

**Compañía de Transporte de Energía
Eléctrica en Alta Tensión Transener S.A.**

**Unaudited Condensed Interim Consolidated Financial Statements as of June 30, 2015
and for the three-month and six-month periods ended June 30, 2015 and 2014**



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Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.

Index to Unaudited Condensed Interim Consolidated Statements

	<u>Page</u>
Report of Independent Auditors	2
Unaudited Condensed Interim Consolidated Statements of Operations for the periods ended June 30, 2015 and 2014	4
Unaudited Condensed Interim Consolidated Balance Sheets as of June 30, 2015 and December 31, 2014	5
Unaudited Condensed Interim Consolidated Statements of Changes in Equity for the three-month and six-month periods ended June 30, 2015 and 2014	6
Unaudited Condensed Interim Consolidated Statements of Cash Flows for the six-month periods ended June 30, 2015 and 2014	7
Notes to the Unaudited Condensed Interim Consolidated Financial Statements	9



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Report of Independent Auditors

To the shareholders, President and Directors of
Compañía de Transporte de Energía Eléctrica en
Alta Tensión Transener S.A.
City of Buenos Aires

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A. and its subsidiaries ("Transener S.A.") including the condensed consolidated statement of financial position at June 30, 2015, the condensed consolidated statements of comprehensive income for the six and three month periods ended June 30, 2015, and the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, as well as the selected explanatory notes.

The balances and other information corresponding to the fiscal year 2014 and to its interim periods are an integral part of the financial statements mentioned above; therefore, they must be considered in connection with those financial statements.

Management's responsibilities

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

Scope of our review

Our review was limited to applying the procedures laid down by the International Standards on Review Engagements (ISRE 2410) "Review of Interim Financial Information developed by the Independent Auditor of the Company", adopted as a review standard in Argentina by Technical Pronouncement No. 33 of the FACPCE and approved by the International Auditing and Assurance Standards Board (IAASB). A review of interim financial information consists of making inquiries of the Company's personnel responsible for preparing the information included in the condensed interim consolidated financial statements and performing analytical and other review procedures. This review is substantially less in scope than an audit conducted in accordance with international standards on auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Therefore, we do not express an audit opinion on the consolidated financial position, the consolidated comprehensive income, or the consolidated cash flows of the Company.



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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim financial statements mentioned in paragraph 1 of this report have not been prepared, in all material respects, in accordance with International Accounting Standard 34.

Emphasis paragraph

We would like to emphasize the situation described in Note 2, which details the negotiations between the Company and Transba S.A. with pertinent authorities to restore their tariff schedules and impact on the economic-financial situation of both companies. The Company has prepared these condensed interim consolidated financial statements using accounting principles that are applicable to a going concern. Therefore, the condensed interim consolidated financial statements do not include the effects of potential adjustments or reclassifications, if any, that might be required if the situations described in the above-mentioned note are not solved in favor of continuing the operations of the Company and its subsidiary, and the Company were obliged to sell its assets and settle its liabilities, including contingent liabilities, in conditions other than the normal course of business. Our conclusion does not include any qualifications in relation to the above.

Report about the compliance with current regulations

- a) The condensed interim consolidated financial statements of Transener S.A. are pending transcription into the "Inventory and Balance Sheet" book and, except for the matters mentioned above, comply with the provisions of the Commercial Companies Law and pertinent regulations of the National Securities Commission, as regards matters within our field of competence;
- b) The condensed interim separate financial statements of Transener S.A. arise from accounting records kept in all formal respects in conformity with legal regulations, except for the transcription of the "Inventory and Balance Sheet" book, which to date has not yet been transcribed,
- c) we have read the summary of activity and, as regards those matters that are within our field of competence, we have no observations to make;
- d) at June 30, 2015 the debt accrued by Transener S.A. in favor of the Argentine Integrated Social Security System according to the Company's accounting records amounted to \$ 14.651.810, none of which was claimable at that date.

PRICE WATERHOUSE & CO. S.R.L.

by  (Partner)
Roberto Montero

City of Buenos Aires, Argentina
August 5, 2015

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Compañía de Transporte de Energía Eléctrica en Alta Tensión TransenerS.A.
Unaudited Condensed Interim Consolidated Statements of Operations
for the three-month and six-month periods ended June 30, 2015 and 2014
(In Argentine Pesos, except as otherwise indicated)

Consolidated income / (loss) statement	Note	Three-month period ended		Six-month period ended	
		30.06.2015	30.06.2014	30.06.2015	30.06.2014
Net Revenues	7	504.071.047	339.755.824	823.937.439	623.719.305
Operating expenses	8	(297.415.021)	(223.968.989)	(567.056.288)	(452.125.530)
Gross income		206.656.026	115.786.835	256.881.151	171.593.775
Administrative expenses	8	(56.644.835)	(41.425.361)	(107.974.404)	(78.556.969)
Other expenses net		(6.138.447)	(4.214.329)	(12.845.416)	(21.128.696)
Operating income		143.872.744	70.147.145	136.061.331	71.908.110
Finance income	9	79.207.911	115.811.580	181.096.257	224.096.617
Finance costs	9	(31.577.656)	(28.341.230)	(58.756.898)	(55.311.907)
Other financial results	9	(32.872.495)	(17.696.538)	(68.299.574)	(218.701.739)
Income before taxes		158.630.504	139.920.957	190.101.116	21.991.081
Income tax expense	10	(55.664.585)	(48.965.209)	(67.057.053)	(23.772.051)
Income / (loss) for the period		<u>102.965.919</u>	<u>90.955.748</u>	<u>123.044.063</u>	<u>(1.780.970)</u>
Income / (loss) attributable to:					
Owners of the parent		99.321.277	88.835.224	117.528.916	(4.012.769)
Non-controlling interests		3.644.642	2.120.524	5.515.147	2.231.799
Total for the period		<u>102.965.919</u>	<u>90.955.748</u>	<u>123.044.063</u>	<u>(1.780.970)</u>
Other consolidated comprehensive income / (loss)					
Income / (loss) for the period		102.965.919	90.955.748	123.044.063	(1.780.970)
Other comprehensive results		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total comprehensive income / (loss) for the period		<u>102.965.919</u>	<u>90.955.748</u>	<u>123.044.063</u>	<u>(1.780.970)</u>
Attributable to:					
Owners of the parent		99.321.277	88.835.224	117.528.916	(4.012.769)
Non-controlling interests		3.644.642	2.120.524	5.515.147	2.231.799
Total for the period		<u>102.965.919</u>	<u>90.955.748</u>	<u>123.044.063</u>	<u>(1.780.970)</u>
Income / (loss) per share attributable to the equity holders of the Company:					
Total for the period	22	0,22	0,20	0,26	(0,01)

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



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Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Unaudited Condensed Interim Consolidated Balance Sheets as of June 30, 2015 and December 31, 2014
(In Argentine Pesos, except as otherwise indicated)

