

EMPRESA MODELO S.A.

ACTIVE SINGLE LOCATION

Address Avda Corrientes 456 Piso 8, Oficina 86 C1043AAR - Ciudad de Buenos Aires Argentina
Telephone(s): (+54) (011) 41320000
D-U-N-S Number: 97-081-4638

IDENTIFICATION & SUMMARY

IDENTIFICATION

D-U-N-S Number:	Telephone(s):	E-Mail:
97-081-4638	(+54) (011) 41320000	empresa@modelo.com.ar
C.U.I.T.:	Facsimile(s):	Website:
30-11111111-1	(+54) (011) 41320000	www.emodelo.com.ar
Trade Name:	Mobile Phone:	
Modelo & Co.	011 15 41320000	
	0800 Line:	
	0800-333-3100	

SUMMARY

Legal Structure:	SIC:	Employees:
Corporation	3714-0200 3714-0300	250
Foundation:	Imports:	Chief Executive:
1948	Yes	Jorge Andrés Natalino
Control:	Exports:	Position:
1992	Yes	President
Line of Business:		
Manufacture and commercialization of spare parts for automobiles		



Address
 Avda Corrientes 456 Piso 8,
 Oficina 86
 C1043AAR - Ciudad de Buenos
 Aires
 Argentina

Map data ©2019

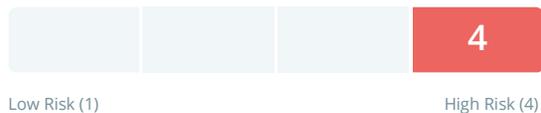
RISK EVALUATION		FINANCIAL SUMMARY	
Credit Risk Indicator (CRI)	7.75	Financial Statement Date	Dec 31, 2018
D&B Rating	3A 4	Sales	\$ 367,410,325.00
History	Complete	Net Worth	\$ 212,702,125.00
Former Rating	3A4	Capital Stock	\$ 20,000,000.00
		Profit/ Loss	\$ 19,840,024.00
		Financial Situation	GOOD
LEGAL ACTIONS		RATIOS	
Legal Actions	Yes	Current Ratio	2.15
		Debt to Equity Ratio	0.21
PAYMENTS INFORMATION		INFORMATION MANAGEMENT	
Payments Information	PROMPT	Managers	11

Currency

All the figures declared in the present report are in \$ (Argentinian Peso), legal tender in República Argentina, unless otherwise indicated.

RISK ASSESSMENT

Risk Indicator



Risk Level of the Company is : **HIGH**

D&B Rating

Financial Strength	Risk Indicator
3A	4
Based on net worth	Unfavorable (Significant Risk - To review carefully)

Former Rating

Financial Strength	Risk Indicator
3A	4
Based on net worth	Unfavorable (Significant Risk - To review carefully)

The Dun & Bradstreet Rating of 3A 4 indicates:

- Financial Strength of USD 1,500,000 to 9,999,999 based on net worth.
- A Risk Indicator which is Unfavorable (Significant Risk - To review carefully).

CREDIT RISK INDICATOR



It's an indicator that gives a score between 0 (lowest) and 10 (highest), which represents the business' strength at commercial, economic and financial level.

It comes up from analyzing in standard nature different key areas contained in the present business information report, which was made based on data obtained from several sources.

Each area has a determined weight defined by D&B, according to its importance level.

The final score is made as from the summatory of each area result.

#	Key Area	Result	Estimated Contribution	Result By Area
1	Payments Behavior	10	20.00%	2.00
2	Legal Background	0	12.50%	0.00
3	Rejected Checks	10	10.00%	1.00
4	Financial System Debt	6	10.00%	0.60
5	Liquidity Ratio	8	10.00%	0.80
6	Total Indebtedness	8	10.00%	0.80
7	Years on Business	10	7.50%	0.75
8	Employees	8	5.00%	0.40
9	Capital Stock	10	5.00%	0.50
10	Sales Tendency	10	5.00%	0.50
11	Profitability Margin	8	5.00%	0.40
Final Indicator				7.75

For the drawing up of the Credit Risk Indicator Average by employees, antiquity and activity, only information coming from D&B Argentina's Database from May/2014 to May/2015 was taken into account.

Employees	Average Indicator
Between 0 and 10	4.71
Between 11 and 40	5.78
Between 41 and 100	6.35
Between 101 and 500	6.79
More than 500	7.02
Antiquity Range	Average Indicator
More than 20 years	6.36
Between 11 and 20	5.71
Between 5 and 11	5.3
Between 3 and 5	4.88
Between 1 and 3	4.43
Minor than 1	4.16
Activity	Average Indicator
Agriculture, Cattle, Forestry and Fishing	5.49
Mining and Oil	5.84
Constructions	6.01
Food Products and Tobacco	5.92
Non perishable Products Manufacturer	6.38
Transport and Public Services	5.9

