathered at the Shareholders' Meeting are the ones who, upon being furnished with the relevant and sufficient information, perform an annual review of the performance of the Board of Directors at the time of considering the performance of its members.

8. The Chair generates a positive and constructive workplace for all the members of the Board of Directors and ensures that they receive ongoing training to keep up to date and to be able to properly fulfill their duties.

   The Company applies the recommended practice. The Company's Board of Directors performs its duties in an orderly and harmonious environment among its members, ensuring constructive and efficient teamwork for the benefit of the Company and its shareholders. Even though the Company has not implemented an annual formal training program, the members of the Board of Directors, in addition to their professional and personal qualifications and experience, regularly receive updates, through the coordination carried out by the Corporate Affairs Department, information, training, concerning the industry, business or regulations, for the adequate fulfillment of their functions and responsibilities, training given by highly qualified officers with experience in the Company's businesses, renowned market professionals, industry referents or specialized consultancy firms.

9. The Company Secretary provides assistance to the Chair of the Board of Directors in the effective administration of the Board and cooperates in the communication with the shareholders, the Board of Directors and management.

   The Company applies the recommended practice. The Company has a Corporate Affairs Department that assists the Chair of the Board of Directors in administrative and organization tasks required for the adequate functioning of the Board, such as those related to the preparation and distribution of information, meeting minutes-taking, training, provision of information and induction for new members, assistance in the communication among the members of the Board of Directors and of the latter with Management, organization of shareholders' Meetings, among others. Taking into consideration the legal nature required in some of the functions of the Board of Directors, it also receives the advice of external legal advisors.

10. The Chair of the Board of Directors ensures the involvement of all its members in the development and approval of a succession plan for the company's CEO.

    The Company does not apply the recommended practice. The Company's Corporate Human Resources Department is in charge of the identification and retention of talents for managerial positions, as well as the planning of their successors. It receives the assistance of human resources professionals hired to such end.

COMPOSITION, NOMINATION AND SUCCESSION OF THE BOARD OF DIRECTORS
Principles

IX. The Board must have adequate levels of independence and diversity in order to make decisions in the company's best interest, avoiding groupthink and decision-making by individuals or dominant groups within the Board.

X. The Board must ensure that the company has formal procedures for the proposal and nomination of candidates to fill positions in the Board within a framework of a succession plan.

Recommended Practices

11. The Board of Directors has at least two independent members in conformity with the effective criteria established by the Argentine Securities Commission.

    The Company applies the recommended practice. The Company's Board of Directors is composed of members who are also managers of the Company, non-independent directors without executive responsibilities and independent directors. The Board of Directors has two permanent directors and two alternate directors who are independent in conformity with the criteria established by the Argentine Securities Commission.

12. The Company has a Nomination Committee that has at least three (3) members and is chaired by an independent director. If the Chair of the Board of Directors is also the chair of the Nomination Committee, he/she shall refrain from participating in the appointment of his/her own successor.

    The Company does not apply the recommended practice because it does not have a nomination committee. The Company's Bylaws set out the way in which each class of shares shall appoint the members of the Board of Directors.

13. The Board of Directors, through the Nomination Committee, develops a succession plan for its members that guides the candidate pre-selection process to fill vacancies and takes into consideration the non-binding recommendations of its members, the CEO and the Shareholders.

    The Company does not apply the recommended practice. The Company does not have a nomination committee. See the explanation related to the recommended practice No. 12.

14. The Board of Directors implements an onboarding program for its newly appointed members.

    The Company applies the recommended practice. The Company provides assistance to the new members of the Board of Directors through an induction process that covers all the necessary aspects to gain an in-depth knowledge of the Company, through the contact with management and access to documentation related to the Company to learn about its structure, businesses, operations, personnel, processes, policies, legal advisors and applicable regulatory framework.

REMUNERATION

Principles

XI. The Board of Directors must generate incentives through remuneration, in order to align management -led by the CEO- and the Board with the long-term interests of the company, so that all the directors equally comply with their obligations with respect to all its shareholders.

Recommended Practices

15. The Company has a Remuneration Committee that is composed of at least three (3) members. All the members are independent or non-executive.

    The Company does not apply the recommended practice. The Board does not have in place a remuneration committee. The Company hires independent professional human resources advisors that advise the Company regarding the remuneration of the Board of Directors. In addition, the Audit

Committee provides an opinion on the reasonableness of the fees paid to the members of the Board of Directors taking into consideration their professional background and reputation, tasks performed, responsibilities and the amount of time devoted to the performance of their duties. On the other hand, the Corporate Human Resources Department is in charge of supervising the remuneration of the first line managers which includes the competitiveness of the remuneration practices and policies. Said Department, with the advice of independent human resources professionals oversees that the remuneration of managers is in line with the short, medium and long term returns according to the Company's management objectives. Hence, the Company fulfills the principle that underlies the practice.

16. The Board of Directors, through the Remuneration Committee, establishes a remuneration policy for the CEO and the members of the Board.

    The Company does not apply the recommended practice. As mentioned in the explanation related to recommended practice No. 15, the Board of Directors does not have in place a remuneration committee. The policy that provides for the remuneration of management is established by the Corporate Human Resources Department. That policy sets out a fixed and variable remuneration scheme. The fixed compensation is related to the level of responsibility attached to each position, the competitiveness with respect to the market and the performance of the executive. The annual variable remuneration is related to the objectives set by the Company for the fiscal year and the degree of compliance, which are in line with the Company's business plan and strategy. On the other hand, the executives have the option of adhering to a long-term savings plan, which is used by the Company as a strong retention tool. The remuneration of the Board of Directors is approved by the shareholders at the Annual General Shareholders' Meeting. In addition, the Board of Directors proposes the shareholders to authorize the payment of advances up to a certain amount subject to the following Shareholders' Meeting at which shareholders shall approve their remuneration. Before proposing an amount of fees to be paid and submitting it on an annual basis to the consideration of the shareholders for their approval, the Board of Directors receives an opinion from the Audit Committee on the reasonableness of those fees.

CONTROL ENVIRONMENT

Principles

XII. The Board of Directors shall ensure the existence of a control environment, composed of internal controls developed by management, internal audit, risk management, regulatory compliance and external audit, all of which shall establish the lines of defense necessary to ensure the integrity of the company's operations and its financial reports.

XIII. The Board of Directors must ensure the existence of a comprehensive risk management system that allows management and the Board of Directors to efficiently direct the company towards its strategic goals.

XIV. The Board of Directors must ensure the existence of a person or department (depending on the size and complexity of the business, the nature of its operations and the risks it faces) in charge of the internal audit of the company. Such audit shall be independent and objective, with clear reporting lines, in order to properly evaluate and audit the company's internal controls, corporate governance processes, and risk management.

XV. The Audit Committee of the Board shall be composed of qualified and experienced members, and shall perform its duties transparently and independently.

XVI. The Board of Directors must establish adequate procedures to ensure the independent and effective work performed by the External Auditors.

Recommended Practices

17. The Board of Directors determines the company's risk appetite and also supervises and guarantees the existence of a comprehensive risk management system to identify, assess and decide on the course of action and monitor the risks faced by the Company, including, among others, the environmental and social risks and those inherent to the business in the short and long term.

The Company does not apply the recommended practice. Even though the Corporate Control Department consolidates information about the risks posed by the Company's operations in the regular reports, which are analyzed by the Company's Board of Directors and, in particular, by the Audit Committee, the Company does not have in place a formal comprehensive risk management process; neither does the Board of Directors have a risk management committee. However, the Company's management contemplates operational, environment, information, financial and non-financial risks in the development of its strategic and business plan, which is discussed with the Company's Board of Directors. Those risks are contemplated in the management of the Company's activities, which has areas and processes to identify and manage certain risks, such as environment, equity, information, financial, environmental and technological risks.

18. The Board of Directors monitors and reviews the effectiveness of the independent internal audit and guarantees the resources for the implementation of an annual audit plan based on risks and a direct reporting line to the Audit Committee.

    The Company applies the recommended practice. The Company has an internal audit department that is independent from the areas of the Company it audits and reports to the Audit Committee, which guarantees the objectivity of its work. Taking into consideration the extent of the Company's operations and the guidelines of its internal rules, the Audit Committee monitors the function of said department through the analysis of the reports issued, the sufficiency of the resources available for the fulfillment of its duties and the consistency of its annual plan, which is developed based on the audit risks identified.

19. The internal auditor or members of the internal audit department are independent and highly qualified.

    The Company applies the recommended practice. The Company has an internal audit department with qualified personnel for the adequate fulfillment of their duties. The members of that department have a vast professional experience in internal audit, financial reporting, fraud investigations and internal control. Said staff keeps up to date on an ongoing basis. The structure, policies and guidelines set by the Company's Management empowers the department to perform its duties without any kind of scope limitations.

20. The Board of Directors has an Audit Committee that works in accordance with rules of procedure. The committee is mostly composed of and chaired by independent directors and it does not include the CEO. Most of its members have professional experience in financial and accounting areas.

    The Company applies the recommended practice. The Board of Directors has an Audit Committee composed of a majority of independent directors, which acts in conformity with internal rules. Those rules were duly approved by the Board and presented to the Committee and are regularly reviewed by its members. The members of the Audit Committee have a vast experience in financial, accounting and internal control matters. The Chair of the Audit Committee is an independent director. The Audit Committee issues on an annual basis at the time of presentation of the annual financial statements the report that discloses the treatment given to those matters that are within its competence.

21. The Board of Directors, based on the opinion of the Audit Committee, approves a policy for the selection and monitoring of external auditors that provides for the indicators to be considered in the recommendation to the Shareholders' Meeting about the continuity or replacement of the external auditor.

    The Company applies the recommended practice. The Audit Committee has in place a policy that sets out the guidelines to be followed in the assessment of the work performed by the external auditor, in order to issue its opinion on the proposal of the Board of Directors for the appointment of the external auditor, to ensure and assess its independence and to perform a comprehensive assessment of its work.

ETHICS, INTEGRITY AND COMPLIANCE

Principles

XVII. The Board of Directors shall design and establish appropriate structures and practices to promote a culture of ethics, integrity and compliance with standards in order to prevent, detect and address serious corporate or personal breaches.

XVIII. The Board shall ensure the establishment of formal mechanisms to prevent, or failing this, to deal with conflicts of interest that may arise in the administration and direction of the company. It shall also have in place formal procedures seeking to ensure that related party transactions are made in the best interest of the company and the equitable treatment of all its shareholders.

Recommended Practices

22. The Board of Directors approves a Code of Ethics and Conduct that reflects the ethical and integrity values and principles, as well as the culture of the company. The Code of Ethics and Conduct is communicated and applicable to all the directors, managers and employees of the company.

    The Company applies the recommended practice. The Company has a Code of Ethics and Conduct to address good corporate governance and corporate social responsibility practices, approved by its Board of Directors, which reflects the values and conducts promoted by the Company. All the directors, managers and employees of the Company are aware of said Code and its compliance is mandatory for all of them. The Code provides for sanctions in case of non-compliance.

23. The Board of Directors sets out and periodically reviews an Ethics and Integrity Program based on risks, size and economic capacity. The plan is clearly and unequivocally supported by management, which designates an internal officer responsible for developing, coordinating, supervising and reviewing on an ongoing basis the efficacy of the program. The program provides for: (i) periodic training for directors, administrators and employees about ethics, integrity and compliance issues; (ii) internal channels to report irregularities, open to third parties and adequately disseminated; (iii) a policy for the protection of whistleblowers from retaliation; and an internal investigation system that respects the rights of those under investigation and imposes effective sanctions on violations of the Code of Ethics and Conduct; (iv) integrity policies in bidding procedures; (v) mechanisms for periodic analysis of risks, monitoring and evaluation of the Program; and (vi) procedures to verify the integrity and background of relevant third parties or business partners (including due diligence during corporate transformation and acquisitions processes to evaluate potential irregularities, illegal actions or vulnerabilities), including suppliers, distributors, service providers, agents and intermediaries.

    The Company applies the recommended practice. The Company has developed an integrity program based on its risks, size and economic capacity. Such program includes: (i) a Code of Ethics and Conduct that reflects the values and principles promoted by the Company, as mentioned in the explanation related to recommended practice No. 22, and which contemplates the integrity policies in all those situations in which an employee of the Company interacts with public officials; (ii) a reporting channel that has its own protocol and is aimed at strengthening the Company's ethical infrastructure, which allows for anonymous reporting and guarantees the confidentiality of communications as well as the protection against retaliation as a result of an investigation process because the Company encourages all of its employees to express freely without fear of retaliation; (iii) training for directors, managers and employees about ethics and integrity; (iv) the evaluation by the Corporate Control Department, as the internal body responsible for the ethics and integrity program, of integrity risks and the monitoring of the evolution of the program; (v) the adherence by the suppliers to the Company's transparency principles and practices.

24. The Board of Directors ensures the existence of formal mechanisms to prevent and deal with conflicts of interest. In the case of related party transactions, the Board of Directors approves a policy that provides for the role of each corporate body and sets out how to identify, address and disclose those transactions that are detrimental to the company or to certain investors.

    The Company applies the recommended practice. The Company's Code of Ethics and Conduct has a section that contains the provisions applicable to conflicts of interest. On the other hand, the Company has a specific policy on related party transactions, which complies with effective rules.

ENGAGEMENT OF SHAREHOLDERS AND STAKEHOLDERS

Principles

XIX. All shareholders must receive equitable treatment from the company. The company shall guarantee equitable access to non-confidential and relevant information for decision making at the company's shareholders' meetings.

XX. The company shall promote the active engagement of all shareholders with adequate information, especially in connection with the composition of the Board.

XXI. The company must have a transparent Dividend Distribution Policy, in line with its strategy.

XXII. The company must take into account the interests of its stakeholders.

Recommended Practices

25. The Company's website has financial and non-financial information available, providing timely and equitable access to all the investors. The website has a special section to answer inquiries from investors.

    The Company applies the recommended practice. The Company has a website in which it publishes financial and non-financial information, thus allowing investors to have material information in due time and form. The Company also has an investor relations area led by the Market Relations Officer to answer inquiries. Said Officer is appointed by the Board of Directors in conformity with CNV rules. Said department organizes conference calls on a quarterly basis ensuring investors worldwide the possibility of connecting for free. At these calls, the Company provides information about its results, its goals and answers questions and/or inquiries made by investors. These conference calls are announced in the daily bulletin of the Buenos Aires Stock Exchange, in the reporting service of the London Stock Exchange, and on the Company's website. The Company maintains communication channels with the minority shareholders through the disclosure of relevant information in the stock exchanges where its shares and GDSs are listed and through information disclosed in the Company's website. In addition, the Company's shareholders and investors can communicate with the department via email or by telephone, as detailed on the website.

26. The Board of Directors must ensure that there is a process in place for the identification and classification of its stakeholders and a communication channel for them.

    The Company applies the recommended practice. The Company's Investor Relations Department works together with the Sustainability Department to identify potential and actual stakeholders of the company. The Company has different communication channels that allow it to have contact with key internal and external audiences, listen to their points of view and disclose those of the Company; and hence build a long-term value-generating relationship for all the parties involved. The Company's main stakeholders are journalism; the community and civil society organizations; business chambers and associations; audiences, customers and readers; associates; universities; companies; suppliers and employees. The Company prepares a sustainability report on an annual basis.

27. The Board of Directors provides the shareholders, in advance of the Shareholders' Meeting, a "temporary information package" that allows shareholders -through a formal communication channel - to make non-binding comments and share opinions that dissent from the recommendations made by the Board of Directors. When the Board sends the final information package, it shall expressly state its answers to the comments received, as deemed necessary.

    The Company applies the recommended practice. The Company distributes information packages before Shareholders' Meeting are held. Notwithstanding the foregoing, the packages are not provisional. In addition, the Company uploads to CNV's Financial Information Highway all the information requests made the Company's shareholders before Shareholders' Meetings are held, regarding the items of the agendas to be considered at those meetings, together with the answers provided by the Company to each of the requests, so that all the investors have the same information thus ensuring equitable access to the information provided. Such information is also provided in English for the foreign investors through the reporting service of the London Stock Exchange.

28. The Company's bylaws provide that the shareholders can receive the information packages for Shareholders' Meetings through virtual media and participate at the meetings through electronic communication media that allow the simultaneous transmission of sound, images and words, ensuring the principle of equitable treatment of the participants.

    The Company does not apply the recommended practice. Shareholders may only attend meetings in person because the Company's Bylaws do not allow remote participation through the simultaneous transmission of sound, images and words. The Company's bylaws do allow remote participation but only for the Board of Directors' meetings. Notwithstanding the foregoing, as stated in item 27, the Company sends to its shareholders through virtual media as established in the practice, before meetings are held, the information packages corresponding to each meeting, as well as the answers to requests for information made by shareholders. In addition, the Company encourages the participation of all its shareholders, including foreign shareholders, to whom it sends well in advance, through the Depositary, a communication translated into English containing the items of the agenda so that they can grant a power of attorney or a proxy to the Depositary. In this way, the Depositary can participate at the meeting in their name and representation and vote as instructed in the corresponding power of attorney.

29. The Dividend Distribution Policy is aligned with the strategy and clearly sets out the criteria, frequency and conditions under which dividends will be distributed.

    The Company does not apply the recommended practice. The Company's Board of Directors believes that given the nature of a holding company and depending basically on the liquidity of its revenues that derive from the companies in which it holds equity interests, it is not convenient to establish a dividend distribution policy. Notwithstanding the foregoing, the Board of Directors provides grounds for its proposal for the distribution of dividends and the reasons for which it deems it reasonable under a prudent administration of the Company.

GRUPO CLARÍN S.A.

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2019 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	*Asociación del Fútbol Argentino* (Argentine Football Association)
AFIP	*Administración Federal de Ingresos Públicos* (Argentine Federal Revenue Service)
AFSCA	*Autoridad Federal de Servicios de Comunicación Audiovisual* (Audiovisual Communication Services Law Federal Enforcement Authority)
AGEA	Arte Gráfico Editorial Argentino S.A.
AGL	Artes Gráficas del Litoral S.A.
AGR	Artes Gráficas Rioplatense S.A.
APE	Acuerdo preventivo extrajudicial (pre-packaged insolvency plan)
ARPA	Association of Argentine Private Broadcasters
ARTEAR	Arte Radiotelevisivo Argentino S.A.
Auto Sports	Auto Sports S.A.
Bariloche TV	Bariloche TV S.A.
BCBA	*Bolsa de Comercio de Buenos Aires* (Buenos Aires Stock Exchange).
Cablevisión	Cablevisión S.A.
Cablevisión Holding	Cablevisión Holding S.A.
Canal Rural	Canal Rural Satelital S.A.
Carburando	Carburando S.A.
CIMECO	Compañía Inversora en Medios de Comunicación (CIMECO) S.A.
CMD	Compañía de Medios Digitales (CMD) S.A. (former PRIMA Internacional)
CMI	Comercializadora de Medios del Interior S.A.
CNV	*Comisión Nacional de Valores* (Argentine Securities Commission)
CPCECABA	*Consejo Profesional de Ciencias Económicas de la Ciudad Autónoma de Buenos Aires* (Professional Council in Economic Sciences of the City of Buenos Aires)
COMFER	*Comité Federal de Radiodifusión* (Federal Broadcasting Committee)
CSJN	Supreme Court of Argentina
Cúspide	Cúspide Libros S.A.U.
Adjusted EBITDA	Revenues less cost of sales and selling and administrative expenses (excluding depreciation and amortization). Additionally, the segment "Cable Television and Internet Access" includes adjustments related to the recognition of revenues from installation services and transactions including separate items and the non-consolidation of special purpose entities.
EPN	Electro Punto Net S.A.
Exponenciar	Exponenciar S.A.
FACPCE	*Federación Argentina de Consejos Profesionales de Ciencias Económicas* (Argentine Federation of Professional Councils in Economic Sciences)
GCGC	GC Gestión Compartida S.A.
GCSA Investments	GCSA Investments, S.A.U.
GC Minor	GC Minor S.A.U.
GDS	Global Depositary Shares
Grupo Clarín, or the Company	Grupo Clarín S.A.

Signed for identification purposes
with the report dated March 9, 2020

See our report dated
March 9, 2020
PRICE WATERHOUSE & CO. S.R.L.

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

CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

GRUPO CLARÍN S.A.

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2019 PRESENTED ON A COMPARATIVE BASIS

IASB	International Accounting Standards Board
IESA	Inversora de Eventos S.A.
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
IGJ	*Inspección General de Justicia* (Argentine Superintendency of Legal Entities)
Impripost	Impripost Tecnologías S.A.
VAT	Value Added Tax
Audiovisual Communication Services Law	Law No. 26,522 and its regulations
LSE	London Stock Exchange
LVI	La Voz del Interior S.A.
Médula	Médula Network, LLC
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.
Radio Mitre	Radio Mitre S.A.
Gain (Loss) on Net Monetary Position	Results from changes in the purchasing power of the currency (“RECPAM”, for its Spanish acronym)
Ríos de Tinta	Ríos de Tinta S.A de C.V.
SCI	Secretaría de Comercio Interior (Secretariat of Domestic Trade)
Supercanal	Supercanal Holding S.A.
Telba	Teledifusora Bahiense S.A.
Telecom	Telecom Argentina S.A.
Telecor	Telecor S.A.C.I.
TFN	Tribunal Fiscal de la Nación (National Tax Court)
Tinta Fresca	Tinta Fresca Ediciones S.A.
TRISA	Tele Red Imagen S.A.
TSC	Televisión Satelital Codificada S.A.
UNIR	Unir S.A.

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CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

GRUPO CLARÍN S.A.

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2019 PRESENTED ON A COMPARATIVE BASIS

In Argentine Pesos ($) – Notes 2.1 and 2.12 to the consolidated financial statements and Notes 2.1 and 2.8 to the separate 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: 1,669,734

Expiration of Articles of Incorporation: August 29, 2098

Information on Parent Company:
Name: GC Dominio S.A.
Registered office: Piedras 1743, Buenos Aires, Argentina

Information on the subsidiaries in Note 2.4 to the consolidated financial statements and Note 4.3 to the separate financial statements.

CAPITAL STRUCTURE (See Note 12 to the separate financial statements)

Type	Number of votes per share	Outstanding Shares	Treasury Stock	Total Subscribed, Registered and Paid-in Capital
Class “A” Common shares, with nominal value of $ 1	5	28,226,683	-	28,226,683
Class “B” Common shares, with nominal value of $ 1	1	69,202,059	1,485	69,203,544
Class “C” Common shares, with nominal value of $ 1	1	9,345,777	-	9,345,777
Total as of December 31, 2019		106,774,519	1,485	106,776,004
Total as of December 31, 2018		106,774,519	1,485	106,776,004

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CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

JORGE CARLOS RENDO
Chairman

GRUPO CLARÍN S.A.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Amounts stated in Argentine Pesos – Note 2.1.1)

	Notes	December 31, 2019	December 31, 2018
Revenues	**6.1**	25,429,344,898	29,618,970,836
Cost of Sales [1]	**6.2**	(16,915,475,101)	(19,586,311,455)
Subtotal - Gross Profit		8,513,869,797	10,032,659,381
Selling Expenses [1]	**6.3**	(4,189,364,459)	(4,765,405,960)
Administrative Expenses [1]	**6.3**	(3,792,433,224)	(4,399,487,667)
Other Income and Expenses, net	**6.6**	(80,575,575)	496,797,127
Gain (Loss) on Net Monetary Position		(189,284,827)	(543,492,838)
Financial Costs	**6.4**	(1,107,853,414)	(1,253,813,185)
Other Financial Results, net	**6.5**	(121,549,333)	(147,038,818)
Financial Results		(1,418,687,574)	(1,944,344,841)
Equity in Earnings from Associates	**5.4**	175,743,713	256,493,039
Income (Loss) before Income Tax and Tax on Assets		(791,447,322)	(323,288,921)
Income Tax and Tax on Assets	**7**	(667,655,406)	(1,034,146,548)
Loss for the year		(1,459,102,728)	(1,357,435,469)
Other Comprehensive Income			
Items which can be reclassified to Net Income (Loss)			
Variation in Translation Differences of Foreign Operations		(4,248,078)	(23,912,573)
Other Comprehensive Income (Loss) for the Year		(4,248,078)	(23,912,573)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		(1,463,350,806)	(1,381,348,042)
(Loss) Income Attributable to:			
Shareholders of the Parent Company		(1,507,321,349)	(1,316,783,360)
Non-Controlling Interests		48,218,621	(40,652,109)
Total Comprehensive Income (Loss) Attributable to:			
Shareholders of the Parent Company		(1,506,618,896)	(1,304,064,832)
Non-Controlling Interests		43,268,090	(77,283,210)
Basic and Diluted Net Income (Loss) per Share - Total [2]		(14.12)	(12.33)

[1] Includes amortization of intangible assets and film library, right-of-use assets and depreciation of property, plant and equipment in the amount of $ 1,119,936,055 and $ 1,114,899,460 for the years ended December 31, 2019 and 2018, respectively.
[2] See Note 16.

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

Signed for identification purposes
with the report dated March 9, 2020

See our report dated
March 9, 2020
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
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.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2019 AND 2018
(Amounts stated in Argentine Pesos – Note 2.1.1)

	Notes	December 31, 2019	December 31, 2018
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	**5.1**	5,571,376,722	5,557,670,333
Intangible Assets	**5.2**	423,960,663	735,307,939
Goodwill	**5.3**	931,226,046	997,431,184
Deferred Tax Assets	**7**	493,272,693	442,995,375
Right-of-Use Assets	**5.16**	94,119,976	-
Investments in Unconsolidated Affiliates	**5.4**	1,662,760,431	1,591,862,306
Inventories	**5.6**	17,977,726	35,265,857
Other Assets	**5.7**	34,249,102	23,793,621
Other Receivables	**5.8**	262,972,174	380,356,209
Trade Receivables	**5.9**	41,760,402	115,694,641
Total Non-Current Assets		**9,533,675,935**	**9,880,377,465**
CURRENT ASSETS			
Inventories	**5.6**	1,312,240,977	1,811,099,905
Other Assets	**5.7**	119,105,777	121,794,495
Other Receivables	**5.8**	1,531,756,574	1,453,986,776
Trade Receivables	**5.9**	5,801,328,805	8,205,204,446
Other Investments	**5.5**	706,657,555	1,124,599,616
Cash and Banks	**5.10**	1,505,711,157	837,803,248
Total Current Assets		**10,976,800,845**	**13,554,488,486**
Total Assets		**20,510,476,780**	**23,434,865,951**
EQUITY (as per the corresponding statement)			
Attributable to Shareholders of the Parent Company			
Shareholders' Contribution		10,654,277,122	12,592,657,973
Other Items		23,200,891	22,498,438
Retained Earnings		(410,310,791)	(841,370,293)
Total Attributable to Shareholders of the Parent Company		10,267,167,222	11,773,786,118
Attributable to Non-Controlling Interests		206,532,949	187,560,998
Total Equity		**10,473,700,171**	**11,961,347,116**
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions and Other Charges	**5.11**	797,199,139	709,521,531
Financial Debt	**5.12**	899,158,203	244,852,313
Lease Liabilities	**5.16**	26,567,303	-
Deferred Tax Liabilities	**7**	282,077,367	299,751,005
Taxes Payable	**5.13**	28,939,328	65,753,387
Other Liabilities	**5.14**	183,083,336	186,350,481
Trade and Other Payables	**5.15**	67,655,876	113,038,949
Total Non-Current Liabilities		**2,284,680,552**	**1,619,267,666**
CURRENT LIABILITIES			
Financial Debt	**5.12**	972,165,353	1,559,178,182
Lease Liabilities	**5.16**	67,308,843	-
Taxes Payable	**5.13**	526,744,021	430,501,631
Other Liabilities	**5.14**	814,729,617	820,491,119
Trade and Other Payables	**5.15**	5,371,148,223	7,044,080,237
Total Current Liabilities		**7,752,096,057**	**9,854,251,169**
Total Liabilities		**10,036,776,609**	**11,473,518,835**
Total Equity and Liabilities		**20,510,476,780**	**23,434,865,951**

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

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CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

JORGE CARLOS RENDO
Chairman

GRUPO CLARÍN S.A.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Amounts stated in Argentine Pesos – Note 2.1.1)

	Equity attributable to Shareholders of the Parent Company											
	Shareholders' Contribution				Other Items		Retained Earnings					
	Capital Stock	Inflation Adjustment on Capital Stock	Additional Paid-in Capital	Subtotal	Translation of Foreign Operations	Other Reserves	Legal Reserve	Voluntary Reserves	Retained Earnings	Total Equity of Controlling Interests	Equity Attributable to Non-Controlling Interests	Total Equity
Balances as of January 1, 2018	106,776,004	3,650,439,491	8,835,442,478	12,592,657,973	128,385,630	(168,511,722)	125,791,615	7,281,905,132	(6,900,359,470)	13,059,869,158	322,582,774	13,382,451,932
Change in Accounting Policy (Note 2.3.1)	-	-	-	-	-	-	-	-	(31,924,210)	(31,924,210)	-	(31,924,210)
Balances as of January 1, 2018, restated	106,776,004	3,650,439,491	8,835,442,478	12,592,657,973	128,385,630	(168,511,722)	125,791,615	7,281,905,132	(6,932,283,680)	13,027,944,948	322,582,774	13,350,527,722
Set-up of Reserves (Note 13)	-	-	-	-	-	-	-	1,934,515,227	(1,934,515,227)	-	-	-
Dividends and Other Movements of Non-Controlling Interest	-	-	-	-	-	49,906,002	-	-	-	49,906,002	(57,738,566)	(7,832,564)
Loss for the year	-	-	-	-	-	-	-	-	(1,316,783,360)	(1,316,783,360)	(40,652,109)	(1,357,435,469)
Other Comprehensive Income:												
Variation in Translation Differences of Foreign Operations	-	-	-	-	12,718,528	-	-	-	-	12,718,528	(36,631,101)	(23,912,573)
Balances as of December 31, 2018	106,776,004	3,650,439,491	8,835,442,478	12,592,657,973	141,104,158	(118,605,720)	125,791,615	9,216,420,359	(10,183,582,267)	11,773,786,118	187,560,998	11,961,347,116
Set-up of Reserves (Note 13)	-	-	(1,938,380,851)	(1,938,380,851)	-	-	(125,791,615)	(8,119,409,801)	10,183,582,267	-	-	-
Dividends and Other Movements of Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	(24,296,139)	(24,296,139)
Loss for the year	-	-	-	-	-	-	-	-	(1,507,321,349)	(1,507,321,349)	48,218,621	(1,459,102,728)
Other Comprehensive Income:												
Variation in Translation Differences of Foreign Operations	-	-	-	-	702,453	-	-	-	-	702,453	(4,950,531)	(4,248,078)
Balances as of December 31, 2019	(1) 106,776,004	3,650,439,491	6,897,061,627	10,654,277,122	141,806,611	(118,605,720)	-	(2)	(1,507,321,349)	10,267,167,222	206,532,949	10,473,700,171

(1) Includes 1,485 treasury shares. See Note 12 to the separate financial statements.

(2) Corresponds to Judicial Reserve for Future Dividends Distribution as of December 31, 2019.

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

Signed for identification purposes
with the report dated March 9, 2020

See our report dated
March 9, 2020
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
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.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Amounts stated in Argentine Pesos – Note 2.1.1)

	December 31, 2019	December 31, 2018
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		
Loss for the year	(1,459,102,728)	(1,357,435,469)
Income Tax and Tax on Assets	667,655,406	1,034,146,548
Accrued Interest, net	538,189,738	420,439,352
Adjustments to reconcile Net Loss for the Year to Cash provided by Operating Activities:		
Depreciation of Property, Plant and Equipment	716,805,023	766,936,689
Amortization of Intangible Assets and Film Library	280,594,584	347,962,771
Amortization of Right-of-Use Assets	122,536,451	-
Net Allowances	501,824,449	485,612,190
Financial Income, except Interest	154,864,805	313,138,965
Equity in Earnings from Associates	(175,743,713)	(256,493,039)
Gain (Loss) on Net Monetary Position	189,284,827	543,492,838
Other Income and Expenses, net	(33,127,482)	(534,917,549)
Changes in Assets and Liabilities:		
Trade Receivables	(1,337,946,164)	(1,661,765,526)
Other Receivables	(840,658,599)	(834,311,980)
Inventories	246,417,179	(155,297,502)
Other Assets	(16,753,504)	53,668,767
Trade and Other Payables	2,156,560,730	3,006,191,174
Taxes Payable	(269,674,444)	(274,766,130)
Other Liabilities	451,376,602	172,263,931
Provisions	(138,826,092)	(134,680,994)
Income Tax and Tax on Assets Payments	(344,169,496)	(794,616,545)
Net Cash Flows provided by Operating Activities	1,410,107,572	1,139,568,491
CASH FLOWS PROVIDED BY INVESTMENT ACTIVITIES		
Payments for Acquisition of Property, Plant and Equipment	(749,442,582)	(1,082,524,024)
Payments for Acquisition of Intangible Assets	(123,638,758)	(265,736,236)
Payments for Acquisition of Subsidiaries, Net of Cash Acquired and Contributions in Associates	(161,364)	(103,932,319)
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	23,014,519	119,034,064
Dividends Collected from Investments in Unconsolidated Affiliates	138,384,872	204,173,899
Loans Granted	(61,134,552)	-
Proceeds from Sale of Other Assets	6,132,708	-
Collection from Credit Assignment (See Note 6.6)	-	497,863,186
Transactions with Notes, Bonds and Other Placements, Net	156,479,442	41,062,398
Net Cash Flows used in Investment Activities	(610,365,715)	(590,059,032)
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Loans Obtained	2,312,507,482	970,049,783
Payment of Financial Debt	(1,799,539,219)	(1,436,508,454)
Payment of Interest	(616,121,250)	(482,212,919)
Payment of Lease Liabilities	(136,455,226)	-
Payments to Non-Controlling Interests, net	(12,134,491)	(19,946,000)
Net Cash Flows used in Financing Activities	(251,742,704)	(968,617,590)
FINANCIAL RESULTS (INCLUDING GAIN (LOSS) ON NET MONETARY POSITION) OF CASH AND CASH EQUIVALENTS	(241,250,250)	(65,062,220)
Net Increase / (Decrease) in cash flow	306,748,903	(484,170,351)
Cash and Cash Equivalents at the Beginning of the Year (Note 2.24)	1,905,553,149	2,389,723,500
Cash and Cash Equivalents at the Closing of the Year (Note 2.24)	2,212,302,052	1,905,553,149

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

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(Partner)

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JORGE CARLOS RENDO
Chairman

GRUPO CLARÍN S.A.
Registration number with the IGJ: 1,669,734

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GRUPO CLARÍN S.A.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019,
PRESENTED ON A COMPARATIVE BASIS
(Amounts stated in Argentine Pesos – Note 2.1.1)

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.

Its operations include 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. Through its subsidiaries, it is engaged primarily in the following business segments as of December 31, 2019:

– ***Printing and Publishing,*** consisting of national and regional newspapers, a sports daily, magazine publishing, editing and distribution, and commercial printing. Diario Clarín, the flagship national newspaper, is the newspaper with the second largest circulation in the Spanish-speaking world. The sports daily Olé is the only newspaper of its kind in the Argentine market. The children's magazine Genios is the children's magazine with the highest circulation in Argentina.

– ***Broadcasting and Programming***, consisting of Canal 13, one of the two broadcast television stations with the highest audience share in Argentina, AM (Amplitude Modulation) /FM (Frequency Modulation) radio broadcast stations (Radio Mitre and La 100), and the production of television, film and radio programming content, including cable television signals and organization and broadcasting of sporting events.

– ***Digital Content and Other,*** consisting mainly of digital and Internet content, on-line classified ads and horizontal portals as well as its subsidiary GCGC, its shared service center.

NOTE 2 - BASIS FOR THE PREPARATION AND PRESENTATION OF THE 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 consolidated financial statements of Grupo Clarín for the year ended December 31, 2019, presented on a comparative basis, have been prepared in accordance with IFRS. Certain additional matters were included as required by the Argentine General Associations Law and/or CNV regulations, including the supplementary information provided under 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 consolidated financial statements, as provided under IFRS and

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CNV rules.

These consolidated financial statements have been prepared based on restated historical cost, as mentioned in Note 2.1.1, except for the valuation of financial instruments (see Note 2.21). In general, the historical cost is based on the fair value of the consideration granted in exchange for the assets.

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 year.

The attached consolidated information, approved by the Board of Directors at the meeting held on March 9, 2020, is presented in Argentine Pesos ($), the Argentine legal tender, and arises from accounting records kept by Grupo Clarín S.A. and its subsidiaries.

2.1.1 Application of IAS 29 (Financial Reporting in Hyperinflationary Economies)

International Accounting Standard 29 “Financial Reporting in Hyperinflationary Economies” (“IAS 29”) requires that the financial statements of an entity that reports in the currency of a highly inflationary economy shall be stated in terms of the measuring unit current at the closing date of the reporting year, regardless of whether they are based on a historical cost approach or a current cost approach. To this end, in general terms, the inflation rate must be computed in the non-monetary items as from the acquisition date or the revaluation date, as applicable. These requirements also comprise the comparative information of the financial statements.

To determine the existence of a highly inflationary economy under the terms of IAS 29, the standard details a series of factors to consider, including a cumulative inflation rate over three years that is close to or exceeds 100%. This is why, in accordance with IAS 29, Argentine economy should be considered as a highly inflationary economy as from July 1, 2018.

In addition, Law No. 27,468, published in the Official Gazette on December 4, 2018, amended Section 10 of Law No. 23,928, as amended, providing that the repeal of all the laws and regulations that establish or authorize price indexation, currency restatement, cost variance and any other form of restatement of debts, taxes, prices or fees related to property, works or services, does not apply to financial statements, which remain subject to Section 62 in fine of the General Associations Law No. 19,550 (as restated in 1984), as amended. In addition, it repealed Decree No. 1,269/2002 dated July 16, 2002, as amended, and delegated on the Executive Branch, through its oversight agencies, the power to set the date as from which those regulations will come into effect with respect to financial statements. On December 28, 2018, through General Resolution No. 777/2018, the CNV provided that the entities subject to the Commission's oversight must apply the method to restate annual, interim and special financial statements in constant currency, as established by IAS 29, for fiscal years ended on or after December 31, 2018. Therefore, these financial statements have been restated in constant currency as of December 31, 2019.

According to IAS 29, the financial statements of an entity that reports in the currency of a highly inflationary economy shall be stated in terms of the measuring unit current at the closing date of the financial statements.

The inflation adjustment was calculated taking into consideration the indexes established by the FACPCE based on the price indexes published by the National Institute of Statistics and Census (INDEC, for its Spanish acronym). The following tables show the evolution of those indexes over the last three fiscal years in accordance with the guidelines described under Resolution No. 539/18:

	As of December 31, 2017	As of December 31, 2018	As of December 31, 2019
Variation of Prices			
Annual	24.8%	47.6%	53.8%
Accumulated over 3 years	96.8%	148.0%	183.4%

The main procedures applied for the above-mentioned inflation adjustment were the following:

- The monetary assets and liabilities recorded at the currency unit of the financial statement are not restated because they are already stated in terms of the measuring unit current at the closing date of the financial statements.
- The non-monetary assets and liabilities recorded at cost at the date of the financial statement, and the equity items, are restated by applying the corresponding adjustment coefficients.
- All the elements of the Statement of comprehensive income are adjusted by applying the corresponding adjustment coefficients.
- The effect of inflation on the Company's net monetary position is included in the Statement of comprehensive income under the item “Gain (Loss) on Net Monetary Position”.
- The comparative figures have been restated for inflation following the same procedure explained above and after that, they were restated as of the date of these financial statements.

The following is a description of the initial application of the inflation adjustment in the most relevant equity accounts:

- The capital stock was restated since the date of subscription or since the date of the last inflation adjustment for accounting purposes, whichever occurred later. The difference between the nominal value of the capital stock and its value restated for inflation is disclosed under “Inflation Adjustment on Capital Stock.”
- The paid-in capital was restated since the date of subscription or since the date of the last inflation adjustment for accounting purposes, whichever occurs later.
- Other comprehensive income was restated since each date of the accounting entry.
- The other reserves were restated since January 1, 2017, which was the first day of the comparative period at the time of the initial application of the adjustment for inflation.

2.2 Standards and Interpretations issued but not adopted to date

To date, there are no standards and interpretations issued but not adopted by the Company.

2.3. Standards and Interpretations issued and adopted to date

The Company has adopted the IFRS issued, as per the detail below, because its application is required for fiscal years beginning:

2.3.1 On or after January 1, 2018

- 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.

- IFRS 15 "Revenue from ordinary activities under contracts with customers": issued in May 2014. This standard specifies how and when revenues are recognized, as well as the additional information to be disclosed by the

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CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

Company in the financial statements. The standard provides a single, principles based five-step model to be applied to all contracts with customers.

As a result of the analysis of said standards:

a) The Company recorded the effect on retained earnings as of January 1, 2018 related to the measurement of the allowance for bad debts on trade receivables taking into consideration the expected credit losses over their total useful life, as established under IFRS 9. This accumulated effect amounts to $ 31.9 million, restated in constant currency as of December 31, 2019 ($ 14 million stated in historical currency as of January 1, 2018). Effective as of January 1, 2018, the Company recorded a $ 42.6 million increase in the allowance for doubtful receivables, net of $ 10.7 million increase in the deferred tax asset in constant currency as of December 31, 2019 ($ 18.7 million and $ 4.7 million, respectively, in historical currency as of January 1, 2018.) IFRS 9 provides for the retrospective general application of this standard and allows the registration of the accumulated effect as of January 1, 2018 as a restatement of the beginning balance of Retained Earnings in the year of initial application. The Company opted for this alternative. With regard to other financial assets, the Company reviewed the measurement and classification within the framework of IFRS 9 and concluded that they meet the conditions required to maintain their measurement and classification, and did not identify any impacts on the initial application of IFRS 9.

b) With regard to the adoption of IFRS 15, the Company has not recorded any impact.

2.3.2 On or after January 1, 2019

- IFRS 16 "Leases": issued in January 2016. It establishes the principles for the recognition, measurement, presentation and disclosure of leases.

The Company opted to apply IFRS 16 with the simplified retrospective approach to the operating lease agreements identified as such under IAS 17, recognizing the accumulated effect of the application as the adjustment to the opening balance of accumulated income as from January 1, 2019, without restating the information presented for comparative purposes.

The Company recognized the right-of-use assets at an amount equal to the lease liability at the date of the adoption (equal to the present value of the remaining lease payments), adjusted by the amount of any prepaid or accrued lease payments as of December 31, 2019.

As of January 1, 2019, the accounting impact of said standard was an increase in non-current assets due to the initial recognition of right-of-use assets and an increase in liabilities related to the lease agreements executed by subsidiaries for $ 185.8 million in constant currency as of December 31, 2019. (Note 5.16).

2.4 Basis for Consolidation

These consolidated financial statements incorporate the financial statements of the Company and of the subsidiaries and joint ventures (“Interests in Joint Operations”, Note 2.7) controlled by the Company. Control is presumed to exist when the Company has a right to variable returns from its interest in a subsidiary and has the ability to affect those returns through its power over the subsidiary. This power is presumed to exist when evidenced by the votes, be it that the Company has the majority of voting rights or potential rights currently exercised. The subsidiaries are consolidated from the date on which the Company assumes control over them and are excluded from consolidation on the date control ceases.

For consolidation purposes, the intercompany transactions and the balances between the Company and the

consolidated subsidiaries have been eliminated. Unrealized income has also been eliminated.

Below is a detail of the most significant consolidated subsidiaries, together with the interest percentages held directly or indirectly in each subsidiary's capital stock and votes, as of each date indicated below:

Companies	Direct or Indirect Interest in the Capital Stock and Votes (%)	
	December 31, 2019	December 31, 2018
AGEA	100.0%	100.0%
CIMECO	100.0%	100.0%
ARTEAR [1]	99.3%	99.3%
Pol-Ka	54.6%	54.6%
IESA	100.0%	100.0%
Radio Mitre	100.0%	100.0%
GCGC	100.0%	100.0%
CMD [2]	-	100.0%
GCSA Investments	100.0%	100.0%

[1] Interest in votes amounts to 99.7%.
[2] Company merged into GCGC, effective as from January 1, 2019, with GCGC as surviving company (Note 16.f to the separate financial statements).

The subsidiaries' financial statements used for consolidation purposes bear the same closing date as these consolidated financial statements, comprise the same periods and have been prepared under exactly the same accounting policies as those used by the Company, which are described in the notes to the consolidated financial statements or, as the case may be, adjusted as applicable.

2.4.1 Changes in the Company's Interests in Existing Subsidiaries

The changes in the Company's interests in subsidiaries that do not generate a loss of control are recorded under equity. The book value of the Company's interests and non-controlling interests is adjusted to reflect the changes in the relative interest in the subsidiary. Any difference between the amount for which non-controlling interests were adjusted and the fair value of the consideration paid or received is directly recognized in equity and attributed to the shareholders of the parent company.

In case of loss of control, any residual interest in the issuing company is measured at its fair value at the date on which control was lost, allocating the change in the recorded value with an impact on net income. The fair value is the initial amount recognized for such investments for the purpose of the subsequent valuation for the interest retained as associate, joint operation or financial instrument. Additionally, any amount previously recognized under Other Comprehensive Income regarding such investments is recognized as if Grupo Clarín had disposed of the related assets and liabilities. Consequently, the amounts previously recognized under Other Comprehensive Income may be reclassified to the statement of income.

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Chairman of the Supervisory Committee

2.5 Business Combinations

The Company applies the acquisition method of accounting for business combinations. The consideration for each acquisition is measured at fair value (on the date of exchange) of the assets acquired, the liabilities incurred or assumed and the equity instruments issued by the Company in exchange for the control of the acquired company. The costs related to the acquisition are expensed as incurred.

The consideration for the acquisition, if any, includes any asset or liability arising from a contingent consideration arrangement, measured at fair value at the acquisition date. Subsequent changes to such fair value, identified during the measurement period, are adjusted against the acquisition cost.

The measurement period is the effective period that begins on the acquisition date and ends on the date on which the Company obtains all the information about the facts and circumstances existing on the acquisition date, which may not extend beyond one year after the acquisition date. All other changes in the fair value of the contingent consideration classified as assets or liabilities, outside the measurement period, are recognized in the statement of income.

The changes in the fair value of the contingent consideration classified as equity are not recognized.

In the cases of business combinations conducted in stages, the Company's equity interest in the acquiree is remeasured at fair value on its acquisition date (i.e., the date on which the Company obtained control) and the resulting gain or loss, if any, is recognized in the statement of income or in other comprehensive income, as appropriate according to the source of the variation. In the periods preceding the reporting periods, the Company may have recognized under other comprehensive income the changes in the value of the interest in the capital stock of the acquired company. In that case, the amount recognized under other comprehensive income is recognized on the same basis that would have been required if the Company had directly disposed of the previously-held equity interest.

The identifiable assets, liabilities and contingent liabilities of the acquired company that meet the conditions for recognition under IFRS 3 (2008) are recognized at fair value at the acquisition date, except for certain particular cases provided by such standard.

Any excess of the acquisition cost (including the interest previously held, if any, and the non-controlling interest) over the net fair value of the subsidiary's or associate's identifiable assets, liabilities and contingent liabilities measured at the acquisition date is recognized as goodwill. Any excess of the net fair value of the identifiable assets, liabilities and contingent liabilities over the acquisition cost is immediately recognized in the statement of income.