	Note	<u>30.06.2015</u>	<u>31.12.2014</u>
Assets			
Non-current assets			
Property, plant and equipment	11	1,634,795,870	1,589,000,341
Other receivables	12	19,609,347	16,270,225
Total Non-current assets		<u>1,654,405,217</u>	<u>1,605,270,566</u>
Current Assets			
Trade accounts receivables	13	432,475,976	471,289,606
Other receivables	12	27,549,038	48,139,013
Cash and cash equivalents	14	424,997,601	329,676,393
Total Current assets		<u>885,022,615</u>	<u>849,105,012</u>
Total Assets		<u>2,539,427,832</u>	<u>2,454,375,578</u>
Equity and liabilities			
Capital and reserves attributable to owners of the parent		736,423,856	618,894,940
Equity attributable to owners of the parent		<u>736,423,856</u>	<u>618,894,940</u>
Non-controlling interests		41,333,795	35,818,648
Total equity		<u>777,757,651</u>	<u>654,713,588</u>
Liabilities			
Non-current liabilities			
Debt and other indebtedness	15	997,640,012	955,667,363
Deferred tax payable	10	57,332,110	68,350,861
Employee benefits payable	16	171,325,676	147,353,395
Trade accounts payable	17	3,441,812	3,732,488
Total Non-current liabilities		<u>1,229,739,610</u>	<u>1,175,104,107</u>
Current liabilities			
Provisions	25	31,698,202	26,090,476
Other liabilities		778,781	778,781
Debt and other indebtedness	15	175,445,138	147,212,304
Taxes payable		96,694,257	88,048,947
Payroll and social securities taxes payable		114,781,228	161,675,961
Trade accounts payable	17	112,532,965	200,751,414
Total Current liabilities		<u>531,930,571</u>	<u>624,557,883</u>
Total Liabilities		<u>1,761,670,181</u>	<u>1,799,661,990</u>
Total Equity and liabilities		<u>2,539,427,832</u>	<u>2,454,375,578</u>

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Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Unaudited Condensed Interim Consolidated Statements of Changes in Equity for the six-month periods ended June 30, 2015 and 2014
(In Argentine Pesos, except as otherwise indicated)

	Atributable to owners of the parent							Total equity
	Common Stock	Inflation adjustment on common stock	Share premium	Legal reserve	Retained earnings	Subtotal	Non-controlling interests	
Balance as of December 31, 2013	444,673,795	352,996,229	31,978,847	42,628,456	(390,493,879)	481,783,448	27,894,989	509,678,437
Comprehensive loss for the six-month period	0	0	0	0	(4,012,769)	(4,012,769)	2,231,799	(1,780,970)
Balance as of June 30, 2014	444,673,795	352,996,229	31,978,847	42,628,456	(394,506,648)	477,770,679	30,126,788	507,897,467
Comprehensive income for the six-month complementary period	0	0	0	0	149,212,108	149,212,108	6,043,034	155,255,142
Other comprehensive loss for the six-month period	0	0	0	0	(8,087,847)	(8,087,847)	(351,174)	(8,439,021)
Balance as of December 31, 2014	444,673,795	352,996,229	31,978,847	42,628,456	(253,382,387)	618,894,940	35,818,648	654,713,588
Comprehensive income for the six-month period	0	0	0	0	117,528,916	117,528,916	5,515,147	123,044,063
Balance as of June 30, 2015	444,673,795	352,996,229	31,978,847	42,628,456	(135,853,471)	736,423,856	41,333,795	777,757,651

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Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Unaudited Condensed Interim Consolidated Statements of Cash Flows for the six-month periods ended
June 30, 2015 and 2014
(In Argentine Pesos, except as otherwise indicated)

	Note	Six-month period ended	
		<u>30.06.2015</u>	<u>30.06.2014</u>
Cash flows from operating activities:			
Income / (Loss) for the year		123,044,063	(1,780,970)
Adjustments:			
Depreciation of property, plant and equipment	11	44,721,999	42,982,069
Instrumental Agreement	2	(632,609,445)	(489,272,400)
Employee benefits plan	16	34,642,689	20,349,786
Income tax expense accrued during the year	10	67,057,053	23,772,051
Foreign exchange and other financial results		124,773,431	283,563,818
Retirements of property, plant and equipment	11	17,554,359	6,412,837
Changes in certain assets and liabilities, net of non-cash:			
(Increase) Decrease in trade receivables		(104,976,935)	(135,313,001)
(Increase) Decrease in other receivables		17,250,853	52,791,326
Increase (Decrease) in trade accounts payable		(88,509,125)	(5,072,299)
Increase (Decrease) in payroll and social securities taxes payable		(46,894,733)	(29,022,537)
Increase (Decrease) in taxes payable		(27,945,584)	(25,317,107)
Increase (Decrease) in provisions	25	5,607,726	2,378,454
Increase (Decrease) of employee benefits payable	16	(10,670,408)	(7,502,170)
Income tax payment		(41,484,910)	0
Net cash used in operating activities		<u>(518,438,967)</u>	<u>(261,030,143)</u>



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Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Unaudited Condensed Interim Consolidated Statements of Cash Flows for the six-month periods ended
June 30, 2015 and 2014 (continued)
(In Argentine Pesos, except as otherwise indicated)

	Note	Six-month period ended	
		<u>30.06.2015</u>	<u>30.06.2014</u>
Cash flows from investing activities:			
Purchases of the acquisition of property, plant and equipment	11	(108,071,887)	(134,890,384)
Cash used in investing activities		<u>(108,071,887)</u>	<u>(134,890,384)</u>
Cash flows from financing activities:			
Funds from CAMMESA Financing	2	776,400,010	656,000,002
Payments and repurchase of bonds and other indebtedness - Principal		(678,975)	(611,625)
Payments and repurchase of bonds and other indebtedness - Interests		(53,888,973)	(53,202,364)
Net cash generated by financing activities		<u>721,832,062</u>	<u>602,186,013</u>
Increase / (Decrease) in cash and cash equivalents		95,321,208	206,265,486
Cash and cash equivalents at the beginning of the year		<u>329,676,393</u>	<u>73,624,888</u>
Cash and cash equivalents at year end	14	<u><u>424,997,601</u></u>	<u><u>279,890,374</u></u>
Significant non-cash transactions			
Decrease in accounts receivable	2	776,400,010	656,000,002
Decrease in other liabilities - CAMMESA Financing	2	(776,400,010)	(656,000,002)
		<u>0</u>	<u>0</u>

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



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Index

1. Organization and description of business
2. Tariff Review and economic and financial situation
3. Purpose of financial statements
4. Basis of preparation
5. Accounting policies
6. Segment reporting
7. Net revenues
8. Expenses by nature
9. Financial results net
10. Income tax and deferred income tax
11. Property, plant and equipment
12. Other receivables
13. Trade accounts receivables
14. Cash and cash equivalents
15. Debt and other indebtedness
16. Employee benefit expense
17. Trade accounts payable
18. Balances and transactions with related parties
19. Investment in TransenerInternacional Ltda.
20. Fourth Line of the Comahue-Buenos Aires electricity transmission system
21. Financing structure
22. Income per share
23. Stored documentation
24. Foreign currency assets and liabilities
25. Provisions

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Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

1. Organization and description of business

The concessionaire company Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A. was constituted on May 31, 1993, as a result of the laws No. 23,696 and 24,065 and the Decree No. 2,743/92 which stated the privatization of the high-voltage electricity transmission system in Argentina, which up to that date were provided by Agua y Energía Eléctrica Sociedad del Estado (AyEE), Hidroeléctrica Norpatagónica S.A. (Hidronor) and Servicios Eléctricos del Gran Buenos Aires S.A. (SEGBA) and resolved the creation of a company that would receive the concession to operate the service. The Ministry of Economy and Public Works and Services called for international bidding for the sale of the majority shares of the aforementioned company.