Wholesaler Marketing	5.92
Retailer Marketing	5.63
Services	5.27

KEY AREA DETAIL

1. PAYMENTS BEHAVIOR % SLOW OVER THE TOTAL OF TRADE REFERENCES OBTAINED		2. LEGAL BACKGROUND	
0%	10	No Suits	10
Between 0 and 10%	6	1 Suit	8
Between 10 and 30%	4	2 or more Suits	6
Between 30 and 50%	2	1 Bankruptcy Proceeding	2
More than 50%	0	2 or more Bankruptcy Proc.	0
No Information	0	Credits Meeting	0
		Out-Of-Court Preventive Agreement	0
3. REJECTED CHECKS IN THE LAST 12 MONTHS FOR LACK OF FUNDS		4. FINANCE SYSTEM DEBTORS	
Without Rejected Checks	10	Without Debt	10
1 Rejected Check	6	100% in Situation 1	10
2 Rejected Checks	4	Between 0 and 20% Sit 2, 3	8
3 Rejected Checks	2	Between 20% and 50% Sit 2, 3	6
4 Rejected Checks	1	More than 50% Sit 2, 3	4
More than 4 Rejected Checks	0	Between 0 and 10% Sit 4, 5, 6	2
		More than 10% Sit 4, 5, 6	0
5. LIQUIDITY RATIO		6. TOTAL INDEBTEDNESS	
Greater than 2.00	10	Less than 0.20	10
Between 1.50 and 2.00	9	Between 0.20 and 0.50	8
Between 1.00 and 1.50	8	Between 0.50 and 1.00	6
Between 0.70 and 1.00	6	Between 1.00 and 1.50	4
Between 0.50 and 0.70	4	Between 1.50 and 2.00	2
Less than 0.50	0	Greater than 2.00	0
No Information	0	No Information	0
7. YEARS ON BUSINESS		8. EMPLOYEES	
Greater than 20	10	Greater than 500	10
Between 11 and 20	8	Between 101 and 500	8

Between 5 and 11	6	Between 41 and 100	6
Between 3 and 5	4	Between 11 and 40	4
Less than 3	0	Between 1 and 10	2
No Information	0	No Information/No Employees	0

9. CAPITAL STOCK (IN THOUSANDS)

Greater than \$10,000	10
Between \$5,000 and \$10,000	9
Between \$2,500 and \$5,000	8
Between \$1,000 and \$2,500	7
Between \$500 and \$1,000	6
Between \$100 and \$500	5
Between \$50 and \$100	4
Between \$10 and \$50	2
Less than \$10	1
No Information	0

10. SALES TENDENCY ACCORDING TO THE LAST TWO BALANCE SHEETS

Greater than 10%	10
Between 5% and 10%	8
Between 0 and 5%	6
Between 0 and (5)%	4
Between (5)% and (10)%	2
Greater than (10)%	0
No Information	0

11. PROFITABILITY MARGIN

Greater than 15%	10
Between 10% and 15%	9
Between 5% and 10%	8
Between 3% and 5%	6
Between 0 and 3%	4
Loss	0
No Information	0

TRADE PAYMENTS

TRADE EXPERIENCES

D&B obtains payment references from local and international suppliers. References listed below may be from either or both sources. Amounts may be rounded to nearest figure in prescribed ranges.

Date	Fullfillment	High Credit	Now Owes	Past Due	Terms	Last Purc	Pay Comment	Term Description	Antiquity In years
06/19	Prompt				0	06/19	Good	On current account	2
06/19	Prompt				0	06/19	Good	On current account	10
05/19	Prompt				0	05/19	Good	On current account	2
05/19	Prompt				0	05/19	Good	On current account	10
04/19	Prompt				0	04/19	Good	On current account	2
04/19	Prompt				0	04/19	Good	On current account	10

Payment references contained in this report may have been obtained from the same source in different months and monetary units. In some

instances, payment beyond terms can be the result of disputes over merchandise, lost invoices, etc.

COUNTRY RISK

AVERAGE PAYMENTS

AVERAGE PAYMENTS IN ARGENTINA

International Risk and Payment Review is a unique Dun and Bradstreet Publication covering 122 countries worldwide.

On January 2018 this publication reported:

- A) The local delay in payment was 0-1 month.
- B) The foreign exchange bank delay fluctuated between 0-2 months.

For more information concerning this publication please contact your local Dun and Bradstreet representative.

NEWS & ALERTS

The following media research maybe expressed in the country's local language.

Clarín, Feb 28, 2019.

The General Shareholder Meeting decided the creation of a Simple Global Negotiable Papers, non share convertibles, for a global amount of up to u\$s 200 millions and also decided the Negotiable Obligations, within the same program, for an amount up to u\$s 50 millions, for the installation of a new industrial plant located at San Martín (Buenos Aires).

BANKS

Date: Jun 27, 2019

Operates with the following bank(s):

Bank Name: Banco Comafi S.A.

Address: San Martín 137, Ciudad de Buenos Aires, Argentina

Branch: headquarter

Bank Name: Citibank N.A.

Address: Bartolomé Mitre 502/30, Ciudad de Buenos Aires, Argentina

Branch: headquarter

Bank Name: Industrial and Commercial Bank of China (Argentina) S.A.