The acquisition cost comprises the consideration transferred, the amount of any non-controlling interest and the acquisition-date fair value of the acquirer's previously-held equity interest in the acquiree, if any.

The Company initially recognizes any non-controlling interest as per its share in the amounts recognized for the net identifiable assets of the acquired company.

2.6 Investments in Associates

An associate is an entity over which the Company has significant influence, without exercising control, generally accompanied by equity holdings of between 20% and 50% of voting rights.

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The associates' net income and their assets and liabilities are disclosed in the consolidated financial statements using the equity method, except when the investment is classified as held for sale, in which case it is accounted for under IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations". Under the equity method, the investment in an associate is to be initially recorded at cost and the book value will be increased or decreased to recognize the investor's share in the comprehensive income (loss) for the year or in other comprehensive income obtained by the associate, after the acquisition date. The distributions received from the associate will reduce the book value of the investment.

Any excess of the acquisition cost over the Company's share in the net fair value of the associate's identifiable assets, liabilities and contingent liabilities measured at the acquisition date is recognized as goodwill. Goodwill is included in the book value of the investment and tested for impairment as part of the investment. Any excess of the Company's share in the net fair value of the identifiable assets, liabilities and contingent liabilities over the acquisition cost, after its measurement at fair value, is immediately recognized in the statement of income.

Unrealized gains or losses on transactions between the Company (and its subsidiaries) and associates are eliminated considering the Company's interest in the associates.

Adjustments were made, where necessary, to the associates' financial statements so that their accounting policies are consistent with those used by the Company.

Investments in companies in which the company does not have control or significant influence have been valued at cost, as established by IAS 39, restated as mentioned in Note 2.1.1.

In the cases where non-controlling shareholders hold put options whereby they may force the Company to acquire shares of subsidiaries, and the Company reasonably estimates that such put options will be duly exercised, the Company discloses the present value of the corresponding future payments under Other Liabilities.

2.7 Interests in Joint Operations

A joint operation is a contractual arrangement whereby the Company and other parties undertake an economic activity that is subject to joint control, i.e., when the financial strategy and the operating decisions related to the company's activities require the unanimous consent of the parties sharing control.

Joint venture arrangements that entail the establishment of an independent entity in which each company holds an interest are called jointly controlled entities. The Company, in accordance with IFRS 11 "Joint Arrangements", has applied the equity method to measure its holding in the jointly controlled entity and discloses its holdings in such entities under Investments in unconsolidated affiliates.

In the cases of joint business arrangements executed through Uniones Transitorias de Empresas ("UTE"), considered joint operations under IFRS 11, the Company recognizes in its financial statements on a line-by-line basis the assets, liabilities and net income subject to joint control in proportion to its share in such arrangements.

These consolidated financial statements include the balances of the UTEs, among them,FEASA – S.A. La Nación Unión Transitoria de Empresas, AGEA S.A. – S.A. La Nación – UTE and Unir S.A. - Correo Andreani S.A. - Unión Transitoria de Empresas, in which the Company and/or its subsidiaries hold an interest.

2.8 Goodwill

Goodwill arises from the acquisition of subsidiaries and refers to the excess of the cost of acquisition over the net fair value at the date of acquisition of the identifiable assets acquired and liabilities assumed. The Company

initially recognizes any non-controlling interest as per its share in the amounts recognized for the net identifiable assets of the acquired company.

If, after the fair value measurement, the Company's share in the fair value of the net identifiable assets of the acquiree exceeds the amount of the transferred consideration, the amount of any non-controlling interest in such company and the fair value of the interest previously held by the acquirer in the acquiree (if any), that excess is immediately recognized in the statement of comprehensive income as income from purchase in very profitable terms.

Goodwill is not amortized, but tested for impairment on an annual basis. For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units expected to render benefits from the synergies of the respective business combination. Those cash-generating units to which goodwill is allocated are tested for impairment on an annual basis, or more frequently, when there is any indication of impairment. If the recoverable value of the cash-generating unit, i.e. the higher of the value in use or the fair value net of selling expenses, is lower than the value of the net assets allocated to that unit, including goodwill, the impairment loss is first allocated to reduce the goodwill allocated to the unit and then to the other assets of the unit, on a pro rata basis, based on the valuation of each asset in the unit. The impairment loss recognized against the valuation of goodwill is not reversed under any circumstance.

In case of a loss of control in a subsidiary, the amount attributable to goodwill is included in the calculation of the gain or loss for retirement.

2.9 Revenue Recognition

Revenues are recognized when the amount of revenues may be reliably estimated, when future economic benefits are likely to be obtained by the Company, and when specific criteria are met for each of Grupo Clarín's activities, as described below.

Revenues for each of the main business segments identified by the Company are recognized when the following conditions are met:

- Printing and Publishing

Advertising sales are determined by the prices achieved per single column centimeter and the number of advertising centimeters sold in the relevant period. Circulation sales include the price received from the sale of newspapers, magazines and other publications. Printing services sales consist mainly of fees received from the printing of magazines, books, brochures and related products.

Advertising sales from newspapers and magazines are recognized when advertising is published. Revenues from the sale of newspaper and magazines are recognized upon passing control to the buyers.

The Company records the estimated impact of returns, calculated based on historical trends, as a deduction from revenues. Revenues from printing services are recognized upon completion of the services, delivery of the related products and customer acceptance.

- Broadcasting and Programming

Television and radio advertising sales revenues are recognized when advertising is broadcast. Revenues from programming and distribution of television content are recognized when the programming services are provided.

2.10 Barter Transactions

The Company, through its subsidiaries, sells a small portion of its advertising spaces in exchange for goods or services received. Revenues are recorded when the advertisement is made, valued at the fair value of the goods or services received, in the case of goods and other services advertising barter transactions, or delivered, in the case of advertising-for-advertising barter transactions. Goods or services are recorded at the time goods are received or services are rendered. The goods or services to be received in consideration for the advertisements made are recorded as Trade Receivables. The advertisements to be made in exchange for the goods and services received are recorded as Trade and Other Payables.

2.11 Leases

Leases are classified as financial leases when the terms of the lease transfer to the lessee substantially all the risks and benefits inherent to the property. All other leases are classified as operating leases.

The assets held under financial leases are recognized at the lower of the fair value of the Company's leased assets at the beginning of the lease term, or the present value of the minimum lease payments. The liability held with the lessor is included in the statement of financial position as an obligation under financial leases recorded under Financial Debt.

Lease payments are apportioned between the finance charge and the reduction of the liabilities under the lease so as to achieve a constant interest rate on the outstanding balance. The finance charge is expensed over the lease term.

The assets held under financial leases are depreciated over the shorter of the useful life of the assets or the lease term.

Until December 31, 2018, the rentals under operating leases were charged to income on a straight-line basis over the corresponding lease term. As from January 1, 2019, the Company has applied IFRS 16 regarding the operating lease agreements (See Note 2.3.2).

2.12 Foreign Currency and Functional Currency

The financial statements of each of the entities consolidated by the Company are prepared in the currency of the primary economic environment in which the entity operates (its functional currency). For the purposes of the consolidated financial statements, the net income and the financial position of each entity are stated in Argentine Pesos (Argentina's legal tender for all companies domiciled in Argentina), which is the Company's functional currency, and the reporting currency of the consolidated financial statements. The functional currency of the indirectly controlled Uruguayan companies is the Uruguayan Peso.

In preparing the financial statements of the individual entities, the transactions in currencies other than the entity's functional currency (foreign currency) are recorded at the exchange rates prevailing on the dates on which transactions are carried out. At the end of each reporting year, the monetary items denominated in foreign currency are retranslated at the exchange rates prevailing on such date.

The exchange differences were charged to income (loss) for the period in which they were generated.

In preparing the Company's consolidated financial statements, asset and liability balances of the entities which functional currencies is not the Argentine peso, expressed in their own functional currency (Uruguayan Peso) are translated to Argentine pesos at the exchange rate prevailing at the end of the year, while the net income is

translated at the exchange rate prevailing on the transaction date. Translation differences are recognized under other comprehensive income as “Variation in Translation Differences of Foreign Operations”.

2.13 Financial Costs

Financial costs directly attributable to the acquisition, construction or production of assets that require a substantial period of time to prepare for their intended use or sale (“qualifying assets”), are capitalized as part of the cost of these assets until they are ready for their intended use or sale, according to IAS 23 ("Borrowing Costs").

The income, if any, on the temporary investment of the specific borrowings incurred to finance qualifying assets is deducted from the financial costs to be capitalized.

All other financial costs were charged to income (loss) for the period in which they were generated.

2.14 Taxes

The income tax charge reflects the sum of current income tax and deferred income tax.

2.14.1 Current and Deferred Income Tax for the year

Current and deferred taxes are recognized as expense or income (loss) for the year, except when they are related to entries debited or credited to other comprehensive income or equity, in which cases taxes are also recognized under other comprehensive income or directly in equity, respectively. In the case of a business combination, the tax effect is taken into consideration in the calculation of goodwill or in the determination of the excess of acquirer's interest in the net fair value of the acquiree’s identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

2.14.2 Current Income Tax

Current tax payable is based on the taxable income recorded during the year. Taxable income and net income reported in the consolidated statement of comprehensive income differ due to revenue or expense items that are taxable or deductible in other fiscal years and items that are never taxable or deductible. The current tax liability is calculated using the tax rate in effect as of the date of these consolidated financial statements. Current tax charge is calculated based on the tax rules effective in the countries in which the consolidated entities operate.

2.14.3 Deferred Income Tax

Deferred tax is recognized on temporary differences between the book value of the assets and liabilities included in these financial statements and the corresponding tax basis used to determine taxable income. Deferred tax liabilities are generally recognized for all temporary fiscal differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable income will be available against which those deductible temporary differences can be charged. These assets and liabilities are not recognized if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

The book value of a deferred tax asset is reviewed at each reporting year and reduced to the extent that it is no longer probable that sufficient taxable income will be available in the future to allow for the recovery of all or part of the asset.

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Deferred tax is recognized on temporary differences arising from investments in foreign subsidiaries.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applicable in the year in which the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the entity expects, at the end of the reporting year, to recover or settle the book value of its assets and liabilities.

Deferred tax assets are offset against deferred tax liabilities if effective regulations allow to offset, before the tax authorities, the amounts recognized in those items; and if the deferred tax assets and liabilities arise from income taxes levied by the same tax authority and the Company intends to settle its assets and liabilities on a net basis.

Under the IFRS, deferred income tax assets and liabilities are classified as non-current assets and liabilities, respectively.

2.14.4 Tax on Assets

Until fiscal year ended December 31, 2018, the tax on assets (*impuesto a la ganancia mínima presunta*) was considered supplementary to income tax. The Company assessed this tax at the effective rate of 1% on the taxable assets at year-end. The Company's tax liability for each year was equal to the higher of the tax on assets assessment or the income tax liability assessed at the legally effective rate on the estimated taxable income for the year. However, if the tax on assets exceeded the income tax liability in any given fiscal year, the excess could be creditable against any excess of income tax liability over the tax on assets in any of the following ten fiscal years.

As mentioned in Note 20 to these consolidated financial statements, Law No. 27,260 repealed the tax on assets as from fiscal years beginning on or after January 1, 2019. However, the balance of the tax on assets that was capitalized as of December 31, 2018 may be creditable against the income tax liability in the following fiscal years until the expiration of the statute of limitations of the credit arising from the tax on assets.

The tax on assets balance has been capitalized in these consolidated financial statements for the amount estimated to be recoverable within the statute of limitations, based on the subsidiaries' current business plans.

2.15 Property, Plant and Equipment

Property, plant and equipment held for use in the production or supply of goods and services, or for administrative purposes, are recorded at cost, restated as mentioned in Note 2.1.1, less accumulated depreciation and any accumulated impairment loss.

Depreciation of property, plant and equipment in use is recognized on a straight-line basis over its estimated useful life.

The estimated useful life, residual value and depreciation method are reviewed at each year-end, with the effect of any changes in estimates accounted for on a prospective basis. Land is not depreciated.

Works in process are recorded at cost, restated as mentioned in Note 2.1.1, less any recognized impairment loss. The cost includes professional fees and, in the case of qualifying assets, capitalized financial costs in accordance with the Company's accounting policy (Note 2.13). Depreciation of these assets, as well as in the case of other property, plant and equipment, begins when the assets are ready for their use.

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Assets held under financial leases are depreciated over the shorter of their estimated useful life, which is equal to the rest of the other similar assets, or over the lease term.

Repair and maintenance expenses are expensed as incurred.

The gain or loss arising from the retirement or disposal of an item of property, plant and equipment is calculated as the difference between income from the sale of the asset and the asset's book value, and recognized under "Other Income and Expenses, net" in the statement of comprehensive income.

The residual value of an asset is written down to its recoverable value, if the asset's restated residual value exceeds its estimated recoverable value (see Note 2.17).

2.16 Intangible Assets

Intangible assets include trademarks and patents, exclusivity agreements, licenses, software and other rights, the purchase value of the subscriber portfolio, projects in-progress (mainly related to software development) and other intangible assets. The accounting policies regarding the recognition and measurement of such intangible assets are described below.

2.16.1 Intangible Assets Acquired Separately

Intangible assets acquired separately are valued at cost, restated as mentioned in Note 2.1.1, net of the corresponding accumulated amortization and impairment losses. Amortization is calculated on a straight-line basis over the estimated useful life of the intangible assets. The Company reviews the useful lives applied, the residual value and the amortization method at each year-end, and accounts the effect of any changes in estimates on a prospective basis.

Assets held under financial leases are depreciated over the shorter of their estimated useful life, which is equal to the rest of the other similar assets, or over the lease term.

2.16.2 Intangible Assets Acquired in a Business Combination

Intangible assets acquired in a business combination are identified and recognized separately regarding goodwill when they meet the definition of intangible assets and their fair value can be measured reliably. Such intangible assets are recognized at fair value at acquisition date.

After the initial recognition, intangible assets acquired in a business combination are valued at cost, restated as mentioned in Note 2.1.1, net of accumulated amortization and impairment losses, with the same basis as intangible assets acquired separately.

2.16.3 Internally Generated Intangible Assets

Internally generated intangible assets arising from the development phase of an internal project are recognized if certain conditions are met, among them, technical feasibility to complete the development of the intangible asset and the intent to complete such development.

The amount initially recognized for internally generated intangible assets comprises all the expenses incurred as from the moment all the intangible assets meet the above-mentioned recognition criteria. Where it is not possible to recognize an internally generated intangible asset, the development expenses are recognized in the statement of comprehensive income in the year in which they are incurred.

After the initial recognition, internally developed intangible assets are valued at cost, restated as mentioned in Note 2.1.1, net of accumulated amortization and impairment losses, with the same basis as intangible assets acquired separately.

Such assets are included under software and projects in-progress.

2.17 Impairment of Non-Financial Assets, Except Goodwill

At the end of each financial statement, the Company reviews the book value of its non-financial assets with definite useful life to determine the existence of any evidence indicating that these assets could be impaired. If there is any indication of impairment, the recoverable value of these assets is estimated for the purposes of determining the amount of the impairment loss (in case the recoverable value is lower than the book value). Where it is not possible to estimate the recoverable value of an individual asset, the Company estimates the recoverable value of the cash-generating unit ("CGU") to which such asset belongs. Where a consistent and reasonable allocation base can be identified, corporate assets are also allocated to an individual cash-generating unit or, otherwise, to the smallest group of cash-generating units for which a consistent allocation base can be identified.

The recoverable value of an asset is the higher of the fair value less selling expenses or its value in use. In measuring value in use, estimated future cash flows are discounted at their present value using a pre-tax discount rate, which reflects the current market assessments of the time value of money and, if any, the risks specific to the asset for which estimated future cash flows have not been adjusted.

Assets with an indefinite useful life (for example, non-financial assets unavailable for use) are not amortized, but are tested for impairment on an annual basis.

Non-financial assets, except for goodwill, for which an impairment loss was recorded, are reviewed at each closing date for a possible reversal of the impairment loss.

2.18 Inventories

Inventories are valued at the lower of acquisition cost and/or production cost, restated as mentioned in Note 2.1.1, or the net realizable value. The cost is determined under the weighted average price method.

The production cost is determined under the cost absorption method, which comprises raw materials, labor and other costs directly related to the production of goods. The net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make such sale.

The criterion followed to expense each of these inventory items is as follows:

– Film Rights (series, soap operas and films) and programs purchased:

The cost of series, soap operas and programs purchased to be shown on broadcast television is mainly expensed against the cost of sales on the exhibition date or upon expiration of exhibition rights. Rights related to these programs acquired in perpetuity, if any, are amortized over their estimated useful life (eight years, with a grace period of three years and are subsequently amortized on a straight-line basis over the next five years).

Films are expensed against the cost of sales on a decreasing basis, based on the number of showings granted by the respective rights or upon expiration of exhibition rights.

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Film rights acquired in perpetuity are amortized over their estimated useful life (seven years, with a grace period of four years. They are subsequently amortized on a decreasing basis over the next three years).

– In-house production programs and co-productions:

The cost of in-house production programs and co-productions is mainly expensed against the cost of sales after broadcasting of the chapter or program. Rights related to in-house production programs and co-productions acquired in perpetuity, if any, are amortized over their estimated useful life (eight years, with a grace period of three years and are subsequently amortized on a straight-line basis over the next five years).

– Events:

The cost of events is fully expensed against the cost of sales at the time of broadcasting.

The allowance for impairment is calculated based on the recoverability analysis conducted at the closing of each year. The values thus obtained do not exceed their respective recoverable values estimated at the closing of each year.

2.19 Other Assets

The assets included in this item have been valued at acquisition cost.

Investments denominated in foreign currency subject to restrictions on disposition under financial covenants have been valued at face value plus interest accrued as of each year-end.

2.20 Provisions and Other Charges

Provisions for Lawsuits and Contingencies and the accrual for asset retirement are recognized when the Company has a present obligation (be it legal or constructive) as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation and when the amount of the obligation can be reliably estimated.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting year, taking into consideration the corresponding risks and uncertainties. Where a provision is measured using the estimated cash flow to settle the present obligation, its book value represents the present value of such cash flow.

In estimating its obligations, the Company has taken into consideration the opinion of its legal advisors, if any.

2.21 Financial Instruments

Financial assets and liabilities, on initial recognition, are measured at transaction price as of the acquisition date. Financial assets are derecognized in the financial statement when the rights to receive cash flows from them have expired or have been transferred and the Company has transferred substantially all the risks and benefits of ownership.

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2.21.1 Financial Assets

Upon initial recognition, in accordance with IFRS 9, financial assets are subsequently measured at either amortized cost, or fair value, on the basis of:

(a) the Company's business model for managing the financial assets; and
(b) the contractual cash flow characteristics of the financial asset.

A financial asset shall be measured at amortized cost if both of the following conditions are met:

(a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and
(b) the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that is not measured at amortized cost according to the paragraphs above is measured at fair value.

Financial assets include:

Cash and Cash Equivalents

Cash and cash equivalents includes Cash and banks and short-term and highly liquid investments that are readily convertible to cash, subject to an insignificant risk of changes in value and their original maturity or the remaining maturity at the date of purchase does not exceed three months.

Cash and cash equivalents are recorded, according to their nature, at fair value or amortized cost.

Investments in mutual funds are carried at fair value. Gains and losses are included in Other Financial Results, net.

Investments in Government Securities were valued at amortized cost or at fair value, according to the business model established by the Company.

Balances in foreign currency have been valued as mentioned above, at the exchange rates effective at the closing of each year. The exchange differences were charged to income for each year.

Trade and Other Receivables

Trade and other receivables classified as either current or non-current assets are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less allowances for doubtful accounts. Interest income is recognized using the effective interest rate method, except for short-term balances for which the recognition of interest is not significant.

Balances in foreign currency have been valued as mentioned above, at the exchange rates effective at the closing of each year. The exchange differences were charged to income for each year.

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Investments

Depending on the business model adopted by Management, Securities and Bonds may be valued at amortized cost or at fair value and its results are recognized under Other Financial Results, net.

Balances in foreign currency have been valued as mentioned above, at the exchange rates effective at the closing of each year. The exchange differences were charged to income for each year.

Impairment of Financial Assets

At the time of initial recognition of financial assets (and at each closing), the Company estimates the expected losses, with an early recognition of a provision, pursuant to IFRS 9.

In the case of trade receivables, as from January 1, 2018, the Company measures the allowance for bad debts in an amount equal to the lifetime expected credit losses.

The expected losses to be recognized are calculated based on a percentage of uncollectibility per maturity ranges of each financial credit. For such purposes, the Company analyzes the performance of the financial assets grouped by type of market. Said historical percentage must contemplate the future collectibility expectations regarding those credits and, therefore, those estimated changes in performance.

Given the nature of Other receivables, the Company conducts an uncollectibility analysis for each case in particular.

Derecognition of Financial Assets

The Company derecognizes a financial asset when the contractual rights to the cash flows of such assets expire or when it transfers the financial asset and, therefore, all the risks and benefits inherent to the ownership of the financial asset are transferred to another entity. If the Company retains substantially all the risks and benefits inherent to the ownership of the transferred asset, it will continue to recognize it and will recognize a liability for the amounts received.

2.21.2 Financial Liabilities

Financial liabilities comprise trade and other payables, financial debt, and certain liabilities included in Other Liabilities.

Financial liabilities are initially recognized at fair value and subsequently measured at amortized cost. Amortized cost represents the initial amount net of principal repayments made, adjusted by the amortization of any differences between the initial amount and the maturity amount using the effective interest method.

Balances in foreign currency have been valued as mentioned above, at the exchange rates effective at the closing of each year. The exchange differences were charged to income for each year.

Derecognition of Financial Liabilities

The Company shall derecognize a financial liability (or part of it) when it has been extinguished, i.e., when the obligation specified in the corresponding agreement is discharged, canceled or expires.

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2.21.3 Derivatives

Derivatives, if any, are initially recognized at fair value at the date of execution of the related contract and subsequently measured at fair value at the end of the reporting year. The resulting gain or loss is immediately recognized in the statement of income unless the derivate is designated as a hedging instrument, in which case the timing for its recognition will depend on the nature of the hedging relationship.

2.22 Other Liabilities

Advances from customers involving obligations to deliver assets that have not yet been produced have been valued at the higher of the amounts received or the share in the estimated value of the related assets.

The other liabilities have been valued at nominal value.

2.23 Assets and Liabilities Held for Distribution to Shareholders

Non-current assets and liabilities (or disposal groups) are classified as assets and liabilities held for distribution to shareholders when an entity undertakes to distribute them to its shareholders, to the extent such distribution is highly likely to occur and they are available for immediate distribution in their then current conditions.

2.24 Consolidated Statement of Cash Flows

For the purposes of preparing the consolidated 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.

Bank overdrafts are classified as “Financial Debt” in the consolidated statement of financial position.

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

	December 31, 2019	**December 31, 2018**
Cash and Banks	1,505,711,157	837,803,248
Short-Term Investments	706,590,895	1,067,749,901
Total	**2,212,302,052**	**1,905,553,149**

In the years ended December 31, 2019 and 2018, the following significant transactions were carried out, which did not have an impact on cash and cash equivalents:

	December 31, 2019	**December 31, 2018**
Sale of Property, Plant and Equipment pending collection	-	48,918,202
Capital Contributions in Associates through Capitalization of Loans	37,574,294	-
New right-of-use assets owed	46,801,520	-

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2.25 Distribution of Dividends

The distribution of dividends to the Company's shareholders is recognized as a liability in the financial statements for the year in which the distribution of dividends is approved at the Shareholders' Meeting.

NOTE 3 - ACCOUNTING ESTIMATES AND JUDGMENTS

In applying the accounting policies described in Note 2, the Company has to make judgments and prepare accounting estimates of the value of the assets and liabilities that may not be otherwise obtained. 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 year in which estimates are reviewed.

These estimates basically refer to:

Allowance for Bad Debts

The Company calculates the allowance for bad debts for debt instruments that are not valued at fair value, taking into account the uncollectibility history, the opinion of its legal advisors, if any, and other circumstances known at the time of calculation. In addition, and in accordance with IFRS 9, for the calculation of the allowance for bad debts on trade receivables the Company considers the expected credit losses over their total useful life.

Impairment of Goodwill

The Company assesses goodwill for impairment on an annual basis. In determining if there is impairment of goodwill, the Company calculates the value in use of the cash-generating units to which it has been allocated. The calculation of the value in use requires the determination by the entity of the future cash flows that should arise from the cash-generating units and an appropriate discount rate to calculate the present value.

Recognition and Measurement of Deferred Income Tax Items

Deferred tax assets are only recognized for temporary differences to the extent that it is probable that each entity, on an individual basis, will have enough future taxable income against which the deferred tax assets can be used. Tax loss carryforwards from prior years are only recognized when it is probable that each entity will have enough future taxable income against which they can be used.

Pursuant to effective regulations, the use of the subsidiaries' tax credits is based on a projection analysis of future income.

The Company examines the recoverable value of deferred tax assets based on its business plans and books a valuation allowance, if appropriate, so that the net position of the deferred tax asset will reflect the probable recoverable value.

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Provisions for Lawsuits and Contingencies

The elements taken into consideration for the calculation of the Provision for Lawsuits and Contingencies are determined based on the present value of the estimated costs arising from the lawsuits brought against the Company, taking into consideration the opinion of its legal advisors.

Determination of the Useful Lives of Property, Plant and Equipment and Intangible Assets

The Company reviews the estimated useful life of property, plant and equipment and intangible assets at each year-end.

Measurement of the fair value of certain financial instruments

The fair value of a financial instrument is the amount at which the instrument could be purchased or sold between knowledgeable, willing parties in an arm's length transaction. If there is a quoted market price available for an instrument in an active market, the fair value is calculated based on that price.

If there is no quoted market price available for a financial instrument, its fair value is estimated based on the price established in recent transactions involving the same or similar instruments and, otherwise, based on valuation techniques regularly used in financial markets. The Company uses its judgment to select a variety of methods and makes assumptions based on market conditions at closing.

Impairment losses of certain assets other than accounts receivable (including property, plant and equipment and intangible assets)

Certain assets, including property, plant and equipment and intangible assets are subject to impairment testing. The Company records impairment losses when it estimates that there is objective evidence of such losses or when the cost of such losses will not be recovered through future cash flows. The evaluation of what constitutes impairment is a matter of significant judgment. The impairment of non-financial assets is dealt with in more depth in Note 2.17.

NOTE 4 – SEGMENT INFORMATION

The Company is mainly engaged in media and entertainment activities, which are carried out through the companies in which it holds a participating interest. Based on the nature, clients, and risks involved, the following business segments have been identified, which are directly related to the way in which the Company assesses its business performance:

- Printing and Publishing: mainly comprises the operations of its subsidiary AGEA and its subsidiaries Cúspide, Tinta Fresca, the printing business of OSA, CIMECO, and their respective subsidiaries.
- Broadcasting and Programming: mainly comprises the operations of its subsidiaries ARTEAR, IESA and Radio Mitre, and their respective subsidiaries, including Telecor, Pol-Ka, Auto Sports, and Carburando.
- Digital Content and Other: mainly comprises the operations of its controlled companies OSA (except for the operations related to the printing business), FEASA and AGEA S.A. – S.A. La Nación - UTE. Additionally, this segment includes the Company's own operations (typical of a holding company) and those carried out by its controlled company GCGC.

The Company has adopted IFRS 8 - Segment Information, which defines operating segments as those identified based on internal reports with respect to the components of the company regularly reviewed by the Board of

Directors, the main operating decisions maker, to allocate resources and assess their performance. The Company uses adjusted EBITDA to measure its performance. The Company believes that adjusted EBITDA is a significant performance measure of its businesses, since it is commonly used in the industry to analyze and compare media companies based on operating performance, indebtedness and liquidity. However, adjusted EBITDA does not measure net income or cash flows generated by operations and should not be considered as an alternative to net income, an indication of the Company's financial performance, an alternative to cash flows generated by operating activities or a measure of liquidity. Since adjusted EBITDA is not defined by IFRS, it is possible that other companies may calculate it differently. Therefore, the adjusted EBITDA reported by other companies may not be comparable to the Company's reported adjusted EBITDA.

The following information as of December 31, 2019 and 2018 was prepared in accordance with IFRS, except for the non-application of IAS 29, due to the fact that the Board of Directors analyzes the information in historical currency for the business segments identified by the Company. Therefore, the information as of December 31, 2018 is not comparative in real terms.

Note 1 to these consolidated financial statements includes additional information about the Company's businesses.

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CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

GRUPO CLARÍN S.A.
Registration number with the IGJ: 1,669,734

Information arising from Consolidated Income Statements as of December 31, 2019	Printing and Publishing	Broadcasting and Programming	Digital Content and Other	Eliminations (1)	Effect of Inflation Adjustment (Note 2.1.1)	Consolidated
Net Sales to Third Parties [2]	10,086,395,742	9,452,851,235	1,342,139,149	-	4,547,958,772	25,429,344,898
Intersegment Sales	192,523,512	45,780,842	865,485,722	(1,103,790,076)	-	-
Net Sales	10,278,919,254	9,498,632,077	2,207,624,871	(1,103,790,076)	4,547,958,772	25,429,344,898
Cost of sales -excluding depreciation and amortization	(5,962,236,714)	(6,044,435,364)	(1,568,040,664)	440,766,483	(2,860,569,015)	(15,994,515,274)
Subtotal	4,316,682,540	3,454,196,713	639,584,207	(663,023,593)	1,687,389,757	9,434,829,624
Expenses - excluding depreciation and amortization						
Selling Expenses	(2,879,352,339)	(470,345,847)	(233,862,394)	214,664,512	(733,744,413)	(4,102,640,481)
Administrative Expenses	(1,514,159,687)	(1,330,992,850)	(625,198,666)	448,359,081	(658,188,852)	(3,680,180,974)
Adjusted EBITDA	(76,829,486)	1,652,858,016	(219,476,853)	-	295,456,492	1,652,008,169
Depreciation of Property, Plant and Equipment						(716,805,021)
Amortization of Intangible Assets and Film Library [3]						(280,594,583)
Amortization of Right-of-Use Assets						(122,536,451)
Gain (Loss) on Net Monetary Position						(189,284,827)
Financial Costs						(1,107,853,414)
Other Financial Results, net						(121,549,333)
Financial Results						(1,418,687,574)
Equity in Earnings from Associates						175,743,713
Other Income and Expenses, net						(80,575,575)
Income Tax and Tax on Assets						(667,655,406)
Loss for the year						(1,459,102,728)
Additional Consolidated Information as of December 31, 2019						
Payments for Acquisition of Property, Plant and Equipment	156,835,460	436,397,397	22,174,264	-	134,035,461	749,442,582
Payments for Acquisition of Intangible Assets	83,558,549	15,049,709	2,918,097	-	22,112,403	123,638,758
Non-Current Assets Held Abroad	-	46,603,415	-	-	10,150,208	56,753,623

[1] Eliminations are related to Grupo Clarín's intercompany operations.
[2] Includes also sales to unconsolidated companies.
[3] Amortization of film rights acquired in perpetuity, mentioned in Note 2.18.

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GRUPO CLARÍN S.A.
Registration number with the IGJ: 1,669,734

Information arising from Consolidated Income Statements as of December 31, 2018	Printing and Publishing	Broadcasting and Programming	Digital Content and Other	Eliminations (1)	Effect of Inflation Adjustment (Note 2.1.1)	Consolidated
Net Sales to Third Parties [2]	7,455,476,888	6,954,034,966	1,430,266,173	-	13,779,192,809	29,618,970,836
Intersegment Sales	216,130,253	64,118,077	619,659,283	(899,907,613)	-	-
Net Sales	7,671,607,141	7,018,153,043	2,049,925,456	(899,907,613)	13,779,192,809	29,618,970,836
Cost of sales -excluding depreciation and amortization	(4,545,529,898)	(4,407,814,376)	(1,440,997,962)	378,962,175	(8,712,486,543)	(18,727,866,604)
Subtotal	3,126,077,243	2,610,338,667	608,927,494	(520,945,438)	5,066,706,266	10,891,104,232
Expenses - excluding depreciation and amortization						
Selling Expenses	(2,111,237,948)	(388,851,337)	(224,398,487)	205,442,940	(2,191,344,119)	(4,710,388,951)
Administrative Expenses	(1,092,277,869)	(1,010,212,424)	(458,065,942)	315,502,498	(1,952,996,330)	(4,198,050,067)
Adjusted EBITDA	(77,438,574)	1,211,274,906	(73,536,935)	-	922,365,817	1,982,665,214
Depreciation of Property, Plant and Equipment						(766,936,689)
Amortization of Intangible Assets and Film Library [3]						(347,962,771)
Gain (Loss) on Net Monetary Position						(543,492,838)
Financial Costs						(1,253,813,185)
Other Financial Results, net						(147,038,818)
Financial Results						(1,944,344,841)
Equity in Earnings from Associates						256,493,039
Other Income and Expenses, net						496,797,127
Income Tax and Tax on Assets						(1,034,146,548)
Loss for the year						(1,357,435,469)
Additional Consolidated Information as of December 31, 2018						
Payments for Acquisition of Property, Plant and Equipment	177,373,909	497,766,230	28,563,378	-	378,820,507	1,082,524,024
Payments for Acquisition of Intangible Assets	129,055,871	10,257,249	33,430,875	-	92,992,241	265,736,236
Non-Current Assets Held Abroad	-	28,605,267	-	-	15,398,902	44,004,169

(1) Eliminations are related to Grupo Clarín's intercompany operations.
(2) Includes also sales to unconsolidated companies.
(3) Amortization of film rights acquired in perpetuity, mentioned in Note 2.18.

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NOTE 5 - BREAKDOWN OF THE MAIN ITEMS OF THE STATEMENT OF FINANCIAL POSITION

5.1 Property, Plant and Equipment

Main Account	Original value				
	Balance at the Beginning	Additions	Retirements	Transfers	Balances as of December 31, 2019
Real Property [1]	6,280,488,893	409,990	(2,081,416)	120,687,331	6,399,504,798
Furniture and Fixtures	1,028,794,565	7,499,339	(795,119)	-	1,035,498,785
Telecommunication, Audio and Video Equipment	3,669,770,626	38,048,918	(11,112,408)	-	3,696,707,136
Computer Equipment	4,569,136,827	206,129,066	(28,479,059)	14,911,519	4,761,698,353
Technical Equipment	551,274,723	7,191,659	-	-	558,466,382
Workshop Machinery	3,669,010,282	79,726,911	(493,044)	-	3,748,244,149
Tools	2,274,711	-	(420,598)	-	1,854,113
Spare Parts	205,075,135	-	-	-	205,075,135
Installations	3,574,341,039	36,107,294	(314,846)	1,592,506	3,611,725,993
Vehicles	128,335,215	16,592,858	(5,794,983)	-	139,133,090
Works-In-Progress	771,780,442	344,415,640	-	(137,191,356)	979,004,726
Leasehold Improvements	438,634,728	13,320,907	-	-	451,955,635
Allowance for Impairment of Property, Plant and Equipment and Obsolescence of Materials	-	-	(16,387,814)	-	(16,387,814)
Total as of December 31, 2019	24,888,917,186	749,442,582	(65,879,287)	-	25,572,480,481

Main Account	Accumulated Depreciation				Net Book Value as of December 31, 2019
	Balance at the Beginning	Retirements and Transfers	For the year	Balances as of December 31, 2019	
Real Property [1]	3,257,479,015	-	103,495,443	3,360,974,458	3,038,530,340
Furniture and Fixtures	929,196,381	(579,182)	18,547,624	947,164,823	88,333,962
Telecommunication, Audio and Video Equipment	3,233,151,068	(10,887,585)	122,373,257	3,344,636,740	352,070,396
Computer Equipment	4,127,271,171	(28,473,490)	270,552,159	4,369,349,840	392,348,513
Technical Equipment	501,309,099	-	10,404,241	511,713,340	46,753,042
Workshop Machinery	3,475,215,801	(493,044)	51,428,883	3,526,151,640	222,092,509
Tools	2,134,548	(445,211)	106,863	1,796,200	57,913
Spare Parts	170,931,413	-	16,466,226	187,397,639	17,677,496
Installations	3,145,489,174	(274,620)	102,258,178	3,247,472,732	364,253,261
Vehicles	108,312,948	(5,794,985)	8,345,685	110,863,648	28,269,442
Works-In-Progress	-	-	-	-	979,004,726
Leasehold Improvements	380,756,235	-	12,826,464	393,582,699	58,372,936
Allowance for Impairment of Property, Plant and Equipment and Obsolescence of Materials	-	-	-	-	(16,387,814)
Total as of December 31, 2019	19,331,246,853	(46,948,117)	716,805,023	20,001,103,759	5,571,376,722

(1) includes $ 567 million and $ 578 million for fiscal years ended December 31, 2019 and 2018, respectively, corresponding to Real Property retired from active use.

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Main Account	Original value				
	Balance at the Beginning	Additions	Retirements	Transfers	Balances as of December 31, 2018
Real Property	6,277,038,960	4,235,054	(6,929,479)	6,144,358	6,280,488,893
Furniture and Fixtures	1,018,397,873	13,579,968	(299,078)	(2,884,198)	1,028,794,565
Telecommunication, Audio and Video Equipment	3,554,041,842	111,588,428	(761,718)	4,902,074	3,669,770,626
Computer Equipment	4,334,105,729	243,862,020	(16,373,646)	7,542,724	4,569,136,827
Technical Equipment	524,984,318	26,290,405	-	-	551,274,723
Workshop Machinery	3,865,845,981	26,448,241	(223,283,940)	-	3,669,010,282
Tools	2,079,116	195,595	-	-	2,274,711
Spare Parts	214,259,337	99,197	(9,283,399)	-	205,075,135
Installations	3,507,145,501	38,887,244	(1,227,030)	29,535,324	3,574,341,039
Vehicles	127,880,225	8,619,937	(8,164,947)	-	128,335,215
Works-In-Progress	229,703,735	591,851,876	-	(49,775,169)	771,780,442
Leasehold Improvements	417,823,887	16,866,059	(104,478)	4,049,260	438,634,728
Total as of December 31, 2018	24,073,306,504	1,082,524,024	(266,427,715)	(485,627)	24,888,917,186

Main Account	Accumulated Depreciation				Net Book Value as of December 31, 2018
	Balance at the Beginning	Retirements and Transfers	For the year	Balances as of December 31, 2018	
Real Property	3,150,596,336	(4,540,205)	111,422,884	3,257,479,015	3,023,009,878
Furniture and Fixtures	910,096,347	(268,684)	19,368,718	929,196,381	99,598,184
Telecommunication, Audio and Video Equipment	3,112,738,306	(761,718)	121,174,480	3,233,151,068	436,619,558
Computer Equipment	3,855,737,388	(9,470,869)	281,004,652	4,127,271,171	441,865,656
Technical Equipment	484,796,952	-	16,512,147	501,309,099	49,965,624
Workshop Machinery	3,568,742,751	(149,033,748)	55,506,798	3,475,215,801	193,794,481
Tools	2,027,793	-	106,755	2,134,548	140,163
Spare Parts	153,274,805	(6,799,538)	24,456,146	170,931,413	34,143,722
Installations	3,040,351,167	(900,352)	106,038,359	3,145,489,174	428,851,865
Vehicles	106,246,996	(6,786,795)	8,852,747	108,312,948	20,022,267
Works-In-Progress	-	-	-	-	771,780,442
Leasehold Improvements	358,367,710	(104,478)	22,493,003	380,756,235	57,878,493
Total as of December 31, 2018	18,742,976,551	(178,666,387)	766,936,689	19,331,246,853	5,557,670,333

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The following table details the average years of useful life of the items comprising Property, Plant and Equipment:

Item	Average Useful Life (in years)
Real Property	50
Furniture and Fixtures	10
Telecommunication, Audio and Video Equipment	between 3 and 4
External Network and Broadcasting Equipment	between 3 and 20
Computer Equipment	3
Technical Equipment	between 4 and 10
Workshop Machinery	10
Tools	5
Spare Parts	5
Installations	between 3 and 10
Vehicles	5
Plots	5
Leasehold Improvements	between 3 and 10

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5.2 Intangible Assets

Main Account	Original value				
	Balance at the Beginning	Additions	Retirements	Transfers	Balances as of December 31, 2019
Exploitation Rights and Licenses	158,190,496	11,507,163	-	(33,764,879)	135,932,780
Exclusivity Agreements	177,173,589	-	-	-	177,173,589
Other Rights	529,542,034	15,966,958	-	-	545,508,992
Acquisition Value of Subscriber Portfolio	53,057,735	-	-	-	53,057,735
Software	1,762,189,284	52,713,155	(64,252,827)	64,350,488	1,815,000,100
Trademarks and Patents	254,037,420	2,183,919	-		256,221,339
Projects in-Progress	94,026,531	41,210,344	(12,336,287)	(64,350,488)	58,550,100
Other	558,016,090	57,219	(59,438,075)	33,764,879	532,400,113
Allowance for Impairment of Intangible Assets	-	-	(118,950,417)	-	(118,950,417)
Total as of December 31, 2019	3,586,233,179	123,638,758	(254,977,606)	-	3,454,894,331

Main Account	Accumulated Depreciation				Net Book Value as of December 31, 2019
	Balance at the Beginning	Retirements	For the year	Balances as of December 31, 2019	
Exploitation Rights and Licenses	94,551,100	-	29,782,798	124,333,898	11,598,882
Exclusivity Agreements	162,579,546	-	12,957,498	175,537,044	1,636,545
Other Rights	454,997,804	-	17,093,036	472,090,840	73,418,152
Acquisition Value of Subscriber Portfolio	53,057,735	-		53,057,735	-
Software	1,436,747,286	(40,126,564)	208,033,535	1,604,654,257	210,345,843
Trademarks and Patents	107,836,677	-	6,316,475	114,153,152	142,068,187
Projects in-Progress	-	-	-	-	58,550,100
Other	541,155,092	(59,424,970)	5,376,620	487,106,742	45,293,371
Allowance for Impairment of Intangible Assets	-	-	-	-	(118,950,417)
Total as of December 31, 2019	2,850,925,240	(99,551,534)	279,559,962	3,030,933,668	423,960,663

Main Account	Original value					
	Balance at the Beginning	Cumulative Translation Adjustment	Additions	Retirements	Transfers	Balances as of December 31, 2018
Exploitation Rights and Licenses	113,719,187	-	44,471,309	-	-	158,190,496
Exclusivity Agreements	177,173,589	-	-	-	-	177,173,589
Other Rights	539,353,392	-	-	(9,811,358)	-	529,542,034
Acquisition Value of Subscriber Portfolio	53,057,735	-	-	-	-	53,057,735
Software	1,527,885,944	-	145,930,402	(502,074)	88,875,012	1,762,189,284
Trademarks and Patents	241,936,117	9,950,541	2,486,004	(335,242)	-	254,037,420
Projects in-Progress	139,912,161	-	72,115,854	-	(118,001,484)	94,026,531
Other	534,046,814	-	732,667	(6,375,490)	29,612,099	558,016,090
Total as of December 31, 2018	3,327,084,939	9,950,541	265,736,236	(17,024,164)	485,627	3,586,233,179

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Main Account	Accumulated Depreciation					Net Book Value as of December 31, 2018
	Balance at the Beginning	Cumulative Translation Adjustment	Retirements	For the year	Balances as of December 31, 2018	
Exploitation Rights and Licenses	69,809,479	-	-	24,741,621	94,551,100	63,639,396
Exclusivity Agreements	138,898,860	-	-	23,680,686	162,579,546	14,594,043
Other Rights	446,637,705	-	-	8,360,099	454,997,804	74,544,230
Acquisition Value of Subscriber Portfolio	53,057,735	-	-	-	53,057,735	-
Software	1,190,377,195	-	(466,389)	246,836,480	1,436,747,286	325,441,998
Trademarks and Patents	93,396,697	7,764,758	(45,297)	6,720,519	107,836,677	146,200,743
Projects in-Progress	-	-	-	-	-	94,026,531
Other	513,113,655	-	(5,081,035)	33,122,472	541,155,092	16,860,998
Total as of December 31, 2018	2,505,291,326	7,764,758	(5,592,721)	343,461,877	2,850,925,240	735,307,939

The following is a detail of the average number of years over which intangible assets items are amortized:

Item	**Amortization Period (in years)**
Exploitation Rights and Licenses	between 2 and 20
Exclusivity Agreements	between 5 and 15
Other Rights	between 5 and 20
Acquisition Value of Subscriber Portfolio	10
Software	between 3 and 5
Trademarks and Patents	between 3 and 10
Other	between 3 and 20

5.3 Goodwill

The Company assesses the recoverability of goodwill considering each company for which it records goodwill as a different cash-generating unit (“CGU”).

The recoverable amount of each CGU has been determined as per its value in use, calculated based on operating cash flows estimated in the financial budgets approved by Management, which comprise a period ranging from one to three years. Cash flows not included in those periods are projected using a growth rate, assessed based on statistical data and historical indicators of Argentina, which does not exceed the long-term average growth of each business.

The gross margin used in each case for the calculation of the value in use allocated to each CGU arises from budgets prepared by each business for the period under consideration, which are in line with the historical data and the expectations regarding market development and evolution of the respective businesses.

The discount rate used in each case for the calculation of the value in use allocated to each CGU takes into account the risk-free rate, the country risk premium and the premium for risks specific to each business, and the indebtedness structure of each CGU. In particular, the annual real discount rate applied to the projections of Telecor's cash flows is of approximately 11.21%.

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Main Account	Net Balances as of December 31, 2019	Net balances as of December 31, 2018
Telecor	669,334,624	669,334,624
Pol-Ka	158,564,399	158,564,399
Telba	64,486,061	64,486,061
Bariloche TV	22,627,322	22,627,322
Other [1]	16,213,640	82,418,778
Total	931,226,046	997,431,184

[1] During this year, the Company derecognized the goodwill of Autos Virtuales S.A. due to the sale of the brand "Deautos.com" and other related assets made during June 2019.