The privatization was finalized through the subscribed contract of transfer by the National Government, acting on behalf of the mentioned companies in the preceding paragraph, and Compañía Inversora en Transmisión Eléctrica Citelec S.A. (in later "Citelec S.A."), which has control on Transener S.A. The assets affected to the privatized service were received simultaneously.

Finally, on July 17, 1993 the takeover of Transener by the Consortium took place, starting on the mentioned date its operations.

On July 30, 1997, the province of Buenos Aires privatized Empresa de Transporte de Energía Eléctrica por Distribución Troncal de la Provincia de Buenos Aires Sociedad Anónima Transba S.A. (in later "Transba S.A."), which was created by the province of Buenos Aires, in March 1996, and subsequently acquired by Transener S.A., in order to own and operate the network of Transba S.A. The date of these financial statements Transener S.A. holds 90% of the shares of capital of Transba S.A., because the remaining 10% was transferred to a program of property owned for the personal benefit of Transba S.A. employees in exchange for a right to future dividends of Transba S.A. on such shares.

On August 16, 2002, Transener S.A. created Transener international Ltda. Located in the city of Brasilia, Brazil Republic, subscribing 99% of its shares. On March 25, 2012, the Board of Directors approved to discontinue the Transener international Ltda's operation and maintenance contracts.

These unaudited condensed interim consolidated financial statements (in hereinafter referred to interchangeably as "financial statements" or "unaudited condensed interim consolidated financial statements"), have been approved for issuance by the Board of Directors on August 5, 2015.

2. Tariff Review and economic and financial situation

a) Tariff Review

The Emergency Law No. 25561, which fixed the prices and tariffs of the public services companies' contracts in Pesos at the exchange rate of Peso 1 for each US\$1, has imposed the obligation to renegotiate the concession agreements with the National Government to those companies that provide public services, such as Transener and Transba, while continuing to render the service. This situation has significantly affected the economic and financial situation of the Company and its subsidiary Transba.

In May 2005, Transener and Transba entered into the Definitive Agreements with the representatives of the Unit for the Renegotiation and Analysis of Public Utility Contracts ("UNIREN"), which contain the terms and conditions for the renegotiation of the Concession Contracts.

According to the guidelines stated in the mentioned Definitive Agreements, the following was foreseen: i) to carry out a Full Tariff Review ("FTR") before the ENRE and to determine a new tariff regime for Transener and Transba, which should have come into force during the months of February 2006 and May 2006, respectively; and ii) the recognition of the major operating costs incurred in the interim period up to the moment in which the tariff regime comes into force as a consequence of the above-mentioned FTR.

Since 2006 Transener and Transba have communicated to the ENRE the need to regularize the fulfillment of the commitments settled in the Definitive Agreement, describing the breaches of commitments established in

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Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

that Agreement on behalf of said regulatory authority, the serious situation arising from such breaches, and its availability to continue with the FTR process, as long as the remaining commitments assumed by the parties continue in force, and the new tariff regime arising from the FTR process is resolved.

Opportunely, Transener and Transba submitted their respective tariff proposals, based on the term stated in the Definitive Agreements, and also in accordance with Article 45 and others of the Law No. 24,065, for the purpose of dealing with the matter, calling for a Public Hearing and defining a new tariff regime, under the expectation of the FTR celebration.

In order to regularize the tariff situation, in December 2010, Transener and Transba entered into the Instrumental Agreements (the "Instrumental Agreements") related to the Definitive Agreements with the SE and the ENRE.

According to what was stated in the Instrumental Agreements, on May 2, 2011 new extensions of the Financing Agreements (Addendas II) were entered into with CAMMESA. The funds which conforms the Addendas II would be destined to the operation and maintenance, and to the investments plan corresponding to year 2011 and would be disbursed through partial payments in advance according to CAMMESA'S availability of funds, according to the instructions of the SE.

Due to the fact that the mentioned commitments were delayed, and in order to regularize the adjustment of the remuneration as from December 1, 2010, on May 13, 2013 and on May 20, 2013, Transener and Transba, respectively, entered into a Renewal Agreement of the Instrumental Agreement (Renewal Agreement), with the Secretariat of Energy (SE) and the ENRE (National Electricity Regulatory Commission) effective until December 31, 2015, in which the following was stated:

- i) the recognition of a credit for Transener and Transba due to cost variations for the period December 2010-December 2012, which has been calculated according to the cost variation index (CVI) established in the Definitive Agreement.
- ii) a mechanism for the payment of credit balances pending under Addenda II, together with the amounts mentioned in i) above, during 2013,
- iii) a procedure for the automatic adjustment and payment of the cost variations arising during the six-month periods starting as from January 1, 2013, and ending December 31, 2015,
- iv) the celebration of a new Addenda with CAMMESA in order to include the amount of credits to be generated and the corresponding interest up to the effective cancellation.

A Cash Flow and an Investment Plan were established under the Renewal Agreement, to be executed by the Companies in 2013 and 2014, taking into account the disbursements received under the Addendas to be entered into. The Cash Flow and Investment Plan in all cases will be adjusted in accordance with the income received by the Companies in each period.

The Investment Plan laid down under the Renewal Agreement establishes investments of approximately \$ 286 million and \$ 207 million for Transener, and of \$ 113 million and \$ 100 million for Transba, for the six-month periods 2013 and 2014 respectively.

The Renewal Agreements state that in case they are not renewed at expiration, as from January 1, 2016, CAMMESA should consider as remuneration for the services rendered by the Companies, the values established by ENRE Resolutions 327/08 and 328/08 by application of section 4.2 of the clause Four of the Definitive Agreements, which have been determined by the ENRE in the Instrumental Agreements and in the Renewal Agreements.

In order to execute the Third Extension of the CAMMESA Financing, the Companies abandoned the legal actions seeking the enforcement of the commitments under the Definitive Agreements and the Instrumental Agreements. In case of breach of the commitments under the Definitive Agreements, the Instrumental Agreements and the Renewal Agreements, the Companies may resume and/or bring in again legal actions seeking the enforcement of the Definitive Agreements, the Instrumental Agreements and the Renewal Agreements.

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On October 25, 2013, Transba signed with CAMMESA an extension of the Financing Agreement (Addenda III) which provides as follows: i) grant a new loan to Transba for the amount of \$ 324.8 million, for credits recognized by the SE and ENRE, resulting from cost variations occurred during the period December 2010 to December 2012 and ii) the collateral assignment of the credits recognized as higher costs as of December 31, 2012, in accordance with the Renewal Agreement under the Instrumental Agreement, so as to settle the amounts to be received by application of the new signed extensions.