Address: Florida 99, Ciudad de Buenos Aires, Argentina

Branch: headquarter

Bank Name: Banco Santander Río S.A.
Address: Bartolomé Mitre 480, Ciudad de Buenos Aires, Argentina
Branch: headquarter

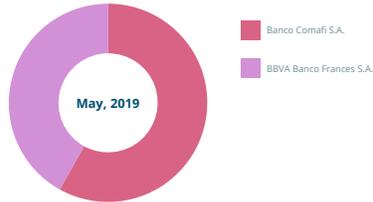
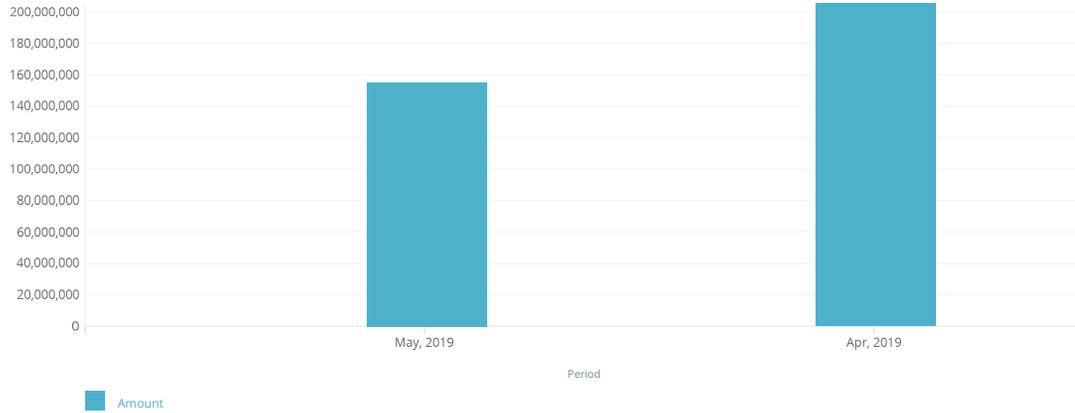
Bank Name: HSBC Bank Argentina S.A.
Address: Reconquista 199, Ciudad de Buenos Aires, Argentina
Branch: headquarter

Bank Name: Banco de Galicia y Buenos Aires S.A.U.
Address: Teniente General Juan Domingo Perón 407, Ciudad de Buenos Aires, Argentina
Branch: headquarter

FINANCIAL SYSTEM DEBTORS

As per information taken from the Central Bank of the Dominican Republic Argentina (BCRA), subject registers the following information, to the date of this report:

Entity	Situation	Amount	Period
Banco Comafi S.A.	1	\$ 92,939,500.00	Apr, 2019
BBVA Banco Francés S.A.	1	\$ 70,837,500.00	Apr, 2019
Banco Santander Río S.A.	1	\$ 41,428,500.00	Apr, 2019
Banco Comafi S.A.	2	\$ 90,000,000.00	May, 2019
BBVA Banco Francés S.A.	1	\$ 65,000,000.00	May, 2019



Qualification Detail according to BCRA

1	Normal Situation (up to 31 days of delay)
2	With special tracing / Low Risk (delay from 31 to 90 days)
3	With trouble / Medium Risk (delay from 91 to 180 days)
4	High risk of insolvency / High Risk (delay from 181 to 365 days)
5	Unrecoverable (more than 365 days of delay)
6	Unrecoverable by technical disposition (slow payers from former Financial Institutions, with delay of more than 180 days)

REJECTED CHECKS

Quantity of rejected checks without funds during the last 12 months: 0

SUMMARY OF REJECTED CHECKS IN COMPANY ACCOUNTS

Not Funds		Formal Defects		To the registration	
Quantity	Amount	Quantity	Amount	Quantity	Amount
2	76,282.02	1	97,670.69	0	0.00

TOTAL SUMMARY OF REJECTED CHECKS IN COMPANY ACCOUNTS

	Quantity	Amount
Total Rejected Checks :	3	173,952.71

Total Paid Checks :	0	0.00
Percentage of Paid Checks :	0.00%	0.00%

SUMMARY PER BANK

Entity	Rejected non funds		Formal Defects		Rejected to the registration		Paid Checks	
1	0	0	1	97,670.69	0	0	0	0
2	2	76,282.02	0	0	0	0	0	0
Total	2	76,282.02	1	97,670.69	0	0.00	0	0.00

Source: Banco Central de la República Argentina (www.bcra.gov.ar)

CURRENT INVESTIGATION**INVESTIGATION INFORMATION**

On Jun 27, 2019, the Accountant Eduardo Perea (Administrative Manager) submitted the General Balance Sheet as of Dec 31, 2018. Confirmed Board of Directors, historical and business information. Also submitted a segment of Balance Sheet as of Mar 31, 2019.

It also added that subject is building a new industrial plant in the locality of San Martin, province of Buenos Aires, which will be inaugurated on September 2019.

HISTORY**RECORD**

Corporation. Chartered on Jan 23, 1992. Registered on May 24, 1992, at the Registro Público de Comercio, File No: 7.638, Page 12, Book 116, Volume A. Published on May 24, 1992, in Official Bulletin of the Republic of Argentina.

Term 99 years, expires on May 24, 2092.

Line of business: manufacture and commercialization of spare parts for automobiles.

The activities were started by SIMON GOLDMAN, on Jan, 1948, addressed at Avenida Leandro N. Alem 928 Piso 1, Ciudad de Buenos Aires, Argentina; , the business was continued by SIMON GOLDMAN & ASOCIADOS (D-U-N-S 97-129-3097), on Jan 01, 1970, addressed at Florida 234 Piso 4, Ciudad de Buenos Aires, Argentina; moving to Avenida Leandro N. Alem 928 Piso 1 Ciudad de Buenos Aires, Argentina, on Apr 03, 1998; followed by subject, on May, 1992; moving to heading address,, on Mar, 2002.