5.4. Investments in Unconsolidated Affiliates

	Main business activity	Country	Interest (%) (1)	Value Recorded as of December 31, 2019	Value Recorded as of December 31, 2018
Included in assets					
Interest in Associates					
Papel Prensa	Manufacturing of Newsprint	Argentina	49.00	770,758,295	771,539,230
Other Investments				35,036,624	37,912,180
Interests in Joint Ventures					
TSC	Exploitation of events television broadcasting rights	Argentina	50.00	15,709,823	21,562,248
TRISA	Production and exploitation of sports events, advertising agency and financial and investing operations	Argentina	50.00	501,041,017	397,500,859
Canal Rural	Audiovisual production and sale of advertising	Argentina	64.99	21,712,389	25,415,328
Impripost	Variable printing	Argentina	50.00	21,308,880	57,244,743
AGL	Printing	Argentina	50.00	63,429,064	67,601,777
Exponenciar	Organization, holding, production and commercial exploitation of exhibitions and events, and/or promotion and/or advertising for the purposes of promoting various activities	Argentina	50.00	35,568,778	19,562,039
Ríos de Tinta	Editorial activities	Mexico	50.00	56,753,623	44,004,168
Patagonik	Film producer	Argentina	33.33	141,441,938	149,519,734
				1,662,760,431	1,591,862,306

[1] Interest in capital stock and votes

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Equity in Earnings from Associates

	December 31, 2019	December 31, 2018
Papel Prensa	(780,935)	47,268,314
TRISA	218,577,153	188,135,059
AGL	(4,172,713)	(8,414,835)
Canal Rural	1,718,697	6,197,786
Ríos de Tinta	11,757,061	3,715,249
Impripost	(73,510,158)	10,394,617
Other Companies	22,154,608	9,196,849
	175,743,713	256,493,039

The following is a detail of certain supplementary information required by IFRS about interests in associates (amounts stated in millions of Argentine pesos):

	December 31, 2019	December 31, 2018
Dividends received	7	11
Summarized financial information:		
Current Assets	1,457	1,543
Non-Current Assets	2,321	2,103
Current Liabilities	1,536	1,154
Non-Current Liabilities	647	908
Revenues	3,888	4,221
Net Income from Continuing Operations	34	102
Total Comprehensive Income	34	102

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The following is a detail of certain supplementary information required by IFRS about interests in joint operations (amounts stated in millions of Argentine pesos):

	December 31, 2019	December 31, 2018
Dividends received	134	212
Summarized financial information:		
Assets		
Cash and Cash Equivalents	788	868
Other Current Assets	1,957	1,935
Current Assets	2,745	2,803
Non-Current Assets	661	909
Liabilities		
Current Financial Debt	164	129
Other Current Liabilities	1,499	1,794
Current Liabilities	1,663	1,923
Non-Current Financial Debt	14	11
Other Non-Current Liabilities	225	280
Non-Current Liabilities	239	291
Revenues	6,558	6,935
Depreciation and Amortization	(113)	(109)
Interest Income	40	43
Interest on Financial Debt	(21)	(18)
Income Tax and Tax on Assets	(359)	(371)
Net Income from Continuing Operations	335	445
Other Comprehensive Income	2	23
Total Comprehensive Income	337	466

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5.5 Other Investments

	December 31, 2019	December 31, 2018
Current		
Financial Instruments	160,767,931	457,509,197
Securities	66,660	100,934
Mutual Funds	545,822,964	666,989,485
	706,657,555	1,124,599,616

5.6 Inventories

	December 31, 2019	December 31, 2018
Non-Current		
Film Products and Rights	17,977,726	35,265,857
	17,977,726	35,265,857
Current		
Raw Materials and Supplies	650,162,699	877,938,195
Finished Goods	383,094,292	528,311,219
Film Products and Rights	298,232,689	417,386,428
Subtotal	1,331,489,680	1,823,635,842
Less: Allowance for Impairment of Inventories	(19,248,703)	(12,535,937)
	1,312,240,977	1,811,099,905

5.7 Other Assets

	December 31, 2019	December 31, 2018
Non-Current		
Works of Art	7,586,203	7,596,330
Other	26,662,899	16,197,291
	34,249,102	23,793,621
Current		
Other	119,105,777	121,794,495
	119,105,777	121,794,495

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5.8 Other Receivables

	December 31, 2019	December 31, 2018
Non-Current		
Tax Credits	231,683,189	333,914,870
Deposits in Guarantee	2,460,653	28,909,791
Advances	1,622,865	4,041,017
Related Parties (Note 15)	29,254,200	6,461
Other	2,584,966	15,895,516
Allowance for Other Bad Debts	(4,633,699)	(2,411,446)
	262,972,174	380,356,209
Current		
Tax Credits	1,177,528,287	811,560,335
Court-ordered and Guarantee Deposits	22,502,446	11,503,789
Prepaid Expenses	69,277,390	103,169,697
Advances	116,569,625	295,252,275
Related Parties (Note 15)	63,876,609	97,361,243
Sundry Receivables	24,386,821	28,545,394
Other	107,567,858	216,097,916
Allowance for Other Bad Debts	(49,952,462)	(109,503,873)
	1,531,756,574	1,453,986,776

5.9 Trade Receivables

	December 31, 2019	December 31, 2018
Non-Current		
Trade Credits	41,760,402	115,694,641
	41,760,402	115,694,641
Current		
Trade Credits	5,545,346,568	7,889,557,515
Related Parties (Note 15)	519,345,637	671,568,538
Allowance for Bad Debts	(263,363,400)	(355,921,607)
	5,801,328,805	8,205,204,446

5.10 Cash and Banks

	December 31, 2019	December 31, 2018
Cash and Imprest Funds	40,231,187	44,943,075
Banks	1,465,479,970	792,860,173
	1,505,711,157	837,803,248

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5.11. Provisions and Other Charges

	December 31, 2019	December 31, 2018
Non-Current		
Provisions for Lawsuits and Contingencies	775,793,020	690,712,216
Accrual for Asset Retirement	21,406,119	18,809,315
	797,199,139	709,521,531

5.12 Financial Debt

	December 31, 2019	December 31, 2018
Non-Current		
Financial Debt	898,635,000	238,414,072
For Acquisition of Equipment	523,203	6,438,241
	899,158,203	244,852,313
Current		
Bank Overdraft	358,963,696	403,518,891
Financial Debt	573,015,521	1,105,162,717
For Acquisition of Equipment	6,812,173	9,313,172
Related Parties (Note 15)	14,589,096	18,781,546
Interest and Restatement	18,784,867	22,401,856
	972,165,353	1,559,178,182

The following table details the changes in loans and indebtedness for the year ended December 31, 2019 and 2018:

	2019	2018
Balances as of January 1	1,804,030,495	2,348,260,761
New Loans and Financing[1]	2,312,507,482	970,049,783
Accrued Interest	604,758,635	529,457,534
Exchange rate fluctuations	428,185,331	724,355,651
RECPAM, Cumulative Translation Adjustment and Other movements	(870,340,264)	(867,671,891)
Payment of Interest	(608,278,904)	(463,912,889)
Payment of Principal	(1,799,539,219)	(1,436,508,454)
Balances as of December 31	1,871,323,556	1,804,030,495

[1] Mostly loans for the payment of debt with upcoming maturity, and for the purchase of capital assets and inventories.

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The following table summarizes the maturities of consolidated loans (undiscounted values) at year-end:

	Due			
Non-Current Financial Debt	From 1 to 2 years	From 2 to 3 years	From 3 to 4 years	Total Non-Current
Financial Debt	429,461,666	169,723,334	299,450,000	898,635,000
For Acquisition of Equipment	523,203	-	-	523,203
Total as of December 31, 2019	429,984,869	169,723,334	299,450,000	899,158,203

		Due				
Current Debt	Without term	Up to 3 months	From 3 to 6 months	From 6 to 9 months	From 9 months to 1 year	Total Current
Bank Overdraft	-	358,963,696	-	-	-	358,963,696
Financial Debt	488,400	28,325,710	500,817,137	21,692,137	21,692,137	573,015,521
Loans - Interest and Restatement	203,759	18,581,108	-	-	-	18,784,867
For Acquisition of Equipment	-	1,816,307	1,751,564	1,622,141	1,622,161	6,812,173
Related Parties	-	14,589,096	-	-	-	14,589,096
Total as of December 31, 2019	692,159	422,275,917	502,568,701	23,314,278	23,314,298	972,165,353

The following are the main items of the Company's financial debt:

5.12.1 AGEA and subsidiaries

As of December 31, 2019, AGEA has executed overdraft facility agreements with banks for up to $ 280 million, which accrue interest at an annual fixed nominal rate of between 60% and 71.5%. Its subsidiaries Tinta Fresca Ediciones S.A., OSA, UNIR and CIMECO executed overdraft facility agreements with banks for up to $ 47 million, $ 40 million, $ 20 million, y $ 15 million, respectively, which accrue interest at an annual fixed nominal rate of between 48.5% and 65%. In addition, DLA and LVI executed overdraft facility agreements with banks for up to $ 66 million and $ 140 million, respectively, which accrue interest at an annual fixed nominal rate of between 49.5% and 66.5%.

During this year, LVI prepaid $ 38.9 million of the outstanding principal and interest accrued under the loan granted by Banco Santander Río for $ 70 million in September 2017. It also repaid the outstanding principal and interest under the loan granted by Banco Macro S.A. for $ 10 million in January 2018, which accrued interest on a monthly basis at a fixed annual rate of 28.30%.

On April 24, 2019, AGEA executed a loan agreement with First Overseas Bank Limited for US$ 2,800,000 due on December 20, 2019, which accrues interest on a monthly basis at a fixed annual rate of 8.50%. Principal and interest were repaid at maturity.

On May 8, 2019, AGEA executed loan agreements with Industrial and Commercial Bank of China (Argentina) S.A. (“ICBC Argentina”) for US$ 279,138 and US$ 259,609, due on November 8, 2019 and November 13, 2019, respectively, which accrue interest on a monthly basis at an annual rate equivalent to LIBOR plus 5.45%. Principal and interest were repaid at maturity.

On May 8, 2019, OSA executed a loan agreement with ICBC Argentina for US$ 167,300, due on November 5, 2019, which accrued interest on a monthly basis at an annual rate equivalent to LIBOR plus 5.50%. Principal and interest were repaid at maturity.

On May 13, 2019, LVI executed a loan agreement with Banco Macro S.A. for $ 15 million for a term of 6 months, which accrues interest on a monthly basis at a fixed annual rate of 78%. Principal and interest were prepaid during this year.

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On May 23, 2019, AGEA executed a loan agreement with ICBC Argentina for US$ 299,209, due on November 25, 2019, which accrued interest on a monthly basis at an annual fixed of 8.30%. Principal and interest were repaid at maturity.

On June 12, 2019, AGEA executed a loan agreement with ICBC Argentina for US$ 193,333, due on December 13, 2019, which accrued interest on a monthly basis at an annual rate equivalent to LIBOR plus 5.70%. Principal and interest were repaid at maturity.

On July 5, 2019, AGEA executed a loan agreement with ICBC Argentina for US$ 157,902, due on January 6, 2020, which accrued interest on a monthly basis at an annual fixed of 8.01%. Principal and interest were repaid at maturity.

On July 11, 2019, AGEA executed a loan agreement with ICBC Argentina for US$ 118,160, due on January 10, 2020, which accrued interest on a monthly basis at an annual rate equivalent to LIBOR plus 5.85%. Principal and interest were repaid at maturity.

On July 17, 2019, AGEA executed a loan agreement with ICBC Argentina for US$ 299,980, due on January 15, 2020, which accrued interest on a monthly basis at an annual rate equivalent to LIBOR plus 5.85%. Principal and interest were repaid at maturity.

On July 29, 2019, AGEA executed a loan agreement with ICBC Argentina for US$ 161,096, due on January 27, 2020, which accrued interest on a monthly basis at an annual rate equivalent to LIBOR plus 5.80%. Principal and interest were repaid at maturity.

On August 1, 2019, AGEA executed a loan agreement with ICBC Argentina for US$ 299,155, due on January 31, 2020, which accrued interest on a monthly basis at an annual rate equivalent to LIBOR plus 5.90%. Principal and interest were repaid at maturity.

On September 5, 2019, LVI executed a loan agreement with JPM for US$ 4.5 million. Said loan accrues interest at an annual rate equivalent to Libor plus 0.9% on the outstanding amount of the loan, payable on a quarterly basis. Principal is due at maturity, i.e. on July 31, 2022. During this year, JPM made a disbursement of US$ 4 million under the loan.

On October 22, 2019, AGEA executed a loan agreement with JPM for US$ 4.5 million. Said loan accrues interest at an annual rate equivalent to Libor plus 0.9% on the outstanding amount of the loan, payable on a quarterly basis. Principal is due at maturity, i.e. on July 31, 2022. As of December 31, 2019, JPM had disbursed the full loan amount.

AGEA complied with certain obligations and covenants undertaken under the loans granted by ICBC.

5.12.2 GCGC and Subsidiaries

On February 26, 2018, GCGC executed a loan agreement with Banco Santander Rio S.A. for $ 2.5 million in historical currency as of that date ($ 5.45 million in constant currency as of December 31, 2019), to purchase hardware for digitalization. The term is of 36 (thirty-six) months. Principal will be repaid in 12 (twelve) equal quarterly installments. That loan accrues interest at the average Badlar rate for Private Banks plus 4.5%. Interest is calculated on outstanding balances and is payable on a quarterly basis.

On March 13, 2018, GCGC executed a loan agreement with Banco Santander Rio S.A. for $ 2 million in historical currency as of that date ($ 4.26 million in constant currency as of December 31, 2019), to purchase hardware for digitalization. The term is of 36 (thirty six) months. Principal will be repaid in 12 (twelve) equal

quarterly installments. That loan accrues interest at the average Badlar rate for Private Banks plus 4.5%. Interest is calculated on outstanding balances and is payable on a quarterly basis.

On September 5, 2019, GCGC executed a loan agreement with JP Morgan Chase Bank NA for US$ 3 million, due on July 31, 2022. Said loan accrues interest at a rate equivalent to Libor plus 0.9%. Interest is calculated on outstanding balances and is payable on a quarterly basis.

On October 22, 2019, GCGC executed a loan agreement with JPM for US$ 1 million, due on July 31, 2022. Said loan accrues interest at a rate equivalent to Libor plus 0.9%. Interest is calculated on outstanding balances and is payable on a quarterly basis.

As of December 31, 2019, EPN executed overdraft facility agreements with banks for approximately $ 63 million. Those overdraft facilities accrued interest as of that date at an average fixed nominal annual rate of 58%.

5.12.3 ARTEAR

On May 5, 2017, ARTEAR entered into a bilateral loan agreement with Banco Itaú Argentina S.A. for up to $ 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 $ 500 million or more. On May 6, 2019, ARTEAR made a full repayment of the loan.

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 US$ 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 each of May 21 and November 21, 2018, and May 21 and November 14, 2019, it repaid US$ 3 million, respectively, corresponding to four installments of the principal owed under this loan.

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 US$ 5 million, payable within a 2-year term in a single 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 $ 500 million or more. On June 16, 2019, ARTEAR made a full repayment of the loan.

On June 7, 2019, ARTEAR and Banco de Galicia y Buenos Aires S.A.U. executed an agreement whereby ARTEAR is the borrower under a bilateral loan for a principal amount of US$ 2.5 million, payable in a single installment at maturity, i.e. on April 1, 2020. Principal accrues interest at a fixed annual rate of 8.25% payable at maturity.

On June 7, 2019, ARTEAR and ICBC Argentina executed an agreement whereby ARTEAR is the borrower under a bilateral loan for a principal amount of US$ 2.5 million, payable in a single installment at maturity, i.e. on April 1, 2020. Principal accrues interest at a fixed annual rate of 8.5% payable at maturity.

On July 5, 2019, Pol-ka Producciones S.A. and ICBC Argentina executed an agreement whereby Pol-ka Producciones S.A. is the borrower under bilateral loan for a principal amount of US$ 200,000, payable in a

single installment at maturity, i.e. on December 30, 2019. Principal accrues interest at a fixed annual rate of 7.55% payable at maturity. On January 2, 2020, Pol-ka Producciones S.A. made a full repayment of the loan.

5.12.4 IESA and Subsidiaries

On December 20, 2019, IESA executed a loan agreement with JP Morgan Chase Bank NA for US$ 1.5 million, due on December 31, 2022. Said loan accrues interest at a rate equivalent to Libor plus 0.9%. Interest is calculated on outstanding balances and is payable on a quarterly basis.

5.12.5 Radio Mitre

On July 5, 2017, Radio Mitre and Banco Santander Río S.A. executed an agreement whereby Radio Mitre is the borrower under a bilateral loan for a principal amount of $ 50 million in historical currency as of that date ($ 124.55 million in constant currency as of December 31, 2019), payable within a 3-year term in equal consecutive quarterly installments. The first installment is due on the first anniversary of the origination of the loan. The funds will be used to finance working capital and investments. Principal accrues interest at a fixed rate of 23.50% during the first 12 months and during the remaining term at an established variable rate based on the BADLAR rate for private banks, plus a 4.50% margin, payable on a quarterly basis since the origination of the loan.

5.13 Taxes Payable

	December 31, 2019	December 31, 2018
Non-Current		
Taxes Payable on a National Level	24,613,655	56,253,124
Taxes Payable on a Provincial Level	4,325,673	9,500,263
	28,939,328	65,753,387
Current		
Taxes Payable on a National Level	508,718,567	392,145,312
Taxes Payable on a Provincial Level	16,091,822	34,996,716
Taxes Payable on a Municipal Level	1,933,632	3,359,603
	526,744,021	430,501,631

5.14 Other Liabilities

	December 31, 2019	December 31, 2018
Non-Current		
Deposits in Guarantee	2,000	3,077
Call Options (Note 10)	172,770,000	173,984,446
Other	10,311,336	12,362,958
	183,083,336	186,350,481

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	December 31, 2019	December 31, 2018
Current		
Advances from Customers	358,542,615	420,061,498
Related Parties (Note 15)	10,239,128	8,261,732
Revenues to be Accrued	275,612,673	287,045,175
Other	170,335,201	105,122,714
	814,729,617	820,491,119

5.15 Trade and Other Payables

	December 31, 2019	December 31, 2018
Non-Current		
Suppliers and Trade Provisions	5,435,531	10,174,155
Employer's Contributions	62,220,345	102,864,794
	67,655,876	113,038,949
Current		
Suppliers and Trade Provisions	3,609,899,626	4,673,990,578
Related Parties (Note 15)	123,932,752	273,355,183
Employer's Contributions	1,637,315,845	2,096,734,476
	5,371,148,223	7,044,080,237

5.16 Right-of-Use Assets and Lease Liabilities

The Company has real property lease agreements, which pursuant to IFRS 16 (see Note 2.3.2), have been recognized with the simplified retrospective approach considering the accumulated effect of the application as from January 1, 2019, without restating the information presented for comparative purposes. The Company recognized right-of-use assets for the amount of lease liabilities as of the date of adoption (equal to the present value of the remaining lease payments, which have been discounted at an average borrowing rate of 53.82% for agreements denominated in Argentine pesos and 7.68% for agreements denominated in U.S. Dollars), adjusted by the amount of any prepaid or accrued lease payment as of December 31, 2018.

Right-of-use assets and lease liabilities related to the above-mentioned agreements are disclosed in a separate item of Assets and Liabilities, respectively, in the Statement of Financial Position. The amortization of right-of-use assets is disclosed under Amortization of Right-of-Use Assets (see Note 6.3.)

The following table shows the changes in the item right-of-use assets:

	2019	2018
Balances as of January 1	-	-
Effect of adopting new accounting policy	185,769,217	-
Balances as of January 1, restated	185,769,217	-
Additions	46,801,520	-
Retirements	(15,914,310)	-
Amortization	(122,536,451)	-
Balances as of December 31	94,119,976	-

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The following is the evolution of Lease Liabilities:

	2019	2018
Balances as of January 1	-	-
Effect of adopting new accounting policy	185,769,217	-
Balances as of January 1, restated	185,769,217	-
Interest (*)	50,069,751	-
Exchange Differences (*)	24,839,697	-
Additions	46,801,520	-
Gain (Loss) on Net Monetary Position	(62,561,444)	-
Retirements	(14,587,369)	-
Payments	(136,455,226)	-
Balances as of December 31	93,876,146	-

(*) Included under financial costs in the Consolidated Statement of Comprehensive Income.

5.17 Changes in provisions and allowances

Items	Balance at the Beginning	Increases		Decreases [6]		Balances as of December 31, 2019	Balances as of December 31, 2018
Deducted from Assets							
Allowance for Bad Debts	467,836,926	254,496,977	(1)	(404,384,342)	(1)	317,949,561	467,836,926
Allowance for Impairment of Inventories	12,535,937	13,531,625	(2)	(6,818,859)		19,248,703	12,535,937
Allowance for Impairment of Property, Plant and Equipment and Obsolescence of Materials	-	16,387,814	(7)	-		16,387,814	-
Allowance for Impairment of Intangible Assets	-	118,950,417	(7)	-		118,950,417	-
Valuation Allowance [5]	21,497,149	292,237,122	(3)	(193,169)	(3)	313,541,102	21,497,149
Total	501,870,012	695,603,955		(411,396,370)		786,077,597	501,870,012
Included in liabilities							
Provisions for Lawsuits and Contingencies	690,712,216	525,669,967	(4)	(440,589,163)	(4)	775,793,020	690,712,216
Accrual for Asset Retirements	18,809,315	2,596,804	(4)	-	(4)	21,406,119	18,809,315
Total	709,521,531	528,266,771		(440,589,163)		797,199,139	709,521,531

(1) Includes $ 197 million corresponding to net increases which were charged to Selling Expenses (see Note 6.3) and Other Financial Results, net for $ 30 million.
(2) Charged to Impairment of Inventories and Obsolescence of Materials under Production Expenses (see Note 6.3).
(3) Includes $ 292 million charged to Income Tax and Tax on Assets.
(4) Includes net increases in the amount of $ 291 million which have been charged to Contingencies (see Note 6.3) and $ 237 which have been charged to Other Financial Income, Net.
(5) Includes Valuation Allowance for Deferred Tax Assets, net.
(6) Includes the effect of the Gain (Loss) on Net Monetary Position.
(7) Includes net increases of $ 135 million which have been charged to Other Income and Expenses, net.

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NOTE 6 - BREAKDOWN OF THE MAIN ITEMS OF THE STATEMENT OF COMPREHENSIVE INCOME

6.1 Revenues

	December 31, 2019	December 31, 2018
Advertising Sales	11,339,987,904	13,362,837,695
Circulation Sales	6,890,449,236	7,998,236,868
Printing Services Sales	610,062,153	258,279,307
Television Signals Sales	3,817,409,388	3,597,925,165
Sale of Goods	401,925,409	1,118,764,508
Sales of Logistics Services	1,413,538,943	1,570,417,527
Other Sales	955,971,865	1,712,509,766
Total [1]	25,429,344,898	29,618,970,836

[1] Includes sales executed through barter transactions as of December 31, 2019 and 2018 for $ 386 million and $ 460 million, respectively.

6.2 Cost of Sales

	December 31, 2019	December 31, 2018
Inventories at the beginning of the year	1,858,901,699	1,811,783,156
Purchases for the year	4,137,194,717	5,550,812,255
Production and Services Expenses (Note 6.3)	12,268,846,091	14,082,617,743
Less: Inventories at year-end	(1,349,467,406)	(1,858,901,699)
Cost of Sales	16,915,475,101	19,586,311,455

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6.3. Production and Services, Selling and Administrative Expenses

Item	Production and Services Expenses	Selling Expenses	Administrative Expenses	Total as of December 31, 2019	Total December 31, 2018
Fees for Services	1,152,909,896	416,119,349	574,070,685	2,143,099,930	2,438,057,959
Salaries, Social Security and Benefits to Personnel [1]	5,513,029,297	967,042,668	1,998,366,156	8,478,438,121	10,222,307,758
Advertising and Promotion Expenses	-	734,255,089	2,033,780	736,288,869	952,912,945
Taxes, Duties and Contributions	286,534,552	104,740,136	136,657,335	527,932,023	596,736,521
Bad Debt Expenses	-	197,454,812	-	197,454,812	222,875,245
Travel Expenses	337,037,209	27,756,582	64,873,383	429,667,174	491,679,431
Maintenance Expenses	551,394,458	47,210,440	185,376,391	783,981,289	680,318,814
Distribution Expenses	391,268,866	1,358,200,050	-	1,749,468,916	1,721,990,989
Communication Expenses	71,581,007	14,042,039	25,334,977	110,958,023	147,350,597
Contingencies	-	-	290,838,012	290,838,012	259,876,461
Stationery and Office Supplies	33,440,762	1,162,282	17,108,219	51,711,263	58,310,203
Commissions	-	71,770,901	12,200,139	83,971,040	70,611,588
Productions and Co-Productions	809,706,555	-	-	809,706,555	952,803,310
Printing Expenses	833,194,175	-	-	833,194,175	921,447,195
Rights	74,523,898	-	-	74,523,898	90,360,611
Services and Satellites	350,726,754	5,346,739	139,641,012	495,714,505	474,563,929
Severance Payments	394,136,507	87,697,957	75,948,849	557,783,313	606,315,422
Non-Computable VAT	53,596,628	-	-	53,596,628	200,371,894
Leases	225,147,459	9,622,330	17,871,009	252,640,798	455,497,115
Amortization of Intangible Assets	172,743,660	54,888,439	51,927,863	279,559,962	343,461,877
Amortization of Film Library	1,034,622	-	-	1,034,622	4,500,894
Amortization of Right-of-Use Assets	122,536,451	-	-	122,536,451	-
Depreciation of Property, Plant and Equipment	624,645,094	31,835,539	60,324,390	716,805,023	766,936,689
Impairment of Inventories and Obsolescence of Materials	13,531,625	-	-	13,531,625	2,860,484
Other Expenses	256,126,616	60,219,107	139,861,024	456,206,747	565,363,439
Total as of December 31, 2019	12,268,846,091	4,189,364,459	3,792,433,224	20,250,643,774	
Total as of December 31, 2018	14,082,617,743	4,765,405,960	4,399,487,667		23,247,511,370

[1] As of December 31, 2019 and 2018, it includes a recovery corresponding to the allocation of employer's contributions as a tax credit against VAT by certain subsidiaries (Decree No. 746/03 issued by the National Executive Branch), for approximately $ 847 million and $ 1,052 million, respectively, as mentioned in Notes 8.2.e., 8.2.f and 20.

6.4 Financial Costs

	December 31, 2019	December 31, 2018
Interests	(654,828,386)	(529,457,534)
Exchange Differences	(453,025,028)	(724,355,651)
Total	(1,107,853,414)	(1,253,813,185)

6.5 Other Financial Results, net

	December 31, 2019	December 31, 2018
Exchange Differences	14,268,478	267,621,122
Interests	116,638,648	109,018,182
Financial Discounts on Assets and Liabilities	(56,417,137)	(88,183,357)
Other Taxes and Expenses	(292,859,223)	(435,494,765)
Results from Operations with Notes and Bonds	96,819,901	-
Total	(121,549,333)	(147,038,818)

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6.6 Other Income and Expenses, net

	December 31, 2019	December 31, 2018
Income from Sale of Property, Plant and Equipment and Intangible Assets [3]	(79,627,735)	28,381,271
Gain under settlement agreement with Supercanal Group [1]	-	664,934,595
Loss from Credit Assignment [1]	-	(110,529,858)
Income from Liquidation of Companies [2]	187,377,684	-
Impairment of Property, Plant and Equipment, Intangible Assets and Tax Credits	(172,816,414)	-
Other	(15,509,110)	(85,988,881)
Total	(80,575,575)	496,797,127

[1] On June 15, 2018, the Company executed a settlement agreement with América TV S.A., SupercableCanal S.A., Supercanal S.A, José Luis Manzano, Daniel Eduardo Vila-and their respective related companies (jointly, the "Supercanal Group") and Telecom Argentina S.A., whereby, in order to settle the various reciprocal judicial claims filed among the parties—and their shareholders and/or controlled and/or related companies—and in connection with the ownership of an equity interest in Supercanal Holding S.A. (currently, Supercanal S.A.)—and related disputes—(the "Judicial Claims") Pursuant to the Agreement, any claims that the parties may have against each other—and/or their respective controlled and related companies, and/or their respective directors and/or shareholders—in connection with the Judicial Claims shall be deemed settled; all costs of the Judicial Claims shall be borne by the Supercanal Group, except for each party's attorneys' fees. Under such agreement, Grupo Clarín was entitled to collect a total of US$ 18.9 million in an estimated term of 120 monthly installments. In addition, surety bonds were executed to guarantee the performance of the services undertaken by América TV S.A. within the framework of the agreement. América TV will settle the debt with Grupo Clarín through the assignment of collection rights held by América TV, generated by its operating activities. The present value of the agreed-upon amount as of the date of the transaction was US$ 12 million, equivalent to $ 665 million restated in constant currency as of December 31, 2019, included in the Statement of Comprehensive Income under the item “Other Income and Expenses, net.”

Subsequently, on November 21, 2018, Cablevisión Holding S.A. accepted an assignment offer submitted by the Company for all the collection rights and actions under the above mentioned credit and the rights and guarantees derived from the debt acknowledgment agreement and the TV signal exhibition agreements and assignment of advertising spaces that had been executed. The book value of the credit at the assignment date amounted to US$ 10.6 million and Cablevisión Holding S.A. paid US$ 8.7 million in consideration of the assignment, generating a loss equivalent to $ 111 million restated in constant currency as of December 31, 2019, included in the Statement of Comprehensive Income under “Other Income and Expenses, net.”

[2] Corresponds to the effect of the liquidation process of subsidiaries of Sadkal.

[3] As of December 31, 2019, includes the proceeds from the sale of the brand “Deautos.com” and other related assets made during June 2019.

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NOTE 7 - INCOME TAX

The following table shows the reconciliation between the consolidated income tax charged to net income (loss) for the years ended December 31, 2019 and 2018 and the income tax liability that would result from applying the current tax rate on consolidated income (loss) before income tax and tax on assets and the income tax liability assessed for each year (amounts stated in thousands of Argentine Pesos):

	December 31, 2019	December 31, 2018
Income (Loss) before Income Tax	(791,447)	(323,290)
Current Rate	30%	30%
Income Tax Assessed at the Current Tax Rate on Income (Loss) before Income Tax	237,434	96,987
Permanent Differences:		
Equity in Earnings from Associates	52,723	76,949
Gain (Loss) on Net Monetary Position	(603,417)	(1,250,279)
Non-Deductible Expenses	26,570	(135,669)
Effect of the change in the tax rate (1)	(87,862)	(44,778)
Other	(1,059)	(51,134)
Subtotal	(375,611)	(1,307,924)
Expired Tax Loss Carryforwards	-	(743)
Valuation Allowance for Net Deferred Tax Assets Charged to Income	(292,044)	202,377
Total Income Tax	(667,655)	(1,106,290)
Deferred Tax	67,951	(331,321)
Current Tax	(735,606)	(774,969)
Income Tax Assessed for the Year	(667,655)	(1,106,290)
Tax on assets	-	72,144
Total	(667,655)	(1,034,146)

(1) Corresponding to the effect of applying the changes in the income tax rates, as per the tax reform detailed in Note 20, to deferred tax assets and liabilities according to the year in which they are expected to be realized.

Breakdown of Consolidated Deferred Tax (in thousands of Argentine pesos):

	December 31, 2019	December 31, 2018	Changes
Deferred Tax Assets			
Tax Loss Carryforwards	482,368	512,517	(30,149)
Inventories	15,272	12,682	2,590
Provisions and Other Charges	185,879	164,399	21,480
Trade Receivables	88,147	128,748	(40,601)
Deferral of the Inflation Adjustment for Tax Purposes (Note 20)	353,508	-	353,508
Other Liabilities	80,903	125,970	(45,067)
Accounts Payable	56,857	72,889	(16,032)
	1,262,934	**1,017,205**	**245,729**
Deferred Tax Liabilities			
Property, Plant and Equipment	(670,636)	(765,835)	95,199
Intangible Assets	(23,206)	(40,253)	17,047
Other Investments	(13,244)	(9,224)	(4,020)
Other Assets	(31,112)	(37,152)	6,040
Subtotal	**(738,198)**	**(852,464)**	**114,266**
Valuation Allowance on Tax Loss Carryforwards - (Charges)	(313,541)	(21,497)	(292,044)
	(1,051,739)	**(873,961)**	**(177,778)**
Total Net Deferred Tax Assets / (Liabilities)	**211,195**	**143,244**	**67,951**

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The following is a detail of net deferred tax assets taking into consideration the deferred tax position of each legal entity (in thousands of pesos):

	December 31, 2019	December 31, 2018
Deferred Tax Assets	493,273	442,995
Deferred Tax Liabilities	(282,078)	(299,751)
Total Net Deferred Tax Assets	211,195	143,244

As of December 31, 2019, the Company's and its subsidiaries' accumulated consolidated tax loss carryforwards amounted to approximately $ 1,850 million, which calculated at the tax rate that will be in effect at the time the Company expects it will use them amount to $ 482 million. The following table shows the expiration date of the accumulated tax loss carryforwards pursuant to statutes of limitations (amounts stated in thousands of Argentine Pesos):

Expiration year	Tax Loss Carryforwards
2020	78,011
2021	137,893
2022	243,576
2023	401,043
2024	989,839

The Company estimates that the tax loss carryforwards are recoverable for the net amounts disclosed.

NOTE 8 - PROVISIONS AND OTHER CONTINGENCIES

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 notice of an injunction issued 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 $ 387,028,756 in historical currency as of that date recorded under the retained earnings account, other than to distribute dividends to the shareholders.

   On the same date, the Company was served notice of a claim brought by Argentina's National Social Security Administration requesting the nullity of the decision made on item 7 (Appropriation of Retained Earnings) of the agenda of the Annual Ordinary Shareholders' Meeting held on April 22, 2010. On December 2, 2019, a decision was issued admitting the claim brought by Argentina's National Social Security Administration and declaring the nullification of the decision made on item 7 (Appropriation of Retained Earnings) of the agenda of said Shareholders' Meeting, at which the shareholders had resolved that the profits for the year 2009, of $ 290,146,539 in historical currency as of that date, be appropriated as follows: (i) $ 14,507,327 to the Legal Reserve and (ii) $ 275,639,212 to Retained Earnings. On the same date, the Company filed an appeal against such decision. As of the date of these financial statements, the Company submitted grounds for its appeal, which is still pending.

   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. V of the National Court of Appeals on Federal Administrative Matters issued an 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 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 proceeding was in the discovery stage.

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 proceeding was in the discovery stage.

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 and the proceeding is in the discovery stage.

On November 10, 2016, the Company was served notice of a claim brought by Argentina's National Social Security Administration in re "National Government - Ministry of Economy and Finance v. GRUPO CLARÍN S.A. on Ordinary Proceeding" File -22,658/2015, 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 28, 2015. As of the date of these financial statements, the Company has filed a response, produced evidence and made its final statement.

On April 3, 2017, the Company was served notice of a claim brought by Argentina's National Social Security Administration in re "National Government - Ministry of Economy and Finance v. GRUPO CLARÍN S.A. on

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Ordinary Proceeding" File -22,832/2014, 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, produced evidence and is within the required term to make its final statement.

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. The Argentine Federal Revenue Service ("AFIP") served the subsidiary CIMECO with a notice challenging its income tax assessment for fiscal years 2000, 2001 and 2002. In such notice, the AFIP challenged mainly the deduction of interest and exchange differences in the tax returns filed for those years. If AFIP's position prevails, CIMECO's maximum contingency as of December 31, 2019 would amount to approximately $ 12.3 million for taxes and $ 58.1 million for interest.

   CIMECO filed a response, which was dismissed by the tax authorities. The tax authorities issued their own official assessment and imposed penalties. CIMECO appealed the tax authorities' resolution before the National Tax Court on August 15, 2007.

   During the year ended December 31, 2010, CIMECO received a pro forma income tax assessment from the AFIP for fiscal periods 2003 through 2007, as a consequence of AFIP's challenge to CIMECO's income tax assessments for the periods 2000 through 2002 mentioned above. CIMECO filed a response before AFIP, rejecting such assessment and requesting the suspension of administrative proceedings until the Federal Tax Court renders its decision on the merits.

   During 2011, the AFIP served CIMECO with a notice stating the income tax charges assessed for years 2003 through 2007 and ordering the initiation of summary proceedings. The AFIP's assessment shows a difference in its favor in the Income Tax liability for the periods indicated above for an amount in excess of the amount that had been estimated originally, as a result of the method used to calculate certain deductions. CIMECO responded to the assessment rejecting all of the adjustments and requesting that the proceedings be rendered without effect and filed, with no further actions to be taken.

   On April 26, 2012, the AFIP issued a new official assessment comprising the fiscal years 2003 through 2007, in which it applied the same method for the calculation as that used for the administrative settlement, claiming a total liability of $ 120 million. On May 21, 2012, an appeal was filed with the Federal Tax Court.

   On December 18, 2017, the company was served with Resolution No. 132/2017 (DV MRRI) which imposed on CIMECO a fine of approximately $ 33 million in historical currency as of that date for an alleged omission of income tax for fiscal periods 2003-2007, pursuant to Section 45 of Law No. 11,683.

   CIMECO and its legal and tax advisors believe CIMECO has strong grounds to defend the criteria adopted in its tax returns. Such criteria would also provide a reasonable basis to hold that the fine imposed was illegitimate. Therefore, CIMECO considers that AFIP's claims will not prosper before a judicial court. Accordingly, CIMECO has not booked an allowance in connection with the effects such challenges may have.

c. On September 10, 2010, the AFIP served TRISA with a notice with objections to its income tax assessment, with respect to the application of the withholding regime set forth under the section following section 69 of the Income Tax law, for fiscal years 2004, 2005 and 2006. If AFIP's position prevails as of December 31, 2019, the contingency would amount to approximately $ 28.9 million in historical currency as of the original date of the claim, out of which $ 9.3 million would correspond to taxes on dividend payments made on

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February 25, 2004, February 24, 2005 and February 24, 2006; $ 6.5 million to a 70% fine on the omitted tax, and $ 13.1 million to late-payment interest, calculated as of the date of the AFIP's tax assessment.

TRISA filed a response, which was dismissed by the tax authorities. On December 20, 2010, the tax authorities issued their own official assessment and imposed penalties. The company appealed the tax authorities' resolution before the National Tax Court on February 8, 2011. On June 1, 2011, the 2.5% Appeal Fee was credited.

On August 23, 2019, the National Tax Court served notice of its decision to revoke the decision against which TRISA had filed an appeal.

The National Tax Authority filed an appeal against such decision but, on October 20, 2019, it withdrew its appeal. On October 25, 2019, the National Tax Court deemed the appeal abandoned.

In view of the withdrawal of the appeal filed by the National Tax Authority, as of the date of these financial statements, the decision rendered on August 23, 2019 has become final.

d. As a result of a report on suspicious transactions issued by the Argentine Federal Revenue Service ("AFIP") concerning transactions carried out between the Company and some subsidiaries, the Financial Information Unit ("FIU") pressed criminal charges for alleged money laundering. The action is now pending before Federal Court No. 9, under Dr. Luis Rodriguez. The FIU has pressed charges against the Company and its directors for alleged money laundering activities related to the trading of shares between the Company and some of its subsidiaries. The Company has appointed defense attorneys and has requested a copy of the file to understand the details of the charges. The FIU is acting as plaintiff in this case. One of the Company's directors made a spontaneous appearance and filed a response and produced documentary evidence. Certain charges pressed by Representative Di Tullio were also added to the case. In addition, the Prosecutor requested that the charges be investigated and that certain evidentiary measures be taken which have not yet been fulfilled as of the date of these financial statements.

   In March 2014, the intervening prosecutor Miguel Angel Osorio broadened the request for evidence with regard to intercompany movements between Cablevisión and certain subsidiaries, all of which were regular and had been duly recorded.

   In October 2019, the court dismissed the case and acquitted the directors of the Company who had been charged by the FIU. On December 9, 2019, the Federal Criminal and Correctional Court of Appeals ratified the above-mentioned decision, which is therefore deemed final and the case is now closed.

e. By means of Resolution 16,364/2010, dated and notified to AGEA as of July 15, 2010, the CNV's Board of Directors decided to initiate summary proceedings against AGEA and certain members as of the date of initiation of summary proceedings and former members of its board of directors and supervisory commission, for alleged infringement of the Argentine Business Associations Law, Decree No. 677/01 and Law No, 22,315. AGEA, and the members as of the date of initiation of summary proceedings and former members of the Board of Directors and supervisory commission who are subject to the summary proceedings, duly filed their respective responses. Subsequently, the file was submitted to the Legal Affairs Division of the CNV. As of the date of these financial statements, it is currently pending before the Ministry of Economy. On September 9, 2019, the CNV received the file from the Criminal and Correctional Court No. 11, which had been previously held by the Ministry of Economy. Subsequently, the CNV set the date for the preliminary hearing for March 11, 2020, which was suspended by a decision rendered on February 14, 2020 until it has been duly clarified how each of the parties subject to the summary proceedings exercised its due process rights.

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f. Through the Joint Confidential Resolution dated October 30, 2017 (No. RRFCO-2017-12-APN-DIR-CNV), subsequently supplemented with the Joint Confidential Resolution dated November 24, 2017 (No. RRFC-2017-16-APN-DIR, served on the Company on December 4, 2017, the CNV decided to initiate summary proceedings against the Company and the members of its Board of Directors, Supervisory Committee and Audit Committee as of the date of the alleged breach for alleged infringement of their duty to disclose the execution of an irrevocable contribution agreement with the Company's subsidiary AGEA on June 24, 2014, as a relevant fact, pursuant to Section 1, 2 and 3, subsection 16), Chapter I, Title XII of the Rules. The subsidiary of the Company, AGEA, as well as its directors and syndics are also subject to summary proceedings. Each of them filed their respective responses in due time and form. On April 25, 2018, the preliminary hearing was held and the judge ordered discovery proceedings. On October 9, 2018, the parties to the summary proceeding submitted the corresponding legal brief. As of the date of these financial statements, the Summary Proceedings Management is preparing its opinion on the file, before submitting it to the Board of Directors of the CNV.

In addition, through the Joint Confidential Resolution No. RRFCO-2017-11-APN-DIR#CNV dated October 30, 2017 served on December 1, 2017, the CNV decided to initiate summary proceedings against the Company and the members of its Board of Directors, Supervisory Committee and Audit Committee and the Market Relations Officer as of the date of the alleged breach for alleged infringement of their duty to disclose the appeal filed against the injunction issued on December 20, 2011 in re "Supercanal S.A. vs. Cablevisión S.A. and Other on Complaint for the protection of constitutional rights, Injunction", and the dismissal of the appeal by the Federal Court of Appeals of Mendoza, as a relevant fact, pursuant to Section 1, 2 and 3, subsection 16), Chapter I, Title XII of the Rules. Cablevisión, as well as its directors and members of the Supervisory Committee and the Market Relations Officer as of the date of the alleged breach are also subject to the summary proceedings. As of the date of these financial statements, each of them had filed their respective responses in due time and form. On April 25, 2018, the preliminary hearing was held and the judge ordered discovery proceedings. On October 9, 2018, the parties to the summary proceeding submitted the corresponding legal brief.

g. The subsidiary AGEA received several inspections from the AFIP aimed at verifying compliance with the so-called competitiveness plans implemented by the National Executive Branch. After several reports issued by the AFIP and the corresponding Resolutions issued by the Ministry of Economy, such agencies allege that certain acts performed by AGEA during 2002 lead to the nullity of some of the benefits granted under said plans, for an estimated total amount of $ 73 million in historical currency as of that date, including adjustments and accessory amounts. In April 2013, AGEA was served with AFIP Resolution No. 03/13, whereby such agency decided to exclude AGEA from the Registry of Beneficiaries of the Competitiveness and Employment Generation Agreements under the Cultural Sector Agreement, as from March 4, 2002. The AFIP ordered the restatement of the tax returns and the deposit of the corresponding amounts. AGEA filed an appeal against such resolution. Notwithstanding the foregoing, in re "AEDBA and Other v. Ministry of Economy Resolution No. 58/10", the Federal Court on Administrative Matters No. 6 issued an injunction ordering AFIP to refrain from initiating and/or continuing with the administrative proceeding/s and/or any act that would entail the enforcement of the amounts payable under Resolution No. 3/13, until a final decision is rendered. Notwithstanding the foregoing, AGEA cannot assure that the appeal will be resolved in its favor. Subsequent to the issuance of the injunction mentioned above, the National Government requested that the injunction be declared expired due to the application of the time limitations provided under article 5 of Law No. 26,854. The intervening court lifted the injunction. AGEA filed an appeal against such decision but the appeal was dismissed on June 4, 2019. On November 28, 2018, upon new requests made by the AFIP, the Company requested a new injunction in the case, requesting that AFIP be ordered to suspend the debt assessment procedures initiated by that agency. On May 21, 2019, the Company requested an interim injunction ordering the suspension of the effects of AFIP Resolutions Nos. 24/19 and 25/19 under which AGEA was demanded to pay, as well as the suspension of any existing deadlines and any other activity by AFIP seeking to assess debt or to collect any amounts in connection with the tax benefits, the expiration of which had been challenged. Such injunction was issued on May 23, 2019, and on May 28,

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2019, the court rendered a decision whereby it clarified that the suspension of the effects included the calculation of the deadlines to file an appeal with the National Tax Court. The AFIP requested the revocation of the new injunction requested in November 2018 and the immediate lifting of the interim injunction. On July 18, 2019, the Court of Appeals revoked the interim injunction. As a result, AGEA has filed an appeal with the National Tax Court. On July 19, 2019, the Court of Appeals decided that the case was ready for resolution in connection with the injunction requested in November 2018. AGEA's legal advisors believe that there are reasonable possibilities that the outcome will be favorable.

h. Pursuant to Resolution No. 17,522 issued on September 18, 2014 and notified to AGEA on September 24, 2014, the Board of Directors of the CNV decided to initiate summary proceedings against AGEA, certain current and former members of its Board of Directors and supervisory commission –who occupied those positions between September 19, 2008 and the date of initiation of summary proceedings- and against that company's Head of Market Relations, for an alleged failure to comply with the duty to inform that AGEA was a co-defendant in re "*CONSUMIDORES FINANCIEROS ASOCIACION CIVIL PARA SU DEFENSA* AND OTHER V. GRUPO CLARIN S.A. AND OTHER on EXPEDITED SUMMARY PROCEEDING" (File No. 065441/08). The summary proceeding is grounded on an alleged failure to comply with Section 5, subsection a), the first part of Section 6 and Section 8, subsection a) paragraph V) of the Annex to Decree No. 677/01; with Sections 1, 2 and 3, subsection 9) of Chapter XXI of the REGULATIONS (T.R. 2001 as amended) –now Section 1 of Part I, Chapter I, Title XII of the REGULATIONS (T.R. 2013 as amended); with Sections 2 and 3 subsection 9) of Part II, Chapter I, Title XII of the REGULATIONS (T.R. 2013 as amended); with Section 11 subsection a.12) of Chapter XXVI of the REGULATIONS (T.R. 2001 as amended) –now Section 11 subsection 13) of Part IV, Chapter I, Title XV of the REGULATIONS (T.R. 2013 as amended); with Section 99 and 100 of Law No. 26,831; and with Sections 59 and 294 subsection 9) of Law No. 19,550. AGEA, and the members as of the date of initiation of summary proceedings and former members of the Board of Directors and supervisory commission who are subject to the summary proceedings, duly filed their respective responses. On February 11, 2015, the preliminary hearing was held pursuant to Article 8, subsection b.1.), Title XIII, Chapter II, Section II of the Regulations (T.R 2013, as amended). On August 19, 2015, the company submitted the legal brief for the discovery stage. As of the date of these financial statements, a draft opinion is being prepared on the file by the Summary Proceedings Management of the CNV, before being submitted to the Board of Directors of the CNV.

i. On August 22, 2017, the Federal Court on Administrative Matters No. 4 issued an injunction, requested by the Argentine Chamber of Independent TV Producers ("CAPIT", for its Spanish acronym), whereby it extended for six months the effectiveness of the benefits set forth in Decree No. 746/03, which allows for the application of employer's contributions as a tax credit against VAT, in the case of the companies that are members of the CAPIT. On February 14, 2018, August 3, 2018 and February 13, 2019, the above-mentioned Court extended for six months, on each of those dates, the effectiveness of the injunction in favor of the CAPIT.

In addition, on February 7, 2019, the ENACOM issued Resolution No. 535/2019, whereby it rendered independent producers on an equal footing with regard to the allocation of social security contributions as creditable against VAT.