On February 14, 2014, Transener signed with CAMMESA an extension of the Financing Agreement (Addenda III) which provides as follows: i) grant a new loan to Transener for the amount of \$ 785.8 million, for credits recognized by the SE and ENRE, resulting from cost variations occurred during the period December 2010 to December 2012 and ii) the collateral assignment of the credits recognized as higher costs as of December 31, 2012, in accordance with the Renewal Agreement under the Instrumental Agreement, so as to settle the amounts to be received by application of the new signed extensions.

Also, on September 2, 2014, Transener and Transba entered into with CAMMESA their Financing Agreements to implement the Renewal Agreements during 2013 and 2014 (New Financing Agreements), by which it was agreed: i) to consider fulfilled the Financing Agreements and their Addenda I, II and III entered into with CAMMESA; ii) to grant a new loan amounting to \$ 622.2 million and \$ 240.7 million for Transener S.A. and Transba S.A., respectively, related to the credits recognized by SE and ENRE corresponding to cost variations from January 2013 to May 2014; and iii) the collateral assignment of the credits recognized for higher costs at May 31, 2014 under the Renewal Agreement of the Instrumental Agreement to pay off the amounts receivable for the implementation of the New Financing Agreements.

On March 17, 2015, Transener and Transba entered into with CAMMESA the Addendas to the Financing Agreements (New Addendas), by which it was agreed to grant a new loan amounting to \$563.6 million and \$178.3 million for Transener and Transba, respectively, related to: (i) the outstanding balance from the Financing Agreements as of January 30, 2015, and (ii) the credits recognized by the SE and ENRE corresponding to variations of costs from June 2014 to November 2014. Additionally, it was agreed the cession of credits resulting from the recognition of the variations of costs as of November 30, 2014 according to the Instrumental Agreements in order to cancel the amounts to be received through the application of the New Addendas.

At period end, the results of the recognition of the cost variations by SE and ENRE have been recorded in these condensed interim consolidated financial statements up to the amounts received under Addenda II and III. Consequently, Transener has recognized revenues for \$359.7 million and \$267.6 million plus interest for \$74.4 million and \$112.6 million, for the six-month periods ended June 30, 2015 and 2014, respectively. Accordingly, Transba has recognized revenues for \$179.3 million and \$80.5 million plus interest for \$19.3 million and \$28.6 million, for the same periods, respectively. The liability for the whole disbursements has been settled through the assignment of credits recognized as higher costs, according to the Instrumental Agreement and the Renewal Agreement.

b) Economic and financial situation

The execution of the Renewal Agreement is presented as a significant milestone that will consolidate the economic-financial equation of the Company in the future.

However, the delay in obtaining a tariff regime resulting from a FTR generates uncertainty about the capability of the Company to generate the necessary revenues in order to face its liabilities in the short term.

Besides, CAMMESA continues to be in arrears in the payment of the monthly remuneration for the electric power transportation service.

In relation to the above mentioned, it is still complex to foresee the evolution of the issues mentioned in section a) and b), as well as its possible impact on the Company's businesses and cash flows. Transener has prepared these condensed interim consolidated financial statements using accounting principles applicable to a

Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

going concern. Therefore, these condensed interim consolidated financial statements do not include the effects of potential adjustments and reclassifications, if any, that could be required if the above situations were not resolved in favor of the continuity of the Company's operations and it would be obliged to realize its assets and settle its liabilities, including contingent ones, under conditions other than the ordinary course of its business. Thus, these condensed interim consolidated financial statements should be read under these circumstances.

3. Purpose of financial statements

The accompanying condensed interim consolidated financial statements have been prepared solely to comply with Luxembourg's Listing requirements and with the provisions set forth in section 22.2 of the Second Supplemental Indenture dated August 2, 2011, entered into by and among Transener, Deutsche Bank Trust Company Americas, among others.

4. Basis of preparation

These unaudited condensed interim consolidated financial statements are presented in accordance with IAS 34 "Interim Financial Reporting" issued by the IASB adopted by the CNV through Resolution No. 562/09 and its extensions.

These financial statements should be read in conjunction with the financial statements of the Company as of December 31, 2014, prepared on the basis of IFRS and issued on February 26, 2015.

5. Accounting policies

Except as stated in Note 5.1, the accounting policies applied by the Company are consistent with those applied in the previous year.

5.1 New standards, amendments and interpretations not yet effective and not early adopted by the Company

In December 2014, the IASB amended *IAS 1 Presentation of Financial Statements* by incorporating guidelines for the presentation of financial statements, which is effective for annual periods beginning on or after January 1, 2016; early adoption is permitted. The Company is considering the effect of this amendment on disclosures.

IFRS 15 Revenue from Contracts with Customers: This standard was issued in May 2014 and is effective for periods beginning on or after January 1, 2017. It specifies how and when an IFRS reporter will recognize revenue as well as requiring such entities to provide users of financial statements with more informative disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers. The Company is considering the effect of this amendment; however, it estimates that adoption will not have a significant impact on the Company's financial position or results of operation.

IFRS 9 Financial Instruments: It was issued in July 2014 and includes all phases of the IASB project to replace *IAS 39 Financial Instruments: Recognition and Measurement*. The phases comprise classification and measurement, impairment and hedge accounting. This version adds a new expected loss impairment model and some minor changes to the classification and measurement of financial assets. The new standard supersedes all previous versions of IFRS 9 and is effective for periods beginning on or after January 1, 2018. The Company has already adopted the first phase of IFRS 9 at the date of transition to IFRS; however, it has not opted to early adopt phases 2 and 3 included in this latest version.

Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

5.2 Risk policy and accounting estimates

In the preparation of these financial statements, the Company has applied the risk policies and accounting estimates consistently with those of the previous year. There are no significant variations at June 30, 2015 compared with the previous year as regards the risk analysis.

5.3 Impairment of non-financial long-term assets

For the purpose of preparing these financial statements, the Company has applied the policy for impairment of non-financial long-term assets consistently with that of the previous year.

Thus, Management has defined certain assumptions to estimate future cash flows applied to assess the recoverability of its assets. These assumptions consider various scenarios which include projections of expected future tariff increases, inflation, exchange rates, operating and maintenance expenses, investments and discount rates.

Cash flows are generally projected for a period which covers the remaining useful life of long-term assets or the duration of the concession, whichever is lower.

Cash flows were estimated considering the tariff adjustment guidelines submitted to the ENRE, in compliance with the parameters established by Law No. 24065, which governs the tariff renegotiation in process. Consequently, cash flows and future actual results may differ from the estimates and evaluations made at the date of preparation of these financial statements.

The Company has not recognized impairment losses for any of the periods mentioned.

5.4 Derivative financial instruments

The hedge instruments (futures in foreign currency) held by the Company fell due on January 30, 2015, generating a net loss of \$ 494,563, which has been recognized as a net loss for the period and shown under Other financial results in the Condensed Interim Consolidated Comprehensive Income Statement.