NAME/LEGAL STRUCTURE CHANGES

Originally registered on May 24, 1992, under business name of EMPRESA MODELO S.R.L., legal form Limited Partnership.

- On Feb 03, 2008 the legal structure was modified to Corporation, registered in the Registro Público de Comercio, Buenos Aires, Book 7.638.

CAPITAL

Capital subscribed & paid in:	\$ 20,000,000.00
Divided into:	10,000,000.00 common shares type A nominal value \$ 1, 5 votes per share.
Divided into:	5,000,000.00 common shares type B nominal value \$ 1, 1 vote per share.
Divided into:	5,000,000.00 common shares type C nominal value \$ 1, 1 vote per share.

Initial Capital: \$ 15,000,000.00

CAPITAL CHANGES

- On Apr 03, 1998, subject increased capital to \$ 20,000,000.00; registered in the Registro Público de Comercio, No: 55.533, Volume A, Book 116.

AUTHORITIES

Current Board of Directors was appointed on Feb 28, 2019, in Extraordinary General Meeting.

BALANCE SHEET DATE

Balance Sheet as of Dec/31.

On Stockholders Meeting dated Mar 21, 1993 subject changed its Balance Sheet's closing date from 30/Jun to 31/Dec.

- Subject: is affiliated with ASOCIACION DE FABRICANTES ARGENTINOS DE COMPONENTES (AFAC), CORPORACION DE INDUSTRIAS TEXTILES.

CAPITAL HISTORY

Relevant information about important changes in the Company.

LEGAL REPRESENTATIVE

Proxy held by the President and/or the Vice-President, indistinctly.

FORMER LEGAL ADDRESS

Florida 234, Ciudad de Buenos Aires, Argentina.

CORPORATE STRUCTURE



STOCKHOLDERS

MAIN STOCKHOLDER:

Company Name:	ARTES GRAFICAS MODELO S.R.L.
Percentage of Interest:	52.00%.
D-U-N-S:	97-129-3097
Address:	Avenida Corrientes 456 Piso 8° Oficina 81 Ciudad de Buenos Aires Argentina
Telephone:	(+54) (011) 55563100
Fax:	(+54) (011) 55563183
SIC:	2761
Year Started:	1964

C.U.I.T.: 30-11111111-1

MINORITY STOCKHOLDER:

NATALINO, JORGE ANDRES

I.D. No: 13.922.115, born in Argentina on Jan 16, 1933.

Percentage of Interest: 40.00%

C.U.I.T.: 20-13922115-4

Remaining shares: owned by minor stockholders

Percentage of Interest: 8.00%

AFFILIATES

Member of the Holding: **MODELO**

Companies affiliates to subject:

Company Name: **MODELO S.A. DE SERVICIOS**

Address: José Alberto Carrizo 9663, Ciudad de Buenos Aires
Argentina

Subject holds: 49 % of capital

Companies subsidiaries to subject:

Company Name: **GOLDMAN AUTOMOTORES S.A.**

Address: Avenida Del Libertador 14541 Martínez
Buenos Aires
Argentina

Subject holds: 99.99 % of capital

Company Name: **INDUSTRIAS GOLDMAN S.A.**

Address: José Alberto Carrizo 9663 Ciudad de Buenos Aires
Argentina

Subject holds: 90 % of capital

Temporary Joint Venture:

Company Name: **EMPRESA MODELO S.A. - SOLUCIONES MODELO S.A. U.T.E.**

C.U.I.T.: 30-00000000-1

Percentage of Interest: 50%

Operator: Empresa Modelo S.A.

Request for D&B local office Business Information Reports on companies related to subject.

PRINCIPALS



BOARD OF DIRECTORS

Name: Jorge Andrés Natalino

Position: President

Name: Fabián Silverman

Position: Vice-President

Name: Mariano Mauricio Goldman

Position: Director Permanent

Name: Delia Rita García

Position: Director Deputy

AUDITING BOARD

Name: Juan Alberto Triventi

Position: Syndic Permanent

Name: Ricardo Enrique Tagliabue

Position: Syndic Deputy

MANAGERS

Name: Mariano Mauricio Goldman

Position: Manager General

Name: Eduardo Perea

Position: Manager Administrative

Name: Francisco Muzzi

Position: Manager Financial

Name: Luis LiDópez

Position: Manager Human Resources

Name: Cristian Pardo

Position: Manager Data Processing

BACKGROUND

Jorge Andrés Natalino; President I.D. 3.922.115, C.U.I.T. 20-03922115-0, married to Raquel Wielzer, born in Argentina, on Jan 16, 1933. Economist.

Simultaneously

- He is known as Director of LONGVIE S.A. (D-U-N-S 97-000-0022).
- He is known as Partner of ARTES GRAFICAS MODELO S.R.L. (D-U-N-S 97-129-3097).

Previously

- He was known as Partner of SIMON GOLDMAN & ASOCIADOS.

No further commercial background known.