In June 2019, the Federal Court on Administrative Matters No. 4 in re "Argentine Chamber of Independent TV Producers ("CAPIT", for its Spanish acronym) v. National Executive Branch on Proceeding leading to a declaratory judgment" admitted the claim filed by the CAPIT. In its claim, the CAPIT requested that the benefit granted under Decree No. 746/03 remain in effect. The Court declared the right to a differential VAT regime applicable to the relevant sectors, to be created, enforced and regulated by the authorities duly vested with that power by the Constitution. In addition, the Court decided that claimants that have fulfilled their tax obligations within the scope of the injunction shall not be considered delinquent. Subsequently, the National Tax Authority filed an appeal. In October 2019, the Court of Appeals on Federal Administrative

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Litigation Matters, Chamber II, dismissed the appeal that had been filed by the AFIP and ratified the above-mentioned decision.

Since Pol-Ka is a member of the CAPIT, it has been allocating employer's contributions as a tax credit against VAT as from August 2017.

In addition, through Decree No. 1,094/18, the Executive Branch enacted Law No. 27,467, which introduced amendments regarding VAT, thus allowing, as from January 1, 2019, to allocate employer's contributions as a tax credit against VAT (See Note 20).

j. On February 27, 2013, the AFIP served IESA with a notice stating the income tax and value added tax charges assessed for fiscal period 2008 and ordering the initiation of summary proceedings for alleged omitted taxes. The AFIP mainly challenged the deduction of certain expenses and fees, as well as the calculation of the corresponding tax credit. IESA filed an appeal in connection with such order, which is currently pending before the National Tax Court. The official assessment amounts to $ 1.4 million for income tax and $ 5.1 million for late-payment interest and fines, calculated as of December 31, 2019.

   The official value-added tax assessment amounts to $ 0.8 million for tax differences and $ 2.8 million for late-payment interest and fines, calculated as of December 31, 2019.

   On October 21, 2015, the AFIP served IESA with a notice stating the income tax and value added tax charges assessed for fiscal period 2009 and ordering the initiation of summary proceedings for alleged omitted taxes. The AFIP mainly challenged the deduction of fees, as well as the calculation of the corresponding tax credit. IESA filed an appeal in connection with such order, which is currently pending before the National Tax Court. The official assessment amounts to $ 1.2 million for income tax and $ 4.5 million for late-payment interest and fines, calculated as of December 31, 2019.

   The official value-added tax assessment amounts to $ 0.4 million for tax differences and $ 1.8 million for late-payment interest and fines, calculated as of December 31, 2019.

   IESA and its legal and tax advisors believe that it has strong arguments in its favor to defend the criterion adopted in its tax returns.

k. Pursuant to CNV Resolution No. 16,834 dated June 14, 2012 notified to the Company on June 27, 2012, the CNV ordered the initiation of summary proceedings against the Company and the members of its Board of Directors, Supervisory Committee and Audit Committee in office at the time of the occurrence of the events that motivated the proceedings (September 19, 2008) for alleged failure to comply with the duty to inform. Under said Resolution, the CNV argues that the Company allegedly failed to comply with the duty to disclose the filing of a claim against it entitled "Consumidores Financieros Asociación Civil para su defensa and other v. Grupo Clarín on/Ordinary", which the CNV considers relevant. On July 25, 2012, Cablevisión filed a response petitioning that its defenses be sustained and that all charges against it be dismissed. The legal brief on the evidence has been submitted. The Company and its legal advisors believe that the company has strong arguments in its favor. Nevertheless, the Company cannot assure that the outcome of said summary proceedings will be favorable.

8.2 Other Claims and Disputes

a. On June 22, 2007, TSC executed several documents with AFA, applicable from the 2007/2008 until the 2013/2014 soccer seasons, whereby TSC held all the broadcasting rights for ten of the Argentine soccer first division official tournament matches played each week.

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On August 13, 2009 AFA notified TSC of its decision to terminate unilaterally the above-mentioned agreement. TSC challenged AFA's unilateral termination of the agreement and, in order to safeguard its rights, on June 15, 2010 it brought a legal action against AFA before a commercial court for contractual breach and damages.

AFA summoned the National Government as a third party, and the National Government was incorporated to the proceedings. The National Government requested that the case be submitted to the Court on Federal Administrative Matters. The request was dismissed by the Commercial Court of Appeals, which ratified the jurisdiction of the Commercial Court.

The National Government filed an appeal in connection with the jurisdictional conflict, with the Supreme Court of Argentina, which dismissed the appeal and ordered that the file be submitted to the Court of First Instance. On September 5, 2016, the judge ordered discovery proceedings, and established that the hearing provided under Section 360 of the Civil and Commercial Procedure Code of Argentina would be held on June 5, 2017.

TSC 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. Finally, TSC abandoned the claim it had brought, which was consented both by the National Government and by AFA.

As of the date of these financial statements, the Judge acknowledged said abandonment and TSC paid the court costs approved by the Judge and accepted by the National Tax Authority. As of the date of these financial statements, the Company had paid and made the judicial deposit for the full amount approved. The file is now deemed closed.

b. Pursuant to a notarial certificate issued on September 19, 2008, AGEA and the Company were served with a legal action brought by an entity representing consumers and alleged financial victims (and by six other individuals). Claimants are Multicanal noteholders who claim to be allegedly affected by Multicanal's APE. The claim is grounded on a Consumer Defense Law that, in general terms, provides for an ambiguous procedure that is very strict against the defendant.

The Company, AGEA and certain directors and members of the supervisory committee and shareholders have been served with the claim. After rejecting certain preliminary defenses presented by the defendants, such as the application of statutes of limitation and the failure to comply with prior mediation procedures, the claim followed ordinary procedure and the above-mentioned persons duly filed their respective responses.

On September 4, 2017, the Court of First Instance rejected the claim brought by the entity representing consumers and alleged financial victims and by individuals. As of the date of these consolidated financial statements, both parties filed an appeal against that decision and the file is currently pending for its resolution before the Court of Appeals.

On September 12, 2019, Chamber D of the Commercial Court of Appeals confirmed the decision rendered by the court of first instance that had rejected the claim brought by the entity representing consumers and alleged financial victims. On October 7, 2019, the entity representing consumers filed a federal extraordinary appeal against this decision. AGEA and the Company filed a response on October 28, 2019. As of the date of these consolidated financial statements, the chamber is analyzing the admissibility of the extraordinary appeal.

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c. On September 16, 2010 the Company was served with a claim brought against it by Consumidores Financieros Asociación Civil para su Defensa. The plaintiff claims a reimbursement of the difference between the value of the shares of the Company purchased at their initial public offering and the value of the shares at the time a decision is rendered in the case. The Company has duly responded to the claim and the intervening Court has deemed the claim responded. The proceeding is currently in the discovery stage.

d. Grupo Clarín held its Annual Ordinary Shareholders' Meeting on April 25, 2013. As a result of the issues raised at this Meeting, some of the permanent directors informed the Company that they had pressed criminal charges against the representatives of the shareholder ANSES and of the CNV (Messrs. Reposo, Kicillof, Moreno, Vanoli, Fardi and Helman) for making statements and intellectual constructions which, under the appearance of being included in the new regulations of the Argentine Capital Markets Law, only sought to discredit the Board of Directors and caricature its management, creating pretexts that may lead to an intervention of the Company without judicial control; pursuant to the new powers vested in the CNV by Capital Markets Law No. 26,831. On April 26, 2013, the Board of Directors decided to press charges grounding its claim on the same events that disrupted a legitimate meeting.

   Consequently, the Company sent a letter to the CNV, in which it clearly stated that what had happened at that Meeting could not be considered in any way as an acknowledgment of the legitimacy of the powers vested in the CNV by Law No. 26,831 and/or the regulations that may be issued in the future. The letter also stated that the Company reserved its right to file the pertinent legal actions at any time to request the declaration of the evident unconstitutionality of that law. It also requested the CNV to refrain from performing any act or issuing any resolution that would lead to the execution of the plan of which they had been accused before the courts.

e. The claimants representing media companies in re “AEDBA and Other v. National Government – Decree No. 746/03 – AFIP on Incidental Procedure” pending before the Court on Federal Administrative Matters No. 4 requested that media companies represented by the claimants be granted the right to a differential VAT regime as undertaken by the National Government under Decree No. 746/03 and the rules and regulations issued in connection thereto.

   On October 30, 2003, an injunction was issued in connection with the above-mentioned file, ordering the National Government to maintain the effectiveness of the benefit granted under Decree No. 746/03. The National Government filed an appeal against that decision and on November 6, 2008, the Court of Appeals granted the request to have the injunction revoked, among other things. On November 27, 2008, the claimants filed an appeal with the Supreme Court of Argentina requesting the suspension of the enforcement of such ruling.

   On October 28, 2014, the Supreme Court of Argentina issued a ruling in connection with the above-mentioned file, whereby it declared the appeal formally admissible and thus confirmed the effectiveness of the above-mentioned injunction. In the recitals of its ruling, the Supreme Court stated that: (i) as of the date of the decision, the Executive Branch had not yet established any regime to replace the so-called competitiveness and employment generation agreements; (ii) the differential VAT regime provided under Law No. 26,982 was only applicable to small media companies, not to all media companies; (iii) the tax policy must not be biased and cannot be used as a way to curtail freedom of speech; (iv) the alternative solution that had to be sought ruled out, as a matter of principle, the application of the general regime; (v) even though the merits have not been decided upon (differential VAT regime), the injunction that had been issued in connection thereof shall remain effective until such a solution to the matter is reached; (vi) the legal entities that met the obligations within the scope of the injunction shall not be deemed delinquent; and (vii) the judge of the first instance court shall render an urgent decision on the merits.

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On December 10, 2014, the Federal Court on Administrative Matters No. 4 rendered a decision on the merits in re AEDBA and other v. National Government Decree No. 746/03 and other on Proceeding leading to a declaratory judgment" ordering, among other things, that: The claimants (media companies) have the standing to sue; that the judge cannot legislate because only the Legislative Branch is empowered to do so; that, pursuant to the enactment of Law No. 26,982, the obligation undertaken by the National Executive Branch has already been met since the differential VAT rates have already been set and, therefore, the claim is moot; that, based on the decision rendered by the Supreme Court of Argentina, the companies cannot be deemed delinquent.

Given the fact that the above-mentioned decision opposes and contradicts the grounds stated by the Supreme Court, the claimants (AEDBA, ARPA, ADIRA, as well as other associations) filed an appeal against the decision rendered by the above-mentioned court of first instance with the corresponding Court of Appeals. On October 1, 2015, Chamber II of the Court of Appeals on Federal Administrative Matters admitted the appeals filed by the claimants and revoked the decision rendered by the Court on Federal Administrative Matters No. 4, ordering that the effectiveness of the injunction be maintained and authorizing the allocation of employer's contributions as a tax credit against VAT until the Executive Branch complies with the provisions of Decree No. 746/03.

On December 3, 2015, the Supreme Court of Argentina dismissed the appeal filed by the National Executive Branch. Therefore, the decision rendered by the Court of Appeals became firm and final.

As a result of the foregoing, AGEA and some of its subsidiaries and Radio Mitre started to allocate employer's contributions as a tax credit against VAT as from November 2014.

In addition, through Decree No. 1,094/18, the Executive Branch enacted Law No. 27,467, which introduced amendments regarding VAT, thus allowing, as from January 1, 2019, to allocate employer's contributions as a tax credit against VAT (See Note 20).

f. On October 3, 2014, ARTEAR and some of its subsidiaries submitted a request to join the Association of Argentine Private Broadcasters ("ARPA", for its Spanish acronym), which became effective as from June 2015. As a result of the above-mentioned incorporation, that company became eligible to enjoy the benefit, provided under Decree No. 746/03, of allocating employer's contributions as a tax credit against VAT.

ARPA is a party to "Association of Newspaper Publishers of the City of Buenos Aires (AEDBA, for its Spanish acronym) and other –ADIRA, AAER, ATA AND ARPA- v. National Government - Decree No. 746/03 - AFIP on Autonomous Injunction", in respect of which the Supreme Court of Argentina rendered a decision on October 28, 2014. These associations had requested an injunction ordering the Executive Branch to maintain the effectiveness of the benefit of allocating employer's contributions as a tax credit against VAT, pursuant to Decree No. 746/03, for the companies that belong to these associations, or else, as a default argument, ordering the AFIP to refrain from claiming payment on the corresponding taxes. In addition, the Court confirmed the decision on the extended injunction stating that, notwithstanding the decision, the claimants shall not be deemed delinquent within the framework of the injunction. On October 1, 2015, Chamber II of the Court of Appeals on Federal Administrative Matters admitted the appeals filed by the claimants and revoked the decision rendered by the Court on Federal Administrative Matters No. 4, ordering that the effectiveness of the injunction be maintained and authorizing the allocation of employer's contributions as a tax credit against VAT until the Executive Branch complies with the provisions of Decree No. 746/03.

On December 3, 2015, the Supreme Court of Argentina dismissed the appeal filed by the National Executive Branch. Therefore, the decision rendered by the Court of Appeals became firm and final.

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As a result of the foregoing, ARTEAR and some of its subsidiaries started to allocate employer's contributions as a tax credit against VAT as from July 2015.

In addition, through Decree No. 1,094/18, the Executive Branch enacted Law No. 27,467, which introduced amendments regarding VAT, thus allowing, as from January 1, 2019, to allocate employer's contributions as a tax credit against VAT (See Note 20).

g. In February 2016, Radio Mitre was served with a claim seeking to extend to Radio Mitre the bankruptcy of one of its subsidiaries, Cadena País Producciones Publicitarias S.A., in connection with a case pending before one of the National Courts of First Instance on Commercial Matters of the City of Buenos Aires. Our legal advisors believe that that company has sufficient legal and factual grounds to support its position contrary to that claim and, therefore, they do not foresee any adverse effects that may be derived from this situation.

8.3 Matters concerning Papel Prensa:

I. Papel Prensa suspended its operations with related parties between March 9 and April 21, 2010 pursuant to an injunction issued on March 8, 2010 by Judge Malde. In his ruling, Judge Malde decided to suspend the Board of Directors' resolution of December 23, 2009, which had approved the terms and conditions of transactions with related parties for the year 2010. On April 21, 2010, the Board of Directors of Papel Prensa, following a proposal made by the court-appointed supervisor (*interventor*) and co-administrator, approved the resumption of Papel Prensa's transactions with related parties under provisional conditions for as long as the decision rendered by the Board on December 23, 2009 remained suspended and/or until Papel Prensa's corporate bodies established a business practice to follow with related parties. Such approval involved suspending the application of volume discounts in connection with purchases made by related parties, which could be recognized in their favor, subject to the court's decision on the appeal filed by Papel Prensa against Judge Malde's injunction of March 8, 2010. As from April 21, 2010, transactions with related parties were resumed under the provisional conditions approved by the Board on April 21, 2010.

At a meeting held on December 23, 2010, Papel Prensa's Board of Directors approved new conditions that must be fulfilled for the recognition and payment of volume discounts that may be applicable to related parties in connection with purchases of paper made as from April 21, 2010. These new conditions are as follows: (i) the lifting of the provisional suspension of the resolutions adopted by the Board at the meeting of December 23, 2009, as explained in the previous paragraph, and (ii) the resolution or end, by any means, of any state of uncertainty that may eventually exist about the conditions approved by Papel Prensa's Board in the first item of the agenda of the meeting held on April 21, 2010, as a consequence of the claim brought by the National Government in re "National Government – Secretariat of Domestic Trade – v./ Papel Prensa S.A.I.C.F. y de M. on/ Ordinary", File No. 97,564, currently pending before Federal Commercial Court of First Instance No. 26, Clerk's Office No. 52. Under this proceeding, the National Government seeks to obtain, among other things, a declaratory judgment of nullity of the provisional conditions for the resumption of transactions with related parties in connection with the purchase and sale of paper that was approved by the Board of Papel Prensa in the first item of the agenda of the above mentioned meeting held on April 21, 2010.

Furthermore, at this meeting held on December 23, 2010, Papel Prensa's Board decided to maintain the approved sales policy, but to subject the accrual and enforceability, and, consequently, the recognition and payment to the clients, of the eventual volume discounts that may be applicable to them with respect to paper purchases made between January 1, 2011 and December 31, 2011, to a final favorable ruling in the claim brought by Papel Prensa against the constitutionality of SCI Resolution No. 1/2010, or to the final nullification of such Resolution No. 1/2010 in any other way or by any other legal means, whichever occurs first. In view of the decisions rendered in this case, the substantive claim, in this aspect, is now subject to the outcome of the claim brought by Papel Prensa against the constitutionality of Law No. 26,736. With respect to related parties,

the Board of Directors of Papel Prensa approved the same sales policy and conditions as those approved for the other customers in general.

In a meeting held on December 27, 2011, the Board of Directors of Papel Prensa decided to maintain for 2012 the same sales policy that had been approved for 2011 – under the same terms and conditions mentioned in the previous paragraph – for all of its customers in general (including related parties), which was maintained in subsequent years and, to date, no changes have been introduced.

The commercial policy approved by Papel Prensa was affected by Law 26,736 –effective as from January 5, 2012– which declared that the production, sale and distribution of wood pulp and newsprint were matters of public interest and set forth the regulatory framework to be adopted by the producers, sellers, distributors and buyers of such inputs.

Among other things, the Law set limits and established conditions applicable to Papel Prensa for the production, distribution and sale of newsprint (including a formula to determine the price of paper), and created the National Registry of Producers, Distributors and Sellers of Wood Pulp and Newsprint where all producers, sellers, distributors and buyers shall be registered as a mandatory requirement in order to produce, sell, distribute, and/or purchase newsprint and wood pulp as from the enactment of the Law. It also contains a series of temporary clauses, specifically and exclusively addressed to Papel Prensa, whereby Papel Prensa is forced to make investments to meet the total national demand for newsprint – excluding from this requirement the other existing company that operates in the country with installed capacity to produce this input. The Law also provides for the capitalization of the funds eventually contributed by the National Government to finance these investments for the purposes of increasing the equity interest and the political rights of the National Government in Papel Prensa, contravening public order regulations contained in Law 19,550, as amended, and disregarding several constitutional rights and guarantees of Papel Prensa and its private shareholders.

On February 10, 2012, AGEA registered with the National Registry of Producers, Distributors and Sellers of Wood Pulp and Newsprint (Record No. 63 in File No. S01:0052528/12), clearly stating that the decision to register shall not be construed as an acknowledgment or conformity with the legitimacy of Law 26,736, Resolution No. 9/2012 issued by the Ministry of Economy and Public Finance and SCI Resolution No. 4/2012 issued in connection with such Law and/or any other issued in the future, since they seriously affect several rights and guarantees of AGEA which are recognized and protected by the Argentine National Constitution.

During this year, Law No. 27,498 was published in the Argentina's Official Gazette. Such Law repealed Articles 20, 21, 24, 25, 26, 27, 40 and 41 of Law No. 26,736, revoking the provisions of the latter concerning the use of a formula to fix the price of newsprint provided therein; the fixing and determination of wood pulp and newsprint import needs by an Advisory Committee; and the temporary clauses whereby Papel Prensa was forced to make investments to meet the total national demand for newsprint and the capitalization of the funds eventually contributed by the National Government to finance these investments. In addition, Law No. 27,498 set at zero percent (0%), for ten years, the import duties for wood pulp and newsprint. Upon the enactment of this law, Papel Prensa is now allowed to offer its customers discounts, benefits and/or promotions based on the purchase volume.

II. In March 2016, the Commercial Court of Appeals –Chamber C– summoned Papel Prensa, the CNV, and the shareholders, the National Government, S.A. La Nación, CIMECO and AGEA to attend a hearing to be held on April 7, 2016, solely for conciliatory purposes and with the aim of finding a comprehensive solution to the conflict. The hearing was held on that date and a new date was set to resume the hearing on June 2, 2016 for the same purposes and effects. It was subsequently postponed until June 3, 2016. At that hearing, held on June 3, 2016, Papel Prensa, AGEA and the other shareholders present at the hearing (the National Government, S.A. La Nación and CIMECO) requested that the procedural periods remain suspended in connection with the claims pending before that Court of Appeals, and also requested the court to order a shareholders' meeting of Papel Prensa to be held on September 20, 2016 to address, basically, the issues included under subsections 1, 2 and

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3 of Section 234 of Law No. 19,550, as amended, corresponding to fiscal years ended December 31, 2010, 2011, 2012, 2013, 2014 and 2015. On September 5, 2016, the Court of Appeals called for a shareholders' meeting as requested at the hearing held on June 3, 2016, and at the request of Papel Prensa and the National Government –in view of the urgent and impending terms to make the required publications– on September 8, 2016 it postponed the date of the shareholders meeting until October 19, 2016. On that date, the shareholders of Papel Prensa duly held the court-convened Shareholders' Meeting of that company. At that Shareholders' Meeting, the shareholders approved the financial statements of Papel Prensa for the years ended December 31, 2010, 2011, 2012, 2013, 2014 and 2015 and other accounting documentation under subsection 1, Section 234 of Law No. 19,550, as amended, appointed directors, statutory auditors and members of the supervisory committee for the year 2016, approved the capitalization of the capital adjustment for $ 123,293,385 in historical currency as of that date, issued a decision on the approval and disapproval of the performance of certain directors, statutory auditors and members of the supervisory committee during the full fiscal years under consideration, and unanimously appointed external auditors engaged with issuing an opinion on the financial statements of Papel Prensa as of December 31, 2016 and March 31, 2017. 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, Papel Prensa requested that the majority of the claims involving Papel Prensa be declared moot considering the decisions rendered at the Shareholders' Meeting held on October 19, 2016. On October 4, 2017, the Court of Appeals rendered a decision on more than 90 proceedings declaring them moot as requested and revoking - among others- Resolutions No. 16,647, 16,671 and 16,691 issued by the CNV. Both decisions rendered by the Court of Appeals became final. Papel Prensa submitted the same request to the Court of First Instance on Commercial Matters regarding most of the proceedings pending before the court and that were not submitted to the Court of Appeals, at the request of the Court, for the purposes described above. At the hearing held on April 24, 2018, the National Government agreed on that request, and subsequently, the Judge of the Court of First Instance issued a favorable decision on the request and declared moot all of the claims within the scope of that request. 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).

III. On June 6, 2013, the Board of Directors of the CNV issued CNV Resolution No. 17,102, within the framework of the Administrative File No. 1,032/10, whereby it required that: (i) certain members of Papel Prensa's Supervisory Committee and statutory auditors be imposed a fine of $ 150,000 each in historical currency as of that date; and (ii) Papel Prensa, certain members of its Board of Directors, one member of its Supervisory Committee and the members of its Oversight Board (all of them representatives of Papel Prensa's private shareholders) be imposed a joint and several fine of $ 800,000 in historical currency as of that date. Papel Prensa and its other current and former officers filed an appeal against the fine in due time and form, which is pending to date. On June 28, 2013, the fine was paid under protest in order to prevent its coercive enforcement by the CNV; given that, under the new Capital Markets Law No. 26,831, appeals may be admitted without suspension of judgment.

IV. On October 8, 2019, the Board of Directors of Papel Prensa approved the voluntary delisting of the Company subject to the approval of the shareholders at the General Extraordinary Shareholders' Meeting and to the pertinent regulatory approvals (CNV and BYMA). However, on November 20, 2019, in view of the imminent change of administration in the National Government, the Board of Directors decided to stay the delisting it had approved, thus suspending the Shareholders' Meeting it had duly called.

V. AGEA has not recorded any impact in connection with the foregoing, since its effects shall depend on the final outcome. Such effects are not expected to be material to these financial statements.

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NOTE 9 - REGULATORY FRAMEWORK

9.1. Audiovisual Communication Services Law

The subsidiaries of Grupo Clarín that render audiovisual communication services are holders of licenses that were originally awarded under the regime established by Law No. 22,285. Under Law No. 22,285 audiovisual communication service companies in Argentina were required a non-exclusive license from the COMFER in order to operate.

The Audiovisual Communication Services Law (Law No. 26,522, LSCA, for its Spanish acronym) was passed and enacted on October 10, 2009, with strong criticism about its content and enactment procedure.

By the end of December 2015, the National Executive Branch issued Emergency Decree No. 267/15, published in the Official Gazette on January 4, 2016, whereby significant amendments were introduced to Laws Nos. 26,522 and 27,078 (the Digital Argentina Law, "LAD", for its Spanish acronym). The Emergency Decree was approved on April 6, 2016 by the Lower House of Congress. Therefore, it has full force and effect.

9.2. Enforcement Authority

The *Comité Federal de Radiodifusión* (Federal Broadcasting Committee, “COMFER”, for its Spanish acronym) was the enforcement authority established by Law No. 22,285.

Law No. 26,522 provided for the replacement of the COMFER by the Audiovisual Communication Services Law Federal Enforcement Authority (AFSCA, for its Spanish acronym) as a decentralized and autarchic agency under the jurisdiction of the Executive Branch, and vested the new agency with authority to enforce this law.

The Emergency Decree created the ENACOM as a decentralized and autarchic agency under the jurisdiction of the Ministry of Communications and vested the new agency with authority to enforce Laws Nos. 26,522 and 27,078, as amended and regulated. The ENACOM has all the same powers and competences that had been vested in AFSCA and the Information and Communications Technology Federal Enforcement Authority (“AFTIC”, for its Spanish acronym) by Laws Nos. 26,522 and 27,078, respectively.

Upon the issuance of Decrees Nos. 7/2019 and 50/2019, published in the Official Gazette on December 11, 2019 and on December 19, 2019, respectively, the ENACOM is now under the jurisdiction of the Secretariat of Public Innovation under the Chief of the Cabinet of Ministers.

9.3. Multiple License Regime

The multiple license regime established under Law No. 22,285 allowed licensees to hold at the national level up to twenty-four (24) sound or television broadcasting licenses. At the local level, one individual or legal entity could have up to one sound broadcasting license, one television license and one subscription television license. In this last case, FM broadcasting services were not included in this limit if they were broadcast from the same station and location as the AM broadcasting services.

The LSCA introduced comprehensive amendments on the multiple license regime, against which the Company and some of its Subsidiaries filed an unconstitutionality claim. Eventually, that claim was dismissed. The original regime approved by the LSCA regarding broadcast services: i) restricted to 10 the number of audiovisual communication service licenses, plus a single broadcast signal for radio, broadcast TV and subscription television services that made use of the radioelectric spectrum; ii) set forth a further restriction on these services, which could not be provided to more than 35% of all inhabitants or subscribers nationwide; and iii) at the local level, the regime established the following limits: a) one (1) sound broadcasting license for amplitude modulation (AM); b) one (1) sound broadcasting license for frequency modulation (FM) or up to two (2) licenses when there

are more than eight (8) licenses in the primary service area; c) one subscription television license, provided the applicant was not the holder of a broadcast television license; d) one (1) broadcast television license provided the applicant was not the holder of a subscription television license. Under no circumstances may the aggregate number of the licenses granted in the same primary service area or any group of highly overlapping service areas exceed three (3) licenses.

Among the main amendments introduced by the Emergency Decree with respect to the LSCA, the most remarkable is the repeal of Section 161, which set forth the obligation to conform to the provisions of this law with respect to ownership conditions and the number of licenses. Additionally, Section 45 of Law No. 26,522, which establishes the multiple license regime, has been significantly amended. As a result, the Company and its subsidiaries already conform to the new regulatory framework.

As far as the Company is concerned, the Emergency Decree: i) eliminated the incompatibility to render in the same location broadcast television services and subscription television services; ii) increased the limit to 15 of broadcast (television and radio) service licenses that may be accumulated at national level; iii) eliminated the restriction to hold cable television signals; and iv) eliminated the restriction on broadcast services, which could not be provided to more than 35% of all inhabitants or subscribers nationwide. At the local level, it increased to 4 the number of licenses that could be accumulated.

9.4. Terms of the Licenses

Law No. 22,285 provided that broadcasting licenses were granted for an initial period of 15 years, allowing for a one-time extension of 10 years. The extension of the license was subject to the approval of the COMFER, which would determine whether or not the licensee had met the terms and conditions under which the license had been granted. Some of the licenses exploited by the subsidiaries have already been extended for the above-mentioned 10-year term.

On May 24, 2005, Decree No. 527/05 provided for a 10-year-suspension of the terms then effective of broadcasting licenses or their extensions. Calculation of the terms was automatically resumed upon expiration of the suspension term, subject to certain conditions. The Decree required that companies seeking to benefit from the extension submit to the COMFER's approval, within 2 years from the date of the Decree, programming proposals that would contribute to the preservation of the national culture and the education of the population and a technology investment project to be implemented during the suspension term. COMFER Resolution No. 214/07 regulated the obligations established by Decree No. 527/05 in order to benefit from such suspension. The proposals then submitted were approved and, accordingly, the terms of the licenses originally awarded to the subsidiaries of Grupo Clarín were suspended for ten (10) years.

Even though Law No. 26,522 respected the original expiration terms of the licenses effective at the time of its enactment, it set a 10-year limitation to the terms of licenses, with a one-time non-renewable extension.

Finally, with regard to the term of the licenses for television and radio broadcast services, the Emergency Decree establishes two important changes:

- It provides for a new system of extensions for audiovisual communication service licenses whereby the licensee may request a first extension for five (5) years, which will be automatic. Upon expiration of this term, licensees may request subsequent extensions of ten (10) years complying in that case with the provisions of the Law and applicable regulations to be eligible for each extension. However, this system of subsequent extensions may be interrupted upon the expiration of the last extension if the Ministry of Communications decides to call for a public bid for new licensees, for reasons of public interest, for the introduction of new technologies or in compliance with international agreements. In this case, prior licensees shall have no acquired rights regarding their licenses.

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- Section 20 of the Emergency Decree provides that the holders of licenses effective as of January 1, 2016 may request a ten (10) year extension, without it being necessary to wait until the expiration of the license that is currently effective. Such extension shall be considered as a first period that entitles the holder to the five (5) year automatic extension.

Taking into consideration the advantages provided under the new legal framework with regard to the terms of the licenses, the direct and indirect subsidiaries of the Company that exploit audiovisual communication services, i.e. ARTEAR, RADIO MITRE, TELECOR S.A.C.I., Teledifusora Bahiense S.A. and Bariloche TV S.A., made a filing with the ENACOM requesting the extension of the terms of their licenses pursuant to Section 20 of the Emergency Decree.

The ENACOM issued Resolution No. 135/2017, whereby it deemed that ARTEAR had opted to request an extension under Section 20 of Decree No. 267/15 and stated that the term for the first period of TEN (10) years, with the right to an automatic extension for a term of FIVE (5) more years, shall be calculated as from January 2, 2017.

In addition, the ENACOM has issued a favorable decision, deeming as exercised the options to the regime provided under Article 20 of Decree No. 267/15 formulated by the other subsidiaries owners of broadcast television services. Pursuant to those administrative proceedings, the new expiration date for the broadcast television licenses exploited by the subsidiaries of the Company are:

Licenses	Renewal of Licenses Granted under Art. 20 of Decree No. 267/2015
LS 85 TV Canal 13 of Buenos Aires	January 1, 2027
LU 81 TV Canal 7 of Bahía Blanca	January 1, 2027
LV 81 TV Canal 12 of Córdoba	January 1, 2027
LU 93 TV Canal 6 of Bariloche	January 1, 2027

On March 15, 2019, the ENACOM issued Resolution No. 1,176/19, whereby it granted the extension requested. Radio Mitre was deemed to have opted to request an extension for all of its licenses under Article 20 of the above-mentioned Decree, and was granted a term of 10 years, with the right to an automatic extension for a term of 5 more years.

9.5. Matters related to the regulatory situation of the Company and certain subsidiaries.

9.5.1. Proposal to conform to the provisions of Law No. 26,522.

Pursuant to Resolution No. 17/ENACOM/2016 issued on February 01, 2016, the new enforcement authority recognized that all the files and/or administrative proceedings pending resolution containing requests made under the regime approved by Section 161 of Law No. 26,522, and its regulations, including the proposal submitted by the Company and its subsidiaries, comply with the limits relating to multiplicity of licenses established by Section 45 of Law No. 26,522, as amended by Emergency Decree No. 267/2015. Therefore, they shall be deemed concluded and filed. In addition, in the same administrative act, that agency also repealed AFSCA Resolution No. 1,121/2014, which had ordered the ex-officio divestiture procedure against the Company and some of its subsidiaries.

9.5.2. Transition Process from Analog to Digital Television

Through Resolution No. 1,329/AFSCA/2014, which amended Resolution No. 1,047/AFSCA/2014, the AFSCA approved the National Standard for Terrestrial and Broadcast Digital Television Audiovisual Communication

Services, and to Decree No. 2,456/2014, which approves the National Digital Audiovisual Communication Services Plan.

Through this legal framework, which was subsequently supplemented by Resolutions No. 24/AFSCA/2015, 35/AFSCA/2015 and No. 39/AFSCA/2015 (among others), the rights of the current broadcast television licensees could be infringed. These rights should be preserved intact as established in Law No. 26,522, which has higher hierarchy. The main effect of these regulations, among their technical effects, is that the current broadcast television licensees that obtained their licenses pursuant to Law No. 22,285 will have to bear additional charges and obligations including, among other things, multiplexing and broadcasting under their own responsibility other broadcast television stations owned by third parties.

Since the changes introduced under this regulatory framework have an impact on the responsibilities and rights of the companies involved, ARTEAR and TELECOR S.A.C.I. filed a claim before AFSCA in due time, requesting the revocation of Resolutions No. 1,329/AFSCA/2014, 24/AFSCA/2015, 35/AFSCA/2015 and 39/AFSCA/2015 to preserve their rights intact as direct or indirect broadcast television service licensees. They also filed a claim before the National Executive Branch requesting the repeal of Decree No. 2,456/2014. As of the date of these financial statements, the claim filed before AFSCA was dismissed. Therefore, ARTEAR challenged before the courts that agency's decision to dismiss the claim. The claim filed before the National Executive Branch is still pending resolution.

The subsidiaries of the Company that hold broadcast television licenses were awarded a digital channel to render terrestrial digital television services under the legal regime described above. The following are the Resolutions that determined the final award of each of the digital channels:

- Resolution No. 10,090/ENACOM/2016 (as amended by Resolution No. 1,631-ENACOM/2017) awarded Canal 33.1 to ARTEAR as holder of LS 85 TV CANAL 13 DE BUENOS AIRES
- Resolution No. 35/AFSCA/2015 awarded Canal 27.1 to TELECOR S.A.C.I. as holder of LV81 TV CANAL 12 DE CÓRDOBA.
- Resolution No. 381/AFSCA/2015 awarded Canal 27.1 to Bariloche TV as holder of LU 93 TV CANAL 6 DE BARILOCHE.
- Resolution No. 236/AFSCA/2015 awarded Canal 28.1. to Teledifusora Bahiense S.A. as holder of LU81 TV CANAL 7 DE BAHÍA BLANCA

9.5.3. Ownership of Sound Broadcasting Services

Through Resolution No. 851/2016, the ENACOM declared that Radio Mitre S.A. was a subsidiary of Grupo Clarín S.A. and GC Minor S.A. and that Radio Mitre held the following licenses:

- Sound frequency modulation broadcasting service AM (Amplitude Modulation) 790 Khz that operates under LR6 RADIO MITRE of the Autonomous City of Buenos Aires and a sound frequency modulation broadcasting service FM (Frequency Modulation) 99.9 Mhz that operates under FM 100, awarded under Decree No. 2008/1983.
- Sound frequency modulation broadcasting service FM 102.9 Mhz., Canal 275, Category A, of the city of Córdoba, Province of Córdoba, awarded under Decree No. 633/2006.
- Sound frequency modulation broadcasting service FM 94.1 Mhz., Canal 262, Category C, under the name LRJ 369 of the city of Mendoza, Province of Mendoza, awarded under Resolution No. 1027/COMFER/1999.
- Sound frequency modulation broadcasting service FM 99.5 Mhz., Canal 252, Category C, under the name LRK 381 of the city of San Miguel de Tucumán, Province of Tucumán, awarded under Resolution No. 135/COMFER/99 and ratified under Resolution No. 749/COMFER/00.
- sound frequency modulation broadcasting service FM 96.3 Mhz., Canal 242, Category D, under the name LRI436 of the city of Bahía Blanca, Province of Buenos Aires, awarded under Resolution No. 522/COMFER/99 and ratified under Resolution No. 741/COMFER/00.

- Sound modulation broadcasting service AM 810 Khz., Canal 810, Category IV, of the city of Córdoba, Province of Córdoba, awarded under Decree No. 1,577/1999.
- Sound frequency modulation broadcasting service FM 92.1 Mhz., Canal 221, Category E, under the name LRG435 of the city of San Carlos de Bariloche, province of Río Negro, awarded under Resolution No. 1,185/COMFER/03.
- Sound frequency modulation broadcasting service FM 99.3 Mhz., Canal 257, Category C, under the name LRI 712 of the city of Santa Fe, Province of Santa Fe, awarded under Resolution No. 1,399/COMFER/1999 and ratified under Resolution No. 952/COMFER/00.

Within the framework of the regularization process of FM services with "*Permiso Precario y Provisorio*" (Provisional Permit), it was provided:

- Through Resolution No. 4,587/ENACOM/2019 dated as of October 21, 2019, the ENACOM approved the bid aimed at regularizing the "*Permiso Precario y Provisorio*" (Provisional Permit) No. 1,108, subsequently registered under No. 941, corresponding to the frequency modulation sound broadcasting station called "RADIO MITRE CÓRDOBA", frequency 97.9 MHz. of the City of Córdoba, Province of Córdoba, awarding Radio Mitre a license for the exploitation over a term of 10 years, counted as from the final authorization of the service. Upon the expiration of said term, the licensee may request an extension.

- Through Resolution No. 4,558/ENACOM/2019, dated as of October 18, 2019, the ENACOM approved the bid aimed at regularizing the "*Permiso Precario y Provisorio*" (Provisional Permit) No. 1,274, subsequently registered under No. 1,645, corresponding to the frequency modulation sound broadcasting station called "RADIO MITRE", frequency 91.5 MHz. of the City of Buenos Aires, awarding Radio Mitre a license for the exploitation such station over a term of 10 years, counted as from the final authorization of the service. Upon the expiration of said term, the licensee may request an extension.

9.5.4. Sanctions Regime under the LSCA and its Regulations

Through Resolution No. 661/AFSCA/2014, the ENACOM approved the current Regime for the Grading of Penalties, the General Rules on the procedures to be followed for the substantiation of summary proceedings initiated due to infringements of the Audiovisual Communication Services Law, an Installment Plan Regime to be applied to the infringements subject to fines committed from November 21, 2002 up to and including June 23, 2010, within the framework of the effectiveness of Resolution No. 830/COMFER/02 and Law No. 22,285 and an Option for the new Regime for the Grading of Penalties (fines) for infringements committed while Resolution No. 324/AFSCA/2010 was still in effect.

Certain payment agreements that had been delivered by AFSCA to ARTEAR were deemed to enter into effect as of July 2, 2015. That company was authorized to adhere to the payment plan relating to infringements committed between November 21, 2002 and June 23, 2010, payable in sixty monthly installments starting on August 31, 2015. ARTEAR was also authorized to adhere to the applicable payment plan for infringements committed between June 24, 2010 and June 11, 2014, payable in thirty monthly installments starting on August 31, 2015.

Through Resolution No. 2,882/ENACOM/2019, as amended by Resolution No. 2,984/2019, both issued on July 24, 2019, the ENACOM amended the Regime for the Grading of Penalties approved by Resolution No. 661/AFSCA/2014. The amendments resulted mainly in a reduction of the tax rates to be applied to the calculation of the penalties for infringement of Law No. 26,522, and a reduction of the fines imposed whenever infractions are committed in shows produced by producers that are duly registered in the *Registro de Señales y Productoras* (Registry of Signals and Producers), which will be charged with such infractions.

NOTE 10 - CALL OPTIONS

ARTEAR

Pursuant to ARTEAR's acquisition of 85.2% of its subsidiary Telecor's capital stock in 2000, Telecor's sellers have an irrevocable put option of the remaining 755,565 common, registered, non-endorsable shares, representing 14.8% of the capital stock and votes of Telecor, for a 16-year term as from March 16, 2010 at a price of US$ 3 million and ARTEAR has an irrevocable call option for such shares for a term of 26 years as from March 16, 2000 at a price of approximately US$ 4.8 million, which will be adjusted at a 5% nominal annual rate as from April 16, 2016. Subsequently, under an addendum to the original agreements, the beginning of the effectiveness of the irrevocable put option was changed from March 16, 2010 to March 16, 2013. On March 15, 2013, on February 18, 2016, February 21, 2017 and on November 27, 2019, additional addenda to the agreement were signed, whereby the beginning of the effectiveness of the irrevocable put option was changed from March 16, 2013 to March 16, 2016, from such date to March 16, 2017, from such date to March 16, 2021, and from such date to March 16, 2024, respectively.

The balances arising from the put option mentioned above are disclosed under the item Other Non-Current Liabilities of the statement of financial position, with an offsetting entry under Other Reserves and Non-Controlling Interest under Equity.

NOTE 11 – FINANCIAL INSTRUMENTS

11.1. Financial Risks Management (*)

(*) The amounts included in this note are stated in millions of Argentine pesos.

Grupo Clarín is a party to transactions involving financial instruments, which entail exposure to market, currency and interest rate risks. The management of these risks is based on the particular analysis of each situation, taking into account its own estimates and those made by third parties of the evolution of the respective factors.

11.1.1 Capital Risk Management

Grupo Clarín manages its capital structure seeking to ensure its ability to continue as an ongoing concern, while maximizing the return to its shareholders through the optimization of financial debt and equity balances.

As part of this process, Grupo Clarín monitors its capital structure through the financial debt-to-equity ratio, which is equal to the quotient of its net financial debt (Financial Debt less Cash and Cash Equivalents) divided by its adjusted EBITDA.

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The financial debt-to-equity ratio for the reporting years is as follows:

	December 31, 2019	December 31, 2018
Financial Debt (i)	1,871	1,804
Less: Cash and Cash Equivalents		
Cash and Banks	(1,506)	(838)
Other Current Investments	(707)	(1,068)
Net Financial Debt (ii)	(342)	(102)
Adjusted EBITDA	1,528	1,983
Debt-to-Equity Ratio (ii)	(0.22)	(0.05)

(i) Long-term and short-term loans, including derivatives and financial guarantee agreements.
(ii) As of December 31, 2019 and 2018, the cash and cash equivalents balance exceeds the amount of loans.

The financial debt-to-equity ratio is reasonable compared to other industry players and considering the particular situation of Argentina and of the companies that make up Grupo Clarín.

11.1.2 Categories of Financial Instruments

	December 31, 2019	December 31, 2018
Financial Assets		
At amortized cost		
Cash and Banks	1,506	838
Investments	157	385
Receivables (1) (2)	7,776	10,221
At fair value with an impact on net income		
Investments	550	740
Total Financial Assets	**9,989**	**12,184**
Financial Liabilities		
At amortized cost		
Financial Debt (3)	1,871	1,804
Accounts Payable and Other Liabilities (4)	5,556	6,846
Total Financial Liabilities	**7,427**	**8,650**

(1) Does not include the allowance for doubtful accounts of approximately $ 318 million and $ 468 million, respectively.
(2) Includes receivables with related parties of approximately $ 612 and $ 769 million, respectively.
(3) Includes loans with related parties of approximately $ 15 million and $ 19 million, respectively.
(4) Includes debts with related parties of approximately $ 134 million and $ 282 million, respectively.

11.1.3 Objectives of Financial Risk Management

Grupo Clarín monitors and manages the financial risks related to its operations; these risks include market risk (including exchange risk, interest rate risk and equity price risk), credit risk and liquidity risk.

Grupo Clarín does not enter into financial instruments for speculative purposes as common practice.

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11.1.4 Exchange Risk Management

Grupo Clarín enters into certain foreign currency transactions; therefore, it is exposed to exchange rate fluctuations.

The following table shows the monetary assets and liabilities denominated in US dollars, the main foreign currency involved in Grupo Clarín's transactions, at the closing of the years ended December 31, 2019 and 2018:

	(in millions of Argentine pesos) December 31, 2019	(in millions of Argentine pesos) December 31, 2018
ASSETS		
Other Assets	-	5
Other Receivables	25	26
Trade Receivables	383	392
Other Investments	67	434
Cash and Banks	1,111	409
Total assets	**1,586**	**1,266**
LIABILITIES		
Financial Debt	1,402	841
Other Liabilities	38	42
Trade and Other Payables	1,040	1,451
Total Liabilities	**2,480**	**2,334**

Bid/offered exchange rates (Banco de la Nación Argentina) as of December 31, 2019 and 2018 were of $ 59.69 and $ 59.89 and $ 37.50 and $ 37.70; respectively.

11.1.4.1 Foreign Exchange Sensitivity Analysis

Grupo Clarín is exposed to exchange risk, mainly with respect to the US dollar.

Taking into consideration the balances disclosed above, Grupo Clarín estimates that the impact of a 20% favorable/unfavorable fluctuation of the US dollar exchange rate would generate an income/loss before taxes of approximately $ 179 million and $ 214 million as of December 31, 2019 and 2018, respectively.

The sensitivity analysis presented above is hypothetical since the quantified impact is not necessarily an indicator of the actual impact, because exposure levels may vary over time.

Additionally, even though Grupo Clarín conducts its operations in Argentine pesos, an eventual devaluation of that currency may have an indirect impact on its operations, depending on the ability of the relevant suppliers to reflect that effect on their prices.

11.1.5. Interest Rate Risk Management

As of December 31, 2019 and 2018, Grupo Clarín was exposed to interest rate risk mainly through ARTEAR, AGEA, Auto Sports, Radio Mitre and GCGC. This is due to the fact that those companies have taken loans at fixed and variable interest rates and have not entered into hedge agreements to mitigate these risks. If interest rates had eventually been 100 basis points higher and all the variables had remained constant, the additional

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estimated loss before taxes would have been of approximately $ 4 million as of December 31, 2019 and 2018, respectively.

11.1.6. Equity Price Risk Management

Grupo Clarín is exposed to equity price risk in connection with its holdings of mutual funds, securities and bonds and foreign exchange agreements.

Its sensitivity to the variation in the price of these instruments is detailed below:

	December 31, 2019	December 31, 2018
Investments valued at quoted prices at closing (Level 1)	546	667

The estimated impact of an eventual 10% favorable/unfavorable fluctuation of the quoted price of investments valued at closing, assuming that all the other variables remain constant, would generate an income/loss before taxes of approximately $ 55 million and $ 67 million as of December 31, 2019 and 2018, respectively.

A potential 10% favorable/unfavorable fluctuation of the quoted price of investments valued as Level 2 would generate an income/loss before taxes of approximately $ 0.4 million and $ 7 million as of December 31, 2019 and 2018, respectively.

11.1.7 Credit Risk Management

Credit risk is defined as the risk that one of the parties may breach its contractual obligations, generating an eventual financial loss for Grupo Clarín.

Credits of the Printing and Publishing Segment

The companies that operate in this segment conduct an analysis of the clients' financial position at the beginning of the business relationship, through a credit risk report requested from several credit rating agencies. The credit amount granted to each client is monitored on a daily basis, with reports being submitted to the financial management.

The credit risk affects cash and cash equivalents, deposits held at banks and financial institutions, as well as credit granted to clients.

The maximum theoretical credit risk exposure of the companies operating in this segment is represented by the book value of net financial assets, disclosed in the consolidated statement of financial position.