At June 30, 2015, the Company did not hold derivative financial instruments.

6. Segment reporting

The Company concentrates its businesses mainly on its primary and secondary activity. As the activity is basically carried out in Argentina, therefore, no segments by geographic area have been identified.

As of June 30, 2015 and 2014, the operating segments have been adapted to the guidelines of ENRE Resolution 176/2013, which establishes that a regulatory accounting system will enter into force since January 1, 2014, differentiating regulated from non-regulated activity pursuant to the resolution.



Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

The segment information submitted to the General Director, who takes the business strategic decisions, for the reportable segments for the six-month periods ended June 30, 2015 and 2014 is as follows:

	Regulated activity \$	Non-regulated activity \$	Total \$
Six-month period ended June 30, 2015			
Net revenues	757,783,867	66,153,572	823,937,439
Operating results	115,173,572	20,887,759	136,061,331
Total assets	2,437,409,573	102,018,259	2,539,427,832
Total liabilities	1,503,591,448	258,078,733	1,761,670,181
Acquisition of property, plant and equipment	108,071,887	0	108,071,887
Property, plant and equipment depreciation	44,721,999	0	44,721,999
Six-month period ended June 30, 2014			
Net revenues	547,265,851	76,453,454	623,719,305
Operating results	58,349,095	13,559,015	71,908,110
Total assets	2,036,187,268	56,628,220	2,092,815,488
Total liabilities	1,330,875,840	254,042,181	1,584,918,021
Acquisition of property, plant and equipment	134,890,384	0	134,890,384
Property, plant and equipment depreciation	42,982,069	0	42,982,069

No sales between operating segments identified by the Company are perfected. Sales revenues reported to the Direction of the Company are measured in the same way as for the preparation of the statement of operations. Assets and liabilities are allocated based on the segment.

7. Net Revenues

	Three-month period ended		Six-month period ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
Net Regulated Revenue	469,520,869	312,128,244	757,783,867	547,265,851
Net Non-Regulated Revenue	34,550,178	27,627,580	66,153,572	76,453,454
Net Revenues	504,071,047	339,755,824	823,937,439	623,719,305



Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.

Notes to the Unaudited Condensed Interim Consolidated Statements

(In Argentine Pesos, except as otherwise indicated)

8. Expenses by Nature

Items	Three-month period ended June 30, 2015			Three-month period ended June 30, 2014		
	Total	Operating Expenses	Administrative Expenses	Total	Operating Expenses	Administrative Expenses
Salaries and social security charges	240,079,122	198,968,068	41,111,054	157,953,205	130,820,429	27,132,776
Other personnel costs	2,121,960	1,473,918	648,042	2,015,765	1,042,505	973,260
Fees for operating services	8,194,031	8,194,031	0	7,554,582	7,554,582	0
Professional fees	5,043,483	1,966,563	3,076,920	4,127,923	1,249,916	2,878,007
Equipment maintenance	4,063,590	4,063,590	0	1,478,538	1,478,538	0
Work for third-party materials	2,874,714	2,874,714	0	5,966,255	5,966,255	0
Fuel and lubricants	5,400,910	5,471,717	229,193	4,411,580	4,185,903	225,677
General Maintenance	10,908,686	10,727,004	181,682	8,498,084	8,169,973	328,111
Electricity	593,258	564,937	28,321	589,673	575,104	14,569
Depreciation of property, plant and equipment	22,505,187	20,252,631	2,252,556	21,682,106	19,512,570	2,169,536
Administration expenses related to WIEM	156,134	156,134	0	290,666	290,666	0
Regulatory fees	587,640	587,640	0	537,369	537,369	0
ATHERA membership fees	217,788	0	217,788	154,246	0	154,246
Communications	1,491,974	1,237,779	254,195	1,180,866	870,039	310,827
Transportation	2,347,657	2,342,457	5,200	1,872,280	1,866,325	5,955
Insurance	11,950,060	11,150,292	799,768	9,326,853	8,629,554	697,299
Rents	4,598,119	2,587,592	2,010,527	2,245,993	1,309,903	936,090
Travel and lodging expenses	13,696,976	13,141,357	555,619	9,348,536	9,055,730	292,806
Stationary and printing	2,258,087	297,939	1,960,148	2,845,676	361,210	2,484,466
Taxes and government contributions	2,290,289	2,108,586	181,803	2,042,801	1,907,382	135,419
Directors and syndics	1,298,284	0	1,298,284	978,355	0	978,355
Security	7,366,837	7,366,837	0	5,029,345	5,029,345	0
Office and substitution cleaning	4,867,696	4,518,802	348,894	3,612,252	3,259,361	352,891
Electroduct maintenance	1,588,453	1,588,453	0	2,886,452	2,886,452	0
Provisions	(7,205,092)	(7,205,092)	0	4,354,090	4,354,090	0
Others	4,763,913	3,279,072	1,484,841	4,410,859	3,055,788	1,355,071
TOTAL	354,059,856	297,415,021	56,644,835	265,394,350	223,968,989	41,425,361



Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

Items	Six-month period ended June 30, 2015			Six-month period ended June 30, 2014		
	Total	Operating Expenses	Administrative Expenses	Total	Operating Expenses	Administrative Expenses
Salaries and social security charges	444,637,479	368,007,588	76,629,891	308,264,843	255,715,062	52,549,781
Other personnel costs	4,689,474	2,339,513	2,349,961	4,104,782	1,953,132	2,151,650
Fees for operating services	14,111,938	14,111,938	0	13,093,525	13,093,525	0
Professional fees	8,480,088	2,760,306	5,719,782	6,986,676	1,956,503	5,030,173
Equipment maintenance	5,935,356	5,935,356	0	3,572,237	3,572,237	0
Work for third-party materials	5,773,130	5,773,130	0	35,398,018	35,398,018	0
Fuel and lubricants	9,335,685	8,923,504	412,181	7,610,956	7,069,725	541,231
General Maintenance	18,376,297	17,772,934	603,363	15,854,166	15,365,492	488,674
Electricity	1,014,882	960,176	54,706	1,177,083	1,134,349	42,734
Depreciation of property, plant and equipment	44,721,999	40,245,727	4,476,272	42,983,069	38,680,501	4,301,568
Administration expenses related to WEM	429,638	429,638	0	515,845	515,845	0
Regulatory fees	1,254,268	1,254,268	0	1,031,405	1,031,405	0
ATEERA membership fees	392,885	0	392,885	255,766	0	255,766
Communications	2,459,828	1,983,716	476,112	2,733,835	2,043,329	690,506
Transportation	4,470,889	4,461,888	9,001	3,275,415	3,258,028	17,387
Insurance	23,850,251	22,236,292	1,613,959	18,243,654	17,138,833	1,104,821
Rents	8,604,547	4,600,065	4,004,482	4,586,928	2,606,363	1,980,565
Travel and lodging expenses	22,162,994	21,180,130	982,864	15,796,299	15,352,133	444,166
Stationary and printing	3,712,942	560,955	3,151,987	4,465,859	641,170	3,824,689
Taxes and government contributions	4,384,698	3,544,903	839,795	3,895,854	3,687,606	208,248
Directors and syndics	2,240,440	0	2,240,440	1,840,845	0	1,840,845
Security	14,083,542	14,011,431	72,111	10,301,850	10,301,850	0
Office and substation cleaning	9,365,909	8,705,231	660,678	6,728,534	6,155,068	573,466
Electroduct maintenance	1,928,083	1,928,083	0	3,612,575	3,612,575	0
Provisions	9,137,522	9,137,522	0	6,520,995	6,520,995	0
Others	9,475,928	6,191,994	3,283,934	7,832,485	5,321,786	2,510,699
TOTAL	675,030,692	567,056,288	107,974,404	530,682,499	452,125,530	78,556,969



Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

9. Financial Results Net

	Three-month period ended		Six-month period ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
Finance Income				
Interests	79,207,911	115,811,580	181,096,257	224,096,617
Total finance income	79,207,911	115,811,580	181,096,257	224,096,617
Finance Costs				
Interests generated by loans	(31,577,656)	(28,341,230)	(58,756,898)	(55,311,907)
Total finance costs	(31,577,656)	(28,341,230)	(58,756,898)	(55,311,907)
Other financial results				
Foreign exchange	(32,921,493)	(17,365,142)	(67,506,746)	(218,073,160)
Result from receivables measured at fair value	0	0	(494,563)	0
Result from liabilities measured at fair value	48,998	(331,396)	(298,265)	(628,579)
Total Other financial results	(32,872,495)	(17,696,538)	(68,299,574)	(218,701,739)
Total Other financial results, net	14,757,760	69,773,812	54,039,785	(49,917,029)

10. Income tax and deferred income tax

The analysis of the deferred tax assets and liabilities is as follows:

Deferred Tax Assets

	Tax loss carryforward (1)	Accounts receivable	Other receivables	Employee benefits payable	Provisions	Fourth Line	Total
As of January 1, 2015	0	142,195	937,060	51,573,689	16,699,640	0	69,352,584
Charged to the income statement	0	0	0	8,390,298	160,982	0	8,551,280
Charged to other comprehensive income	0	0	0	0	0	0	0
As of June 30, 2015	0	142,195	937,060	59,963,987	16,860,622	0	77,903,864
As of January 1, 2014	38,949,711	142,195	0	37,643,453	11,796,788	4,689,932	93,222,079
Charged to the income statement	(21,445,190)	0	0	4,496,666	1,840,418	(2,417,066)	(17,525,172)
Charged to other comprehensive income	0	0	0	0	0	0	0
As of June 30, 2014	17,504,521	142,195	0	42,140,119	13,637,206	2,272,866	75,696,907

1) Includes tax losses amounting to S 12.3 million, which have been fully provided for (See Note 24).

Deferred Tax Liabilities

	Property, plant and equipment	Other receivables	Debt and other indebtedness	Total
As of January 1, 2015	121,595,685	0	13,587,871	137,703,445
Charged to the income statement	(5,808,356)	0	11,546	(2,467,471)
Charged to other comprehensive income	0	0	0	0
As of June 30, 2015	115,787,329	0	13,599,417	135,235,974
As of January 1, 2014	132,961,077	10,486,491	11,694,658	155,142,226
Charged to the income statement	(6,138,239)	(5,711,774)	2,076,852	(9,773,161)
Charged to other comprehensive income	0	0	0	0
As of June 30, 2014	126,822,838	4,774,717	13,771,510	145,369,065



Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

Deferred Tax Liabilities as of June 30, 2015 and December 31, 2014 amounts to \$57,332,110 and \$68,350,861, respectively.

The income tax charge for the period is as follows:

	Six-month period ended	
	30.06.2015	30.06.2014
Current tax	78,075,804	16,020,040
Deferred tax	(11,018,751)	7,752,011
Income tax	<u>67,057,053</u>	<u>23,772,051</u>

Below is the reconciliation between the income tax charged to results and that one that would result from the application of the tax rate in force on the accounting profit / (loss).

	Six-month period ended	
	30.06.2015	30.06.2014
Net income / (loss) before income taxes	190,101,116	21,991,081
Tax rate in force	35%	35%
Net income / (loss) at the tax rate	66,535,390	7,696,878
Taxable effects by:		
- Allowance for tax bankruptcy	0	12,300,000
- Other non taxable and/or non deductible items	521,663	3,775,173
Income tax	<u>67,057,053</u>	<u>23,772,051</u>

11. Property, plant and equipment

	Six-month period ended	
	30.06.2015	30.06.2014
Net value as of the beginning of the period	1,589,000,341	1,301,698,415
Additions	108,071,887	134,890,384
Decreases	(17,554,359)	(6,412,837)
Depreciations	(44,721,999)	(42,982,069)
Net value as of the end of the period	<u>1,634,795,870</u>	<u>1,387,193,893</u>

12. Other receivables

	30.06.2015	31.12.2014
	Non-Current	
Minimum Notional Income Tax Credit	14,279,917	10,940,795
Stock Ownership Program	5,329,430	5,329,430
Total	<u>19,609,347</u>	<u>16,270,225</u>



Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

	<u>30.06.2015</u>	<u>31.12.2014</u>
Current		
Prepaid expenses	10,319,169	29,519,051
Advances to suppliers	12,148,491	11,726,066
Loans to employees	2,777,894	2,527,551
Judicial seizure	1,448,373	611,135
Stock Ownership Program - Dividends receivable	778,780	778,780
Guarantees received	0	2,949,170
Others	76,331	27,260
Total	<u>27,549,038</u>	<u>48,139,013</u>

The fair values of other receivables do not differ significantly from their respective book values.

13. Trade account receivables

	<u>30.06.2015</u>	<u>31.12.2014</u>
CAMMESA	376,150,511	384,752,308
Other services	37,902,941	60,884,910
Other related parties (Note 18)	18,422,524	25,652,388
Total	<u>432,475,976</u>	<u>471,289,606</u>

The fair values of trade account receivables do not differ significantly from their respective book values.