Fabián Silverman; Vice-President I.D. 16.543.327, C.U.I.T. 20-16543327-9, single, born in Argentina, on Mar 16, 1964. Electromechanical Engineer.

Simultaneously

- He is Director of MODELO S.A. DE SERVICIOS.
- He is Director of INDUSTRIAS GOLDMAN S.A..

Previously

- He cooperated with INDUSTRIAS ALIMENTICIAS EL ANGEL S.A..

No further commercial background known.

Mariano Mauricio Goldman; Permanent Director I.D. 15.891.997, C.U.I.T. 20-15891997-3, born in Argentina, on Dec 16, 1963. Attorney.

Simultaneously

- He is Director of GOLDMAN AUTOMOTORES S.A..
- He is Director of MODELO S.A. DE SERVICIOS.

No further commercial background known.

Delia Rita García; Deputy Director I.D. 14.377.352, C.U.I.L. 27-14377352-0, married to Mariano Mauricio Goldman, born in Argentina, on Feb 25, 1962.

Simultaneously

- From 1992 until she is Director of MODELO S.A. DE SERVICIOS.

No further commercial background known.

Dr. Juan Alberto Triventi; Permanent Syndic I.D. 8.833.292, C.U.I.T. 20-08833292-0, married, born in Argentina, on Jun 16, 1952. Public Accountant.

Dr. Ricardo Enrique Tagliabue; Deputy Syndic I.D. 7.938.556, L.E. 7.938.556, C.U.I.T. 20-07938556-7, born in Argentina, on Jul 17, 1953. Public Accountant.

OPERATIONS

LINE OF BUSINESS:

- SIC No 3714-0200, Manufacture of spare parts for automobiles, specially assembled of transmission and coachwork components, (80%).
- SIC No 5013-0100, Commercialization of spare parts for automobiles, (20%).

Classification of Economic Activities (CLAE) - Form No 883

CLAE (Main Line of Business): 100100

CLAE (Secondary Line/s of Business): 100223
100224

Previously, subject was dedicated to the import of car body parts.

At present operates at 70% of its capacity.

In the country, subject is considered leader in this line of business.

- Representative of DINAMO EASTERN CORPORATION , Houston, United States, (gearboxes).
- COMPAGNIE PEINTURES S.A. , Paris, France, (special paintings).
- WHELLENARGS GmbH , Berlin, Germany, (belts and gearings).

PRODUCTION CAPACITY

Production Capacity : 10000000 units monthly.

- Manufactures about 7000000 units spare parts for automobiles per month.

TRADEMARKS

Manufactures under 3 trademark(s):

- HAUS Transmission elements
- WINEX Coachwork components
- ZERTIN Transmission elements

STANDARDS

Of Environment, Security and Hygiene

ISO 14001:2015 certificate was awarded from May 15, 2018 to May 15, 2020 by Det Norske Veritas, applicable to the industrial plant.

Of Quality

ISO 9001:2015 certificate was awarded from May 15, 2018 to May 15, 2020 by Det Norske Veritas, applicable to industrial plant.

Of Occupational Health and Safety Management

OHSAS 18001:2007 certificate was awarded from May 15, 2018 to May 15, 2020 by Det Norske Veritas, applicable to industrial plant.

PURCHASES

Purchases from domestic suppliers: 70% net 30-60-90 days

Purchases from foreign suppliers: 30% net 180 days, in terms of letter of credit and 21

IMPORTS

Imports mainly from: United States (gearboxes).
France (special paintings).
Germany (belts and gearings).

SUPPLIERS

- NATALINO, JORGE ANDRES (D-U-N-S 97-129-2925)
- COMPAÑIA INDUSTRIAL SUDAMERICANA S.A.
- LUIS ALBERTO DE LUCIA PUBLICIDAD S.A.
- PAPELERA 25 DE MAYO S.A.
- IMPRESORAS CACHIMAYO S.A.
- INDUSTRIAS METALURGICAS BONDEL S.A.
- INGENIERIA AUTOMOTRIZ APLICADA S.A.

SALES

Has a portfolio of 3000 client(s) approx..

Sales are focused on:

- To the local market 80%.
- To the foreign market 20%.
- To assembly lines 60%.
- To distributors 30%.
- To retailers 10%.

Sales Terms: Net 30-60-90 days (50%) cash (50%).

CUSTOMERS

- REPUESTOS AVENIDA S.A., San Martin, Buenos Aires, (1%)
- REPUESTOS SAN MARTIN S.A., San Martin, Buenos Aires, (10%)
- WARNES REPUESTOS S.A., Buenos Aires, (30%)
- CORRIENTES REPUESTOS S.A., Goya, Corrientes, (15%)
- DANIEL ISMAEL FERREIRO S.A., Río Cuarto, Córdoba
- FABRICA DE AUTOMOVILES INTERNACIONALES S.A., Rosario, Santa Fe
- FABRICA DE AUTOS DEL SUR S.A., El Palomar, Buenos Aires
- IBM ARGENTINA S.R.L. (D-U-N-S 97-025-2151)

TERRITORY

Products are commercialized locally and in foreign countries.

Exports to: Uruguay
Colombia
Ecuador
Brazil

Products: transmission elements.

SEASON

Heavy sales season is from July to November.