For the purposes of conducting an analysis of the suitability of the allowance for bad debts, these companies consider each client on a case by case basis, verifying, among other factors, if there is any record of delinquency, risk of bankruptcy, insolvency proceeding or other judicial proceeding. In addition, and in accordance with IFRS 9, for the calculation of the allowance for bad debts on trade receivables the Company considers the expected credit losses over their total useful life. Trade receivables comprise a significant number of clients and are internally classified among the following categories: Advertising, Official, Distribution, Internet and Subscriptions, among others.

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The companies that operate in this segment have recorded an allowance for doubtful accounts accounting for 7% of accounts receivable as of December 31, 2019 and 2018, respectively.

The companies that operate in this segment did not set up an allowance for bad debts for those amounts in which no significant change was recorded in the credit rating, considering such amounts as recoverable.

The companies that operate in this segment have a wide range of clients, including individuals, businesses - medium-and-large-sized companies - and governmental agencies. Therefore, these companies' receivables are not subject to credit risk concentration.

Credits from the Broadcasting and Programming Segment

Credit risk represents for the companies that operate in this segment the risk of incurring in losses arising from possible breaches of the contractual obligations assumed by business or financial counterparties. This risk may be due to economic or financial factors, or to particular circumstances of the counterparty, or to other economic, commercial or administrative factors.

Credit risk affects cash and cash equivalents, deposits held at banks and financial institutions in a wide sense, and every form of credit granted to the companies that operate in this segment. The maximum exposure to credit risk is represented by the value of financial assets considered as a whole, recorded in the Consolidated Statement of Financial Position under Cash and Banks, Other Investments, Trade Receivables and Other Receivables.

Financial instruments are executed with creditworthy banks and financial institutions renowned in the market and for terms not longer than three months. In this sense, the companies that operate in this segment have a policy of diversifying their investments among different banks and financial institutions, thus reducing the concentration risk in only one counterparty.

As to the credit risk related to financial credit, the companies that operate in this segment evaluate the credit standing of the different counterparties to define their investment levels, based on their equity and credit rating. As to Trade Receivables, such companies have a wide range of clients, categorized depending on the type of business. These categories are: Advertising, Signals, Programming and other. Within this classification, clients can also be classified as advertising agencies, direct advertisers, distributors of cable TV, broadcast TV stations and other, each of them of a different magnitude. Due to this diversity of clients, there is not a significant credit risk concentration in this respect.

The allowance for bad debts is set up upon conducting an analysis of the debtor portfolio, which is recorded as follows:

- In the case of individual risks identified (risks of bankruptcy, insolvency proceedings or judicial proceedings pending with the company), for its total value.
- The rest of the cases is decided based on the aging of the past due debt, the progress of the collection procedures, the solvency conditions and the variations observed in the clients' settlement periods.
- In addition, and in accordance with IFRS 9, for the calculation of the allowance for bad debts on trade receivables the Company considers the expected credit losses over their total useful life.

11.1.8. Liquidity Risk Management

Liquidity risk is the risk that Grupo Clarín may not be able to fulfill its financial obligations at maturity. Grupo Clarín manages liquidity risk through the management of its capital structure and, if possible, the access to

different capital markets. It also manages liquidity risk through a constant review of the estimated cash flows to ensure that it will have enough liquidity to fulfill its obligations.

11.1.8.1 Interest Rate Risk and Liquidity Risk Table

The following table shows the breakdown of financial liabilities by relevant groups of maturities based on the remaining period as from the date of the statement of financial position through the contractual maturity date. The amounts disclosed in this table represent undiscounted cash flows (principal plus contractual interest).

Information as of December 31, 2019:

Maturities	Financial Debt	Other debt
Matured	70	1,102
Without any established term	1	672
First Quarter 2019	428	3,012
Second Quarter 2019	531	528
Third Quarter 2019	52	28
Fourth Quarter 2019	11	24
More than 1 year	1,108	335
	2,201	**5,701**

Information as of December 31, 2018:

Maturities	Financial Debt	Other debt
Matured	-	1,423
Without any established term	-	931
First Quarter 2018	532	3,843
Second Quarter 2018	781	463
Third Quarter 2018	68	75
Fourth Quarter 2018	220	49
More than 1 year	334	403
	1,935	**7,187**

11.1.9. 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 year:

	December 31, 2019	Quoted Prices (Level 1)	Other Significant Observable Items (Level 2)
Assets			
Current Investments	550	546	4

	December 31, 2018	Quoted Prices (Level 1)	Other Significant Observable Items (Level 2)
Assets			
Current Investments	740	667	73

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Financial assets and liabilities are valued 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 years, Grupo Clarín did not have any financial asset or liability for which a comparison had not been conducted against observable market data to determine their fair value (Level 3).

11.1.10. 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.

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 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:

	December 31, 2019		December 31, 2018	
	Book Value	Fair Value	Book Value	Fair Value
Non-Current Financial Debt	899	689	245	220

NOTE 12 - INTERESTS IN SUBSIDIARIES AND AFFILIATES

a. On October 8, 2015, CMD executed a stock purchase agreement whereby it increased by 26% its interest in Electro Punto Net S.A. The amount of this transaction was of approximately $ 11.8 million in historical currency as of that date ($ 47.71 million in constant currency as of December 31, 2019). In December 2015, Electro Punto Net S.A. capitalized irrevocable contributions made by CMD for $ 8 million in historical currency as of that date ($ 30.52 million in constant currency as of December 31, 2019), increasing CMD's interest in the capital stock of Electro Punto Net S.A. to 54.3%. In December 2016, Electro Punto Net S.A. capitalized irrevocable contributions made by CMD for $ 86 million in historical currency as of that date ($ 243.76 million in constant currency as of December 31, 2019), increasing CMD's interest in the capital stock of Electro Punto Net S.A. to 65.6%. On September 27, 2018, the minority shareholders of Electro Punto Net S.A. accepted a share acquisition offer submitted by CMD, whereby CMD increased its interest in Electro Punto Net S.A. by 32.15%, thus becoming the holder of 100% of the capital stock of Electro Punto Net S.A. In addition, on that date CMD and EPN executed an agreement relating to irrevocable contributions on account of future share subscriptions whereby CMD made a contribution of $ 210 million in historical currency as of that date ($ 341.80 million in constant currency as of December 31, 2019) in EPN during October 2018. In December 2018, CMD sold 3% of its interest in Electro Punto Net S.A. to GC Minor.

   In view of the adverse macroeconomic situation prevailing in Argentina, and in particular that of the home appliances sales sector, as from October 21, 2019, EPN had to close its retail stores that sold home appliances and electronic products under the brand Meroli in the province of Córdoba.

   EPN decided to close them in order to avoid worsening its financial position and to ensure the fulfillment of all the obligations towards its personnel.

   Based on the above, during 2019, EPN recorded allowances for impairment of tax credits, property, plant and equipment and intangible assets for $ 172 million (in constant currency as of December 31, 2019), which

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were charged to Other Income and Expenses, net, and an allowance for impairment of deferred tax assets for $ 193 million (in constant currency as of December 31, 2019), which was charged to Income Tax.

b. During 2018, AGEA made contributions in "Diarios y Noticias S.A." ("DyN") for $ 11,410,000 in historical currency as of that date ($ 23.9 million in constant currency as of December 31, 2019). In addition, Xpand, a subsidiary of AGEA, acquired a 4% interest in "Kilimo Inc." for $ 4,022,000 in historical currency as of that date ($ 8.6 million in constant currency as of December 31, 2019).

During this year, AGEA made contributions in Impripost for $ 35 million ($ 37.8 million in constant currency as of December 31, 2019), through the capitalization of a credit that the Company held with such company.

c. On June 8, 2018, AGEA and ARTEAR sold all of their respective interests in RPA Media Place S.A., which together represent 38% of the capital stock and votes of that company, for $ 1.9 million in historical currency as of that date ($ 3.72 million in constant currency as of December 31, 2019), which were offset with accounts payable during the previous year.

NOTE 13 - RESERVES, ACCUMULATED INCOME AND DIVIDENDS

	December 31, 2019	December 31, 2018
Balances at the beginning of the year:		
Legal Reserve	125,791,615	125,791,615
Retained Earnings	(10,183,582,267)	(6,900,359,470)
Other Reserves	(118,605,720)	(168,511,722)
Voluntary Reserves	9,216,420,359	7,281,905,132
Total	(959,976,013)	338,825,555
Change of Accounting Policy	-	(31,924,210)
Absorption of Retained Earnings with Paid-in Capital	1,938,380,851	-
Loss for the year	(1,507,321,349)	(1,316,783,360)
Changes in Reserves for Acquisition of Investments	-	49,906,002
Balance at the end of the year	(528,916,511)	(959,976,013)

a. Grupo Clarín

On April 19, 2018, at the Annual Ordinary Shareholders' Meeting of the Company, the shareholders decided, among other things, to appropriate retained earnings as of December 31, 2017 of $ 851,733,740 in historical currency as of that date, as follows: (i) $ 200,000,000 in historical currency as of that date ($ 454,253,515 in constant currency as of December 31, 2019) to the reserve for future dividends; (ii) $ 150,000,000 in historical currency as of that date ($ 340,690,137 in constant currency as of December 31, 2019) to the voluntary reserve to ensure the liquidity of the Company and its subsidiaries; and (iii) $ 501,733,740 in historical currency as of that date ($ 1,139,571,575 in constant currency as of December 31, 2019) to the reserve for illiquid results. In addition, at such Meeting, the shareholders decided to delegate the necessary powers on the Board of Directors so that it may reverse up to $ 200,000,000 in historical currency as of that date ($ 414,539,982 in constant currency as of December 31, 2019), to be used for the Reserve for Future Dividends. Said power may be exercised in one or more times until the next Annual Shareholders' Meeting is held.

On April 30, 2019, at the Annual Ordinary Shareholders' Meeting of the Company, the shareholders decided, among other things, to absorb the negative balance of retained earnings as of December 31, 2018 of $ 6,619,920,208 ($ 10,183,582,267 in constant currency as of December 31, 2019), as follows: (i) the full reversal of the Voluntary Reserve for future dividends for $ 2,270,048,609 ($ 3,492,070,303 in constant currency

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as of December 31, 2019); ii) the full reversal of the Voluntary Reserve for illiquid results for $ 1,216,090,908 ($ 1,870,741,854 in constant currency as of December 31, 2019); iii) the full reversal of the Voluntary Reserve to provide financial aid to subsidiaries and in connection with the Audiovisual Communications Services Law for $ 851,718,153 ($ 1,310,218,494 in constant currency as of December 31, 2019); iv) the full reversal of the Voluntary Reserve to ensure the liquidity of the Company and its Subsidiaries for $ 940,230,491 ($ 446,379,150 in constant currency as of December 31, 2019); v) the full reversal of the Legal Reserve for $ 81,771,859 ($ 125,791,615 in constant currency as of December 31, 2019) and, vi) the partial reversal of the Additional Paid-in capital for $ 1,260,060,188 ($ 1,938,380,851 in constant currency as of December 31, 2019).

b. ARTEAR

On April 20, 2018, the shareholders of ARTEAR decided, among other issues, to appropriate retained earnings for the year ended December 31, 2017 that amounted to approximately $ 783.7 million in historical currency as of that date ($ 1,624 million in constant currency as of December 31, 2019) to increase the voluntary reserve. In addition, the shareholders decided to delegate to the Board of Directors the power to reverse, totally or partially, the reserve to pay dividends. Accordingly, the Board of Directors decided to reverse partially the voluntary reserve and distribute dividends for $ 206.5 million in historical currency as of that date ($ 428 million in constant currency as of December 31, 2019). In October 2018, the Company collected all the dividends to which it was entitled based on its equity interest.

On April 22, 2019, the shareholders of ARTEAR decided, among other issues, to appropriate retained earnings for the year ended December 31, 2018 in the amount of $ 25 million ($ 38 million in constant currency as of December 31, 2019) to the voluntary reserve. In addition, the shareholders decided to delegate to the Board of Directors the power to reverse, totally or partially, the reserve to pay dividends.

c. TRISA

In April 2018, the shareholders of TRISA decided, among other issues, to distribute dividends for approximately $ 177.9 million in historical currency as of that date ($ 369 million in constant currency as of December 31, 2019), of which approximately $ 89 million in historical currency as of that date ($ 184 million in constant currency as of December 31, 2019) belong to the Company under its indirect interest in that company. As of December 31, 2018, TRISA paid all of the distributed dividends.

In April 2019, the shareholders of TRISA decided, among other things, to distribute dividends in the amount of $ 173 million ($ 230 million in constant currency as of December 31, 2019) of which $ 86.5 million ($ 115 million in constant currency as of December 31, 2019) corresponds to the Company under its indirect holding in that company. As of December 31, 2019, TRISA paid all of the distributed dividends.

NOTE 14 - NON-CONTROLLING INTEREST

	December 31, 2019	December 31, 2018
Balances as of January 1	187,560,998	322,582,774
Equity in the Earnings from Associates for the year	48,218,621	(40,652,109)
Dividends and Other Movements of Non-Controlling Interest	(24,296,139)	(57,738,566)
Variation in Translation Differences of Foreign Operations	(4,950,531)	(36,631,101)
Balance at the end of the year	206,532,949	187,560,998

As of December 31, 2019 and 2018, the non-controlling interests are not significant on an individual or a joint basis.

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NOTE 15 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The following table contains the outstanding balances with related parties:

	December 31, 2019	December 31, 2018
Other Receivables		
Non-Current		
Other Related Parties	4,200	6,461
Under Joint Control	29,250,000	-
	29,254,200	6,461
Current		
Under Joint Control	30,649,342	66,176,455
Other Related Parties	33,227,267	31,184,788
	63,876,609	97,361,243
Trade Receivables		
Current		
Under Joint Control	56,603,850	88,046,819
Other Related Parties	462,741,787	583,521,719
	519,345,637	671,568,538
Trade and Other Payables		
Current		
Under Joint Control	17,159,186	37,855,950
Other Related Parties	106,773,566	235,499,233
	123,932,752	273,355,183
Financial Debt		
Current		
Under Joint Control	14,589,096	18,781,546
	14,589,096	18,781,546
Other Liabilities		
Current		
Other Related Parties	10,239,128	8,261,732
	10,239,128	8,261,732

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The following table shows the operations with related parties for the years ended December 31, 2019 and 2018:

	Item	December 31, 2019	December 31, 2018
Under Joint Control			
	Advertising Sales	44,206,767	59,571,613
	Printing Services Sales	121,600,851	306,679
	Other Sales	310,375,950	310,510,827
	Printing and Distribution Costs	(62,993,655)	(109,078,918)
	Interest Income	16,402,258	14,116,058
	Interest on Financial Debt	(3,232,897)	(4,450,388)
	Other Purchases	(275,064)	(2,248,679)
	Other Income	89,952,640	120,782,872
	Advertising and Promotion Expenses	(11,316,643)	(23,964,430)
Other Related Parties			
	Advertising Sales	420,728,469	592,193,319
	Printing Services Sales	30,926,249	262,168,305
	Circulation Sales	2,852,219	320,805
	Television Signals Sales	1,098,908,956	947,919,432
	Other Sales	707,947,973	1,025,389,638
	Fees for Services	(7,747,120)	(11,784,179)
	Services and Satellites Expenses	(32,249,899)	(101,022,108)
	Communication Expenses	(37,902,680)	(44,312,128)
	Other Purchases	(637,259,343)	(1,051,723,804)
	Other Expenses	(3,577,550)	(15,078,654)

The fees paid to the Board of Directors and the Upper Management of Grupo Clarín for the years ended December 31, 2019 and 2018 amounted to approximately $ 545 million and $ 709 million, respectively.

NOTE 16 – 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:

	December 31, 2019	December 31, 2018
Net Loss used in the Calculation of Basic Earnings per Share:	(1,507,321,349)	(1,316,783,360)
Weighted Average of the Number of Common Shares used in the Calculation of Basic Earnings per Share	106,774,519	106,774,519
Loss per Share	(14.12)	(12.33)

The weighted average of outstanding shares for the year ended December 31, 2019 was 106,774,519. Since no debt securities convertible into shares were recorded, the same weighted average should be used for the calculation of diluted earnings per share.

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NOTE 17 - COVENANTS, SURETIES AND GUARANTEES PROVIDED

a. IESA is subject to contractual restrictions on the transfer of its equity interest in TRISA and Tele Net Image Corp.

b. During 2009, AGR (company merged into AGEA effective as of January 1, 2018) purchased a binding machine on credit. To secure the transaction, AGR granted the supplier a pledge over the machine. AGR granted a joint and several guarantee for the loan granted by Standard Bank Argentina S.A. to Artes Gráficas del Litoral S.A.

c. The Company became guarantor of certain financial obligations of AGEA and some of its subsidiaries with Banco Itaú Argentina S.A.

a. The Company became guarantor of certain financial obligations of EPN with Banco Santander Río S.A. for approximately $ 24 million effective as of December 31, 2019. On January 2, 2020, said guarantee was renewed for $ 15 million until January 31, 2020.

d. The Company became guarantor of certain financial obligations of LVI with Banco Santander Río S.A. for up to $ 70 million effective until September 2020.

e. The Company became guarantor of certain obligations relating to the purchase of supplies by AGEA, CIMECO, Tinta Fresca and OSA for up to EUR 12 million, until December 2020.

f. The Company became guarantor of certain financial obligations of Auto Sports S.A. with Banco Santander Río S.A. for up to $ 9 million effective until March 2020.

NOTE 18 - LONG-TERM SAVINGS PLAN FOR EMPLOYEES

During the last quarter of 2007, the Company, together with its subsidiaries, began to implement a long-term savings plan for certain executives (directors and managers comprising the “executive payroll”), which became effective in January 2008. Executives who adhere to such plan undertake to contribute regularly a portion of their salary (variable within a certain range, at the employee’s option) to a fund that will allow them to strengthen their savings capacity. Each company of the Group where those executives render services will match the sum contributed by such executives. This matching contribution will be added to the fund raised by the employees. Under certain conditions, the employees may access such funds upon termination of their participation in the long-term savings plan.

In addition, such plan provides for certain special conditions for those managers who were in the “executive payroll” before January 1, 2007. Such conditions consist of supplementary contributions made by each company to the plan related to the executive’s years of service with the Group. As of December 31, 2019, such supplementary contributions made by the Company on a consolidated basis amount to approximately $ 35 million, and the charge to income is deferred until the retirement of each executive.

During 2013, certain changes were made to the savings system, although its operation mechanism and the main characteristics with regard to the obligations undertaken by the company were essentially maintained.

Pursuant to IAS No. 19, the above-mentioned savings plan qualifies as a Defined Contribution Plan, which means that the companies’ contributions shall be charged to income on a monthly basis as from the date the plan becomes effective.

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NOTE 19 – OPERATING LEASES

19.1 The Company as Lessee

As of December 31, 2019 and 2018, the Company is a party to non-cancellable operating leases, which are currently effective and have different terms and renewal rights. The total amount of minimum future payments for non-cancellable operating leases is the following (in millions of $):

	December 31, 2019	December 31, 2018
1 year	78	144
Between 1 and 5 years old	56	135
	134	279

19.2 The Company as Lessor

The total amount of minimum future collections for non-cancellable operating leases of certain property is the following (in millions of $):

	December 31, 2019	December 31, 2018
1 year	14	29
Between 1 and 5 years old	46	82
	60	111

NOTE 20 – TAX REFORM IN ARGENTINA

Income Tax

On December 29, 2017, the National Executive Branch enacted Law No. 27,430 - Income Tax. This law introduced several changes in the treatment of income tax, among which the following are the most important:

(i) Income tax rate: Income tax rates for Argentine companies were reduced from 35% to 30% for fiscal periods beginning as from January 1, 2018 until December 31, 2019, and to 25% for fiscal periods beginning on or after January 1, 2020.

On December 23, 2019, Law No. 27,541 (the Social Solidarity and Production Reactivation Law) was enacted, regulated under Decree No. 99/2019, whereby the tax rate reduction from 30% to 25% was suspended until fiscal years beginning on or after January 1, 2021.

(ii) Tax on Dividends: The new law introduces a tax on dividends or profits distributed, among others, by Argentine companies or permanent establishments to: Individuals, undivided estates or foreign beneficiaries, with the following considerations: (a) dividends derived from profits generated during fiscal years on or after January 1, 2018 and until December 31, 2019 will be subject to a 7% withholding; and (b) dividends derived from profits generated during fiscal years beginning on or after January 1, 2020, will be subject to a 13% withholding.

Dividends derived from profits generated up to and including the fiscal year preceding the fiscal year beginning on or after January 1, 2018 continued to be subject, for all the beneficiaries of those dividends, to a 35%

withholding on the dividends distributed in excess of the accumulated taxable income (transition period of the equalization tax.)

Law No. 27,541 mentioned above maintained the 7% withholding until fiscal years beginning on or after January 1, 2021.

(iii) Optional Revaluation for Tax Purposes: The law provides that companies may opt to make a revaluation for tax purposes of assets located in Argentina that generate taxable income. The special tax on the amount of the revaluation depends on the asset: 8% for real estate that does not qualify as inventories, 15% for real estate that qualifies as inventories, and 10 % for chattel and other assets. The taxpayer that opts for the special revaluation regime must do so for all the assets that belong to the same category. The special revaluation tax may not be deducted from income tax, and the taxable income generated by the revaluation is not subject to income tax. The Company and its subsidiaries did not opt for that regime.

(iv) Inflation Adjustment of Deductions: Acquisitions or investments made in fiscal years beginning as from January 1, 2018 are restated for inflation based on the percentage variations of the Consumer Price Index (IPC, for its Spanish acronym) published by the National Institute of Statistics and Census. Such adjustment will increase deductible amortization and tax cost in the event of a sale.

(v) Inflation Adjustment: Notwithstanding the above-mentioned regime, Law No. 27,430 and its amending Law No. 27,468 provide that, effective as from fiscal years beginning on or after January 1, 2018, the inflation adjustment procedure set out in Title VI of the income tax law shall be applicable in fiscal years in which the variation of IPC is higher than 55%, 30% and 15% for fiscal years 2018, 2019, 2020, respectively.

As of December 31, 2019, the variation of the IPC was 53.8%. Therefore, the Company has calculated the income tax charge taking into consideration the inflation adjustment for tax purposes.

In addition, said law provided that the positive or negative inflation adjustment, as the case may be, corresponding to the first, second and third fiscal years beginning on or after January 1, 2018, that must be calculated if the triggers set forth in the bill occur, shall be allocated as follows: one third in that fiscal period, and the other two thirds, equally, in the immediately following two fiscal periods.

Law No. 27,541 mentioned above provided that the application of the inflation adjustment for tax purposes corresponding to the first and second fiscal years beginning on or after January 1, 2019 must be allocated, equally, during six fiscal years.

Tax on assets

Law No. 27,260 repealed the tax on assets for fiscal years beginning on or after January 1, 2019.

Value Added Tax

Through Decree No. 1,094/18, the Executive Branch enacted Law No. 27,467, which introduces amendments regarding value added tax (“VAT”):

(i) Allocation of Social Security Contributions: Entities may allocate employer’s contributions on the payroll as a tax credit against VAT. These contributions must have been accrued in the fiscal period and effectively paid at the moment of submitting the VAT return. Qualifying entities are those engaged in the following activities: broadcast television or physical link and/or radio electric link subscription television services, audio broadcasting, cable television signals, newspaper, magazine or periodical publishing companies or companies engaged in digital journalism, and the distributors of those publishing companies. If the payment of that amount is made after the time provided, entities may allocate employer’s contributions on the payroll as a tax credit

against VAT in the tax return for the fiscal period in which social contributions were paid. As provided above, when the salaries that give rise to the employer's contributions that may be allocated as a tax credit against VAT are also related to other activities outside the scope of this benefit, the amounts of those contributions will be allocated pro rata for the sole purpose of calculating the ratable portion that qualifies for the benefit. The amounts of such employer's contributions shall be counted as a VAT credit up to the amount of the output tax for the relevant period, before allocating the other tax credits. It shall apply to qualifying amounts as from January 1, 2019.

(ii) VAT Exemption: As from January 1, 2019, the sales, leases related to the development, construction or manufacturing of chattel at the request of a third party, imports and leases and services relating to the following items, are exempted from VAT: books, brochures and similar printed products, including book series or loose leaves that make up the whole work or part of it, and newspapers, magazines and similar periodic printed publications, as well as subscriptions to digital periodic editions of online information, throughout the entire marketing and distribution chain, in all cases irrespective of the support or means used for their dissemination. The distribution, classification, delivery and/or return of newspapers, magazines, and periodical publications provided to entities engaged in editorial production do not qualify for VAT exemption.

(iii) Special Treatment. Tax Credit related to newspapers, magazines, digital editions and books: The entities engaged in editorial printing and/or production of books, brochures and similar printed publications, or of newspapers, magazines and periodical publications, as well as digital journalistic editions of online information and their distributors, to the extent all of them qualify for the tax exemption under the VAT Law as from January 1, 2019, may allocate the tax credit generated by transactions that qualify for the above-mentioned exemption against the output tax generated by other transactions subject to VAT. Any unused balance can be credited against other taxes collected by AFIP, or be returned or transferred to responsible third parties in the manner, terms and conditions established by the AFIP to such end.

(iv) Tax on Personal Assets (substitute taxpayer):

Law No. 27,541 (the Social Solidarity and Production Reactivation Law), regulated under Decree No. 99/2019, increased to 0.5%, for fiscal year 2019 onwards, the rate to be applied by Argentine issuers in their capacity as substitute taxpayers for shareholder individuals residing in Argentina or abroad, on the value of the shares.

NOTE 21 - LAW No. 26,831 CAPITAL MARKETS

Capital Markets Law – Law No. 26,831, as amended

On December 28, 2012, Capital Markets Law No. 26,831 was published in the Official Gazette. This law eliminated the self-regulation of the capital market, granted new powers to the CNV, and repealed Law No. 17,811 and Decree No. 677/01, among other regulations. Law No. 26,831 became effective on January 28, 2013. As from its effective date, the Public Tender Offer regime applies to all listed companies.

Productive Financing Law

On May 11, 2018, Productive Financing Law No. 27,440 was published in the Official Gazette. This law introduced several amendments to the Capital Markets Law No. 26,831 regarding the extent of the powers of the CNV; the exercise of preemptive rights on shares offered through public offering in the case of capital increases; private placements; public tender offers; the jurisdiction of the federal commercial courts of appeals to review the resolutions issued or sanctions imposed by the CNV, among other amendments.

Signed for identification purposes
with the report dated March 9, 2020

See our report dated
March 9, 2020
PRICE WATERHOUSE & CO. S.R.L.

(Partner)
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CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

With respect to public tender offers, under the previous regime, the offeror was obliged to formulate a “fair” price to be set by weighing the results of different company valuation methods, with a minimum floor related to the average market price for the six-month period immediately preceding the date of the agreement. Pursuant to the amendments introduced by Law No. 27,440 to the Capital Markets Law, the obligation is objective and consists in offering the higher of two existing prices: the price paid or agreed by the offeror during the 12 months immediately preceding the first day of the public tender offer period, and the average price of the securities subject to the offer during the semester immediately preceding the date of the announcement of the transaction under which the change of control is agreed upon.

On December 28, 2018, General Resolution No. 779/2018, whereby the CNV established the regulatory framework applicable to public tender offers, was published in the Official Gazette.

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 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 22 – SUBSEQUENT EVENTS

The events that took place subsequent to the closing of this year related to provisions and contingencies are described in Note 8.

NOTE 23 - APPROVAL OF FINANCIAL STATEMENTS

Grupo Clarín’s Board of Directors has approved the consolidated financial statements and authorized their issue for March 9, 2020.

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with the report dated March 9, 2020

See our report dated
March 9, 2020
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(Partner)
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CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

JORGE CARLOS RENDO
Chairman

SUPPLEMENTARY FINANCIAL INFORMATION
As of December 31, 2019

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. Its 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, Clarín continues to consolidate its digital subscription service and to add tools to serve the different readers segments. The goal is to continue to offer our readers professional, investigative and specialized journalism, which is what has identified us for 74 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 its positioning among the broadcast stations which the highest audience share. This leading position is mostly attributable to the performance of its programming grid both during the Prime Time, and at other times. During prime time, the most outstanding features were the launch in March of “Argentina tierra de amor y venganza” produced by Polka and, by the end of April, the return of “Showmatch”, both with leading audience ratings. It also launched the single episodes of “El Tigre Verón” and “Tu parte del trato” with good audience ratings. In addition, the newscast “Telenoche” and the show “Otra noche familiar”, hosted by Guido Kaczca, delivered a good performance. In the afternoon, the most outstanding programs in terms of audience ratings were “Noticiero Trece”, “El Diario de Mariana” and “Pasapalabra”, while the reality show “Corte y confección”, hosted by Andrea Politti, continues with good audience ratings. In audio broadcasting, Radio Mitre S.A. leads audience shares both in AM and FM. Mitre AM 790 focuses its programming on strong journalistic productions supported by the high credibility and professionalism of its journalists. The following programs stood out: “Cada Mañana”, hosted by Marcelo Longobardi, and “Lanata sin Filtro”, hosted by Jorge Lanata. Radio Mitre's programming aired Mondays through Fridays, as well as during weekends, allowed it to lead audience shares with over 40 points of share. In addition, “La 100” continues to deliver an outstanding performance. It bases its formula on an ideal combination of music and constant innovation, backed by famous artists, such as Santiago del Moro and Guido Kaczka. “La 100” maintains its leadership with an average of 16 points, with historic record highs for the last ten years.

Grupo Clarín continues to be subject to the public offering regime in the Buenos Aires Stock Exchange and in the London Stock Exchange.

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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.

	December 31, 2019	December 31, 2018	December 31, 2017
Non-Current Assets	9,533,676	9,880,377	6,407,029
Current Assets	10,976,801	13,554,488	16,287,461
Total Assets	20,510,477	23,434,865	22,694,490
Equity of the Parent Company	10,267,167	11,773,786	9,514,563
Equity of Non-Controlling Interests	206,533	187,561	89,787
Total Equity	10,473,700	11,961,347	9,604,350
Non-Current Liabilities	2,284,681	1,619,268	2,370,452
Current Liabilities	7,752,096	9,854,251	10,719,689
Total Liabilities	10,036,777	11,473,519	13,090,140
Total Equity and Liabilities	20,510,477	23,434,867	22,694,490

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.

	December 31, 2019	December 31, 2018	December 31, 2017
Operating income/loss from continuing operations [(1)]	532,072	867,766	2,457,201
Financial Results (including Gain (Loss) on Net Monetary Position)	(1,418,688)	(1,944,345)	(1,034,437)
Equity in Earnings from Associates	175,744	256,493	109,265
Other Income and Expenses, net	(80,576)	496,797	176,597
Income/loss from continuing operations before income tax and tax on assets	(791,447)	(323,289)	1,708,626
Income tax and tax on assets	(667,656)	(1,034,147)	(1,085,150)
Net Income (Loss) from Continuing Operations	(1,459,103)	(1,357,435)	623,476
Net Income (Loss) from Discontinued Operations	-	-	5,375,093
Net (Loss) / Income for the year	(1,459,103)	(1,357,435)	5,998,568
Other Comprehensive Income (Loss) for the Year	(4,248)	(23,913)	(171,588)
Total Comprehensive Income (Loss) for the Year	(1,463,351)	(1,381,348)	5,826,980

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

See our report dated
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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.

	December 31, 2019	December 31, 2018	December 31, 2017
Cash flows provided by operating activities	1,410,108	1,139,568	7,695,460
Cash Flows used in Investment Activities	(610,366)	(590,059)	(7,368,140)
Cash Flows used in Financing Activities	(251,743)	(968,618)	(1,340,619)
Total Cash Flows provided (used) for the Year	547,999	(419,109)	(1,013,299)
Financial Results (including Gain (Loss) on Net Monetary Position) of Cash And Cash Equivalents	(241,251)	(65,062)	340,910
Total changes in cash	306,749	(484,170)	(672,389)

5. STATISTICAL DATA

	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
Newspaper circulation [1]	235,942	231,046	221,253	237,116	261,699
Canal 13 audience share					
Prime Time [2]	39.3	34.8	38.3	34.8	37.3
Total Time [2]	32.9	32.0	33.7	32.0	30.4

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

[2] 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.

6. RATIOS

	December 31, 2019	December 31, 2018	December 31, 2018
Liquidity (current assets / current liabilities)	1.42	1.38	1.54
Solvency (equity / total liabilities)	1.04	1.04	1.01
Capital assets (non-current assets / total assets)	0.47	0.42	0.38
Return on equity (net income (loss) for the year / average shareholders' equity)	(0.13)	(0.11)	0.07

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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 positioning 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 continue to focus 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
March 9, 2020
PRICE WATERHOUSE & CO. S.R.L.

(Partner)
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JORGE CARLOS RENDO
Chairman

Free translation from the original prepared in Spanish

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the attached consolidated financial statements of Grupo Clarín S.A. and its subsidiaries (the "Company") which comprise the consolidated statement of financial position at December 31, 2019, the consolidated statements of comprehensive income, of changes in equity and of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

The balances and other information corresponding to the fiscal year 2018 are an integral part of the audited financial statements mentioned above and therefore they must be considered in connection with these financial statements.

Board of Directors' responsibility

The Board of Directors of the Company is responsible for the reasonable preparation and presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) 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) into its regulations, as adopted by the International Accounting Standards Board (IASB). Further, the Board of Directors is responsible for the existence of adequate internal control to prepare consolidated financial statements free from material misstatements due to errors or irregularities.

Auditor's responsibility

Our responsibility is to express an opinion on the accompanying consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs), as adopted in Argentina by the FACPCE through Technical Resolutions No. 32 and its respective Adoption Communications. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and other information disclosed in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the consolidated financial statements due to fraud or error. In making those risk assessments, the auditor must consider internal control relevant to the Company's preparation and reasonable presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by the Company's management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements mentioned in the first paragraph of this report present fairly, in all material respects, the consolidated financial position of Grupo Clarín S.A. and its subsidiaries as of December 31, 2019, its consolidated comprehensive income and consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Report on compliance with current regulations

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

a) the consolidated financial statements of Grupo Clarín S.A. have been transcribed to the "Inventory and Balance Sheets" book and comply with the General Associations Law and pertinent resolutions of the Argentine Securities Commission, as regards those matters within our competence;

b) the separate financial statements of Grupo Clarín S.A. arise from accounting records kept in all formal respects in conformity with legal regulations which maintain the security and integrity conditions on the basis of which they were authorized by the Argentine Securities Commission;

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 December 31, 2019 the debt accrued by Grupo Clarín S.A. in favor of the Argentine Integrated Social Security System according to the Company's accounting records amounted to $ 4,812,101, none of which was claimable at that date;

e) in accordance with the requirements of article 21°, subsection b), Chapter III, Section VI, Title II of the regulations of the Argentine Securities Commission, we report that the total fees for auditing and related services billed to the Company during the fiscal year ended December 31, 2019 represent:

   e.1) 100% on the total fees for services invoiced to the Company for all concepts in that fiscal year;
   e.2) 5% on the total fees for audit and related services invoiced to the Company, its parent companies, subsidiaries and affiliates in that fiscal year;
   e.3) 3% on the total fees for services invoiced to the Company, its parent companies, subsidiaries and affiliates for all concepts in that fiscal year.

f) we have applied for Grupo Clarín S.A. the procedures on prevention of asset laundering and terrorism funding set forth in the relevant professional rules issued by the Professional Council for Economic Sciences of the Autonomous City of Buenos Aires.

Autonomous City of Buenos Aires, March 9, 2020

PRICE WATERHOUSE & CO. S.R.L.

(Socio)

C.P.C.E.C.A.B.A. Tº 1 Fº 17
Dr. Carlos A. Pace
Contador Público (UBA)
C.P.C.E.C.A.B.A. T° 150 F° 106

GRUPO CLARÍN S.A.

Separate Financial Statements for the year ended December 31, 2019, presented on a comparative basis

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

GRUPO CLARÍN S.A.
SEPARATE STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Amounts stated in Argentine Pesos – Note 2.1.1)

	Notes	December 31, 2019	December 31, 2018
Equity in Earnings from Associates	**4.3**	(1,013,259,574)	(1,390,835,529)
Management fees		425,870,368	446,618,438
Administrative Expenses [1]	**5.1**	(680,234,170)	(557,057,288)
Other Income and Expenses, net	**5.4**	(23,286,937)	558,943,558
Gain (Loss) on Net Monetary Position		(484,945,445)	(1,000,004,023)
Financial Costs	**5.2**	(541,699)	(36,455)
Other Financial Results, net	**5.3**	401,299,099	718,845,530
Financial Results		(84,188,045)	(281,194,948)
Income (Loss) before Income Tax and Tax on Assets		(1,375,098,358)	(1,223,525,769)
Income Tax and Tax on Assets	**6**	(132,222,991)	(93,257,591)
Loss for the year		(1,507,321,349)	(1,316,783,360)
Other Comprehensive Income			
Items which can be reclassified to Net Income (Loss)			
Variation in Translation Differences of Foreign Operations from Continuing Operations		702,453	12,718,528
Other Comprehensive Income (Loss) for the Year		702,453	12,718,528
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		(1,506,618,896)	(1,304,064,832)

[1] Includes depreciation of property, plant and equipment and amortization of intangible assets in the amount of $ 36,472,169 and $ 9,956,814 for the years ended December 31, 2019 and 2018, respectively.

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

Signed for identification purposes
with the report dated March 9, 2020

See our report dated
March 9, 2020
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
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.
SEPARATE STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2019 AND 2018
(Amounts stated in Argentine Pesos – Note 2.1.1)

	Notes	December 31, 2019	December 31, 2018
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	**4.1**	1,957,286,920	926,199,606
Intangible Assets	**4.2**	9,931,152	11,783,168
Deferred Tax Assets	**6**	-	58,639,522
Investments in Unconsolidated Affiliates	**4.3**	8,255,330,215	9,330,152,201
Other Receivables	**4.4**	184,243,343	193,298,105
Total Non-Current Assets		10,406,791,630	10,520,072,602
CURRENT ASSETS			
Other Receivables	**4.4**	133,441,495	1,116,883,495
Other Investments	**4.5**	75,801,394	362,657,922
Cash and Banks	**4.6**	8,967,270	11,049,081
Total Current Assets		218,210,159	1,490,590,498
Total Assets		10,625,001,789	12,010,663,100
EQUITY (as per the corresponding statement)			
Shareholders' Contribution		10,654,277,122	12,592,657,973
Other Items		23,200,891	22,498,438
Retained Earnings		(410,310,791)	(841,370,293)
Total Equity		10,267,167,222	11,773,786,118
LIABILITIES			
CURRENT LIABILITIES			
Taxes Payable	**4.7**	2,122,384	74,418,170
Other Liabilities	**4.9**	99,702,322	4,507,226
Trade and Other Payables	**4.8**	207,021,296	157,951,586
Total Current Liabilities		308,846,002	236,876,982
NON-CURRENT LIABILITIES			
Deferred Tax Liabilities	**6**	48,988,565	-
Total Non-Current Liabilities		48,988,565	-
Total Liabilities		357,834,567	236,876,982
Total Equity and Liabilities		10,625,001,789	12,010,663,100

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

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CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

JORGE CARLOS RENDO
Chairman

GRUPO CLARÍN S.A.
Registration number with the IGJ: 1,669,734

GRUPO CLARÍN S.A.
SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Amounts stated in Argentine Pesos – Note 2.1.1)

	Equity attributable to Shareholders of the Parent Company									
	Shareholders' Contribution				Other Items		Retained Earnings			
	Capital Stock	Inflation Adjustment on Capital Stock	Additional Paid-in Capital	Subtotal	Translation of Foreign Operations	Other Reserves	Legal Reserve	Voluntary Reserves	Retained Earnings	Total Equity of Controlling Interests
Balances as of January 1, 2018	106,776,004	3,650,439,491	8,835,442,478	12,592,657,973	128,385,630	(168,511,722)	125,791,615	7,281,905,132	(6,900,359,470)	13,059,869,158
Change in Accounting Policy (Note 2.3.1)									(31,924,210)	(31,924,210)
Balances as of January 1, 2018, restated	106,776,004	3,650,439,491	8,835,442,478	12,592,657,973	128,385,630	(168,511,722)	125,791,615	7,281,905,132	(6,932,283,680)	13,027,944,948
Set-up of Reserves (Note 7)	-	-	-	-	-	49,906,002	-	1,934,515,227	(1,934,515,227)	49,906,002
Loss for the year	-	-	-	-	-	-	-	-	(1,316,783,360)	(1,316,783,360)
Variation in Translation Differences of Foreign Operations	-	-	-	-	12,718,528	-	-	-	-	12,718,528
Balances as of December 31, 2018	106,776,004	3,650,439,491	8,835,442,478	12,592,657,973	141,104,158	(118,605,720)	125,791,615	9,216,420,359	(10,183,582,267)	11,773,786,118
Set-up of Reserves (Note 7)	-	-	(1,938,380,851)	(1,938,380,851)	-	-	(125,791,615)	(8,119,409,801)	10,183,582,267	-
Loss for the year	-	-	-	-	-	-	-	-	(1,507,321,349)	(1,507,321,349)
Other Comprehensive Income: Variation in Translation Differences of Foreign Operations	-	-	-	-	702,453	-	-	-	-	702,453
Balances as of December 31, 2019	(1) 106,776,004	3,650,439,491	6,897,061,627	10,654,277,122	141,806,611	(118,605,720)	-	(2) 1,097,010,558	(1,507,321,349)	10,267,167,222

(1) Includes 1,485 treasury shares. See Note 12.

(2) Corresponds to Judicial Reserve for Future Dividends Distribution

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

Signed for identification purposes
with the report dated March 9, 2020

See our report dated
March 9, 2020
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

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JORGE CARLOS RENDO
Chairman

GRUPO CLARÍN S.A.
SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Amounts stated in Argentine Pesos – Note 2.1.1)

	December 31, 2019	December 31, 2018
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		
Loss for the year	(1,507,321,349)	(1,316,783,360)
Income Tax and Tax on Assets	132,222,991	93,257,591
Accrued Interest, net	(203,800,225)	(292,838,273)
Adjustments to reconcile Net Loss for the Year to Cash used in Operating Activities:		
Depreciation of Property, Plant and Equipment and Amortization of Intangible Assets	36,472,169	9,956,814
Financial Income, except Interest	(204,789,702)	(466,371,589)
Equity in Earnings from Associates	1,013,259,574	1,390,835,529
Gain (Loss) on Net Monetary Position	484,945,445	1,000,004,023
Other Income and Expenses	5,319,047	(554,290,718)
Changes in Assets and Liabilities:		
Other Receivables	(208,074,287)	(61,529,672)
Trade and Other Payables	146,648,159	(8,688,591)
Taxes Payable	(850,089)	12,005,985
Other Liabilities	(13,510,805)	(1,723,898)
Income Tax and Tax on Assets Payments	(48,056,168)	(19,156,932)
Net Cash Flows used in Operating Activities	(367,535,240)	(215,323,091)
CASH FLOWS PROVIDED BY INVESTMENT ACTIVITIES		
Dividends Collected	86,444,860	392,151,542
Capital Contributions in Subsidiaries	(27,524,586)	(389,798,791)
Payments for Acquisition of Property, Plant and Equipment	(14,003,261)	(7,976,227)
Payments for Acquisition of Intangible Assets	(413,090)	(6,466,579)
Loans Granted	(45,704,576)	(421,760,576)
Collections of Loans	54,692,051	-
Collection from Credit Assignment (Note 5.4)	-	497,863,186
Transactions with Notes and Bonds, Net	4,102,951	-
Collection of Interest	15,512,085	-
Net Cash Flows provided by Investment Activities	73,106,434	64,012,555
FINANCIAL RESULTS (INCLUDING GAIN (LOSS) ON NET MONETARY POSITION) OF CASH AND CASH EQUIVALENTS	5,490,467	95,796,033
Net Decrease in Cash Flow	(288,938,339)	(55,514,503)
Cash and Cash Equivalents at the Beginning of the Year	373,707,003	429,221,506
Cash and Cash Equivalents at the Closing of the Year (Note 2.15)	84,768,664	373,707,003

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

Signed for identification purposes
with the report dated March 9, 2020

See our report dated
March 9, 2020
PRICE WATERHOUSE & CO. S.R.L.

(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

CARLOS ALBERTO PEDRO DI CANDIA
Chairman of the Supervisory Committee

JORGE CARLOS RENDO
Chairman

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Chairman of the Supervisory Committee

GRUPO CLARÍN S.A.
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019,
PRESENTED ON A COMPARATIVE BASIS
(Amounts stated in Argentine Pesos – Note 2.1.1)

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 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 2 - BASIS FOR THE PREPARATION AND PRESENTATION OF THE SEPARATE 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 separate 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 separate 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 separate financial statements for the year ended December 31, 2019, 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 IFRS. Certain additional matters were included as required by the Argentine General Associations Law and/or CNV regulations, including the supplementary information provided under 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 separate financial statements, as provided under IFRS and CNV rules.

The financial statements have been prepared based on the restated historical cost, as mentioned in Note 2.1.1, 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.

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 year.

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Chairman of the Supervisory Committee

The attached information, approved by the Board of Directors at the meeting held on March 9, 2020, is presented in Argentine Pesos ($), the Argentine legal tender, and arises from accounting records kept by Grupo Clarín S.A.

2.1.1 Application of IAS 29 (Financial Reporting in Hyperinflationary Economies)

International Accounting Standard 29 “Financial Reporting in Hyperinflationary Economies” (“IAS 29”) requires that the financial statements of an entity that reports in the currency of a highly inflationary economy shall be stated in terms of the measuring unit current at the closing date of the reporting year, regardless of whether they are based on a historical cost approach or a current cost approach. To this end, in general terms, the inflation rate must be computed in the non-monetary items as from the acquisition date or the revaluation date, as applicable. These requirements also comprise the comparative information of the financial statements.

To determine the existence of a highly inflationary economy under the terms of IAS 29, the standard details a series of factors to consider, including a cumulative inflation rate over three years that is close to or exceeds 100%. This is why, in accordance with IAS 29, Argentine economy should be considered as a highly inflationary economy as from July 1, 2018.

In addition, Law No. 27,468, published in the Official Gazette on December 4, 2018, amended Section 10 of Law No. 23,928, as amended, providing that the repeal of all the laws and regulations that establish or authorize price indexation, currency restatement, cost variance and any other form of restatement of debts, taxes, prices or fees related to property, works or services, does not apply to financial statements, which remain subject to Section 62 in fine of the General Associations Law No. 19,550 (as restated in 1984), as amended. In addition, it repealed Decree No. 1,269/2002 dated July 16, 2002, as amended, and delegated on the Executive Branch, through its oversight agencies, the power to set the date as from which those regulations will come into effect with respect to financial statements. On December 28, 2018, through General Resolution No. 777/2018, the CNV provided that the entities subject to the Commission's oversight must apply the method to restate annual, interim and special financial statements in constant currency, as established by IAS 29, for fiscal years ended on or after December 31, 2018. Therefore, these financial statements have been restated in constant currency as of December 31, 2019.

According to IAS 29, the financial statements of an entity that reports in the currency of a highly inflationary economy shall be stated in terms of the measuring unit current at the closing date of the financial statements.

The inflation adjustment of the opening balances was calculated taking into consideration the indexes established by the FACPCE based on the price indexes published by the National Institute of Statistics and Census (INDEC, for its Spanish acronym). The following tables show the evolution of those indexes over the last three fiscal years, according to official statistics (INDEC) in accordance with the guidelines described under Resolution No. 539/18:

	As of December 31, 2017	As of December 31, 2018	As of December 31, 2019
Variation of Prices			
Annual / Period	24.7%	47.6%	53.8%
Accumulated over 3 years	96.6%	147.8%	183.4%

The main procedures applied for the above-mentioned inflation adjustment were the following:

- The monetary assets and liabilities recorded at the currency unit of the financial statement are not restated because they are already stated in terms of the measuring unit current at the closing date of the financial statements.