14. Cash and cash equivalents

	<u>30.06.2015</u>	<u>31.12.2014</u>
Cash in local currency	975,991	962,991
Cash in foreign currency	144,693	118,974
Banks in local currency	3,474,537	15,829,941
Banks in foreign currency	29,379,534	26,161,514
Mutual funds	391,022,846	286,602,973
Cash and cash equivalents, net	<u>424,997,601</u>	<u>329,676,393</u>

15. Debt and other indebtedness

	<u>30.06.2015</u>	<u>31.12.2014</u>
Non-current bonds and other indebtedness		
Corporate Bonds 2021	895,486,080	842,572,785
Corporate Bonds 2016	120,561,408	113,437,566
Nordic Investment Bank (NIB)	20,448,001	38,479,500
Internal rate of return adjustment to Corporate Bonds 2021	(37,102,956)	(36,880,137)
Net present value adjustment to NIB and Par Notes	(1,752,521)	(1,942,351)
Total Non-current	<u>997,640,012</u>	<u>955,667,363</u>
Current bonds and other indebtedness		
Corporate Bonds 2016	121,453,060	114,332,464
Corporate Bonds 2021	32,741,210	31,491,158
Nordic Investment Bank (NIB)	21,250,868	1,388,682
Total Current	<u>175,445,138</u>	<u>147,212,304</u>



Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

16. Employee benefit expense

The amounts recognized in the Comprehensive Statements of operations are as follows:

	Six-month period ended	
	<u>30.06.2015</u>	<u>30.06.2014</u>
Charges to Results		
Services Cost	5,149,858	3,551,084
Interest Cost	29,492,831	16,798,786
Total	<u>34,642,689</u>	<u>20,349,870</u>

The breakdown of the amounts exposed in the Consolidated Balance Sheets are as follows:

	<u>30.06.2015</u>	<u>30.06.2014</u>
Benefits Obligations at the beginning of the period	147,353,395	107,552,722
Services Cost	5,149,858	3,551,084
Interest Cost	29,492,831	16,798,702
Payments of benefits	<u>(10,670,408)</u>	<u>(7,502,170)</u>
Benefits Obligations at the end of the period	<u>171,325,676</u>	<u>120,400,338</u>

The most important actuarial assumptions used for the calculation are as follows:

Discount rate	43.10%	33.56%
Current interest rate	6.00%	6.00%
Salary growth rate	2%	2%

17. Trade accounts payable

	<u>30.06.2015</u>	<u>31.12.2014</u>
Non-Current		
Billings in advance	<u>3,441,812</u>	<u>3,732,488</u>
Total	<u>3,441,812</u>	<u>3,732,488</u>
	<u>30.06.2015</u>	<u>31.12.2014</u>
Current		
Suppliers	68,082,149	155,701,937
Other related parties (Note 18)	7,338,345	7,079,380
Other liabilities	29,087,222	35,587,411
Billings in advance	<u>8,025,249</u>	<u>2,382,686</u>
Total	<u>112,532,965</u>	<u>200,751,414</u>

The fair value of trade accounts payables equals their carrying amount, as the impact of applying the discounting is not significant.



Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

18. Balances and transactions with related parties

Transener has entered into an operating agreement under which Pampa Energía S.A. (formerly Pampa Holding S.A.), ENARSA S.A. and Electroingeniería S.A. provide services, expertise and know-how in connection with certain Company activities. In November 2009, Pampa Energía S.A. transferred its contract to Pampa Generación S.A. In January 2012, Pampa Generación S.A. transferred its contract to Pampa Energía S.A. Electroingeniería S.A. gave notice in the month of November of 2010 of the transfer of its contract to Grupo Eling S.A.

The responsibility of the Operators includes advisory and coordination services in the areas of human resources, general administration, information systems, quality control and consulting.

The operating fees are 2.75% of certain regulated revenues.

The transactions with related parties are as follows:

Companies Law No. 19,550 – Sect. 33

	Six-month period ended	
	30.06.2015	30.06.2014
Venta de bienes y servicios Electroingeniería S.A.	913,714	92,300
Fees for operating services		
*Pampa Energía S.A.	7,055,968	6,546,763
*Energía Argentina S.A.	3,527,985	3,273,381
*Grupo Eling S.A.	3,527,985	3,273,381

Other related parties

	Six-month period ended	
	30.06.2015	30.06.2014
Sales of assets and services rendered to Integración Eléctrica Sur Argentina S.A.	17,972,186	1,255,212
Sales of assets and services rendered to Yacylec S.A.	4,943,650	3,057,942
Sales of assets and services rendered to C.T.Loma de la Lata S.A.	1,195,843	557,743
Sales of assets and services rendered to Litsa S.A.	639,473	422,477
Sales of assets and services rendered to Central Piedra Buena S.A.	226,000	41,100
Sales of assets and services rendered to Transportadora de Gas del Sur S.A.	132,000	132,000
Sales of assets and services rendered to Edenor S.A.	0	595,500

The balances with Companies Law No.19,550 – Sect. 33 and other related parties are as follows:



Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

Companies Law No.19,550 – Sect. 33

Assets	30.06.2015	31.12.2014
Trade account receivables		
Electroingeniería S.A.	1.106.508	0
Total	1.106.508	0
 Liabilities		
Trade accounts payable		
Pampa Energía S.A.	3.669.173	3.539.690
Grupo Eling S.A.	1.834.586	1.769.845
Energía Argentina S.A.	1.834.586	1.769.845
Total	7.338.345	7.079.380
 Other related parties		
Assets	30.06.2015	31.12.2014
Trade account receivables		
Integración Eléctrica Sur Argentina S.A.	13.752.393	22.847.901
Yacylec S.A.	3.056.333	2.453.640
Litsa S.A.	274.028	159.704
CT. Loma de la Lata S.A.	205.256	163.093
Transportadora de Gas del Sur S.A.	28.006	28.050
Total	17.316.016	25.652.388

19. Investment in TransenerInternacional Ltda.

As of June 30, 2015, both receivables and the value of the equity interest of Transener S.A. in TransenerInternacional Ltda. have been fully provided for due to the uncertainty as to their recovery.

20. Fourth Line of the Comahue-Buenos Aires electricity transmission system

On December 19, 2014, the 15-year Fee Period was met; therefore as from that date Transener must receive the remuneration for the tasks of operation and maintenance under the tariff system to be determined by the ENRE. In this regard, Transener requested the ENRE to determine that remuneration.

At the date of presentation of these condensed interim consolidated financial statements, the ENRE has not yet answered such request.

On the other hand, through Res. 74/2015 the ENRE determined the adequacy of the fee for the period August 2014 to December 19th, 2014, which was requested by Transener on September 12th, 2014. Based on that resolution, Transener registered in the result corresponding to the six-month period ended on June 30th, 2015 the amount of \$ 50.0 million as retroactive adjustment fee for the period August 2014 to December 19th, 2014.



Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

21. Financing structure

21.1 Global program for the issuance of simple notes, non-convertible into shares, of medium term for US\$ 300 million (or its equivalent in any other currency)

Transener has issued Series 1 and Series 2 Notes under de global program for the issuance of simple notes, non-convertible into shares, of medium term for US\$ 300 million (or its equivalent in any other currency), authorized by the CNV Resolutions N° 15,523 and 16,944 of November 30, 2006 and October 17, 2012.

Likewise, those notes have been authorized for listing in the BASE and in the Luxemburg Stock Exchange, in accordance with the autorithations opportunely issued by said entities, and for trading in the Mercado AbiertoElectrónico S.A.

21.1.1 O.N. 2016 Clase 1

During 2006, Transener issued Series 1 Notes under the mentioned program. Series 1 Notes accrue an interest rate of 8.875% and are amortized in four equal payments on December 15, 2013, 2014, 2015 and 2016.

The remaining outstanding amount of the nominal Series 1 Notes as of June 30, 2015 was US\$ 26,532,000 (See Notes 21.1.2. Refinancing of Series 1 Notes – 2021 Series 2 Notes).