VEHICLES

Vehicle(s) include: 10 vehicles, Ford Focus, Model 2018.

EQUIPMENT

Equipments include: 10 Hydraulic Press of 10 ton year 2018.

EMPLOYEES

Total: 250.

REGISTRATIONS

C.U.I.T.: 30-11111111-1

Gross Revenue Tax No: 901-225263-2

INSURANCES

Has insurances taken out with:

- Seguros Sura S.A.
 - Experta ART S.A.
- Insurance type: work accidents, covering employees.
- Caminos Protegidos Compañía de Seguros S.A.

LOCATION- REAL ESTATE

LOCATION

Heading address includes administration office, fiscal address, sales office and other facilities, occupying own real estate of 1200 covered square meters, on land of 2000 square meters, located in downtown-commercial area, on main avenue of busy traffic and of good shape. Subject shares offices with Artes Gráficas Modelo S.R.L.

It also has:

Industrial plant, occupying own real estate, located at Avenida Mitre 6640, Munro, Buenos Aires, Argentina, Telephone/s 43221122 /43221123, of 20,000.00 covered square meters, on land of 15000 square meters, located in industrial area, on main avenue of busy traffic and of good shape.

Administrative annex, occupying own real estate, located at Reconquista 1010 Piso 2, Ciudad de Buenos Aires, Argentina, of 350.00 covered square meters, located in downtown-commercial area, on main street of busy traffic and of good shape.

REAL ESTATE

Subject owns real estate located at:

Avenida Corrientes 456 Piso 8, Oficina 81, Ciudad de Buenos Aires, Argentina. Did not present title of property.

Land Register Record

Control : 100%

Avenida Mitre 6640, Munro, Buenos Aires, Argentina. Did not present title of property.

Land Register Record

Control : 100%

RENT(S)

Subject also rents premises located at:

Cachimayo 552, Ciudad de Buenos Aires, Argentina.

LEGAL PLACE OF BUSINESS

Avenida Corrientes 456 Piso 8, Oficina 81, (C1043AAR), Ciudad de Buenos Aires, Argentina.

SPECIAL EVENTS

- On Feb 15, 2019 Sir Francisco Mauricio Goldman who held the office of President died after 10 years of service with subject.

PROJECTS

WORK IN PROGRESS

Currently it maintains 5 project(s) for a total value of \$ 356,969,699.00.

COMPLETED PROJECTS

Construction of Office Buildings, Buenos Aires City, Argentina.

Value: \$ 36,987,452

Date Started: Feb 01, 2018

Date Ended: Dec 31, 2018

The Customer is : Empresa Modelo

Subject company owns: 100.00 %

CURRENT PROJECTS**Construction of Office Buildings, Buenos Aires City, Argentina.**

Total Value: \$ 56,987,452

Date Started: Feb 01, 2019

Percentage Completed 35

End date according to schedule: Dec 31, 2019

Project Status: active

The Customer is : Empresa Modelo

PUBLIC RECORD INFORMATION

Inquiries carried out as of Jun 27, 2019, allowed to report:

SUITS

Date: May 25, 2018

Demand's Type: Ordinary Suit

Court No.: 7

Secretary No.: 14

Plaintiff: MARCELO A. SENAR

Comments: No more information could be obtained on this issue.

CREDITORS MEETING

Date of Request: Jun 19, 2007

Licitation Type: Preventive

Court No.: 1

Secretary No.: 2

Openings' Date: Jul 20, 2006

Trustee: Juan Pepe.

Address: Lavalle 800, Ciudad de Buenos Aires

Credit Verification Date: Jun 19, 2008

Creditor's Meeting Date: Jul 20, 2009

Comments: No more details could be obtained on this issue.

FINANCIAL INFORMATION



COMPARATIVES

	Dec 31, 2016	Dec 31, 2017	Dec 31, 2018
Current Assets	89,121,305	69,329,903	70,550,743
Current Liabilities	29,739,562	29,846,997	32,816,497
Non-Current Assets	149,358,509	149,139,536	185,735,297
Non-Current Liabilities	7,926,463	10,514,418	10,767,418
Working Capital	59,381,743	39,482,906	37,734,246
Net Tangible Capital	198,090,770	172,841,566	207,112,667
Net Worth	200,813,789	178,108,024	212,702,125
Net Sales	249,202,578	256,610,319	367,410,325
Net Profit - Loss	9,285,880	18,570,919	19,840,024

In order to estimate Net Tangible Capital, Intangible Assets were deducted from Net Worth.