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Chairman of the Supervisory Committee

- The non-monetary assets and liabilities recorded at cost at the date of the financial statement, and the equity items, are restated by applying the corresponding adjustment coefficients.
- All the elements of the Statement of comprehensive income are adjusted by applying the corresponding adjustment coefficients.
- The effect of inflation on the Company's net monetary position is included in the Statement of comprehensive income under the item “Gain (Loss) on Net Monetary Position”.
- The comparative figures have been restated for inflation following the same procedure explained above and after that, they were restated as of the date of these financial statements.

The following is a description of the initial application of the inflation adjustment in the most relevant equity accounts:

- The capital stock was restated since the date of subscription or since the date of the last inflation adjustment for accounting purposes, whichever occurred later. The difference between the nominal value of the capital stock and its value restated for inflation is disclosed under “Inflation Adjustment on Capital Stock.”
- The paid-in capital was restated since the date of subscription or since the date of the last inflation adjustment for accounting purposes, whichever occurs later.
- Other comprehensive income was restated since each date of the accounting entry.
- The other reserves were restated since January 1, 2017, which was the first day of the comparative period at the time of the initial application of the adjustment for inflation.

2.2 Standards and Interpretations issued but not adopted to date

To date, there are no standards and interpretations issued but not adopted by the Company.

2.3. Standards and Interpretations issued and adopted to date

The Company has adopted the IFRS issued, as per the detail below, because its application is required for fiscal years beginning:

2.3.1 On or after January 1, 2018

- 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.

- IFRS 15 "Revenue from ordinary activities under contracts with customers": issued in May 2014. This standard specifies how and when revenues are recognized, as well as the additional information to be disclosed by the Company in the financial statements. The standard provides a single, principles based five-step model to be applied to all contracts with customers.

As a result of the analysis of said standards:

c) The Company recognized an adjustment to net income from prior years as of the date it began its application in the amount of $ 31.9 million restated in constant currency as of December 31, 2019 ($ 14 million stated in historical currency as of January 1, 2018) corresponding to the net effect of income tax under IFRS 9, in the companies in which it holders equity interests. IFRS 9 provides for the retrospective general application of this standard and allows the registration of the accumulated effect as of January 1, 2018 as a restatement of the beginning balance of Retained Earnings in the year of initial application. The Company opted for this alternative. With regard to other financial assets, the Company reviewed the measurement and classification

within the framework of IFRS 9 and concluded that they meet the conditions required to maintain their measurement and classification, and did not identify any impacts on the initial application of IFRS 9.

d) With regard to the adoption of IFRS 15, the Company has not recorded any impact.

2.3.2 On or after January 1, 2019

- IFRS 16 "Leases": issued in January 2016. It establishes the principles for the recognition, measurement, presentation and disclosure of leases.

The Company opted to apply IFRS 16 with the simplified retrospective approach to the operating lease agreements identified as such under IAS 17, recognizing the accumulated effect of the application as the adjustment to the opening balance of accumulated income as from January 1, 2019, without restating the information presented for comparative purposes.

The Company recognized the right-of-use assets at an amount equal to the lease liability at the date of the adoption (equal to the present value of the remaining lease payments), adjusted by the amount of any prepaid or accrued lease payments as of December 31, 2019.

The accounting impact on the consolidated financial statements of said standard as of January 1, 2019 was an increase in non-current assets due to the initial recognition of the right-of-use assets and an increase in liabilities related to lease agreements executed by subsidiaries for $ 185.8 million in constant currency as of December 31, 2019. There is no accounting impact as of January 1, 2019 on the separate financial statements in connection with this standard.

2.4 Equity Interests

The Company records the interest in its subsidiaries and associates using the equity method, as established by TR 26.

A subsidiary is an entity over which the Company exercises control. Control is presumed to exist when the Company has a right to variable returns from its interest in a subsidiary and has the ability to affect those returns through its power over the subsidiary. This power is presumed to exist when evidenced by the votes, be it that the Company has the majority of voting rights or potential rights currently exercised.

An associate is an entity over which the Company has significant influence, without exercising control, generally accompanied by equity holdings of between 20% and 50% of voting rights.

The subsidiaries' and associates' net income and the assets and liabilities are disclosed in the Separate Financial Statement using the equity method, except when the investment is classified as held for sale, in which case it is accounted for under IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations". Under the equity method, the investment in a subsidiary or associate is to be initially recorded at cost and the book value will be increased or decreased to recognize the investor's share in the comprehensive income for the year or in other comprehensive income obtained by the subsidiary or associate, after the acquisition date. The distributions received from the subsidiary or associate will reduce the book value of the investment.

The losses incurred by an associate in excess of the Company's interest in such company are recognized to the extent the Company has undertaken any legal or implicit obligation or has made payments on behalf of the associate.

Any excess of the acquisition cost over the Company's share in the net fair value of the subsidiary's or associate's identifiable assets, liabilities and contingent liabilities measured at the acquisition date is recognized as goodwill. Goodwill is included in the book value of the investment and tested for impairment as part of the

investment. Any excess of the Company's share in the net fair value of the identifiable assets, liabilities and contingent liabilities over the acquisition cost, after its measurement at fair value, is immediately recognized in the statement of income.

Unrealized gains or losses on transactions between the Company and its subsidiaries and the associates are eliminated considering the Company's interest in those companies.

Adjustments were made, where necessary, to the subsidiaries' and associates' financial statements so that their accounting policies are in line with those used by the Company.

2.4.1 Changes in the Company's Interests in Existing Subsidiaries

The purchases of additional interests in subsidiaries are recorded under the cost accumulation model. The cost of acquiring an additional interest is added to the book value of the investment.

The sales of interests in subsidiaries that do not result in a loss of control are recorded deregistering the book value in the proportion of the percentage reduced. The difference with the consideration received is charged to net income.

In case of loss of control and significant influence, any residual interest in the issuing company is measured at its fair value at such date, allocating the change in the recorded value with an impact on net income. The fair value is the initial amount recognized for such investments for the purpose of the subsequent valuation for the interest retained as associate, joint operation or financial instrument. Additionally, any amount previously recognized under Other Comprehensive Income regarding such investments is recognized as if the Company had disposed of the related assets and liabilities. Consequently, the amounts previously recognized under Other Comprehensive Income may be reclassified to the statement of income.

2.5 Business Combinations

The Company applies the acquisition method of accounting for business combinations. The consideration for each acquisition is measured at fair value (on the date of exchange) of the assets acquired, the liabilities incurred or assumed and the equity instruments issued by the Company in exchange for the control of the acquired company. The costs related to the acquisition are expensed as incurred.

The consideration for the acquisition, if any, includes any asset or liability arising from a contingent consideration arrangement, measured at fair value at the acquisition date. Subsequent changes to such fair value, identified during the measurement period, are adjusted against the acquisition cost.

The measurement period is the effective period that begins on the acquisition date and ends on the date on which the Company obtains all the information about the facts and circumstances existing on the acquisition date, which may not extend beyond one year after the acquisition date. All other changes in the fair value of the contingent consideration classified as assets or liabilities, outside the measurement period, are recognized in the statement of income. The changes in the fair value of the contingent consideration classified as equity are not recognized.

In the cases of business combinations conducted in stages, the Company's equity interest in the acquiree is remeasured at fair value on its acquisition date (i.e., the date on which the Company obtained control) and the resulting gain or loss, if any, is recognized in the statement of income or in other comprehensive income, as appropriate according to the source of the variation. In the periods preceding the reporting periods, the Company may have recognized under other comprehensive income the changes in the value of the interest in the capital stock of the acquired company. In that case, the amount recognized under other comprehensive income is recognized on the same basis that would have been required if the Company had directly disposed of the previously-held equity interest.

The identifiable assets, liabilities and contingent liabilities of the acquired company that meet the conditions for recognition under IFRS 3 (2008) are recognized at fair value at the acquisition date, except for certain particular cases provided by such standard.

Any excess of the acquisition cost (including the interest previously held, if any, and the non-controlling interest) over the Company's share in the net fair value of the subsidiary's or associate's identifiable assets, liabilities and contingent liabilities measured at the acquisition date is recognized as goodwill. Any excess of the Company's share in the net fair value of the identifiable assets, liabilities and contingent liabilities over the acquisition cost, after its measurement at fair value, is immediately recognized in the statement of income.

The acquisition cost comprises the consideration transferred and the acquisition-date fair value of the acquirer's previously-held equity interest in the acquiree, if any.

2.6 Goodwill

Goodwill arises from the acquisition of subsidiaries and associates and refers to the excess of the sum of the consideration transferred, the fair value of the acquirer's previously-held equity interest (if any) in the acquiree over the interest acquired in the net amount of the fair value at the date of acquisition of the identifiable assets acquired and liabilities assumed.

If, after the fair value measurement, the Company's share in the fair value of the net identifiable assets of the acquiree exceeds the amount of the transferred consideration, the amount of any non-controlling interest in such company and the fair value of the interest previously held by the acquirer in the acquiree (if any), that excess is immediately recognized in the statement of comprehensive income as income from purchase in very profitable terms.

Goodwill is not amortized, but tested for impairment on an annual basis. For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units expected to render benefits from the synergies of the respective business combination. Those cash-generating units to which goodwill is allocated are tested for impairment on an annual basis, or more frequently, when there is any indication of impairment. If the recoverable value of the cash-generating unit, i.e. the higher of the value in use or the fair value net of selling expenses, is lower than the value of the net assets allocated to that unit, including goodwill, the impairment loss is first allocated to reduce the goodwill allocated to the unit and then to the other assets of the unit, on a pro rata basis, based on the valuation of each asset in the unit. The impairment loss recognized against the valuation of goodwill is not reversed under any circumstance.

In case of a loss of control in a subsidiary, the amount attributable to goodwill is included in the calculation of the gain or loss for retirement.

2.7 Revenue Recognition

Management fees are recognized when such services are rendered at the fair value of the consideration received or to be received.

2.8 Foreign Currency and Functional Currency

The financial statements of each of the Company's subsidiaries or associates are prepared in the currency of the primary economic environment in which the entity operates (its functional currency). For the purposes of the Company's Separate Financial Statements, the net income and the financial position of each entity are stated in Argentine Pesos (Argentina's legal tender for all companies domiciled in Argentina), which is the Company's functional currency.

In preparing the financial statements of the individual entities, the transactions in currencies other than the entity's functional currency (foreign currency) are recorded at the exchange rates prevailing on the dates on which transactions are carried out. At the end of each reporting year, the monetary items denominated in foreign currency are retranslated at the exchange rates prevailing on such date.

The exchange differences were charged to income (loss) for the year in which they were generated.

In preparing the Company's separate financial statements, in order to measure, under the equity method, the Company's interest in the entities which functional currencies is different from the Argentine Peso, the assets and liabilities of such companies are translated to Argentine pesos at the exchange rate prevailing at the end of the year, while the net income is translated at the exchange rate prevailing on the transaction date. Translation differences are recognized under other comprehensive income as "Variation in Translation Differences of Foreign Operations".

2.9 Taxes

The income tax charge reflects the sum of current income tax and deferred income tax.

2.9.1 Current and Deferred Income Tax for the year

Current and deferred taxes are recognized as expense or income for the year, except when they are related to entries debited or credited to other comprehensive income or directly to equity, in which cases taxes are also recognized under other comprehensive income or directly in equity, respectively. In the case of a business combination, the tax effect is taken into consideration in the calculation of goodwill or in the determination of the excess of acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

2.9.2 Current Income Tax

Current tax payable is based on the taxable income recorded during the year. Taxable income and net income reported in the separate statement of comprehensive income differ due to revenue or expense items that are taxable or deductible in other fiscal years and items that are never taxable or deductible. The current tax liability is calculated using the tax rate in effect as of the date of these separate financial statements.

2.9.3 Deferred Income Tax

Deferred tax is recognized on temporary differences between the book value of the assets and liabilities included in these financial statements and the corresponding tax basis used to determine taxable income. Deferred tax liabilities are generally recognized for all temporary fiscal differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable income will be available against which those deductible temporary differences can be charged. These assets and liabilities are not recognized if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

The book value of a deferred tax asset is reviewed at each reporting year and reduced to the extent that it is no longer probable that sufficient taxable income will be available in the future to allow for the recovery of all or part of the asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applicable in the year in which the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the period. The measurement of deferred tax liabilities and

assets reflects the tax consequences that would follow from the manner in which the entity expects, at the end of the reporting year, to recover or settle the book value of its assets and liabilities.

Deferred tax assets are offset against deferred tax liabilities if effective regulations allow to offset, before the tax authorities, the amounts recognized in those items; and if the deferred tax assets and liabilities arise from income taxes levied by the same tax authority and the Company intends to settle its assets and liabilities on a net basis.

Under the IFRS, deferred income tax assets and liabilities are classified as non-current assets and liabilities, respectively.

2.9.4 Tax on Assets

Until fiscal year ended December 31, 2018, the tax on assets (*impuesto a la ganancia mínima presunta*) was considered supplementary to income tax. The Company assessed this tax at the effective rate of 1% on the taxable assets at year-end. The Company's tax liability for each year was equal to the higher of the tax on assets assessment or the income tax liability assessed at the legally effective rate on the estimated taxable income for the year. However, if the tax on assets exceeded the income tax liability in any given fiscal year, the excess could be creditable against any excess of income tax liability over the tax on assets in any of the following ten fiscal years.

As mentioned in Note 17 to these separate financial statements, Law No. 27,260 repealed the tax on assets as from fiscal years beginning on or after January 1, 2019. However, the balance of the tax on assets that was capitalized as of December 31, 2018 may be creditable against the income tax liability in the following fiscal years until the expiration of the statute of limitations of the credit arising from the tax on assets.

The tax on assets balance has been capitalized in these separate financial statements for the amount estimated to be recoverable within the statute of limitations, based on the Company's current business plans.

2.10 Property, Plant and Equipment and Intangible Assets

Property, plant and equipment held for use in the provision of services, or for administrative purposes, are recorded at cost, restated as mentioned in Note 2.1.1, less accumulated depreciation and any accumulated impairment loss.

Depreciation of property, plant and equipment is recognized on a straight-line basis over its estimated useful life.

The estimated useful life, residual value and depreciation method are reviewed at each year-end, with the effect of any changes in estimates accounted for on a prospective basis.

Repair and maintenance expenses are expensed as incurred.

The gain or loss arising from the retirement or disposal of an item of property, plant and equipment is calculated as the difference between income from the sale of the asset and the asset's book value, and recognized under "Other Income and Expenses, net" in the separate statement of comprehensive income.

The residual value of an asset is written down to its recoverable value, if the asset's residual value exceeds its estimated recoverable value (see Note 2.11).

Intangible assets correspond to software and are valued at cost, restated as mentioned in Note 2.1.1, net of the corresponding accumulated amortization and impairment losses. Amortization is calculated on a straight line basis over the estimated useful life of the intangible assets. The Company reviews the useful lives applied,

the residual value and the amortization method at each year-end, and accounts the effect of any changes in estimates on a prospective basis.

2.11 Impairment of Non-Financial Assets, Except Goodwill

At the end of each financial statement, the Company reviews the book value of its non-financial assets with definite useful life to determine the existence of any evidence indicating that these assets could be impaired. If there is any indication of impairment, the recoverable value of these assets is estimated for the purposes of determining the amount of the impairment loss (in case the recoverable value is lower than the book value). Where it is not possible to estimate the recoverable value of an individual asset, the Company estimates the recoverable value of the cash-generating unit ("CGU") to which such asset belongs. Where a consistent and reasonable allocation base can be identified, corporate assets are also allocated to an individual cash-generating unit or, otherwise, to the smallest group of cash-generating units for which a consistent allocation base can be identified.

The recoverable value of an asset is the higher of the fair value less selling expenses or its value in use. In measuring value in use, estimated future cash flows are discounted at their present value using a pre-tax discount rate, which reflects the current market assessments of the time value of money and, if any, the risks specific to the asset for which estimated future cash flows have not been adjusted.

Assets with an indefinite useful life (for example, non-financial assets unavailable for use) are not amortized, but are tested for impairment on an annual basis.

During this year, no impairment losses have been recorded for these assets.

2.12 Financial Instruments

Financial assets and liabilities, on initial recognition, are measured at transaction price as of the acquisition date. Financial assets are derecognized in the financial statement when the rights to receive cash flows from them have expired or have been transferred and the Company has transferred substantially all the risks and benefits of ownership.

2.12.1 Financial Assets

Upon initial recognition, in accordance with IFRS 9, financial assets are subsequently measured at either amortized cost, or fair value, on the basis of:

(a) the Company's business model for managing the financial assets; and
(b) the contractual cash flow characteristics of the financial asset.

A financial asset shall be measured at amortized cost if both of the following conditions are met:

(a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and
(b) the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that is not measured at amortized cost according to the paragraphs above is measured at fair value.

Financial assets include:

Cash and Cash Equivalents

Cash and cash equivalents includes Cash and banks and short-term and highly liquid investments that are readily convertible to cash, subject to an insignificant risk of changes in value and their original maturity or the remaining maturity at the date of purchase does not exceed three months.

Cash and cash equivalents are recorded, according to their nature, at fair value or amortized cost.

Investments in mutual funds are carried at fair value. Gains and losses are included in Other Financial Results, net.

Investments in Government Securities were valued at amortized cost or at fair value, according to the business model established by the Company.

Balances in foreign currency have been valued as mentioned above, at the exchange rates effective at the closing of each year. The exchange differences were charged to income for each year.

Trade and Other Receivables

Trade and other receivables classified as either current or non-current assets are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less allowances for doubtful accounts.

Balances in foreign currency have been valued as mentioned above, at the exchange rates effective at the closing of each year. The exchange differences were charged to income for each year.

Investments

Depending on the business model adopted by Management, Securities and Bonds may be valued at amortized cost or at fair value and its results are recognized under Other Financial Results, net.

Balances in foreign currency have been valued as mentioned above, at the exchange rates effective at the closing of each year. The exchange differences were charged to income for each year.

Impairment of Financial Assets

At the time of initial recognition of financial assets (and at each closing), the Company estimates the expected losses, with an early recognition of a provision, pursuant to IFRS 9.

The expected losses to be recognized are calculated based on a percentage of uncollectibility per maturity ranges of each financial credit. For such purposes, the Company analyzes the performance of the financial assets grouped by type of market. Said historical percentage must contemplate the future collectibility expectations regarding those credits and, therefore, those estimated changes in performance.

Derecognition of Financial Assets

The Company derecognizes a financial asset when the contractual rights to the cash flows of such assets expire or when it transfers the financial asset and, therefore, all the risks and benefits inherent to the ownership of the financial asset are transferred to another entity. If the Company retains substantially all the risks and benefits inherent to the ownership of the transferred asset, it will continue to recognize it and will recognize a liability for the amounts received.

2.12.2 Financial Liabilities

Financial liabilities comprise trade and other payables, financial debt, and certain liabilities included in Other Liabilities.

Financial liabilities are initially recognized at fair value and subsequently measured at amortized cost. Amortized cost represents the initial amount net of principal repayments made, adjusted by the amortization of any differences between the initial amount and the maturity amount using the effective interest method.

Balances in foreign currency have been valued as mentioned above, at the exchange rates effective at the closing of each year. The exchange differences were charged to income for each year.

Derecognition of Financial Liabilities

The Company shall derecognize a financial liability (or part of it) when it has been extinguished, i.e., when the obligation specified in the corresponding agreement is discharged, canceled or expires.

2.12.3 Derivatives

Derivatives, if any, are initially recognized at fair value at the date of execution of the related contract and subsequently measured at fair value at the end of the reporting year. The resulting gain or loss is immediately recognized in the statement of income unless the derivate is designated as a hedging instrument, in which case the timing for its recognition will depend on the nature of the hedging relationship.

2.13 Other Liabilities

The other liabilities have been valued at nominal value.

2.14 Assets and Liabilities Held for Distribution to Shareholders

Non-current assets and liabilities (or disposal groups) are classified as assets and liabilities held for distribution to shareholders when an entity undertakes to distribute them to its shareholders, to the extent such distribution is highly likely to occur and they are available for immediate distribution in their then current conditions.

2.15 Separate Statement of Cash Flows

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

Bank overdrafts are classified as “Debt” in the separate statement of financial position.

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Cash and cash equivalents at each year-end, as disclosed in the separate statement of cash flows, may be reconciled against the items related to the separate statement of financial position as follows:

	December 31, 2019	December 31, 2018
Cash and Banks	8,967,270	11,049,081
Short-Term Investments	75,801,394	362,657,922
Cash and Cash Equivalents	**84,768,664**	**373,707,003**

In the years ended December 31, 2019 and 2018, the following significant transactions were carried out, which did not have an impact on cash and cash equivalents:

	December 31, 2019	December 31, 2018
Purchase of Property, Plant & Equipment with an offsetting in receivables from related companies or unpaid (Note 4.1)	1,051,291,116	876,844,691

2.16 Distribution of Dividends

The distribution of dividends to the Company's shareholders is recognized as a liability in the financial statements for the year in which the distribution of dividends is approved by the Shareholders.

NOTE 3 - ACCOUNTING ESTIMATES AND JUDGMENTS

In applying the accounting policies described in Note 2, the Company has to make judgments and prepare accounting estimates of the value of the assets and liabilities that may not be otherwise obtained. 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 year in which estimates are reviewed.

These estimates basically refer to:

Impairment of Goodwill

The Company assesses goodwill for impairment on an annual basis. In determining if there is impairment of goodwill, the Company calculates the value in use of the cash-generating units to which it has been allocated. The calculation of the value in use requires the determination by the entity of the future cash flows that should arise from the cash-generating units and an appropriate discount rate to calculate the present value.

Recognition and Measurement of Deferred Tax Items

As disclosed in Note 2.9, deferred tax assets are only recognized for temporary differences to the extent that it is probable that the entity will have enough future taxable income against which the deferred tax assets can be used. Tax loss carryforwards from prior years are only recognized when it is probable that the entity will have enough future taxable income against which they can be used.

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The Company examines the recoverable value of deferred tax assets based on its business plans and books a valuation allowance, if appropriate, so that the net position of the deferred tax asset will reflect the probable recoverable value.

Determination of the Useful Lives of Property, Plant and Equipment

The Company reviews the reasonableness of the estimated useful life of property, plant and equipment at each year-end.

Measurement of the fair value of certain financial instruments

The fair value of a financial instrument is the amount at which the instrument could be purchased or sold between knowledgeable, willing parties in an arm's length transaction. If there is a quoted market price available for an instrument in an active market, the fair value is calculated based on that price.

If there is no quoted market price available for a financial instrument, its fair value is estimated based on the price established in recent transactions involving the same or similar instruments and, otherwise, based on valuation techniques regularly used in financial markets. The Company uses its judgment to select a variety of methods and makes assumptions based on market conditions at closing.

NOTE 4 - BREAKDOWN OF THE MAIN ITEMS OF THE SEPARATE STATEMENT OF FINANCIAL POSITION

4.1 Property, Plant and Equipment

Main Account	Original value			
	Balance at the Beginning	Additions	Retirements / Transfers	Balances as of December 31, 2019
Real Property [1]	876,844,691	1,051,291,116	-	1,928,135,807
Furniture and Fixtures	8,910,133	871,814	-	9,781,947
Audio and Video Equipment	3,344,189	-	-	3,344,189
Telecommunication Equipment	3,035,673	200,248	-	3,235,921
Computer Equipment	87,668,853	4,655,539	14,911,519	107,235,911
Vehicle	1,349,252	-	(69,226)	1,280,026
Improvements in Third-Party Property	22,318,299	8,344,886	-	30,663,185
Works-In-Progress	14,911,519	-	(14,911,519)	-
Total as of December 31, 2019	1,018,382,609	1,065,363,603	(69,226)	2,083,676,986

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Main Account	Depreciation					Net Book Value as of December 31, 2019
	Useful Life (in years)	Balance at the Beginning	Retirements	For the year	Balances as of December 31, 2019	
Real Property	50	-	-	21,041,19	21,041,198	1,907,094,609
Furniture and Fixtures	10	5,143,062	-	571,648	5,714,710	4,067,237
Audio and Video Equipment	5	1,960,439	-	355,622	2,316,061	1,028,128
Telecommunication Equipment	5	2,366,911	-	245,062	2,611,973	623,948
Computer Equipment	3	80,367,271	-	9,288,514	89,655,785	17,580,126
Vehicle	5	128,001	-	256,005	384,006	896,020
Improvements in Third-Party Property	10	2,217,319	-	2,449,014	4,666,333	25,996,852
Works-In-Progress	-	-	-	-	-	-
Total as of December 31, 2019		92,183,003	-	34,207,06	126,390,066	1,957,286,920

(1) On October 23, 2019, Grupo Clarín executed a purchase agreement for the acquisition of two buildings owned by AGEA (as a result of the merger of AGR into AGEA), located at: (i) Avenida del Barco Centenera 2630, 2644, 2650 and 2728 and Tilcara without number and (ii) Avenida del Barco Centenera 2750, 2790 and 2800 and Tilcara 2761, 2771 and 2781, both in the City of Buenos Aires. The purchase price was set at $ 972,000,000 ($ 1,051,291,116 in constant currency as of December 31, 2019), which was partially settled upon the execution of the purchase agreement through the offsetting with the receivable the Company held with AGEA for $ 569.7 million ($ 616.1 million in constant currency as of December 31, 2019) and the balance will be settled within 180 days as from the date of execution of the purchase agreement. It was expressly agreed and acknowledged that Grupo Clarín may make partial settlements and that those settlements may also be made through the offsetting of other receivables held by the Company with AGEA. It was also agreed that the possession would be granted upon the execution of the purchase agreement. The buildings are temporarily not being used.

In December 2019, the Company made a partial settlement through the offsetting of receivables held by the Company with AGEA for $ 320.5 million. As of December 31, 2019, the outstanding balance amounted to $ 81.8 million.

Main Account	Original value			
	Balance at the Beginning	Additions	Retirements	Balances as of December 31, 2018
Real Property (1)	-	876,844,691	-	876,844,691
Furniture and Fixtures	12,247,871	640,960	(3,978,698)	8,910,133
Audio and Video Equipment	2,922,156	422,033	-	3,344,189
Telecommunication Equipment	2,818,748	216,925	-	3,035,673
Computer Equipment	84,912,395	2,756,458	-	87,668,853
Vehicle	-	1,349,252	-	1,349,252
Improvements in Third-Party Property	15,717,092	2,622,509	3,978,698	22,318,299
Works-In-Progress	14,911,519	-	-	14,911,519
Total as of December 31, 2018	133,529,781	884,852,828	-	1,018,382,609

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Main Account	Depreciation					Net Book Value as of December 31, 2018
	Useful Life (in years)	Balance at the Beginning	Retirements	For the year	Balances as of December 31, 2018	
Real Property	50	-	-	-	-	876,844,691
Furniture and Fixtures	10	4,621,599	-	521,463	5,143,062	3,767,071
Audio and Video Equipment	5	1,628,689	-	331,750	1,960,439	1,383,750
Telecommunication Equipment	5	2,107,284	-	259,627	2,366,911	668,762
Computer Equipment	3	73,317,550	-	7,049,721	80,367,271	7,301,582
Vehicle	5	-	-	128,001	128,001	1,221,251
Improvements in Third-Party Property	10	613,102	-	1,604,217	2,217,319	20,100,980
Works-In-Progress	-	-	-	-	-	14,911,519
Total as of December 31, 2018		82,288,224	-	9,894,779	92,183,003	926,199,606

(1) On December 27, 2018, Grupo Clarín executed a purchase agreement for the acquisition of a building owned by AGEA (as a result of the merger of AGR into AGEA), located at Del Barco Centenera 2880, City of Buenos Aires. The purchase price was set at $ 570 million ($ 876.8 million in constant currency as of December 31, 2019), which was settled through the offsetting with the receivable the Company held with AGEA for up to such amount, and the parties agreed that the possession would be granted upon the execution of the purchase agreement. The building is temporarily not being used.

4.2 Intangible Assets

Main Account	Original value			
	Balance at the Beginning	Additions	Retirements	Balances as of December 31, 2019
Software	2,376,766	-	10,652,745	13,029,511
Software in-progress	11,766,722	413,090	(10,652,745)	1,527,067
Total as of 12.31.2019	14,143,488	413,090	-	14,556,578

Main Account	Amortization					Net Book Value as of December 31, 2019
	Amortization Period (in years)	Balance at the Beginning	Retirements	For the year	Balances as of December 31, 2019	
Software	3	2,360,320	-	2,265,106	4,625,426	8,404,085
Software in-progress		-	-	-	-	1,527,067
Total as of 12.31.2019		2,360,320	-	2,265,106	4,625,426	9,931,152

Main Account	Original value			
	Balance at the Beginning	Additions	Retirements	Balances as of December 31, 2018
Software	2,376,766	-	-	2,376,766
Software in-progress	5,300,143	6,466,579	-	11,766,722
Total as of 12.31.2018	7,676,909	6,466,579	-	14,143,488

Main Account	Amortization					Net Book Value as of December 31, 2018
	Amortization Period (in years)	Balance at the Beginning	Retirements	For the year	Balances as of December 31, 2018	
Software	3	2,298,285	-	62,035	2,360,320	16,446
Software in-progress		-	-	-	-	11,766,722
Total as of 12.31.2018		2,298,285	-	62,035	2,360,320	11,783,168

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4.3. Investments in Unconsolidated Affiliates

						Information about the issuer - Latest financial statements					
	Class	Nominal Value	Number	Value recorded as of December 31, 2019 (1)	Value recorded as of December 31, 2018 (1)	Main business activity	Date	Capital Stock	Net Income	Equity	Interest (%)
Non-Current Investments											
AGEA	Common	$ 1	1,397,974,126	2,144,863,215	3,118,847,331	Publishing and Printing	12.31.2019	1,441,374,151	(427,358,380)	3,222,328,451	96.99%
CIMECO	Common	$ 1	37,412,958	86,172,897	91,951,665	Investing and financing	12.31.2019	180,479,453	(301,396,653)	435,295,601	20.73% (3)
CMI	Common	$ 1	98	479,942	638,200	Advertising	12.31.2019	12,000	(19,377,389)	58,768,406	0.82%
ARTEAR	Common	$ 1	57,747,859	4,417,655,530	4,102,341,838	Broadcasting Services	12.31.2019	59,611,118	340,754,471	4,844,462,770	96.87% (2)
IESA	Common	$ 1	36,792,841	655,480,696	613,388,555	Investing and financing	12.31.2019	38,325,795	137,396,882	682,790,947	96.00%
Radio Mitre	Common	$ 1	63,555,121	596,810,330	557,672,896	Broadcasting Services	12.31.2019	65,413,136	43,169,673	630,312,491	97.16%
GCGC	Common	$ 1	83,761,305	194,144,566	223,362,686	Services	12.31.2019	85,143,920	(495,064,094)	219,967,516	98.38%
CMD (4)	Common	$ 1		-	415,263,287						
GC Minor	Common	$ 1	47,237,879	132,388,632	177,521,783	Investing and financing	12.31.2019	47,237,879	(27,458,383)	160,626,854	100%
GCSA Investments	Common	$ 1	25,998,910	27,334,407	29,163,960	Investing and financing	12.31.2019	25,998,910	(19,702,107)	28,615,587	100%
Total				8,255,330,215	9,330,152,201						

(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%.
(4) Company merged into GCGC effective as of January 1, 2019, as mentioned in Note 16.f.

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Equity in Earnings from Associates

	December 31, 2019	December 31, 2018
AGEA	(973,320,437)	(808,185,812)
CIMECO	(5,778,768)	(55,810,666)
GCSA Investments	(1,829,552)	(17,607,471)
ARTEAR	315,313,693	(119,369,315)
IESA	131,881,593	(20,889,217)
Radio Mitre	39,137,433	(10,577,024)
GCGC	(473,321,337)	5,481,350
CMD	-	(339,971,902)
Other	(45,342,199)	(23,905,472)
	(1,013,259,574)	(1,390,835,529)

4.4 Other Receivables

	December 31, 2019	December 31, 2018
Non-Current		
Related Parties (Note 8) (1)	178,980,465	193,251,955
Tax Credits	5,232,878	-
Deposits in Guarantee	30,000	46,150
	184,243,343	193,298,105
Current		
Related Parties (Note 8) (1)	111,250,899	1,091,996,584
Tax Credits	16,787,598	14,645,781
Advances	4,044,184	6,897,683
Prepaid Expenses	654,066	-
Judicial Liens	482,017	741,499
Other	222,731	2,601,948
	133,441,495	1,116,883,495

(1) As of December 31, 2018, the Company held with AGEA a loan agreement for a principal amount of $ 338 million ($ 520 million in constant currency as of December 31, 2019), which accrued interest at an annual nominal rate of 25.5%, due in March 2019. As of December 31, 2018, the Company held with Impripost a loan agreement for $ 25 million ($ 38.5 million in constant currency as of December 31, 2019), which accrued interest at BADLAR plus a nominal annual rate of 3%, due in March 2019. In March 2019, both loan agreements were renewed, due in December 2019, accruing interest at BADLAR plus a nominal annual rate of 3%. The loan agreements mentioned above were settled through the transaction described in Note 4.1.

As of December 31, 2019, the Company holds the following loan agreements for consideration: (i) with UNIR, granted in December 2018, for US$ 1,025,000, which accrues interest at an annual fixed rate of 7%, payable in 9 equal and consecutive monthly installments as from April 2019, (ii) with LVI, granted in December 2018, for US$ 3,350,000 which accrues interest at an annual fixed rate of 10%, payable in 8 equal and consecutive semi-annual installments as from June 2020; and (iii) with DLA, granted in March 2019, for US$ 810,000 which accrues interest at an annual fixed rate of 10%, payable in 5 equal and consecutive semi-annual installments as from March 2020.

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4.5 Other Investments

	December 31, 2019	December 31, 2018
Financial Instruments	62,890,790	360,613,574
Mutual Funds	2,811,974	2,044,348
Fixed-Term Deposits	10,098,630	-
	75,801,394	362,657,922

4.6 Cash and Banks

	December 31, 2019	December 31, 2018
Cash and Imprest Funds	1,843,701	1,810,607
Banks	7,123,569	9,238,474
	8,967,270	11,049,081

4.7 Taxes Payable

	December 31, 2019	December 31, 2018
Current		
Taxes Payable on a National Level	2,122,384	73,364,181
Taxes Payable on a Provincial Level	-	1,053,989
	2,122,384	74,418,170

4.8 Trade and Other Payables

	December 31, 2019	December 31, 2018
Current		
Suppliers and Trade Provisions	23,612,768	60,546,526
Related Parties (Note 8)	113,405,046	13,164,643
Employer's Contributions	70,003,482	84,240,417
	207,021,296	157,951,586

4.9 Other Liabilities

	December 31, 2019	December 31, 2018
Current		
Related Parties (Notes 4.1 and 8)	81,786,763	-
Other	17,915,559	4,507,226
	99,702,322	4,507,226

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4.10 Assets and Liabilities in Foreign Currency

Items	December 31, 2019				December 31, 2018		
	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	US$	1,567,057	59.69	93,537,621	US$	1,126,551	64,987,504
Other Investments	US$	1,053,623	59.69	62,890,790	US$	6,251,194	360,613,574
Cash and Banks	US$	72,412	59.69	4,322,252	US$	91,889	5,300,808
Total Current Assets				160,750,663			430,901,886
NON-CURRENT ASSETS							
Other Receivables	US$	2,998,500	59.69	178,980,465	US$	3,350,000	193,251,955
Total Current Assets				178,980,465			193,251,955
Total Assets				339,731,128			624,153,841
LIABILITIES							
CURRENT LIABILITIES							
Trade and Other Payables	US$	10,350	59.89	619,862		-	-
Total Current Liabilities				619,862			-
Total Liabilities				619,862			-

US$ - US Dollars

4.11 Changes in Allowances

Items	Balance at the Beginning	Increases	Decreases	Balances as of December 31, 2019	Balances as of December 31, 2018
Deducted from Assets					
Valuation Allowance for Net Deferred Tax Assets	21,626,107	97,698,822 (1)	-	119,324,929	21,626,107
Total	21,626,107	97,698,822	-	119,324,929	21,626,107

(1) Charged to Income Tax and Tax on Assets

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NOTE 5 - BREAKDOWN OF THE MAIN ITEMS OF THE SEPARATE STATEMENT OF COMPREHENSIVE INCOME

5.1 Information Required under Article 64, Subsection b) of Law No. 19,550

Item	Administrative Expenses December 31, 2019	Administrative Expenses December 31, 2018
Salaries, Social Security and Benefits to Personnel [1]	213,270,696	244,282,098
Supervisory Committee's fees	2,196,313	4,400,019
Fees for services [2]	265,489,267	163,333,580
Taxes, Duties and Contributions	75,369,574	43,367,751
Other personnel expenses	20,885,250	18,960,359
General expenses	540,661	714,665
IT expenses	1,473,112	670,177
Maintenance Expenses	21,024,943	19,171,652
Communication expenses	3,437,443	3,033,160
Advertising expenses	2,033,780	6,044,418
Travel Expenses	12,180,899	14,753,057
Stationery and Office Supplies	623,417	656,337
Depreciation of Property, Plant and Equipment	34,207,063	9,894,779
Amortization of Intangible Assets	2,265,106	62,035
Other expenses	25,236,646	27,713,201
Total	**680,234,170**	**557,057,288**

(1) Includes fees for technical and administrative services to Directors in the amount of $ 22,394,577 as of December 31, 2019. Additionally, they include the effect of the long-term savings plan for employees mentioned in Note 13.
(2) Includes Directors' fees for the year 2019 in the amount $ 24,127,214.

5.2 Financial Costs

	December 31, 2019	December 31, 2018
Interests	(541,699)	(36,455)
	(541,699)	**(36,455)**

5.3 Other Financial Results, net

	December 31, 2019	December 31, 2018
Exchange Differences	200,686,751	544,105,423
Interests	204,341,924	292,874,728
Results from Operations with Notes and Bonds	4,102,951	-
Other Taxes and Expenses	(7,832,527)	(40,400,787)
Net Present Value of Receivables	-	(77,733,834)
	401,299,099	**718,845,530**

5.4 Other Income and Expense, net

	December 31, 2019	December 31, 2018
Gain under settlement agreement with Supercanal [1]	-	664,934,595
Loss from Credit Assignment [1]	-	(110,529,857)
Other	(23,286,937)	4,538,820
	(23,286,937)	**558,943,558**

(1) On June 15, 2018, the Company executed a settlement agreement with América TV S.A., SupercableCanal S.A., Supercanal S.A, José Luis Manzano, Daniel Eduardo Vila-and their respective related companies (jointly, the "Supercanal Group") and Telecom Argentina S.A., whereby, in order to settle the various reciprocal judicial claims filed among the parties—and their shareholders and/or controlled and/or

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related companies—and in connection with the ownership of an equity interest in Supercanal Holding S.A. (currently, Supercanal S.A.)—and related disputes—(the "Judicial Claims") Pursuant to the Agreement, any claims that the parties may have against each other—and/or their respective controlled and related companies, and/or their respective directors and/or shareholders—in connection with the Judicial Claims shall be deemed settled; all costs of the Judicial Claims shall be borne by the Supercanal Group, except for each party's attorneys' fees. Under such agreement, Grupo Clarín was entitled to collect a total of US$ 18.9 million in an estimated term of 120 monthly installments. In addition, surety bonds were executed to guarantee the performance of the services undertaken by América TV S.A. within the framework of the agreement. América TV will settle the debt with Grupo Clarín through the assignment of collection rights held by América TV, generated by its operating activities. The present value of the agreed-upon amount as of the date of the transaction was US$ 12 million, equivalent to $ 665 million restated in constant currency as of December 31, 2019, included in the Statement of Comprehensive Income under the item “Other Income and Expenses, net.”

Subsequently, on November 21, 2018, Cablevisión Holding S.A. accepted an assignment offer submitted by the Company for all the collection rights and actions under the above mentioned credit and the rights and guarantees derived from the debt acknowledgment agreement and the TV signal exhibition agreements and assignment of advertising spaces that had been executed. The book value of the credit at the assignment date amounted to US$ 10.6 million and Cablevisión Holding S.A. paid US$ 8.7 million in consideration of the assignment, generating a loss equivalent to $ 111 million restated in constant currency as of December 31, 2019, included in the Statement of Comprehensive Income under “Other Income and Expenses, net.”

NOTE 6 - INCOME TAX

The following table shows the breakdown of net deferred tax assets (amounts stated in thousands of Argentine Pesos):

	December 31, 2019	**December 31, 2018**
Assets		
Specific Tax Loss Carryforward	19,760	21,626
Other Investments	53,480	54,134
Employer’s Contributions	4,697	9,825
PP&E	(102,469)	(5,373)
Other	492	53
Deferral of the Inflation Adjustment for Tax Purposes (Note 17)	94,375	-
Subtotal	70,335	80,265
Valuation Allowance for Deferred Tax Assets	(119,323)	(21,626)
Net Deferred Tax (Liabilities) / Assets	(48,988)	58,639

The following table shows the reconciliation between the income tax and tax on assets charged to net income (loss) for the years ended December 31, 2019 and 2018 and the income tax liability that would result from applying the current tax rate on income (loss) before income tax and tax on assets and the income tax liability assessed for each year (amounts stated in thousands of Argentine Pesos):

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	December 31, 2019	December 31, 2018
Income Tax Assessed at the Current Tax Rate on Income (Loss) before Income Tax (30 %)	412,530	367,057
Permanent Differences:		
Equity in Earnings from Associates	(303,978)	(417,250)
Non-Deductible Expenses	2,740	33,105
Gain (Loss) on Net Monetary Position	(147,911)	(349,313)
Effect of the change in the tax rate (1)	2,095	(1,071)
Subtotal	(34,524)	(367,472)
Valuation Allowance for Net Deferred Tax Assets Charged to Income	(97,699)	202,079
Income Tax	(132,223)	(165,393)
Deferred Taxes for the Year	(107,628)	(2,128)
Current Income Tax	(24,595)	(163,265)
Tax on assets	-	72,135
Total	(132,223)	(93,258)

(1) Corresponding to the effect of applying the changes in the income tax rates, as per the tax reform detailed in Note 17, to deferred tax assets and liabilities according to the year in which they are expected to be realized.

As of December 31, 2019, the Company's specific accumulated tax loss carryforwards amounted to approximately $ 79 million, which calculated at the tax rate that will be effective at the time the Company estimates it will revert it, represent deferred tax assets in the amount of approximately $ 19.7 million. The following table shows the expiration date of the specific accumulated tax loss carryforwards pursuant to statutes of limitations (amounts stated in thousands of Argentine Pesos):

Expiration year	Tax Loss Carryforwards
2023	79,043
	79,043

NOTE 7 - RESERVES, ACCUMULATED INCOME AND DIVIDENDS

	December 31, 2019	December 31, 2018
Balances at the beginning of the year:		
Legal Reserve	125,791,615	125,791,615
Retained Earnings	(10,183,582,267)	(6,900,359,470)
Other Reserves	(118,605,720)	(168,511,722)
Voluntary Reserves	9,216,420,359	7,281,905,132
Total	(959,976,013)	338,825,555
Change of Accounting Policy	-	(31,924,210)
Absorption of Retained Earnings with Paid-in Capital	1,938,380,851	-
Loss for the year	(1,507,321,349)	(1,316,783,360)
Changes in Reserves for Acquisition of Investments	-	49,906,002
Balance at the end of the year	(528,916,511)	(959,976,013)

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a. Grupo Clarín

The Company's bylaws provide that retained earnings shall be appropriated as follows: (i) 5% to the Company's legal reserve until such reserve equals 20% of the Company's capital stock; and (ii) the balance, in whole or in part, to the payment of the fees of the members of the Board of Directors and the Supervisory Committee, to dividends on common shares, or reserve accounts, or as otherwise determined by the Shareholders, among other situations.

On April 19, 2018, at the Annual Ordinary Shareholders' Meeting of the Company, the shareholders decided, among other things, to appropriate retained earnings as of December 31, 2017 of $ 851,733,740 in historical currency as of that date, as follows: (i) $ 200,000,000 in historical currency as of that date ($ 454,253,515 in constant currency as of December 31, 2019) to the reserve for future dividends; (ii) $ 150,000,000 in historical currency as of that date ($ 340,690,137 in constant currency as of December 31, 2019) to the voluntary reserve to ensure the liquidity of the Company and its subsidiaries; and (iii) $ 501,733,740 in historical currency as of that date ($ 1,139,571,575 in constant currency as of December 31, 2019) to the reserve for illiquid results. In addition, at such Meeting, the shareholders decided to delegate the necessary powers on the Board of Directors so that it may reverse up to $ 200,000,000 in historical currency as of that date ($ 414,539,982 in constant currency as of December 31, 2019), to be used for the Reserve for Future Dividends. Said power may be exercised in one or more times until the next Annual Shareholders' Meeting is held.

On April 30, 2019, at the Annual Ordinary Shareholders' Meeting of the Company, the shareholders decided, among other things, to absorb the negative balance of retained earnings as of December 31, 2018 of $ 6,619,920,208 ($ 10,183,582,267 in constant currency as of December 31, 2019), as follows: (i) the full reversal of the Voluntary Reserve for future dividends for $ 2,270,048,609 ($ 3,492,070,303 in constant currency as of December 31, 2019); ii) the full reversal of the Voluntary Reserve for illiquid results for $ 1,216,090,908 ($ 1,870,741,854 in constant currency as of December 31, 2019); iii) the full reversal of the Voluntary Reserve to provide financial aid to subsidiaries and in connection with the Audiovisual Communications Services Law for $ 851,718,153 ($ 1,310,218,494 in constant currency as of December 31, 2019); iv) the full reversal of the Voluntary Reserve to ensure the liquidity of the Company and its Subsidiaries for $ 940,230,491 ($ 1,446,379,150 in constant currency as of December 31, 2019); v) the full reversal of the Legal Reserve for $ 81,771,859 ($ 125,791,615 in constant currency as of December 31, 2019) and, vi) the partial reversal of the Additional Paid-in capital for $ 1,260,060,188 ($ 1,938,380,851 in constant currency as of December 31, 2019).

b. Other companies

On April 20, 2018, the shareholders of ARTEAR decided, among other issues, to appropriate retained earnings for the year ended December 31, 2017 that amounted to approximately $ 783.7 million in historical currency as of that date ($ 1,624 million in constant currency as of December 31, 2019) to increase the voluntary reserve. In addition, the shareholders decided to delegate to the Board of Directors the power to reverse, totally or partially, the reserve to pay dividends. Accordingly, the Board of Directors decided to reverse partially the voluntary reserve and distribute dividends for $ 206.5 million in historical currency as of that date ($ 428 million in constant currency as of December 31, 2019). In October 2018, the Company collected all the dividends to which it was entitled based on its equity interest.

On April 22, 2019, the shareholders of ARTEAR decided, among other issues, to appropriate retained earnings for the year ended December 31, 2018 in the amount of $ 25 million ($ 38 million in constant currency as of December 31, 2019) to the voluntary reserve. In addition, the shareholders decided to delegate to the Board of Directors the power to reverse, totally or partially, the reserve to pay dividends.