21.1.2 Refinancing of Series 1 Notes – 2021 Series 2 Notes (“Refinancing 2011”)

Due to the appropriate conditions in the international capital markets at the beginning of 2011 and that the partial amortization of the Series 1 Notes began in 2013, Transener decided to proceed to the refinancing of the mentioned notes with the main purpose of extending the debt maturity.

This process, which was initiated in April 2011, comprised a tender offer and an exchange offer of the Series 1 Notes. Up to the closing of said offers, approximately 65% had been validly tendered. This amount includes US\$ 29,076,000 notes held by Transener and Transba.

Additionally and as part of the refinancing process, Transener called a Series 1 Noteholders' Meeting, in order to propose amendments to the Series 1 Notes and certain provisions of the First Supplemental Indenture to remove substantially all restrictive commitments and default events contained in such Notes terms and conditions. The Noteholders' Meetings were held on July 29 and on August 10, 2011, in which the Series 1 Notes holders approved the amendment proposed by Transener.

In order to finance the tender offer and the exchange offer, Series 2 Notes for the amount of US\$ 53,100,000 were issued on August 2, 2011 and Series 2 Notes for the amount of US\$ 47,435,000 were issued on August 11, 2011. Consequently, the principal amount of Series 2 Notes was US\$ 100,535,000. These new notes due August 15, 2021, accrue interest at an annual interest rate of 9.75% and will be fully amortized at the maturity date.

As of June 30, 2015, the remaining balance of the Series 2 Notes, net of those hold by the Company amounted to US\$ 98,535,000.

21.2 Global program for the issuance of simple notes, non-convertible into shares, for up to US\$ 200 million (or its equivalent in any other currency)

On November 5, 2009, an Ordinary General Shareholders' Meeting decided the creation of a global program for the issuance of simple notes, non-convertible into shares, denominated in pesos or in any other currency, with ordinary, special, floating and/or any other guarantee, subordinated or not, for a



Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

maximum amount, which in any moment, can't exceed \$ 200 million (Pesos two hundred million) or its equivalent in other currencies. The Program has been authorized for public offering in accordance with Resolution No. 16,244 of December 17, 2009 issued by the CNV.

21.3 Restrictions in relation to 2016 Series 1 Notes

Transener and its Restricted Subsidiaries, according to the terms and conditions of the Refinancing 2006, were subject to the compliance of a series of restrictions. Some of these restrictions have been eliminated as a consequence of the Refinancing 2011 (See 21.1.2 Refinancing of Series 1 Notes – 2021 Series 2 Notes (“Refinancing 2011”).

21.4 Restrictions in relation to the Refinancing 2011

The Company and its Restricted Subsidiaries have to comply with the following restrictions, according to the refinancing terms, including among others:

- i) Incurring or ensuring additional indebtedness;
- ii) Paying dividends or making other distributions as regards either the redemption or repurchase of the Company's capital stock or indebtedness;
- iii) Making other restricted payments, including investments;
- iv) Placing liens or making sale & leaseback transactions;
- v) Selling or otherwise disposing of assets, including the subsidiaries' capital stock;
- vi) Entering into agreements that restrict the dividends of the subsidiaries;
- vii) Carrying out transactions with affiliates; and
- viii) Performing mergers or consolidation transactions.

As of June 30, 2015 there is not any default related to those restrictions.

22. Income per share

The loss per share is calculated dividing the loss attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the period, excluding those own shares acquired by the Company.

	Six-month period ended	
	30.06.2015	30.06.2014
Results from operations attributable to the equity holders of the Company	117,528,916	(4,012,769)
Total	<u>117,528,916</u>	<u>(4,012,769)</u>
Ordinary shares average	444,673,795	444,673,795
Income / (loss) per share attributable to the equity holders of the Company (\$/Share)	0.26	(0.01)

23. Stored documentation

For the purposes of complying with CNV Resolution 629/14, the Company informs that the accounting and management documentation and information related to economic-financial operations is partially stored in the facilities of Iron Mountain SA, located at Av. Amancio Alcorta 2482, City of Buenos Aires and Custodia de Archivos SRL located at Gorriti 375, Rosario, Province of Santa Fe.

The detail of the documentation stored with third parties is available at Company Headquarters.



Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

24. Foreign currency assets and liabilities

As of June 30, 2015 and December 31, 2014 the balances of foreign currency assets and liabilities are as follows:

Captions	June 30, 2015			December 31, 2014	
	Amount and class of foreign currency	Current exchange rate	Amount in local currency	Amount and class of foreign currency	Amount in local currency
			\$		\$
Assets					
Current assets					
Cash and banks	US\$ 3,284,778	8.988	29,523,587	US\$ 3,109,671	26,279,828
Cash and banks	RS 219	2.930	640	RS 197	660
Total current assets			<u>29,524,227</u>		<u>26,280,488</u>
Total assets			<u>29,524,227</u>		<u>26,280,488</u>
Liabilities					
Current liabilities					
Account payable	US\$ 740,568	9.088	6,730,285	US\$ 9,207,454	78,732,936
Account payable	€ 1,176	10.140	11,925	CHF 14,646	127,597
Debt and other indebtedness	US\$ 19,305,143	9.088	175,445,138	US\$ 17,215,800	147,212,304
Total current liabilities			<u>182,187,348</u>		<u>226,072,837</u>
Non current liabilities					
Debt and other indebtedness	US\$ 114,051,000	9.088	1,036,495,489	US\$ 116,301,000	994,489,851
Total non current liabilities			<u>1,036,495,489</u>		<u>994,489,851</u>
Total liabilities			<u>1,218,682,837</u>		<u>1,220,562,688</u>

US\$: United States Dollars
RS: Reales
CHF: Swiss franc
€: Euros



Free translation from the original prepared in Spanish for publication in Argentina

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.
Notes to the Unaudited Condensed Interim Consolidated Statements
(In Argentine Pesos, except as otherwise indicated)

25. Provisions

As of June 30, 2015 and December 31, 2014 the balances of foreign currency assets and liabilities are as follows:

Captions	At the beginning of the year	Additions	Deductions	At the end of the year
Deducted from current assets				
Bad debtors	466.497	0	0	466.497
Other irrecoverable receivables (1)	1.510.777	0	0	1.510.777
Total at June 30, 2015	1.977.274	0	0	1.977.274
Total at December 31, 2014	1.977.274	0	0	1.977.274
Deducted from non-current assets				
Deferred tax assets	12.300.000	0	0	12.300.000
Total at June 30, 2015	12.300.000	0	0	12.300.000
Total at December 31, 2014	0	12.300.000	0	12.300.000
Included in current liabilities				
Labor lawsuits	6.761.848	2.152.761	0	8.914.609
Trade lawsuits	19.328.628	3.454.965	0	22.783.593
Total at June 30, 2015	26.090.476	5.607.726	0	31.698.202
Total at December 31, 2014	18.305.445	7.786.741	(1.710)	26.090.476

(1) See Note 19.