FINANCIAL STATEMENT INFORMATION

Dec 31, 2018	
Type of Audit:	Prepared from books without audit
Statement Audited by:	LOPEZ SALGADO Y ASOCIADOS, C.P.C.E.C.F. T° 7 F° 25
Signed by:	administration JUAN CARLOS VAZQUEZ, C.P.C.E.C.F. T° 67 F° 235
	The Balance sheets, drawn up in Argentina, are made under regulations established by the FEDERACION ARGENTINA DE CONSEJOS PROFESIONALES DE CIENCIAS ECONOMICAS (F.A.C.P.C.E., for its acronym in Spanish). The last ones are based on NORMAS INTERNACIONALES DE CONTABILIDAD (NIC's, for its acronym in Spanish) Glossary: NORMAS INTERNACIONALES DE CONTABILIDAD: INTERNATIONAL ACCOUNTING STANDARDS

FINANCIAL STATEMENTS

Assets	Dec 31, 2018
Cash & Banks	3,589,689
Investments	2,403,415
Accounts Receivable	31,356,995
Other Credits	0
Total Credits	31,356,995
Inventories	31,700,644
Other Assets	1,500,000
CURRENT ASSETS	70,550,743
Accounts Receivable	0
Other Credits	70,789
Total Credits	70,789
Investments	189,748

Property and Equipment	178,906,764
Other Assets	978,538
Intangible Assets	5,589,458
NON CURRENT ASSETS	185,735,297
TOTAL ASSETS	256,286,040
Liabilities	Dec 31, 2018
Commercial Debts	20,127,302
Banking / Financial Debts	5,489,353
Fiscal Charges	2,837,964
Wages and Payroll Expenses	3,578,981
Corporations Sec. 33 Act 19550	210,733
Other Debts	572,164
CURRENT LIABILITIES	32,816,497
Wages and Payroll Expenses	234,907
Forecasts	10,454,034
Other Debts	78,477
NON CURRENT LIABILITIES	10,767,418
TOTAL LIABILITIES	43,583,915
Subscribed Capital	20,000,000
Non Capitalizable Contributions	2,656,565
Stock Premium	490,896
Legal Reserve	4,286,548
Other Reserves	47,454,535
Technical Revaluation	38,857,025
Retained Earnings	98,956,556
NET WORTH	212,702,125
TOTAL LIABILITIES AND NET WORTH	256,286,040

GENERAL BALANCE SHEET : INCOME STATEMENT

	Dec 31, 2018
Goods and Services Sales	367,410,325
Adjustments	0
Goods and Services Net Sales	367,410,325
Costs	-269,656,565
GROSS PROFIT/LOSS	97,753,760
Administration Expenses	-27,786,525
Marketing Expenses	-55,886,726
Operative Profit/Loss	14,080,509
Financial Result	1,355,623
Other Income/Expenses	9,424,546
ORDINARY OPERATIONS' PROFIT/LOSS	24,860,678

Extraordinary Earnings	-1,827,197
PROFIT/LOSS BEFORE TAXES	23,033,481
Total Taxes	-3,193,457
FISCAL YEAR PROFIT (LOSS)	19,840,024

**Assets and Liabilities in Foreign Currency
(Value in Pesos)**

Total Assets	17,535,521
Total Liabilities	29,333,353

CONSOLIDATED BALANCE SHEET

Assets **Dec 31, 2018**

CURRENT ASSETS	89,301,358
NON CURRENT ASSETS	149,635,535
TOTAL ASSETS	238,936,893

Liabilities / Shares of third parties / Net Worth **Dec 31, 2018**

CURRENT LIABILITIES	32,356,413
NON CURRENT LIABILITIES	12,353,828
TOTAL LIABILITIES	44,710,241
3RD PARTY INTERESTS IN CONT. COMPANIES	16,118,628
NET WORTH	178,108,024
TOTAL	238,936,893

Income Statement **Dec 31, 2018**

NET SALES	261,656,323
NET PROFIT	19,840,024

RATIOS

Dec 31, 2016 **Dec 31, 2017** **Dec 31, 2018**

EFFICIENCY RATIOS

Collection Period (days)	38.79	43.99	30.73
Inventory Turnover (times)	5.78	8.14	11.59

SOLVENCY RATIOS

Current Indebtedness	0.15	0.17	0.16
Total Indebtedness	0.19	0.23	0.21
Current Ratio	3.00	2.32	2.15
Liquidity	1.55	1.27	1.18
Solvency	6.33	5.41	5.88
Fixed Assets	0.72	0.83	0.86
Own Resources	0.83	0.79	0.81

Condition	Interpretation
Greater than 1.99	Very High
Between 1 and 1.99	High
Between 0.5 and 1	Acceptable
Less than 0.5	Low

Solvency

Allows to know the protection grade of a firm before an eventual exigency of total cancelation of their debts.

Formula: Total Assets / Total Liabilities

Condition	Interpretation
Greater than 3	Very High
Between 2 and 2.99	High
Between 1 and 1.99	Acceptable
Less than 1	Low

Current Indebtedness

Measures the exposition of the own permanent capital.

Formula: Current Liabilities / Net Tangible Capital

Condition	Interpretation
Greater than 1	High
Between 0.51 and 1	Acceptable
Between 0.2 and 0.5	Low
Less than 0.2	Very Low

Total Indebtedness

Makes possible to know the effect over the long term debts over the net tangible capital.

Formula: Total Liabilities / Net Tangible Capital

Condition	Interpretation
Greater than 1	High
Between 0.51 and 1	Acceptable
Between 0.2 and 0.5	Low
Less than 0.2	Very Low

Fixed Assets

Express the incidences of their fixed assets destined to the exploitation, dully depreciated over the own capital.

Formula: Fixed Assets / Net Tangible Capital

Own Resources

Shows the assets percentage not exposed by third parties.

Formula: Net Tangible Capital / Total Assets

EFFICIENCY RATIOS

Collection Period (days)

Shows the quantity of days that the company needs to perform their collections.