In October 2018, the shareholders of IESA decided to distribute dividends for approximately $ 31.4 million in historical currency as of that date ($ 51 million in constant currency as of December 31, 2019), of which approximately $ 30.1 million in historical currency as of that date ($ 49 million in constant currency as of December 31, 2019) belong to the Company under its interest in that company. As of December 31, 2018, IESA paid all of the distributed dividends.

In October 2019, the shareholders of IESA decided to distribute dividends for approximately $ 86.5 million in historical currency as of that date ($ 93 million in constant currency as of December 31, 2019), of which approximately $ 83 million in historical currency as of that date ($ 86.4 million in constant currency as of December 31, 2019) belong to the Company under its interest in that company. As of December 31, 2019, IESA paid all of the distributed dividends.

NOTE 8 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The following table shows the breakdown of the Company's balances with its related parties:

Company	Item	December 31, 2019	December 31, 2018
Subsidiaries			
AGEA	Other Receivables	426,588	940,708,099
	Trade and Other Payables	(2,514,343)	(6,570,290)
	Other Liabilities	(81,786,763)	-
ARTEAR	Other Receivables	181,835	279,721
	Trade and Other Payables	(67,343)	(103,594)
Radio Mitre	Other Receivables	6,050,000	-
	Trade and Other Payables	(23,959)	(36,857)
GCGC	Other Receivables	826,352	16,523
	Trade and Other Payables	(106,384,826)	(39,280)
CMD	Other Receivables	-	1,254,674
	Trade and Other Payables	-	(192,177)
GCSA Investments	Other Receivables	49,785	33,228
Indirectly controlled			
UNIR	Other Receivables	6,911,753	89,921,723
	Trade and Other Payables	(16,178)	(3,630)
Impripost	Other Receivables	1,635,675	47,276,401
Ferias y Exposiciones S.A.	Other Receivables	128	197
Auto Sport	Other Receivables	192,140	295,574
Company	**Item**	**December 31, 2019**	**December 31, 2018**
TRISA	Trade and Other Payables	-	(104,300)
Médula	Other Receivables	-	5,129,715
TELECOR	Other Receivables	1,815,000	744,549
LVI	Other Receivables	62,833,457	590,492
	Other Non-Current Receivables	149,971,125	193,251,955
DLA	Other Receivables	23,793,568	-
	Other Non-Current Receivables	29,009,340	-
Other Related Parties			
Cablevisión Holding	Other Receivables	6,534,586	5,745,640
Telecom	Trade and Other Payables	(4,398,397)	(6,114,515)
	Other Receivables	32	48

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The following table details the transactions carried out by the Company with related parties for the years ended December 31, 2019 and 2018:

Company	Item	December 31, 2019	December 31, 2018
Subsidiaries			
AGEA	Management fees	64,914,550	74,132,219
	Advertising	(858,835)	(1,128,754)
	Interest Income	160,249,830	291,527,054
	Purchase of Real Property	1,051,291,116	876,844,691
ARTEAR	Management fees	204,590,343	201,950,359
CMD	Interest Income	-	570,195
Radio Mitre	Management fees	73,067,979	67,316,787
GCGC	Services	(180,753,741)	(42,000,639)
Indirectly controlled			
TELECOR	Management fees	7,306,798	8,975,571
UNIR	Management fees	17,536,314	26,926,715
	Interest Income	2,658,098	167,707
LVI	Interest Income	20,462,917	717,773
IMPRIPOST	Interest Income	13,169,361	9,665,670
DLA	Interest Income	4,149,306	-
Other Related Parties			
Telecom	Services	(6,913,296)	(7,554,051)
Cablevisión Holding	Management fees	58,454,384	67,316,787

The fees paid to the Board of Directors and the Upper Management of the Company for the years ended December 31, 2019 and 2018 amounted to approximately $ 136 million and $ 175 million, respectively.

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NOTE 9 - TERMS AND INTEREST RATES OF INVESTMENTS, RECEIVABLES AND LIABILITIES

	December 31, 2019
Investments	
Without any established term[1]	65,702,764
Due:	
Within three months[2]	10,098,630
	10,098,630
	75,801,394
Receivables	
Without any established term [3] [4]	40,078,880
Due [5] [6]	
Within three months	33,121,467
More than three months and up to six months	25,606,181
More than six months and up to nine months	9,669,780
More than nine months and up to twelve months	24,995,187
More than one and up to two years	74,562,813
More than two and up to three years	59,660,155
More than three and up to four years	49,990,375
	277,605,958
	317,684,838
Liabilities (7)	
Without any established term	132,292,826
Due	
Within three months	176,553,176
	176,553,176
	308,846,002

(1) Bearing interest at variable rate. They include a balance of US$ 1,053,623.
(2) Bearing interest at fixed rate.
(3) Non-interest bearing.
(4) It includes a balance of US$ 255,020 which does not accrue interest.
(5) It includes a balance of US$ 115,775 which does not accrue interest.
(6) It includes US$ 4.2 million and accrues interest at a fixed rate of 10%.
(7) They do not accrue interest and include a balance of US$ 10,350.

NOTE 10 - PROVISIONS AND OTHER CONTINGENCIES

10.1 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 notice of an 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 $ 387,028,756 in historical currency as of that date recorded under the retained earnings account, other than to distribute dividends to the shareholders.

   On the same date, the Company was served notice of a claim brought by Argentina’s National Social Security Administration requesting the nullity of the decision made on item 7 (Appropriation of Retained Earnings) of the agenda of the Annual Ordinary Shareholders’ Meeting held on April 22, 2010. On

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December 2, 2019, a decision was issued admitting the claim brought by Argentina's National Social Security Administration and declaring the nullification of the decision made on item 7 (Appropriation of Retained Earnings) of the agenda of said Shareholders' Meeting, at which the shareholders had resolved that the profits for the year 2009, of $ 290,146,539 in historical currency as of that date, be appropriated as follows: (i) $ 14,507,327 to the Legal Reserve and (ii) $ 275,639,212 to Retained Earnings. On the same date, the Company filed an appeal against such decision. As of the date of these financial statements, the Company submitted grounds for its appeal, which is still pending.

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.

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. V of the National Court of Appeals on Federal Administrative Matters issued an 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 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 proceeding was in the discovery stage.

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 proceeding was in the discovery stage.

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

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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 and the proceeding is in the discovery stage.

On November 10, 2016, the Company was served notice of a claim brought by Argentina's National Social Security Administration in re "National Government - Ministry of Economy and Finance v. GRUPO CLARÍN S.A. on Ordinary Proceeding" File -22,658/2015, 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 28, 2015. As of the date of these financial statements, the Company has filed a response, produced evidence and made its final statement.

On April 3, 2017, the Company was served notice of a claim brought by Argentina's National Social Security Administration in re "National Government - Ministry of Economy and Finance v. GRUPO CLARÍN S.A. on Ordinary Proceeding" File -22,832/2014, 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, produced evidence and is within the required term to make its final statement.

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. The Argentine Federal Revenue Service ("AFIP") served the subsidiary CIMECO with a notice challenging its income tax assessment for fiscal years 2000, 2001 and 2002. In such notice, the AFIP challenged mainly the deduction of interest and exchange differences in the tax returns filed for those years. If AFIP's position prevails, CIMECO's maximum contingency as of December 31, 2019 would amount to approximately $ 12.3 million for taxes and $ 58.1 million for interest.

CIMECO filed a response, which was dismissed by the tax authorities. The tax authorities issued their own official assessment and imposed penalties. CIMECO appealed the tax authorities' resolution before the National Tax Court on August 15, 2007.

During the year ended December 31, 2010, CIMECO received a pro forma income tax assessment from the AFIP for fiscal periods 2003 through 2007, as a consequence of AFIP's challenge to CIMECO's income tax assessments for the periods 2000 through 2002 mentioned above. CIMECO filed a response before AFIP, rejecting such assessment and requesting the suspension of administrative proceedings until the Federal Tax Court renders its decision on the merits.

During 2011, the AFIP served CIMECO with a notice stating the income tax charges assessed for years 2003 through 2007 and ordering the initiation of summary proceedings. The AFIP's assessment shows a difference in its favor in the Income Tax liability for the periods indicated above for an amount in excess of the amount that had been estimated originally, as a result of the method used to calculate certain deductions. CIMECO responded to the assessment rejecting all of the adjustments and requesting that the proceedings be rendered without effect and filed, with no further actions to be taken.

On April 26, 2012, the AFIP issued a new official assessment comprising the fiscal years 2003 through 2007, in which it applied the same method for the calculation as that used for the administrative settlement, claiming a total liability of $ 120 million. On May 21, 2012, an appeal was filed with the Federal Tax Court.

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On December 18, 2017, the company was served with Resolution No. 132/2017 (DV MRRI) which imposed on CIMECO a fine of approximately $ 33 million in historical currency as of that date for an alleged omission of income tax for fiscal periods 2003-2007, pursuant to Section 45 of Law No. 11,683.

CIMECO and its legal and tax advisors believe CIMECO has strong grounds to defend the criteria adopted in its tax returns. Such criteria would also provide a reasonable basis to hold that the fine imposed was illegitimate. Therefore, CIMECO considers that AFIP's claims will not prosper before a judicial court. Accordingly, CIMECO has not booked an allowance in connection with the effects such challenges may have.

c. On September 10, 2010, the AFIP served TRISA with a notice with objections to its income tax assessment, with respect to the application of the withholding regime set forth under the section following section 69 of the Income Tax law, for fiscal years 2004, 2005 and 2006. If AFIP's position prevails as of December 31, 2019, the contingency would amount to approximately $ 28.9 million in historical currency as of the original date of the claim, out of which $ 9.3 million would correspond to taxes on dividend payments made on February 25, 2004, February 24, 2005 and February 24, 2006; $ 6.5 million to a 70% fine on the omitted tax, and $ 13.1 million to late-payment interest, calculated as of the date of the AFIP's tax assessment.

TRISA filed a response, which was dismissed by the tax authorities. On December 20, 2010, the tax authorities issued their own official assessment and imposed penalties. The company appealed the tax authorities' resolution before the National Tax Court on February 8, 2011. On June 1, 2011, the 2.5% Appeal Fee was credited.

On August 23, 2019, the National Tax Court served notice of its decision to revoke the decision against which TRISA had filed an appeal.

The National Tax Authority filed an appeal against such decision but, on October 20, 2019, it withdrew its appeal. On October 25, 2019, the National Tax Court deemed the appeal abandoned.

In view of the withdrawal of the appeal filed by the National Tax Authority, as of the date of these financial statements, the decision rendered on August 23, 2019 has become final.

d. As a result of a report on suspicious transactions issued by the Argentine Federal Revenue Service ("AFIP") concerning transactions carried out between the Company and some subsidiaries, the Financial Information Unit ("FIU") pressed criminal charges for alleged money laundering. The action is now pending before Federal Court No. 9, under Dr. Luis Rodriguez. The FIU has pressed charges against the Company and its directors for alleged money laundering activities related to the trading of shares between the Company and some of its subsidiaries. The Company has appointed defense attorneys and has requested a copy of the file to understand the details of the charges. The FIU is acting as plaintiff in this case. One of the Company's directors made a spontaneous appearance and filed a response and produced documentary evidence. Certain charges pressed by Representative Di Tullio were also added to the case. In addition, the Prosecutor requested that the charges be investigated and that certain evidentiary measures be taken which have not yet been fulfilled as of the date of these financial statements.

In March 2014, the intervening prosecutor Miguel Angel Osorio broadened the request for evidence with regard to intercompany movements between Cablevisión and certain subsidiaries, all of which were regular and had been duly recorded.

In October 2019, the court dismissed the case and acquitted the directors of the Company who had been charged by the FIU. On December 9, 2019, the Federal Criminal and Correctional Court of Appeals ratified the above-mentioned decision, which is therefore deemed final and the case is now closed.

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e. By means of Resolution 16,364/2010, dated and notified to AGEA as of July 15, 2010, the CNV's Board of Directors decided to initiate summary proceedings against AGEA and certain members as of the date of initiation of summary proceedings and former members of its board of directors and supervisory commission, for alleged infringement of the Argentine Business Associations Law, Decree No. 677/01 and Law No, 22,315. AGEA, and the members as of the date of initiation of summary proceedings and former members of the Board of Directors and supervisory commission who are subject to the summary proceedings, duly filed their respective responses. Subsequently, the file was submitted to the Legal Affairs Division of the CNV. As of the date of these financial statements, it is currently pending before the Ministry of Economy. On September 9, 2019, the CNV received the file from the Criminal and Correctional Court No. 11, which had been previously held by the Ministry of Economy. Subsequently, the CNV set the date for the preliminary hearing for March 11, 2020, which was suspended by a decision rendered on February 14, 2020 until it has been duly clarified how each of the parties subject to the summary proceedings exercised its due process rights.

f. Through the Joint Confidential Resolution dated October 30, 2017 (No. RRFCO-2017-12-APN-DIR-CNV), subsequently supplemented with the Joint Confidential Resolution dated November 24, 2017 (No. RRFC-2017-16-APN-DIR, served on the Company on December 4, 2017, the CNV decided to initiate summary proceedings against the Company and the members of its Board of Directors, Supervisory Committee and Audit Committee as of the date of the alleged breach for alleged infringement of their duty to disclose the execution of an irrevocable contribution agreement with the Company's subsidiary AGEA on June 24, 2014, as a relevant fact, pursuant to Section 1, 2 and 3, subsection 16), Chapter I, Title XII of the Rules. The subsidiary of the Company, AGEA, as well as its directors and syndics are also subject to summary proceedings. Each of them filed their respective responses in due time and form. On April 25, 2018, the preliminary hearing was held and the judge ordered discovery proceedings. On October 9, 2018, the parties to the summary proceeding submitted the corresponding legal brief. As of the date of these financial statements, the Summary Proceedings Management is preparing its opinion on the file, before submitting it to the Board of Directors of the CNV.

   In addition, through the Joint Confidential Resolution No. RRFCO-2017-11-APN-DIR#CNV dated October 30, 2017 served on December 1, 2017, the CNV decided to initiate summary proceedings against the Company and the members of its Board of Directors, Supervisory Committee and Audit Committee and the Market Relations Officer as of the date of the alleged breach for alleged infringement of their duty to disclose the appeal filed against the injunction issued on December 20, 2011 in re "Supercanal S.A. vs. Cablevisión S.A. and Other on Complaint for the protection of constitutional rights, Injunction", and the dismissal of the appeal by the Federal Court of Appeals of Mendoza, as a relevant fact, pursuant to Section 1, 2 and 3, subsection 16), Chapter I, Title XII of the Rules. Cablevisión, as well as its directors and members of the Supervisory Committee and the Market Relations Officer as of the date of the alleged breach are also subject to the summary proceedings. As of the date of these financial statements, each of them had filed their respective responses in due time and form. On April 25, 2018, the preliminary hearing was held and the judge ordered discovery proceedings. On October 9, 2018, the parties to the summary proceeding submitted the corresponding legal brief.

g. The subsidiary AGEA received several inspections from the AFIP aimed at verifying compliance with the so-called competitiveness plans implemented by the National Executive Branch. After several reports issued by the AFIP and the corresponding Resolutions issued by the Ministry of Economy, such agencies allege that certain acts performed by AGEA during 2002 lead to the nullity of some of the benefits granted under said plans, for an estimated total amount of $ 73 million in historical currency as of that date, including adjustments and accessory amounts. In April 2013, AGEA was served with AFIP Resolution No. 03/13, whereby such agency decided to exclude AGEA from the Registry of Beneficiaries of the Competitiveness and Employment Generation Agreements under the Cultural Sector Agreement, as from March 4, 2002. The AFIP ordered the restatement of the tax returns and the deposit of the corresponding amounts. AGEA filed an appeal against such resolution. Notwithstanding the foregoing, in re "AEDBA and Other v. Ministry

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of Economy Resolution No. 58/10", the Federal Court on Administrative Matters No. 6 issued an injunction ordering AFIP to refrain from initiating and/or continuing with the administrative proceeding/s and/or any act that would entail the enforcement of the amounts payable under Resolution No. 3/13, until a final decision is rendered. Notwithstanding the foregoing, AGEA cannot assure that the appeal will be resolved in its favor. Subsequent to the issuance of the injunction mentioned above, the National Government requested that the injunction be declared expired due to the application of the time limitations provided under article 5 of Law No. 26,854. The intervening court lifted the injunction. AGEA filed an appeal against such decision but the appeal was dismissed on June 4, 2019. On November 28, 2018, upon new requests made by the AFIP, the Company requested a new injunction in the case, requesting that AFIP be ordered to suspend the debt assessment procedures initiated by that agency. On May 21, 2019, the Company requested an interim injunction ordering the suspension of the effects of AFIP Resolutions Nos. 24/19 and 25/19 under which AGEA was demanded to pay, as well as the suspension of any existing deadlines and any other activity by AFIP seeking to assess debt or to collect any amounts in connection with the tax benefits, the expiration of which had been challenged. Such injunction was issued on May 23, 2019, and on May 28, 2019, the court rendered a decision whereby it clarified that the suspension of the effects included the calculation of the deadlines to file an appeal with the National Tax Court. The AFIP requested the revocation of the new injunction requested in November 2018 and the immediate lifting of the interim injunction. On July 18, 2019, the Court of Appeals revoked the interim injunction. As a result, AGEA has filed an appeal with the National Tax Court. On July 19, 2019, the Court of Appeals decided that the case was ready for resolution in connection with the injunction requested in November 2018. AGEA's legal advisors believe that there are reasonable possibilities that the outcome will be favorable.

h. Pursuant to Resolution No. 17,522 issued on September 18, 2014 and notified to AGEA on September 24, 2014, the Board of Directors of the CNV decided to initiate summary proceedings against AGEA, certain current and former members of its Board of Directors and supervisory commission –who occupied those positions between September 19, 2008 and the date of initiation of summary proceedings- and against that company's Head of Market Relations, for an alleged failure to comply with the duty to inform that AGEA was a co-defendant in re "*CONSUMIDORES FINANCIEROS ASOCIACION CIVIL PARA SU DEFENSA* AND OTHER V. GRUPO CLARIN S.A. AND OTHER on EXPEDITED SUMMARY PROCEEDING" (File No. 065441/08). The summary proceeding is grounded on an alleged failure to comply with Section 5, subsection a), the first part of Section 6 and Section 8, subsection a) paragraph V) of the Annex to Decree No. 677/01; with Sections 1, 2 and 3, subsection 9) of Chapter XXI of the REGULATIONS (T.R. 2001 as amended) –now Section 1 of Part I, Chapter I, Title XII of the REGULATIONS (T.R. 2013 as amended); with Sections 2 and 3 subsection 9) of Part II, Chapter I, Title XII of the REGULATIONS (T.R. 2013 as amended); with Section 11 subsection a.12) of Chapter XXVI of the REGULATIONS (T.R. 2001 as amended) –now Section 11 subsection 13) of Part IV, Chapter I, Title XV of the REGULATIONS (T.R. 2013 as amended); with Section 99 and 100 of Law No. 26,831; and with Sections 59 and 294 subsection 9) of Law No. 19,550. AGEA, and the members as of the date of initiation of summary proceedings and former members of the Board of Directors and supervisory commission who are subject to the summary proceedings, duly filed their respective responses. On February 11, 2015, the preliminary hearing was held pursuant to Article 8, subsection b.1.), Title XIII, Chapter II, Section II of the Regulations (T.R 2013, as amended). On August 19, 2015, the company submitted the legal brief for the discovery stage. As of the date of these financial statements, a draft opinion is being prepared on the file by the Summary Proceedings Management of the CNV, before being submitted to the Board of Directors of the CNV.

i. On August 22, 2017, the Federal Court on Administrative Matters No. 4 issued an injunction, requested by the Argentine Chamber of Independent TV Producers ("CAPIT", for its Spanish acronym), whereby it extended for six months the effectiveness of the benefits set forth in Decree No. 746/03, which allows for the application of employer's contributions as a tax credit against VAT, in the case of the companies that are members of the CAPIT. On February 14, 2018, August 3, 2018 and February 13, 2019, the above-mentioned Court extended for six months, on each of those dates, the effectiveness of the injunction in favor of the CAPIT.

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In addition, on February 7, 2019, the ENACOM issued Resolution No. 535/2019, whereby it rendered independent producers on an equal footing with regard to the allocation of social security contributions as creditable against VAT.

In June 2019, the Federal Court on Administrative Matters No. 4 in re "Argentine Chamber of Independent TV Producers ("CAPIT", for its Spanish acronym) v. National Executive Branch on Proceeding leading to a declaratory judgment" admitted the claim filed by the CAPIT. In its claim, the CAPIT requested that the benefit granted under Decree No. 746/03 remain in effect. The Court declared the right to a differential VAT regime applicable to the relevant sectors, to be created, enforced and regulated by the authorities duly vested with that power by the Constitution. In addition, the Court decided that claimants that have fulfilled their tax obligations within the scope of the injunction shall not be considered delinquent. Subsequently, the National Tax Authority filed an appeal. In October 2019, the Court of Appeals on Federal Administrative Litigation Matters, Chamber II, dismissed the appeal that had been filed by the AFIP and ratified the above-mentioned decision.

Since Pol-Ka is a member of the CAPIT, it has been allocating employer's contributions as a tax credit against VAT as from August 2017.

In addition, through Decree No. 1,094/18, the Executive Branch enacted Law No. 27,467, which introduced amendments regarding VAT, thus allowing, as from January 1, 2019, to allocate employer's contributions as a tax credit against VAT (See Note 17).

j. On February 27, 2013, the AFIP served IESA with a notice stating the income tax and value added tax charges assessed for fiscal period 2008 and ordering the initiation of summary proceedings for alleged omitted taxes. The AFIP mainly challenged the deduction of certain expenses and fees, as well as the calculation of the corresponding tax credit. IESA filed an appeal in connection with such order, which is currently pending before the National Tax Court. The official assessment amounts to $ 1.4 million for income tax and $ 5.1 million for late-payment interest and fines, calculated as of December 31, 2019.

The official value-added tax assessment amounts to $ 0.8 million for tax differences and $ 2.8 million for late-payment interest and fines, calculated as of December 31, 2019.

On October 21, 2015, the AFIP served IESA with a notice stating the income tax and value added tax charges assessed for fiscal period 2009 and ordering the initiation of summary proceedings for alleged omitted taxes. The AFIP mainly challenged the deduction of fees, as well as the calculation of the corresponding tax credit. IESA filed an appeal in connection with such order, which is currently pending before the National Tax Court. The official assessment amounts to $ 1.2 million for income tax and $ 4.5 million for late-payment interest and fines, calculated as of December 31, 2019.

The official value-added tax assessment amounts to $ 0.4 million for tax differences and $ 1.8 million for late-payment interest and fines, calculated as of December 31, 2019.

IESA and its legal and tax advisors believe that it has strong arguments in its favor to defend the criterion adopted in its tax returns.

k. Pursuant to CNV Resolution No. 16,834 dated June 14, 2012 notified to the Company on June 27, 2012, the CNV ordered the initiation of summary proceedings against the Company and the members of its Board of Directors, Supervisory Committee and Audit Committee in office at the time of the occurrence of the events that motivated the proceedings (September 19, 2008) for alleged failure to comply with the duty to

inform. Under said Resolution, the CNV argues that the Company allegedly failed to comply with the duty to disclose the filing of a claim against it entitled "Consumidores Financieros Asociación Civil para su defensa and other v. Grupo Clarín on/Ordinary", which the CNV considers relevant. On July 25, 2012, Cablevisión filed a response petitioning that its defenses be sustained and that all charges against it be dismissed. The legal brief on the evidence has been submitted. The Company and its legal advisors believe that the company has strong arguments in its favor. Nevertheless, the Company cannot assure that the outcome of said summary proceedings will be favorable.

10.2 Other Claims and Disputes

a. On June 22, 2007, TSC executed several documents with AFA, applicable from the 2007/2008 until the 2013/2014 soccer seasons, whereby TSC held all the broadcasting rights for ten of the Argentine soccer first division official tournament matches played each week.

   On August 13, 2009 AFA notified TSC of its decision to terminate unilaterally the above-mentioned agreement. TSC challenged AFA's unilateral termination of the agreement and, in order to safeguard its rights, on June 15, 2010 it brought a legal action against AFA before a commercial court for contractual breach and damages.

   AFA summoned the National Government as a third party, and the National Government was incorporated to the proceedings. The National Government requested that the case be submitted to the Court on Federal Administrative Matters. The request was dismissed by the Commercial Court of Appeals, which ratified the jurisdiction of the Commercial Court.

   The National Government filed an appeal in connection with the jurisdictional conflict, with the Supreme Court of Argentina, which dismissed the appeal and ordered that the file be submitted to the Court of First Instance. On September 5, 2016, the judge ordered discovery proceedings, and established that the hearing provided under Section 360 of the Civil and Commercial Procedure Code of Argentina would be held on June 5, 2017.

   TSC 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. Finally, TSC abandoned the claim it had brought, which was consented both by the National Government and by AFA.

   As of the date of these financial statements, the Judge acknowledged said abandonment and TSC paid the court costs approved by the Judge and accepted by the National Tax Authority. As of the date of these financial statements, the Company had paid and made the judicial deposit for the full amount approved. The file is now deemed closed.

b. Pursuant to a notarial certificate issued on September 19, 2008, AGEA and the Company were served with a legal action brought by an entity representing consumers and alleged financial victims (and by six other individuals). Claimants are Multicanal noteholders who claim to be allegedly affected by Multicanal's APE. The claim is grounded on a Consumer Defense Law that, in general terms, provides for an ambiguous procedure that is very strict against the defendant.

   The Company, AGEA and certain directors and members of the supervisory committee and shareholders have been served with the claim. After rejecting certain preliminary defenses presented by the defendants, such as the application of statutes of limitation and the failure to comply with prior mediation procedures, the claim followed ordinary procedure and the above-mentioned persons duly filed their respective responses.

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On September 4, 2017, the Court of First Instance rejected the claim brought by the entity representing consumers and alleged financial victims and by individuals. As of the date of these separate financial statements, both parties filed an appeal against that decision and the file is currently pending before the Court of Appeals.

On September 12, 2019, Chamber D of the Commercial Court of Appeals confirmed the decision rendered by the court of first instance that had rejected the claim brought by the entity representing consumers and alleged financial victims. On October 7, 2019, the entity representing consumers filed a federal extraordinary appeal against this decision. AGEA and the Company filed a response on October 28, 2019. As of the date of these separate financial statements, the chamber is analyzing the admissibility of the extraordinary appeal.

c. On September 16, 2010 the Company was served with a claim brought against it by Consumidores Financieros Asociación Civil para su Defensa. The plaintiff claims a reimbursement of the difference between the value of the shares of the Company purchased at their initial public offering and the value of the shares at the time a decision is rendered in the case. The Company has duly responded to the claim and the intervening Court has deemed the claim responded. The proceeding is currently in the discovery stage.

d. Grupo Clarín held its Annual Ordinary Shareholders' Meeting on April 25, 2013. As a result of the issues raised at this Meeting, some of the permanent directors informed the Company that they had pressed criminal charges against the representatives of the shareholder ANSES and of the CNV (Messrs. Reposo, Kicillof, Moreno, Vanoli, Fardi and Helman) for making statements and intellectual constructions which, under the appearance of being included in the new regulations of the Argentine Capital Markets Law, only sought to discredit the Board of Directors and caricature its management, creating pretexts that may lead to an intervention of the Company without judicial control; pursuant to the new powers vested in the CNV by Capital Markets Law No. 26,831. On April 26, 2013, the Board of Directors decided to press charges grounding its claim on the same events that disrupted a legitimate meeting.

   Consequently, the Company sent a letter to the CNV, in which it clearly stated that what had happened at that Meeting could not be considered in any way as an acknowledgment of the legitimacy of the powers vested in the CNV by Law No. 26,831 and/or the regulations that may be issued in the future. The letter also stated that the Company reserved its right to file the pertinent legal actions at any time to request the declaration of the evident unconstitutionality of that law. It also requested the CNV to refrain from performing any act or issuing any resolution that would lead to the execution of the plan of which they had been accused before the courts.

e. The claimants representing media companies in re “AEDBA and Other v. National Government – Decree No. 746/03 – AFIP on Incidental Procedure” pending before the Court on Federal Administrative Matters No. 4 requested that media companies represented by the claimants be granted the right to a differential VAT regime as undertaken by the National Government under Decree No. 746/03 and the rules and regulations issued in connection thereto.

   On October 30, 2003, an injunction was issued in connection with the above-mentioned file, ordering the National Government to maintain the effectiveness of the benefit granted under Decree No. 746/03. The National Government filed an appeal against that decision and on November 6, 2008, the Court of Appeals granted the request to have the injunction revoked, among other things. On November 27, 2008, the claimants filed an appeal with the Supreme Court of Argentina requesting the suspension of the enforcement of such ruling.

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On October 28, 2014, the Supreme Court of Argentina issued a ruling in connection with the above-mentioned file, whereby it declared the appeal formally admissible and thus confirmed the effectiveness of the above-mentioned injunction. In the recitals of its ruling, the Supreme Court stated that: (i) as of the date of the decision, the Executive Branch had not yet established any regime to replace the so-called competitiveness and employment generation agreements; (ii) the differential VAT regime provided under Law No. 26,982 was only applicable to small media companies, not to all media companies; (iii) the tax policy must not be biased and cannot be used as a way to curtail freedom of speech; (iv) the alternative solution that had to be sought ruled out, as a matter of principle, the application of the general regime; (v) even though the merits have not been decided upon (differential VAT regime), the injunction that had been issued in connection thereof shall remain effective until such a solution to the matter is reached; (vi) the legal entities that met the obligations within the scope of the injunction shall not be deemed delinquent; and (vii) the judge of the first instance court shall render an urgent decision on the merits.

On December 10, 2014, the Federal Court on Administrative Matters No. 4 rendered a decision on the merits in re AEDBA and other v. National Government Decree No. 746/03 and other on Proceeding leading to a declaratory judgment" ordering, among other things, that: The claimants (media companies) have the standing to sue; that the judge cannot legislate because only the Legislative Branch is empowered to do so; that, pursuant to the enactment of Law No. 26,982, the obligation undertaken by the National Executive Branch has already been met since the differential VAT rates have already been set and, therefore, the claim is moot; that, based on the decision rendered by the Supreme Court of Argentina, the companies cannot be deemed delinquent.

Given the fact that the above-mentioned decision opposes and contradicts the grounds stated by the Supreme Court, the claimants (AEDBA, ARPA, ADIRA, as well as other associations) filed an appeal against the decision rendered by the above-mentioned court of first instance with the corresponding Court of Appeals. On October 1, 2015, Chamber II of the Court of Appeals on Federal Administrative Matters admitted the appeals filed by the claimants and revoked the decision rendered by the Court on Federal Administrative Matters No. 4, ordering that the effectiveness of the injunction be maintained and authorizing the allocation of employer's contributions as a tax credit against VAT until the Executive Branch complies with the provisions of Decree No. 746/03.

On December 3, 2015, the Supreme Court of Argentina dismissed the appeal filed by the National Executive Branch. Therefore, the decision rendered by the Court of Appeals became firm and final.

As a result of the foregoing, AGEA and some of its subsidiaries and Radio Mitre started to allocate employer's contributions as a tax credit against VAT as from November 2014.

In addition, through Decree No. 1,094/18, the Executive Branch enacted Law No. 27,467, which introduced amendments regarding VAT, thus allowing, as from January 1, 2019, to allocate employer's contributions as a tax credit against VAT (See Note 17).

f. On October 3, 2014, ARTEAR and some of its subsidiaries submitted a request to join the Association of Argentine Private Broadcasters ("ARPA", for its Spanish acronym), which became effective as from June 2015. As a result of the above-mentioned incorporation, that company became eligible to enjoy the benefit, provided under Decree No. 746/03, of allocating employer's contributions as a tax credit against VAT.

ARPA is a party to "Association of Newspaper Publishers of the City of Buenos Aires (AEDBA, for its Spanish acronym) and other –ADIRA, AAER, ATA AND ARPA- v. National Government - Decree No. 746/03 - AFIP on Autonomous Injunction", in respect of which the Supreme Court of Argentina rendered a decision on October 28, 2014. These associations had requested an injunction ordering the Executive Branch to maintain the effectiveness of the benefit of allocating employer's contributions as a tax credit against VAT, pursuant to Decree No. 746/03, for the companies that belong to these associations, or else,

as a default argument, ordering the AFIP to refrain from claiming payment on the corresponding taxes. In addition, the Court confirmed the decision on the extended injunction stating that, notwithstanding the decision, the claimants shall not be deemed delinquent within the framework of the injunction. On October 1, 2015, Chamber II of the Court of Appeals on Federal Administrative Matters admitted the appeals filed by the claimants and revoked the decision rendered by the Court on Federal Administrative Matters No. 4, ordering that the effectiveness of the injunction be maintained and authorizing the allocation of employer's contributions as a tax credit against VAT until the Executive Branch complies with the provisions of Decree No. 746/03.

On December 3, 2015, the Supreme Court of Argentina dismissed the appeal filed by the National Executive Branch. Therefore, the decision rendered by the Court of Appeals became firm and final.

As a result of the foregoing, ARTEAR and some of its subsidiaries started to allocate employer's contributions as a tax credit against VAT as from July 2015.

In addition, through Decree No. 1,094/18, the Executive Branch enacted Law No. 27,467, which introduced amendments regarding VAT, thus allowing, as from January 1, 2019, to allocate employer's contributions as a tax credit against VAT (See Note 17).

g. In February 2016, Radio Mitre was served with a claim seeking to extend to Radio Mitre the bankruptcy of one of its subsidiaries, Cadena País Producciones Publicitarias S.A., in connection with a case pending before one of the National Courts of First Instance on Commercial Matters of the City of Buenos Aires. Our legal advisors believe that that company has sufficient legal and factual grounds to support its position contrary to that claim and, therefore, they do not foresee any adverse effects that may be derived from this situation.

10.3 Matters concerning Papel Prensa:

I. Papel Prensa suspended its operations with related parties between March 9 and April 21, 2010 pursuant to an injunction issued on March 8, 2010 by Judge Malde. In his ruling, Judge Malde decided to suspend the Board of Directors' resolution of December 23, 2009, which had approved the terms and conditions of transactions with related parties for the year 2010. On April 21, 2010, the Board of Directors of Papel Prensa, following a proposal made by the court-appointed supervisor (interventor) and co-administrator, approved the resumption of Papel Prensa's transactions with related parties under provisional conditions for as long as the decision rendered by the Board on December 23, 2009 remained suspended and/or until Papel Prensa's corporate bodies established a business practice to follow with related parties. Such approval involved suspending the application of volume discounts in connection with purchases made by related parties, which could be recognized in their favor, subject to the court's decision on the appeal filed by Papel Prensa against Judge Malde's injunction of March 8, 2010. As from April 21, 2010, transactions with related parties were resumed under the provisional conditions approved by the Board on April 21, 2010.

At a meeting held on December 23, 2010, Papel Prensa's Board of Directors approved new conditions that must be fulfilled for the recognition and payment of volume discounts that may be applicable to related parties in connection with purchases of paper made as from April 21, 2010. These new conditions are as follows: (i) the lifting of the provisional suspension of the resolutions adopted by the Board at the meeting of December 23, 2009, as explained in the previous paragraph, and (ii) the resolution or end, by any means, of any state of uncertainty that may eventually exist about the conditions approved by Papel Prensa's Board in the first item of the agenda of the meeting held on April 21, 2010, as a consequence of the claim brought by the National Government in re "National Government – Secretariat of Domestic Trade – v./ Papel Prensa S.A.I.C.F. y de M. on/ Ordinary", File No. 97,564, currently pending before Federal Commercial Court of First Instance No. 26, Clerk's Office No. 52. Under this proceeding, the National Government seeks to obtain, among other things, a declaratory judgment of nullity of the provisional conditions for the resumption of transactions with related

parties in connection with the purchase and sale of paper that was approved by the Board of Papel Prensa in the first item of the agenda of the above mentioned meeting held on April 21, 2010.

Furthermore, at this meeting held on December 23, 2010, Papel Prensa's Board decided to maintain the approved sales policy, but to subject the accrual and enforceability, and, consequently, the recognition and payment to the clients, of the eventual volume discounts that may be applicable to them with respect to paper purchases made between January 1, 2011 and December 31, 2011, to a final favorable ruling in the claim brought by Papel Prensa against the constitutionality of SCI Resolution No. 1/2010, or to the final nullification of such Resolution No. 1/2010 in any other way or by any other legal means, whichever occurs first. In view of the decisions rendered in this case, the substantive claim, in this aspect, is now subject to the outcome of the claim brought by Papel Prensa against the constitutionality of Law No. 26,736. With respect to related parties, the Board of Directors of Papel Prensa approved the same sales policy and conditions as those approved for the other customers in general.

In a meeting held on December 27, 2011, the Board of Directors of Papel Prensa decided to maintain for 2012 the same sales policy that had been approved for 2011 – under the same terms and conditions mentioned in the previous paragraph – for all of its customers in general (including related parties), which was maintained in subsequent years and, to date, no changes have been introduced.

The commercial policy approved by Papel Prensa was affected by Law 26,736 –effective as from January 5, 2012– which declared that the production, sale and distribution of wood pulp and newsprint were matters of public interest and set forth the regulatory framework to be adopted by the producers, sellers, distributors and buyers of such inputs.

Among other things, the Law set limits and established conditions applicable to Papel Prensa for the production, distribution and sale of newsprint (including a formula to determine the price of paper), and created the National Registry of Producers, Distributors and Sellers of Wood Pulp and Newsprint where all producers, sellers, distributors and buyers shall be registered as a mandatory requirement in order to produce, sell, distribute, and/or purchase newsprint and wood pulp as from the enactment of the Law. It also contains a series of temporary clauses, specifically and exclusively addressed to Papel Prensa, whereby Papel Prensa is forced to make investments to meet the total national demand for newsprint – excluding from this requirement the other existing company that operates in the country with installed capacity to produce this input. The Law also provides for the capitalization of the funds eventually contributed by the National Government to finance these investments for the purposes of increasing the equity interest and the political rights of the National Government in Papel Prensa, contravening public order regulations contained in Law 19,550, as amended, and disregarding several constitutional rights and guarantees of Papel Prensa and its private shareholders.

On February 10, 2012, AGEA registered with the National Registry of Producers, Distributors and Sellers of Wood Pulp and Newsprint (Record No. 63 in File No. S01:0052528/12), clearly stating that the decision to register shall not be construed as an acknowledgment or conformity with the legitimacy of Law 26,736, Resolution No. 9/2012 issued by the Ministry of Economy and Public Finance and SCI Resolution No. 4/2012 issued in connection with such Law and/or any other issued in the future, since they seriously affect several rights and guarantees of AGEA which are recognized and protected by the Argentine National Constitution.

During this year, Law No. 27,498 was published in the Argentina's Official Gazette. Such Law repealed Articles 20, 21, 24, 25, 26, 27, 40 and 41 of Law No. 26,736, revoking the provisions of the latter concerning the use of a formula to fix the price of newsprint provided therein; the fixing and determination of wood pulp and newsprint import needs by an Advisory Committee; and the temporary clauses whereby Papel Prensa was forced to make investments to meet the total national demand for newsprint and the capitalization of the funds eventually contributed by the National Government to finance these investments. In addition, Law No. 27,498 set at zero percent (0%), for ten years, the import duties for wood pulp and newsprint. Upon the enactment of this law,

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Papel Prensa is now allowed to offer its customers discounts, benefits and/or promotions based on the purchase volume.

II. In March 2016, the Commercial Court of Appeals –Chamber C– summoned Papel Prensa, the CNV, and the shareholders, the National Government, S.A. La Nación, CIMECO and AGEA to attend a hearing to be held on April 7, 2016, solely for conciliatory purposes and with the aim of finding a comprehensive solution to the conflict. The hearing was held on that date and a new date was set to resume the hearing on June 2, 2016 for the same purposes and effects. It was subsequently postponed until June 3, 2016. At that hearing, held on June 3, 2016, Papel Prensa, AGEA and the other shareholders present at the hearing (the National Government, S.A. La Nación and CIMECO) requested that the procedural periods remain suspended in connection with the claims pending before that Court of Appeals, and also requested the court to order a shareholders' meeting of Papel Prensa to be held on September 20, 2016 to address, basically, the issues included under subsections 1, 2 and 3 of Section 234 of Law No. 19,550, as amended, corresponding to fiscal years ended December 31, 2010, 2011, 2012, 2013, 2014 and 2015. On September 5, 2016, the Court of Appeals called for a shareholders' meeting as requested at the hearing held on June 3, 2016, and at the request of Papel Prensa and the National Government –in view of the urgent and impending terms to make the required publications– on September 8, 2016 it postponed the date of the shareholders meeting until October 19, 2016. On that date, the shareholders of Papel Prensa duly held the court-convened Shareholders' Meeting of that company. At that Shareholders' Meeting, the shareholders approved the financial statements of Papel Prensa for the years ended December 31, 2010, 2011, 2012, 2013, 2014 and 2015 and other accounting documentation under subsection 1, Section 234 of Law No. 19,550, as amended, appointed directors, statutory auditors and members of the supervisory committee for the year 2016, approved the capitalization of the capital adjustment for $ 123,293,385 in historical currency as of that date, issued a decision on the approval and disapproval of the performance of certain directors, statutory auditors and members of the supervisory committee during the full fiscal years under consideration, and unanimously appointed external auditors engaged with issuing an opinion on the financial statements of Papel Prensa as of December 31, 2016 and March 31, 2017. 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, Papel Prensa requested that the majority of the claims involving Papel Prensa be declared moot considering the decisions rendered at the Shareholders' Meeting held on October 19, 2016. On October 4, 2017, the Court of Appeals rendered a decision on more than 90 proceedings declaring them moot as requested and revoking - among others- Resolutions No. 16,647, 16,671 and 16,691 issued by the CNV. Both decisions rendered by the Court of Appeals became final. Papel Prensa submitted the same request to the Court of First Instance on Commercial Matters regarding most of the proceedings pending before the court and that were not submitted to the Court of Appeals, at the request of the Court, for the purposes described above. At the hearing held on April 24, 2018, the National Government agreed on that request, and subsequently, the Judge of the Court of First Instance issued a favorable decision on the request and declared moot all of the claims within the scope of that request. 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).

III. On June 6, 2013, the Board of Directors of the CNV issued CNV Resolution No. 17,102, within the framework of the Administrative File No. 1,032/10, whereby it required that: (i) certain members of Papel Prensa's Supervisory Committee and statutory auditors be imposed a fine of $ 150,000 each in historical currency as of that date; and (ii) Papel Prensa, certain members of its Board of Directors, one member of its Supervisory Committee and the members of its Oversight Board (all of them representatives of Papel Prensa's private shareholders) be imposed a joint and several fine of $ 800,000 in historical currency as of that date. Papel Prensa and its other current and former officers filed an appeal against the fine in due time and form, which is pending to date. On June 28, 2013, the fine was paid under protest in order to prevent its coercive enforcement

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by the CNV; given that, under the new Capital Markets Law No. 26,831, appeals may be admitted without suspension of judgment.

IV. On October 8, 2019, the Board of Directors of Papel Prensa approved the voluntary delisting of the Company subject to the approval of the shareholders at the General Extraordinary Shareholders' Meeting and to the pertinent regulatory approvals (CNV and BYMA). However, on November 20, 2019, in view of the imminent change of administration in the National Government, the Board of Directors decided to stay the delisting it had approved, thus suspending the Shareholders' Meeting it had duly called.

V. AGEA has not recorded any impact in connection with the foregoing, since its effects shall depend on the final outcome. Such effects are not expected to be material to these financial statements.

NOTE 11 - REGULATORY FRAMEWORK

11.1. Audiovisual Communication Services Law

The subsidiaries of Grupo Clarín that render audiovisual communication services are holders of licenses that were originally awarded under the regime established by Law No. 22,285. Under Law No. 22,285 audiovisual communication service companies in Argentina were required a non-exclusive license from the COMFER in order to operate.

The Audiovisual Communication Services Law (Law No. 26,522, LSCA, for its Spanish acronym) was passed and enacted on October 10, 2009, with strong criticism about its content and enactment procedure.

By the end of December 2015, the National Executive Branch issued Emergency Decree No. 267/15, published in the Official Gazette on January 4, 2016, whereby significant amendments were introduced to Laws Nos. 26,522 and 27,078 (the Digital Argentina Law, "LAD", for its Spanish acronym). The Emergency Decree was approved on April 6, 2016 by the Lower House of Congress. Therefore, it has full force and effect.

11.2. Enforcement Authority

The Comité Federal de Radiodifusión (Federal Broadcasting Committee, "COMFER", for its Spanish acronym) was the enforcement authority established by Law No. 22,285.

Law No. 26,522 provided for the replacement of the COMFER by the Audiovisual Communication Services Law Federal Enforcement Authority (AFSCA, for its Spanish acronym) as a decentralized and autarchic agency under the jurisdiction of the Executive Branch, and vested the new agency with authority to enforce this law.

The Emergency Decree created the ENACOM as a decentralized and autarchic agency under the jurisdiction of the Ministry of Communications and vested the new agency with authority to enforce Laws Nos. 26,522 and 27,078, as amended and regulated. The ENACOM has all the same powers and competences that had been vested in AFSCA and the Information and Communications Technology Federal Enforcement Authority ("AFTIC", for its Spanish acronym) by Laws Nos. 26,522 and 27,078, respectively.

Upon the issuance of Decrees Nos. 7/2019 and 50/2019, published on the Official Gazette on December 11, 2019 and on December 19, 2019, respectively, the ENACOM is now under the jurisdiction of the Secretariat of Public Innovation under the Chief of the Cabinet of Ministers.

11.3. Multiple License Regime

The multiple license regime established under Law No. 22,285 allowed licensees to hold at the national level up to twenty-four (24) sound or television broadcasting licenses. At the local level, one individual or legal entity could have up to one sound broadcasting license, one television license and one subscription television license. In this last case, FM broadcasting services were not included in this limit if they were broadcast from the same station and location as the AM broadcasting services.

The LSCA introduced comprehensive amendments on the multiple license regime, against which the Company and some of its Subsidiaries filed an unconstitutionality claim. Eventually, that claim was dismissed. The original regime approved by the LSCA regarding broadcast services: i) restricted to 10 the number of audiovisual communication service licenses, plus a single broadcast signal for radio, broadcast TV and subscription television services that made use of the radioelectric spectrum; ii) set forth a further restriction on these services, which could not be provided to more than 35% of all inhabitants or subscribers nationwide; and iii) at the local level, the regime established the following limits: a) one (1) sound broadcasting license for amplitude modulation (AM); b) one (1) sound broadcasting license for frequency modulation (FM) or up to two (2) licenses when there are more than eight (8) licenses in the primary service area; c) one subscription television license, provided the applicant was not the holder of a broadcast television license; d) one (1) broadcast television license provided the applicant was not the holder of a subscription television license. Under no circumstances may the aggregate number of the licenses granted in the same primary service area or any group of highly overlapping service areas exceed three (3) licenses.

Among the main amendments introduced by the Emergency Decree with respect to the LSCA, the most remarkable is the repeal of Section 161, which set forth the obligation to conform to the provisions of this law with respect to ownership conditions and the number of licenses. Additionally, Section 45 of Law No. 26,522, which establishes the multiple license regime, has been significantly amended. As a result, the Company and its subsidiaries already conform to the new regulatory framework.

As far as the Company is concerned, the Emergency Decree: i) eliminated the incompatibility to render in the same location broadcast television services and subscription television services; ii) increased the limit to 15 of broadcast (television and radio) service licenses that may be accumulated at national level; iii) eliminated the restriction to hold cable television signals; and iv) eliminated the restriction on broadcast services, which could not be provided to more than 35% of all inhabitants or subscribers nationwide. At the local level, it increased to 4 the number of licenses that could be accumulated.

11.4. Terms of the Licenses

Law No. 22,285 provided that broadcasting licenses were granted for an initial period of 15 years, allowing for a one-time extension of 10 years. The extension of the license was subject to the approval of the COMFER, which would determine whether or not the licensee had met the terms and conditions under which the license had been granted. Some of the licenses exploited by the subsidiaries have already been extended for the above-mentioned 10-year term.

On May 24, 2005, Decree No. 527/05 provided for a 10-year-suspension of the terms then effective of broadcasting licenses or their extensions. Calculation of the terms was automatically resumed upon expiration of the suspension term, subject to certain conditions. The Decree required that companies seeking to benefit from the extension submit to the COMFER's approval, within 2 years from the date of the Decree, programming proposals that would contribute to the preservation of the national culture and the education of the population and a technology investment project to be implemented during the suspension term. COMFER Resolution No. 214/07 regulated the obligations established by Decree No. 527/05 in order to benefit from such suspension. The proposals then submitted were approved and, accordingly, the terms of the licenses originally awarded to the subsidiaries of Grupo Clarín were suspended for ten (10) years.

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Even though Law No. 26,522 respected the original expiration terms of the licenses effective at the time of its enactment, it set a 10-year limitation to the terms of licenses, with a one-time non-renewable extension.

Finally, with regard to the term of the licenses for television and radio broadcast services, the Emergency Decree establishes two important changes:

- It provides for a new system of extensions for audiovisual communication service licenses whereby the licensee may request a first extension for five (5) years, which will be automatic. Upon expiration of this term, licensees may request subsequent extensions of ten (10) years complying in that case with the provisions of the Law and applicable regulations to be eligible for each extension. However, this system of subsequent extensions may be interrupted upon the expiration of the last extension if the Ministry of Communications decides to call for a public bid for new licensees, for reasons of public interest, for the introduction of new technologies or in compliance with international agreements. In this case, prior licensees shall have no acquired rights regarding their licenses.
- Section 20 of the Emergency Decree provides that the holders of licenses effective as of January 1, 2016 may request a ten (10) year extension, without it being necessary to wait until the expiration of the license that is currently effective. Such extension shall be considered as a first period that entitles the holder to the five (5) year automatic extension.

Taking into consideration the advantages provided under the new legal framework with regard to the terms of the licenses, the direct and indirect subsidiaries of the Company that exploit audiovisual communication services, i.e. ARTEAR, RADIO MITRE, TELECOR S.A.C.I., Teledifusora Bahiense S.A. and Bariloche TV S.A., made a filing with the ENACOM requesting the extension of the terms of their licenses pursuant to Section 20 of the Emergency Decree.

The ENACOM issued Resolution No. 135/2017, whereby it deemed that ARTEAR had opted to request an extension under Section 20 of Decree No. 267/15 and stated that the term for the first period of TEN (10) years, with the right to an automatic extension for a term of FIVE (5) more years, shall be calculated as from January 2, 2017.

In addition, the ENACOM has issued a favorable decision, deeming as exercised the options to the regime provided under Article 20 of Decree No. 267/15 formulated by the other subsidiaries owners of broadcast television services. Pursuant to those administrative proceedings, the new expiration date for the broadcast television licenses exploited by the subsidiaries of the Company are:

Licenses	Renewal of Licenses Granted under Art. 20 of Decree No. 267/2015
LS 85 TV Canal 13 of Buenos Aires	January 1, 2027
LU 81 TV Canal 7 of Bahía Blanca	January 1, 2027
LV 81 TV Canal 12 of Córdoba	January 1, 2027
LU 93 TV Canal 6 of Bariloche	January 1, 2027

On March 15, 2019, the ENACOM issued Resolution No. 1,176/19, whereby it granted the extension requested. Radio Mitre was deemed to have opted to request an extension for all of its licenses under Article 20 of the above-mentioned Decree, and was granted a term of 10 years, with the right to an automatic extension for a term of 5 more years.

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11.5. Matters related to the regulatory situation of the Company and certain subsidiaries.

11.5.1. Proposal to conform to the provisions of Law No. 26,522.

Pursuant to Resolution No. 17/ENACOM/2016 issued on February 01, 2016, the new enforcement authority recognized that all the files and/or administrative proceedings pending resolution containing requests made under the regime approved by Section 161 of Law No. 26,522, and its regulations, including the proposal submitted by the Company and its subsidiaries, comply with the limits relating to multiplicity of licenses established by Section 45 of Law No. 26,522, as amended by Emergency Decree No. 267/2015. Therefore, they shall be deemed concluded and filed. In addition, in the same administrative act, that agency also repealed AFSCA Resolution No. 1,121/2014, which had ordered the ex-officio divestiture procedure against the Company and some of its subsidiaries.

11.5.2. Transition Process from Analog to Digital Television

Through Resolution No. 1,329/AFSCA/2014, which amended Resolution No. 1,047/AFSCA/2014, the AFSCA approved the National Standard for Terrestrial and Broadcast Digital Television Audiovisual Communication Services, and to Decree No. 2,456/2014, which approves the National Digital Audiovisual Communication Services Plan.

Through this legal framework, which was subsequently supplemented by Resolutions No. 24/AFSCA/2015, 35/AFSCA/2015 and No. 39/AFSCA/2015 (among others), the rights of the current broadcast television licensees could be infringed. These rights should be preserved intact as established in Law No. 26,522, which has higher hierarchy. The main effect of these regulations, among their technical effects, is that the current broadcast television licensees that obtained their licenses pursuant to Law No. 22,285 will have to bear additional charges and obligations including, among other things, multiplexing and broadcasting under their own responsibility other broadcast television stations owned by third parties.

Since the changes introduced under this regulatory framework have an impact on the responsibilities and rights of the companies involved, ARTEAR and TELECOR S.A.C.I. filed a claim before AFSCA in due time, requesting the revocation of Resolutions No. 1,329/AFSCA/2014, 24/AFSCA/2015, 35/AFSCA/2015 and 39/AFSCA/2015 to preserve their rights intact as direct or indirect broadcast television service licensees. They also filed a claim before the National Executive Branch requesting the repeal of Decree No. 2,456/2014. As of the date of these financial statements, the claim filed before AFSCA was dismissed. Therefore, ARTEAR challenged before the courts that agency's decision to dismiss the claim. The claim filed before the National Executive Branch is still pending resolution.

The subsidiaries of the Company that hold broadcast television licenses were awarded a digital channel to render terrestrial digital television services under the legal regime described above. The following are the Resolutions that determined the final award of each of the digital channels:

- Resolution No. 10,090/ENACOM/2016 (as amended by Resolution No. 1631-ENACOM/2017) awarded Canal 33.1 to ARTEAR as holder of LS 85 TV CANAL 13 DE BUENOS AIRES
- Resolution No. 35/AFSCA/2015 awarded Canal 27.1 to TELECOR S.A.C.I. as holder of LV81 TV CANAL 12 DE CÓRDOBA.
- Resolution No. 381/AFSCA/2015 awarded Canal 27.1 to Bariloche TV as holder of LU 93 TV CANAL 6 DE BARILOCHE.
- Resolution No. 236/AFSCA/2015 awarded Canal 28.1. to Teledifusora Bahiense S.A. as holder of LU81 TV CANAL 7 DE BAHÍA BLANCA

11.5.3. Ownership of Sound Broadcasting Services

Through Resolution No. 851/2016, the ENACOM declared that Radio Mitre S.A. was a subsidiary of Grupo Clarín S.A. and GC Minor S.A. and that Radio Mitre held the following licenses:

- Sound frequency modulation broadcasting service AM (Amplitude Modulation) 790 Khz that operates under LR6 RADIO MITRE of the Autonomous City of Buenos Aires and a sound frequency modulation broadcasting service FM (Frequency Modulation) 99.9 Mhz that operates under FM 100, awarded under Decree No. 2008/1983.
- Sound frequency modulation broadcasting service FM 102.9 Mhz., Canal 275, Category A, of the city of Córdoba, Province of Córdoba, awarded under Decree No. 633/2006.
- Sound frequency modulation broadcasting service FM 94.1 Mhz., Canal 262, Category C, under the name LRJ 369 of the city of Mendoza, Province of Mendoza, awarded under Resolution No. 1027/COMFER/1999.
- Sound frequency modulation broadcasting service FM 99.5 Mhz., Canal 252, Category C, under the name LRK 381 of the city of San Miguel de Tucumán, Province of Tucumán, awarded under Resolution No. 135/COMFER/99 and ratified under Resolution No. 749/COMFER/00.
- Sound frequency modulation broadcasting service FM 96.3 Mhz., Canal 242, Category D, under the name LRI436 of the city of Bahía Blanca, Province of Buenos Aires, awarded under Resolution No. 522/COMFER/99 and ratified under Resolution No. 741/COMFER/00.
- Sound modulation broadcasting service AM 810 Khz., Canal 810, Category IV, of the city of Córdoba, Province of Córdoba, awarded under Decree No. 1,577/1999.
- Sound frequency modulation broadcasting service FM 92.1 Mhz., Canal 221, Category E, under the name LRG435 of the city of San Carlos de Bariloche, province of Río Negro, awarded under Resolution No. 1,185/COMFER/03.
- Sound frequency modulation broadcasting service FM 99.3 Mhz., Canal 257, Category C, under the name LRI 712 of the city of Santa Fe, Province of Santa Fe, awarded under Resolution No. 1,399/COMFER/1999 and ratified under Resolution No. 952/COMFER/00.

Within the framework of the regularization process of FM services with "*Permiso Precario y Provisorio*" (Provisional Permit), it was provided:

- Through Resolution No. 4,587/ENACOM/2019 dated as of October 21, 2019, the ENACOM approved the bid aimed at regularizing the "*Permiso Precario y Provisorio*" (Provisional Permit) No. 1,108, subsequently registered under No. 941, corresponding to the frequency modulation sound broadcasting station called "RADIO MITRE CÓRDOBA", frequency 97.9 MHz. of the City of Córdoba, Province of Córdoba, awarding Radio Mitre a license for the exploitation over a term of 10 years, counted as from the final authorization of the service. Upon the expiration of said term, the licensee may request an extension.

- Through Resolution No. 4,558/ENACOM/2019, dated as of October 18, 2019, the ENACOM approved the bid aimed at regularizing the "*Permiso Precario y Provisorio*" (Provisional Permit) No. 1,274, subsequently registered under No. 1,645, corresponding to the frequency modulation sound broadcasting station called "RADIO MITRE", frequency 91.5 MHz. of the City of Buenos Aires, awarding Radio Mitre a license for the exploitation such station over a term of 10 years, counted as from the final authorization of the service. Upon the expiration of said term, the licensee may request an extension.

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11.5.4. Sanctions Regime under the LSCA and its Regulations

Through Resolution No. 661/AFSCA/2014, the ENACOM approved the current Regime for the Grading of Penalties, the General Rules on the procedures to be followed for the substantiation of summary proceedings initiated due to infringements of the Audiovisual Communication Services Law, an Installment Plan Regime to be applied to the infringements subject to fines committed from November 21, 2002 up to and including June 23, 2010, within the framework of the effectiveness of Resolution No. 830/COMFER/02 and Law No. 22,285 and an Option for the new Regime for the Grading of Penalties (fines) for infringements committed while Resolution No. 324/AFSCA/2010 was still in effect.

Certain payment agreements that had been delivered by AFSCA to ARTEAR were deemed to enter into effect as of July 2, 2015. That company was authorized to adhere to the payment plan relating to infringements committed between November 21, 2002 and June 23, 2010, payable in sixty monthly installments starting on August 31, 2015. ARTEAR was also authorized to adhere to the applicable payment plan for infringements committed between June 24, 2010 and June 11, 2014, payable in thirty monthly installments starting on August 31, 2015.

Through Resolution No. 2,882/ENACOM/2019, as amended by Resolution No. 2,984/2019, both issued on July 24, 2019, the ENACOM amended the Regime for the Grading of Penalties approved by Resolution No. 661/AFSCA/2014. The amendments resulted mainly in a reduction of the tax rates to be applied to the calculation of the penalties for infringement of Law No. 26,522, and a reduction of the fines imposed whenever infractions are committed in shows produced by producers that are duly registered in the *Registro de Señales y Productoras* (Registry of Signals and Producers), which will be charged with such infractions.

NOTE 12 - CAPITAL STOCK STRUCTURE

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

- 75,980,304 Class A common, registered, non-endorsable shares, with nominal value of $ 1 each and entitled to five votes per share.

- 186,281,411 Class B book-entry common shares, with nominal value of $ 1 each and entitled to one vote per share.

- 25,156,869 Class C common, registered, non-endorsable shares, with nominal value of $ 1 each and entitled to one 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, authorizing the Company to (i) offer publicly its Class B book-entry common shares; (ii) list its Class B book-entry common shares; and (iii) list its registered non-endorsable Class C common shares, trading of which was suspended due to restrictions on transfers set forth in the Company's Bylaws. Also in the last quarter of 2007, the Company was granted authorization to list its GDSs in the LSE. Each GDS represents two of the Company's Class B common shares.

On April 27, 2017, the IGJ registered the Corporate Reorganization Transaction which consisted in the partial spin-off of the Company for the creation of a new company called Cablevisión Holding S.A. As a result of the Spin-off of Grupo Clarín, its equity was reduced pro rata and 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 distributed by Cablevisión Holding S.A.

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Consequently, the Company's equity was reduced, effective as of the Effective Date of the Spin-off (May 1, 2017), to $ 106,776,004, represented by:

- 28,226,683 Class A common, registered, non-endorsable shares, with nominal value of $ 1 each and entitled to five votes per share.

- 69,203,544 Class B book-entry common shares, with nominal value of $ 1 each and entitled to one vote per share.

- 9,345,777 Class C common, registered, non-endorsable shares, with nominal value of $ 1 each and entitled to one vote per share.

Having obtained all of the required regulatory authorizations, on August 30, 2017, Grupo Clarín and Cablevisión Holding exchanged their shares pursuant to the exchange ratio approved by Grupo Clarín's shareholders at the time of approval of the spin-off process. As a result of the exchange of shares and payment of fractions in cash, the Company holds 1,485 treasury shares as of December 31, 2019.

NOTE 13 - LONG-TERM SAVINGS PLAN FOR EMPLOYEES

During the last quarter of 2007, the Company, together with its subsidiaries, began to implement a long-term savings plan for certain executives (directors and managers comprising the "executive payroll"), which became effective in January 2008. Executives who adhere to such plan undertake to contribute regularly a portion of their salary (variable within a certain range, at the employee's option) to a fund that will allow them to strengthen their savings capacity. Each company of the Group where those executives render services will match the sum contributed by such executives. This matching contribution will be added to the fund raised by the employees. Under certain conditions, the employees may access such funds upon termination of their participation in the long-term savings plan.

In addition, such plan provides for certain special conditions for those managers who were in the "executive payroll" before January 1, 2007. Such conditions consist of supplementary contributions made by each company to the plan related to the executive's years of service with the Group. As of December 31, 2019, such supplementary contributions made by the Company on a individual basis amount to approximately $ 7 million, and the charge to income is deferred until the retirement of each executive.

During 2013, and in view of the current environment, certain changes were made to the savings system, though maintaining in its essence the operation mechanism and the main characteristics with regard to the obligations undertaken by the company.

Pursuant to IAS No. 19, the above-mentioned savings plan qualifies as a Defined Contribution Plan, which means that the companies' contributions shall be charged to income on a monthly basis as from the date the plan becomes effective.

NOTE 14 – FINANCIAL INSTRUMENTS

14.1 – Financial Risks Management

The Company is a party to transactions involving financial instruments, which entail exposure to market, currency and interest rate risks. The management of these risks is based on the particular analysis of each situation, taking into account its own estimates and those made by third parties of the evolution of the respective factors.

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14.1.1 Capital Risk Management

The Company manages its capital structure seeking to ensure its ability to continue as an ongoing concern, while maximizing the return to its shareholders through the optimization of financial debt and equity balances.

As part of this process, Grupo Clarín monitors its capital structure through the financial debt-to-equity ratio, which is equal to the quotient of its net financial debt (Financial Debt less Cash and Cash Equivalents) divided by shareholders' equity.

As of December 31, 2019 and 2018, the Company did not have any balances under loans.

14.1.2 Categories of Financial Instruments

	December 31, 2019	December 31, 2018
Financial Assets		
At amortized cost		
Cash and Banks	8,967,270	11,049,081
Current Investments	10,098,630	-
Other Receivables [(1) (2)]	313,640,654	1,303,283,916
At fair value with an impact on net income		
Current Investments	65,702,764	362,657,922
Total Financial Assets	**398,409,318**	**1,676,990,919**
Financial Liabilities		
At amortized cost		
Accounts Payable and Other Liabilities [(3)]	248,713,517	163,348,525
Total Financial Liabilities	**248,713,517**	**163,348,525**

[(1)] Includes receivables with related parties of $ 290.2 million and $ 1,285.2 million, as of December 31, 2019 and 2018, respectively.
[(2)] Includes debts with related parties of $ 195.2 million and $ 13.2 million, respectively, as of December 31, 2019 and 2018.

14.1.3 Objectives of Financial Risk Management

The Company monitors and manages the financial risks related to its operations; these risks include market risk (including exchange risk, interest rate risk and equity price risk), credit risk and liquidity risk.

The Company does not enter into financial instruments for speculative purposes as common practice. As of December 31, 2019 and 2018, the Company was not a party to agreements involving derivatives.

14.1.4 Exchange Risk Management

Grupo Clarín enters into foreign currency transactions; therefore, it is exposed to fluctuations of exchange rates.

The Company does not currently enter into foreign exchange hedging transactions to manage foreign currency fluctuation risk. In case the Company enters into such transactions, it cannot assure that those operations will protect its financial position from the eventual negative effect of exchange rate fluctuations.

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The following table shows the monetary assets and liabilities denominated in foreign currency (US dollars) at the closing of the years ended December 31, 2019 and 2018:

	US$ December 31, 2019	**US$ December 31, 2018**
ASSETS		
CURRENT ASSETS		
Cash and Banks	72,412	91,889
Other Investments	1,053,623	6,251,194
Other Receivables	1,567,057	1,126,551
Total Current Assets	2,693,092	7,469,634
NON-CURRENT ASSETS		
Other Receivables	2,998,500	3,350,000
Total Non-Current Assets	2,998,500	3,350,000
Total assets	5,691,592	10,819,634
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	10,350	-
Total Current Liabilities	10,350	-
Total Liabilities	10,350	-

Bid/offered exchange rates (Banco de la Nación Argentina) as of December 31, 2019 and 2018 were of $ 59.69 and $ 59.89 and $ 37.50 and $ 37.70; respectively.

14.1.4.1 Foreign Exchange Sensitivity Analysis

The Company is exposed to exchange risk, mainly with respect to the US dollar.

The following table shows the Company's sensitivity to an increase in the exchange rate of the US dollar. The sensitivity rate represents Management's assessment of the possible reasonable changes in exchange rates. The sensitivity analysis only includes the outstanding monetary items denominated in foreign currency and adjusts its translation at the end of the year with a 20% increase in the exchange rate, assuming that all the remaining variables remain constant.

	Effect in $ **December 31, 2019**	Effect in $ **December 31, 2018**
Gain - (loss)	67,822,253	124,830,768

The sensitivity analysis presented above is hypothetical since the quantified impact is not necessarily an indicator of the actual impact, because exposure levels may vary over time.

14.1.5. Interest Rate Risk Management

At the closing of the year, the Company does not have any financial liabilities with variable interest rates. However, a substantial increase in interest rates may limit the Company's ability to access financing.

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14.1.6. Credit Risk Management

Credit risk is defined as the risk that one of the parties may breach its contractual obligations, generating an eventual financial loss for the Company. The Company renders services solely to companies of the same economic group. The credit risk on liquid funds is limited due to the fact that the counterparties are banks with high credit ratings issued by credit rating agencies.

The following table details the maturities of the Company's financial assets as from the closing of the reporting year. The amounts disclosed in the table are the undiscounted contractual cash flows.

	December 31,	December 31,
Payable on Demand	74,670,034	373,707,003
Without any established term	40,078,880	369,630,069
Due		
Up to three months	40,183,182	705,896,323
More than three months and up to six months	35,270,987	34,112,317
More than six months and up to nine months	11,646,713	20,285,922
More than nine months and up to twelve	33,840,706	39,533,324
More than one and up to two years	90,909,906	66,792,708
More than two and up to three years	69,012,679	61,746,683
More than three and up to four years	53,788,255	56,881,834
More than four years and up to five years	-	51,983,434
	449,401,342	**1,780,569,617**

14.1.7. Liquidity Risk Management

The Board of Directors is ultimately responsible for liquidity management. Accordingly, it has established an adequate framework to manage liquidity so that Management can meet short, medium and long-term financing requirements, as well as the Company's liquidity management. The Company manages liquidity risk maintaining an adequate level of reserves, financial facilities and loans, monitoring on an ongoing basis projected cash flows against actual cash flows and reconciling the maturity profiles of financial assets and liabilities.

14.1.8. Interest Rate Risk and Liquidity Risk Table

The following table details the maturities of the Company's financial liabilities as from the closing of the reporting year. The amounts disclosed in this table represent undiscounted cash flows (principal plus contractual interest):

	Accounts Payable and Other Liabilities	Total as of December 31, 2019
Without any established term	214,079,588	214,079,588
Due		
Up to three months	34,633,929	34,633,929
	248,713,517	**248,713,517**

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14.1.9. 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 year:

	December 31, 2019	Quoted Prices (Level 1)	Other Significant Observable Items (Level 2)
Assets			
Current Investments	65,702,764	2,811,974	62,890,790

	December 31, 2018	Quoted Prices (Level 1)	Other Significant Observable Items (Level 2)
Assets			
Current Investments	362,657,922	2,044,348	360,613,574

Financial assets are valued 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 December 31, 2019 and 2018, the Company did not have any asset or liability for which a comparison had not been conducted against observable market data to determine their fair value (Level 3).

14.1.10. 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.

As of December 31, 2019 and 2018, the Company did not have long-term financial liabilities.

NOTE 15 - COVENANTS, SURETIES AND GUARANTEES PROVIDED

a. IESA is subject to contractual restrictions on the transfer of its equity interest in TRISA and Tele Net Image Corp.

b. During 2009, AGR (company merged into AGEA effective as of January 1, 2018) purchased a binding machine on credit. To secure the transaction, AGR granted the supplier a pledge over the machine. AGR granted a joint and several guarantee for the loan granted by Standard Bank Argentina S.A. to Artes Gráficas del Litoral S.A.

c. The Company became guarantor of certain financial obligations of AGEA and some of its subsidiaries with Banco Itaú Argentina S.A.

a. The Company became guarantor of certain financial obligations of EPN with Banco Santander Río S.A. for approximately $ 24 million effective as of December 31, 2019. On January 2, 2020, said guarantee was renewed for $15 million until January 31, 2020.

d. The Company became guarantor of certain financial obligations of LVI with Banco Santander Río S.A. for up to $ 70 million effective until September 2020.

e. The Company became guarantor of certain obligations relating to the purchase of supplies by AGEA, CIMECO, Tinta Fresca and OSA for up to EUR 12 million, until December 2020.

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f. The Company became guarantor of certain financial obligations of Auto Sports S.A. with Banco Santander Río S.A. for up to $ 9 million effective until March 2020.

NOTE 16 – CHANGES IN THE COMPANY'S INTERESTS

a. On December 5, 2018, CMD sold all the shares of Interwa S.A.U. for approximately $ 3 million in cash in historical currency as of that date ($ 4.6 million in constant currency as of December 31, 2019).

b. On October 8, 2015, CMD executed a stock purchase agreement whereby it increased by 26% its interest in Electro Punto Net S.A. The amount of this transaction was of approximately $ 11.8 million in historical currency as of that date ($ 47.71 million in constant currency as of December 31, 2019). In December 2015, Electro Punto Net S.A. capitalized irrevocable contributions made by CMD for $ 8 million in historical currency as of that date ($ 30.52 million in constant currency as of December 31, 2019), increasing CMD's interest in the capital stock of Electro Punto Net S.A. to 54.3%. In December 2016, Electro Punto Net S.A. capitalized irrevocable contributions made by CMD for $ 86 million in historical currency as of that date ($ 243.76 million in constant currency as of December 31, 2019), increasing CMD's interest in the capital stock of Electro Punto Net S.A. to 65.6%. On September 27, 2018, the minority shareholders of Electro Punto Net S.A. accepted a share acquisition offer submitted by CMD, whereby CMD increased its interest in Electro Punto Net S.A. by 32.15%, thus becoming the holder of 100% of the capital stock of Electro Punto Net S.A. In addition, on that date CMD and EPN executed an agreement relating to irrevocable contributions on account of future share subscriptions whereby CMD made a contribution of $ 210 million in historical currency as of that date ($ 341.80 million in constant currency as of December 31, 2019) in EPN during October 2018. In December 2018, CMD sold 3% of its interest in Electro Punto Net S.A. to GC Minor.

   In view of the adverse macroeconomic situation prevailing in Argentina, and in particular that of the home appliances sales sector, as from October 21, 2019, EPN had to close its retail stores that sold home appliances and electronic products under the brand Meroli in the province of Córdoba.

   EPN decided to close them in order to avoid worsening its financial position and to ensure the fulfillment of all the obligations towards its personnel.

   Based on the above, during 2019, EPN recorded allowances for impairment of tax credits, property, plant and equipment and intangible assets for $ 172 million (in constant currency as of December 31, 2019), which were charged to Other Income and Expenses, net, and an allowance for impairment of deferred tax assets for $ 193 million (in constant currency as of December 31, 2019), which was charged to Income Tax.

c. During 2018, AGEA made contributions in “Diarios y Noticias S.A.” (“DyN”) for $ 11,410,000 in historical currency as of that date ($ 23.9 million in constant currency as of December 31, 2019). In addition, Xpand, a subsidiary of AGEA, acquired a 4% interest in “Kilimo Inc.” for $ 4,022,000 in historical currency as of that date ($ 8.6 million in constant currency as of December 31, 2019).

   During this year, AGEA made contributions in Impripost for $ 35 million ($ 37.8 million in constant currency as of December 31, 2019), through the capitalization of a credit that the Company held with such company.

d. On June 8, 2018, AGEA and ARTEAR sold all of their respective interests in RPA Media Place S.A., which together represent 38% of the capital stock and votes of that company, for $ 1.9 million in historical currency as of that date ($ 3.72 million in constant currency as of December 31, 2019), which were offset with accounts payable during this year.

e. On September 27, 2018, the Company and CMD executed an agreement relating to irrevocable contributions on account of future share subscriptions whereby the Company made a contribution of $ 210

million in historical currency as of that date ($ 341.80 million in constant currency as of December 31, 2019) in CMD during October 2018.

f. On December 20, 2018, the Board of Directors of GCGC approved the proceedings required for consummating a merger process whereby that company absorbed the assets, liabilities and operations of CMD, which was dissolved without liquidation. This transaction was carried out taking into consideration the optimized use of the technical, administrative and financial structures of both companies and the streamlining of their operating costs. The Effective Date of the Merger was January 1, 2019.

g. On November 26 and December 14, 2018, the Company and CMD executed Agreements relating to Irrevocable Contributions on Account of Future Share Subscriptions for a total of US$ 350,000 (equivalent to $ 12,880,000 in historical currency as of date ($ 20.3 million in constant currency as of December 31, 2019)), and $ 17,992,000 in historical currency as of that date ($ 27.7 million in constant currency as of December 31, 2019), respectively.

h. On December 21, 2018, the Company and CMD executed an Agreement relating to Irrevocable Contributions on Account of Future Share Subscriptions for a total of $ 5,343,348 ($ 8.2 million in constant currency as of December 31, 2019), through the capitalization of a credit that the Company held with CMD.

i. On March 18, 2019, the Company and GCGC executed an Irrevocable Contributions Agreement in order to absorb a portion of that company's accumulated deficit for a total of US$ 500,000, equivalent to $ 20 million ($ 27.5 million in constant currency as of December 31, 2019). At the Annual General Ordinary and Extraordinary Shareholders' Meeting held on April 22, 2019, the shareholders of GCGC decided to absorb a portion of the accumulated deficit with the above-mentioned contribution.

NOTE 17 – TAX REFORM IN ARGENTINA

Income Tax

On December 29, 2017, the National Executive Branch enacted Law No. 27,430 - Income Tax. This law introduced several changes in the treatment of income tax, among which the following are the most important:

(i) Income tax rate: Income tax rates for Argentine companies were reduced from 35% to 30% for fiscal periods beginning as from January 1, 2018 until December 31, 2019, and to 25% for fiscal periods beginning on or after January 1, 2020.

On December 23, 2019, Law No. 27,541 (the Social Solidarity and Production Reactivation Law) was enacted, regulated under Decree No. 99/2019, whereby the tax rate reduction from 30% to 25% was suspended until fiscal years beginning on or after January 1, 2021.

(ii) Tax on Dividends: The new law introduces a tax on dividends or profits distributed, among others, by Argentine companies or permanent establishments to: Individuals, undivided estates or foreign beneficiaries, with the following considerations: (a) dividends derived from profits generated during fiscal years on or after January 1, 2018 and until December 31, 2019 will be subject to a 7% withholding; and (b) dividends derived from profits generated during fiscal years beginning on or after January 1, 2020, will be subject to a 13% withholding.

Dividends derived from profits generated up to and including the fiscal year preceding the fiscal year beginning on or after January 1, 2018 continued to be subject, for all the beneficiaries of those dividends, to a 35% withholding on the dividends distributed in excess of the accumulated taxable income (transition period of the equalization tax.)

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Law No. 27,541 mentioned above maintained the 7% withholding until fiscal years beginning on or after January 1, 2021.

(iii) Optional Revaluation for Tax Purposes: The law provides that companies may opt to make a revaluation for tax purposes of assets located in Argentina that generate taxable income. The special tax on the amount of the revaluation depends on the asset: 8% for real estate that does not qualify as inventories, 15% for real estate that qualifies as inventories, and 10 % for chattel and other assets. The taxpayer that opts for the special revaluation regime must do so for all the assets that belong to the same category. The special revaluation tax may not be deducted from income tax, and the taxable income generated by the revaluation is not subject to income tax. The Company did not opt for that regime.

(iv) Inflation Adjustment of Deductions: Acquisitions or investments made in fiscal years beginning on or after January 1, 2018 are restated for inflation based on the percentage variations of the Consumer Price Index (IPC, for its Spanish acronym) published by the National Institute of Statistics and Census. Such adjustment will increase deductible amortization and tax cost in the event of a sale.

(v) Inflation Adjustment: Notwithstanding the above-mentioned regime, Law No. 27,430 and its amending Law No. 27,468 provide that, effective as from fiscal years beginning on or after January 1, 2018, the inflation adjustment procedure set out in Title VI of the income tax law shall be applicable in fiscal years in which the variation of IPC is higher than 55%, 30% and 15% for fiscal years 2018, 2019, 2020, respectively.

As of December 31, 2019, the variation of the IPC was 53.8%. Therefore, the Company has calculated the income tax charge taking into consideration the inflation adjustment for tax purposes.

In addition, said law provided that the positive or negative inflation adjustment, as the case may be, corresponding to the first, second and third fiscal years beginning on or after January 1, 2018, that must be calculated if the triggers set forth in the bill occur, shall be allocated as follows: one third in that fiscal period, and the other two thirds, equally, in the immediately following two fiscal periods.

Law No. 27,541 mentioned above provided that the application of the inflation adjustment for tax purposes corresponding to the first and second fiscal years beginning on or after January 1, 2019 must be allocated, equally, during six fiscal years.

Tax on assets

Law No. 27,260 repealed the tax on assets for fiscal years beginning on or after January 1, 2019.

Value Added Tax

Through Decree No. 1,094/18, the Executive Branch enacted Law No. 27,467, which introduces amendments regarding value added tax (“VAT”):

(i) Allocation of Social Security Contributions: Entities may allocate employer’s contributions on the payroll as a tax credit against VAT. These contributions must have been accrued in the fiscal period and effectively paid at the moment of submitting the VAT return. Qualifying entities are those engaged in the following activities: broadcast television or physical link and/or radio electric link subscription television services, audio broadcasting, cable television signals, newspaper, magazine or periodical publishing companies or companies engaged in digital journalism, and the distributors of those publishing companies. If the payment of that amount is made after the time provided, entities may allocate employer’s contributions on the payroll as a tax credit against VAT in the tax return for the fiscal period in which social contributions were paid. As provided above, when the salaries that give rise to the employer’s contributions that may be allocated as a tax credit against

VAT are also related to other activities outside the scope of this benefit, the amounts of those contributions will be allocated pro rata for the sole purpose of calculating the ratable portion that qualifies for the benefit. The amounts of such employer's contributions shall be counted as a VAT credit up to the amount of the output tax for the relevant period, before allocating the other tax credits. It shall apply to qualifying amounts as from January 1, 2019.

(ii) VAT Exemption: As from January 1, 2019, the sales, leases related to the development, construction or manufacturing of chattel at the request of a third party, imports and leases and services relating to the following items, are exempted from VAT: books, brochures and similar printed products, including book series or loose leaves that make up the whole work or part of it, and newspapers, magazines and similar periodic printed publications, as well as subscriptions to digital periodic editions of online information, throughout the entire marketing and distribution chain, in all cases irrespective of the support or means used for their dissemination. The distribution, classification, delivery and/or return of newspapers, magazines, and periodical publications provided to entities engaged in editorial production do not qualify for VAT exemption.

(iii) Special Treatment. Tax Credit related to newspapers, magazines, digital editions and books: The entities engaged in editorial printing and/or production of books, brochures and similar printed publications, or of newspapers, magazines and periodical publications, as well as digital journalistic editions of online information and their distributors, to the extent all of them qualify for the tax exemption under the VAT Law as from January 1, 2019, may allocate the tax credit generated by transactions that qualify for the above-mentioned exemption against the output tax generated by other transactions subject to VAT. Any unused balance can be credited against other taxes collected by AFIP, or be returned or transferred to responsible third parties in the manner, terms and conditions established by the AFIP to such end.

(iv) Tax on Personal Assets (substitute taxpayer):

Law No. 27,541 (the Social Solidarity and Production Reactivation Law), regulated under Decree No. 99/2019, increased to 0.5%, for fiscal year 2019 onwards, the rate to be applied by Argentine issuers in their capacity as substitute taxpayers for shareholder individuals residing in Argentina or abroad, on the value of the shares.

NOTE 18 – LAW No. 26,831 CAPITAL MARKETS

Capital Markets Law – Law No. 26,831, as amended

On December 28, 2012, Capital Markets Law No. 26,831 was published in the Official Gazette. This law eliminated the self-regulation of the capital market, granted new powers to the CNV, and repealed Law No. 17,811 and Decree No. 677/01, among other regulations. Law No. 26,831 became effective on January 28, 2013. As from its effective date, the Public Tender Offer regime applies to all listed companies.

Productive Financing Law

On May 11, 2018, Productive Financing Law No. 27,440 was published in the Official Gazette. This law introduced several amendments to the Capital Markets Law No. 26,831 regarding the extent of the powers of the CNV; the exercise of preemptive rights on shares offered through public offering in the case of capital increases; private placements; public tender offers; the jurisdiction of the federal commercial courts of appeals to review the resolutions issued or sanctions imposed by the CNV, among other amendments.

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With respect to public tender offers, under the previous regime, the offeror was obliged to formulate a “fair” price to be set by weighing the results of different company valuation methods, with a minimum floor related to the average market price for the six-month period immediately preceding the date of the agreement. Pursuant to the amendments introduced by Law No. 27,440 to the Capital Markets Law, the obligation is objective and consists in offering the higher of two existing prices: the price paid or agreed by the offeror during the 12 months immediately preceding the first day of the public tender offer period, and the average price of the securities subject to the offer during the semester immediately preceding the date of the announcement of the transaction under which the change of control is agreed upon.

On December 28, 2018, General Resolution No. 779/2018, whereby the CNV established the regulatory framework applicable to public tender offers, was published in the Official Gazette.

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 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 19 – 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 20 – SUBSEQUENT EVENTS

The events that took place subsequent to the closing of this year related to provisions and contingencies are described in Note 10.

NOTE 21 - APPROVAL OF SEPARATE FINANCIAL STATEMENTS

The Board of Directors has approved the separate financial statements and authorized their issue for March 9, 2020.

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JORGE CARLOS RENDO
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 STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2019

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) In September 2016, the Company began a merger-spin-off process, whereby the Company merged with certain of its subsidiaries and subsequently span 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 9 to the separate financial statements.

3) The classification of receivables and liabilities according to their related financial effects is detailed in Note 9 to the separate financial statements.

4) Equity interest under Article 33 of Law No. 19,550 is detailed in Note 4.3 of the separate financial statements. Accounts receivable from and payable to related parties are disclosed under Note 8 to the separate financial statements. The following table summarizes the breakdown of such accounts payable and receivable as per the above points 2) and 3).

	Receivables (2)	Liabilities (1)
Without any established term	39,839,464	195,191,809
Due		
Within three months	11,140,287	-
More than three months and up to six months	25,606,181	-
More than six months and up to nine months	9,669,780	-
More than nine months and up to twelve months	24,995,187	-
More than one and up to two years	69,329,934	-
More than two and up to three years	59,660,155	-
More than three and up to four years	49,990,376	-
Total	290,231,364	195,191,809

(1) Balances are denominated in local currency and do not accrue any interest.
(2) Includes US$ 3.6 million, which accrues interest at an annual nominal fixed rate of 10%, and US$ 0.8 million, which does not accrue any interest.

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

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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.

9) The following is a detail of the risks covered, the insured amounts and the corresponding book values as of December 31, 2019 of the relevant tangible property, plant and equipment.

Property Covered	Risks Covered	Insured Amounts (1)	Book Value recorded as of December 31, 2019 (1)
Real Property	Loss or Physical Damage Any and all Operating Risks	US$ 46	$ 1,907

(1) Amounts stated in millions.

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 10 to the separate 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 7.a. and 10.1.a to the separate financial statements reference is made to the treatment given to retained earnings.

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JORGE CARLOS RENDO
Chairman

Free translation from the original prepared in Spanish

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the attached separate financial statements of Grupo Clarín S.A. (the "Company") which comprise the separate statement of financial position at December 31, 2019, the separate statements of comprehensive income, of changes in equity and of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

The balances and other information corresponding to the fiscal year 2018 are an integral part of the audited financial statements mentioned above and therefore they must be considered in connection with these financial statements.

Board of Directors' responsibility

The Board of Directors of the Company is responsible for the reasonable preparation and presentation of these separate financial statements in accordance with International Financial Reporting Standards (IFRS) 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) into its regulations, as adopted by the International Accounting Standards Board (IASB). Further, the Board of Directors is responsible for the existence of adequate internal control to prepare separate financial statements free from material misstatements due to errors or irregularities.

Auditor's responsibility

Our responsibility is to express an opinion on the accompanying separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs), as adopted in Argentina by the FACPCE through Technical Resolutions No. 32 and its respective Adoption Communications. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the separate financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and other information disclosed in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the separate financial statements due to fraud or error. In making those risk assessments, the auditor must consider internal control relevant to the Company's preparation and reasonable presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by the Company's management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the separate financial statements mentioned in the first paragraph of this report present fairly, in all material respects, the separate financial position of Grupo Clarín S.A. as of December 31, 2019, its separate comprehensive income and separate cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Report on compliance with current regulations

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

a) the separate financial statements of Grupo Clarín S.A. have been transcribed to the "Inventory and Balance Sheets" book and comply with the General Associations Law and pertinent resolutions of the Argentine Securities Commission, as regards those matters within our competence;

b) the separate financial statements of Grupo Clarín S.A. arise from accounting records kept in all formal respects in conformity with legal regulations which maintain the security and integrity conditions on the basis of which they were authorized by the Argentine Securities Commission;

c) we have read the additional information to the Notes to the separate 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 December 31, 2019 the debt accrued by Grupo Clarín S.A. in favor of the Argentine Integrated Social Security System according to the Company's accounting records amounted to $ 4,812,101, none of which was claimable at that date;

e) in accordance with the requirements of article 21°, subsection b), Chapter III, Section VI, Title II of the regulations of the Argentine Securities Commission, we report that the total fees for auditing and related services billed to the Company during the fiscal year ended December 31, 2019 represent:

e.1) 100% on the total fees for services invoiced to the Company for all concepts in that fiscal year;
e.2) 5% on the total fees for audit and related services invoiced to the Company, its parent companies, subsidiaries and affiliates in that fiscal year;
e.3) 3% on the total fees for services invoiced to the Company, its parent companies, subsidiaries and affiliates for all concepts in that fiscal year.

f) we have applied for Grupo Clarín S.A. the procedures on prevention of asset laundering and terrorism funding set forth in the relevant professional rules issued by the Professional Council for Economic Sciences of the Autonomous City of Buenos Aires.

Autonomous City of Buenos Aires, March 9, 2020

PRICE WATERHOUSE & CO. S.R.L.

(Socio)

C.P.C.E.C.A.B.A. T° 1 F° 17
Dr. Carlos A. Pace
Contador Público (UBA)
C.P.C.E.C.A.B.A. T° 150 F° 106

Free translation from the original prepared in Spanish

SUPERVISORY COMMITTEE'S REPORT

To the Shareholders of:
Grupo Clarín S.A.
TAX ID No. 30-70700173-5
Registered office: Piedras 1743
City of Buenos Aires

I. REPORT ON THE FINANCIAL STATEMENTS

In our capacity as members of Grupo Clarín S.A.'s Supervisory Committee and pursuant to Subsection 5, Article 294, of the Argentine General Associations Law (Law No. 19,550, as amended), the regulations of the Argentine Securities Commission ("CNV", for its Spanish acronym) and of the Buenos Aires Stock Exchange ("BCBA", for its Spanish acronym), we have performed a review of the documents mentioned below:

Documents subject to review:

a) The attached separate financial statements of Grupo Clarín S.A. comprising the separate statement of financial position as of December 31, 2019, the separate statement of comprehensive income, the separate statement of changes in equity and the separate statement of cash flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

b) The attached consolidated financial statements of Grupo Clarín S.A. and its subsidiaries comprising the consolidated statement of financial position as of December 31, 2019, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

c) The Annual Report prepared by the Board of Directors for the year ended December 31, 2019.

d) Inventories as of December 31, 2019.

The balances and other relevant information corresponding to the fiscal year 2018 are an integral part of the audited financial statements mentioned above and shall be considered in connection with said financial statements.

II. RESPONSIBILITY OF THE COMPANY'S MANAGEMENT

The Company's Board of Directors is responsible for the reasonable preparation and presentation of the separate and consolidated financial statements indicated in Section I. in accordance with the International Financial Reporting Standards (IFRS) adopted as Argentine professional accounting standards by the Argentine Federation of Professional Councils of Economic Sciences, FACPCE, for its Spanish acronym) and incorporated by the CNV to its regulations, as approved by the International Accounting Standards Board (IASB). The Board of Directors is also responsible for an adequate internal control as deemed necessary so that the consolidated and separate financial statements are free from material misstatements arising from errors or irregularities.

III. RESPONSIBILITY OF THE SUPERVISORY COMMITTEE

Our responsibility is to report on the documents indicated in Section I. based on our statutory audit and the audit work carried out by the Company's external auditors. We conducted our review in accordance with 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 financial statements be conducted in accordance with effective auditing standards for the review of 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 Section I. of this report, 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 audit reports on March 9, 2020. He conducted his audit in accordance with International Standards on Auditing (IAS). Our work included the review of the work plan, the nature, scope and timeliness of the procedures applied and the results of the audit carried out by the external auditor.

IAS were adopted as auditing standards in Argentina through Technical Resolution No. 32 issued by the FACPCE and its respective adoption communications and require that the auditor comply with ethical requirements, plan and perform the audit in order to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit involves performing procedures to obtain evidence supporting the amounts and other information disclosed in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the financial statements due to fraud or error. In making those risk assessments, the auditor must consider the internal control related to the preparation and fair presentation by the Company of the financial statements, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, the reasonableness of significant estimates made by the Company's management, and the overall presentation of the financial statements.

We believe that our work and that of the Company's external auditors, detailed in their respective reports, provides a sufficient and appropriate basis to support our opinion. 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 Company's Board of Directors.

IV. OPINION

In our opinion, based on our review, within the scope described in Section III. of this report: (i) the separate financial statements mentioned in Section I. paragraph a), present fairly, in all material respects, the separate financial position of Grupo Clarín S.A. as of December 31, 2019, the results disclosed in the separate statement of comprehensive income and in the separate statement of cash flows for the year then ended, in accordance with the International Financial Reporting Standards; and (ii) the consolidated financial statements mentioned in section I, paragraph b), present fairly, in all material respects, the consolidated financial position of Grupo Clarín S.A. and its subsidiaries as of December 31, 2019, and the results disclosed in the consolidated statement of comprehensive Income and in the consolidated statement of cash flows for the year then ended in accordance with the International Financial Reporting Standards.

V. REPORT ON COMPLIANCE WITH EFFECTIVE REGULATIONS

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

a) The financial statements mentioned in Section I, paragraphs a) and b) have been transcribed to the Inventory and Statement of Financial Position Book and comply, as regards those matters that are within our competence, with the General Associations Law and the pertinent resolutions issued by the Argentine Securities Commission.

b) The financial statements detailed under Section I. paragraph a) arise from accounting records kept, in all formal aspects, in accordance with effective legislation, which maintain the security and integrity conditions based on which they were authorized by the Argentine Securities Commission.

c) We have reviewed the Inventory and the Board of Directors' Annual Report for the year ended December 31, 2019. In this regard, within the scope of our competence, we have no observations to make. The representations about future events included in the Annual Report are the Board of Directors' exclusive responsibility.

d) Furthermore, we report that in exercise of the legality control within our field of competence, during the year ended December 31, 2019, we have applied the procedures set forth in Article 294 of Argentine General

Associations Law (Law No. 19,550, as amended), as deemed necessary based on the circumstances and we have no observations to make in that regard.

e) We have reviewed the information included in Exhibit I to the Annual Report about the degree of compliance with the Code of Corporate Governance required under CNV Regulations and we have no observations to make in that regard.

f) As required by CNV regulations, regarding the independence of the external auditors and the quality of the audit policies applied by them and the accounting polices applied by the Company, the above-mentioned external auditor's report includes the representation concerning the application of the International Auditing Standards as they were adopted in Argentina by the FACPCE through Technical Resolution No. 32 and the respective adoption communications, which provide for independence requirements, and was issued without qualifications as to the application of such regulations or discrepancies as to the professional accounting standards applied.

g) We have applied the asset laundering and terrorist financing crimes prevention procedures provided under the professional standards issued by the Professional Council in Economic Sciences of the City of Buenos Aires, within the scope described in section III of this report.

h) We have read the additional information to the notes to the financial statements detailed in Section I. paragraph a) required under Article 12, Chapter III, Title IV of CNV regulations, on which, as regards those matters that are within our competence, we have no observations to make.

City of Buenos Aires, March 9, 2020

Supervisory Committee

Carlos Alberto Pedro Di Candia
Chairman