Formula: Credits for Sale x 360 / Net Sales

Inventory Turnover (times)

Allows to determinate how many times the firm has renewed its inventory.

Formula: Net Sales / Inventory

PROFITABILITY RATIOS

Return on Sales

Allows establishing the earning margins the company operates with.

Formula: Net Profit x 100 / Net Sales

Return on Assets

Determinates the efficiency of the assets that were handled in the earnings generation.

Formula: Net Profit x 100 / Total Assets

Return on Net Worth

Shows the invested capital return percentage.

Formula: Net Profit x 100 / Net Worth

OTHER FIGURES

Quarterly Balance sheet as of Mar 31, 2019 (in Pesos).

Assets

CURRENT ASSETS	65,478,660
NON CURRENT ASSETS	140,352,770
TOTAL ASSETS	205,831,430

Liabilities

CURRENT LIABILITIES	27,543,110
NON CURRENT LIABILITIES	9,789,447
TOTAL LIABILITIES	37,332,557
NET WORTH	168,498,873
TOTAL	205,831,430

Income Statement

NET SALES	125,436,784
NET PROFIT	7,542,127

Statement Audited by: PRICE WATERHOUSE & Co. S.R.L., C.P.C.E.C.F. T°1 F°1

Signed by: Accountant José González , C.P.C.E.C.F. T° 2 F° 4

MONTHLY SALES FIGURES

Month/ Year	Monthly Sales
Apr/ 2017	\$ 21,000,000.00
May/ 2017	\$ 23,000,000.00

CONCLUSION

LAST GENERAL BALANCE SHEET EVALUATION

EMPRESA MODELO S.A.'s Financial Statement as of Dec 31, 2018 showed a good financial condition, which was reflected by the following:

- A current ratio high
- Liquidity index high
- Working capital high

On the other hand, the subject's economic situation as of that date was good, this was reflected by the following:

- Indebtness index low
- Creditworthy index very high

Respect to its previous fiscal the following variances can be observed:

	Variation
Cash	3%
Accounts Receivable	0%
Collection Period	-13 days
Inventory	1%
Inventory Turnover	3 times
Fixed Assets	25%
Short Terms Liabilities	10%
Working Capital	-4%
Net Sales	43%
Direct Costs	55%
Net Earnings	7%

The income of the period was \$ 367,410,325.00, increasing a 43.18% if we compare it with the same period of previous year.

The fiscal year closed with a Net Profit of \$ 19,840,024.00, increasing its profitability a 6.83% if we compare it with the same period of previous year.

Its Net Worth was \$ 212,702,125.00. Compared with the previous fiscal it has incremented a 16%.

Its Working Capital was \$ 37,734,246.00. Compared with the previous fiscal it has reduced a 4%.

APPENDICES

CUSTOMER SERVICE

Should you require any further information or have any questions, please contact your local Customer Service Centre.

Inquiries should **always** contain the below minimum details:

- Full Company Name
- Full Headquarters Address
- Telephone Number
- Business Identification Number
- Contact Name
- Reference
- Order Date

EXCHANGE RATE

The registered values correspond to the last working day of each year. For further information about macroeconomic variables of this country, please consult the International Risk and Payment Review, a D&B's monthly publication.

Since Jan 2002, with the finalization of the Convertibility Plan, the floating exchange rate was established. As a sample of this, the fluctuation of

the local currency regarding the US Dollar during the last 5 years is detailed below:

Date	Quotation
Dec, 2013	U\$S 1 = \$ 6.52
Dec, 2014	U\$S 1 = \$ 8.55
Dec, 2015	U\$S 1 = \$ 13.43
Dec, 2016	U\$S 1 = \$ 16.30
Dec, 2017	U\$S 1 = \$ 18.98

D&B RATING GLOSSARY

The following ratings are available for businesses in Argentina:

D&B Rating - The D&B® Rating in Argentina consists of 2 parts, the Financial Strength Indicator and the Risk Indicator. The Financial Strength Indicator is based on Net Worth of a current fiscal balance sheet. The Risk Indicator reflects D&B's opinion of the risk associated with trading with a specific business, notably the likelihood of business continuance or failure over the next 12 months. The table below contains the values for the D&B Rating in Argentina.

FINANCIAL STRENGTH INDICATOR

Range USD		
Net Worth	From	To
5A	50,000,000	And above
4A	10,000,000	49,999,999
3A	1,500,000	9,999,999
2A	750,000	1,499,999
1A	375,000	749,999
A	188,000	374,999
B	94,000	187,999
C	47,000	93,999
D	24,000	46,999
E	12,000	23,999
F	6,000	11,999
G	0	5,999

Risk Indicator	Condition	Interpretation
1	Solid	Minimum expectation of risk
2	Satisfactory	Low expectation risk
3	Acceptable	Risk Slightly Over the Average
4	Unfavourable	Significant Risk - To review carefully
S	Services	Not Applicable - No Assigned condition
-	Undetermined	Insufficient information to assign a Rating

Alternate Ratings Used

NQ	Cease of Operations
NB	New Business - Generally less than 2 years and six months
O	No financial statement or not up to date financial statement

N/N4	Negative Net Worth
BR	Branch of Local Company
-	Unable to locate - Non Commercial Report

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