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TRANSENER S.A. REPORTS FIRST QUARTER YEAR 2009 RESULTS

Buenos Aires – May 8, 2009 – Transener (The "Company") (BASE: TRAN), Argentina's leading electricity transmission company, today reported a consolidated net profit of Pesos 37.5 million (Pesos 0.084 per share) for the three-month period ended March 31, 2009.

Consolidated net sales for the three-month period ended March 31, 2009 resulted in Pesos 155.1 million, 40.5% higher than the Pesos 110.3 million for the same period last year, principally due to an increase of (i) Pesos 16.5 million in the electricity transmission revenue, net, (ii) Pesos 4.8 million in Fourth Line canon, net and (iii) Pesos 23.4 million in other net revenues.

The increase in the electricity transmission revenue, net, was originated mainly by the increase of the Transener's and Transba's tariffs stated in Resolutions ENRE Nos. 328/08 and 327/08, respectively.

The increase in Fourth Line canon, net, resulted principally by the application of the Resolution ENRE No. 653/08, through which a new canon was determined as from October 2008.

The increase in other net revenues was originated mainly by an increase of Pesos 23.9 million generated by the works of installation of two reactors banks in the Chocón substation and an additional reactor bank in the Bahía Blanca substation, within the framework of Resolution SE No. 01/03.

Consolidated operating and administrative costs for the three-month period ended March 31, 2009 amounted to Pesos 137.8 million, 46.5% higher than the Pesos 94.1 million for the same period last year, resulting mainly by (i) an increase of Pesos 23.7 million in Materials for works for third parties, mainly due to the higher level of non-regulated activities, and of Pesos 14.7 million in Salaries and social security charges, partially offset by (ii) a decrease of Pesos 2.6 million in Taxes and government contributions.

Consolidated other income and expenses for the three-month period ended March 31, 2009 resulted in a net profit of Pesos 0.1 million, in comparison with a net profit of Pesos 4.1 million for the same period last year. The latter was originated by the compensation for the anticipated termination of the Transener Internacional Ltda.'s contracts with the companies Transmissora Sudeste Nordeste – TSN and Novatrans Energia, and the sale of certain fixed assets substantially related to the contracts.

Consolidated financial results for the three-month period ended March 31, 2009 resulted in a net profit of Pesos 21.4 million, in comparison with a net loss of Pesos 19.3 million for the same period last year, mainly due to (i) the profit of Pesos 91.6 million generated by the repurchase of notes profit and (ii) an increase of Pesos 50.2 million in the in the foreign exchange loss generated by liabilities.

Income tax charges for the three-month period ended March 31, 2009 resulted in a loss of Pesos 0.7 million, in comparison with a loss of Pesos 4.9 million for the same period last year, mainly originated by the variation in the deferred tax liabilities for such periods.

Financial situation

During the quarter, Transba purchased Transener's Series 1 Notes, for a total nominal value of US$ 7.6 million. As of March 31, 2009, these Notes were held by Transba, holding a total amount of US$ 29.4 million.

During the same period, Transener repurchased Series 6 Notes, for a nominal value of US$ 7.8 million, which have been cancelled. As of March 31, 2009, the remaining outstanding amount of the mentioned Notes was US$ 2.9 million.

In February 2009, Transener obtained a credit line from Banco de la Nación Argentina, applicable to working capital for a total amount of Pesos 60.0 million. The Company has partially used funds for its current needs and the remaining balance was used for the purchase of its Series 1 Notes for a total amount of US$ 30.1 million. Said Notes have been cancelled.

Ratings as of March 31, 2009 kept stable. The Credit Agency Fitch maintained Transener's global qualification in "B-" with stable outlook for foreign and local currency, and the local qualification in "A-" (Arg) with stable outlook. S&P kept the local qualification in "raBBB+" stable and changed the global qualification to "B-" stable for local foreign and local currency.

Consolidated outstanding principal debt of the Company as of March 31, 2009 amounted to US$ 184.5 million, without having substantial refinancing needs until year 2013.

Tariff situation

The Emergency Law No. 25,561 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.

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, which had been ratified by National Executive Branch Decrees Nos. 1,462/05 and 1,460/05 on November 28, 2005.

According to the guidelines stated in the mentioned Definitive Agreements, a Full Tariff Review ("FTR") was expected to be carried out before the ENRE, in order to determine a new tariff regime for Transener and Transba, which would have come into force during the months of February 2006 and May 2006, respectively.

Specifically, due to the fact that the ENRE postponed the FTR process unilaterally, said entity kept valid the Resolution No. 423/2006 which extended -as from February 1, 2006 until the FTR process is concluded- the charges for connection, transmission capacity and energy transmission and other obligations stated in the Definitive Agreement for the contractual transition period. In the case of Transba, the ENRE kept valid the Resolution No. 424/2006.

On December 26, 2006 Transener communicated the ENRE the need to regularize the fulfillment of the commitments settled in the Definitive Agreement, expressing its availability to continue with the FTR process during year 2007, as long as the remaining commitments assumed by the parties are in force and the new regime arising from the FTR process is valid as from February 1, 2008. On the other hand, on December 28, 2006 Transba submitted before the ENRE a similar request, adapted, with respect to the terms and investments to be made, to what it is stated in its Definitive Agreement.

On April 9, 2007 Transener made a new presentation before the ENRE, explaining the non-fulfillment on behalf of said entity of the commitments settled in the Definitive Agreement and the serious situation arising from such circumstance. Likewise, the Company requested the ENRE once again to regularize immediately the FTR process and to state the administrative steps for the recognition in the tariff of the costs increases incurred after the Definitive Agreement. In the case of Transba, a similar presentation was made on April 10, 2007, which was submitted again on May 28, 2007.

On June 29, 2007, the ENRE formally requested Transener and Transba the presentation of its tariff pretensions according to what was stated in the respective Definitive Agreements and section 45 and subsequents of the Law No. 24,065. In September 2007, both companies submitted again their tariff and regulatory pretensions for the five-year period 2008/2012, thus updating the information which had been submitted in August 2005.

In spite of that, the ENRE did not treat the tariff requirements asked by Transener and Transba within the framework of the FTR.

On the other hand, through Resolutions SE Nos. 869/08 and 870/08 dated July 30, 2008, the Secretariat of Energy extended the contractual transition period until the tariff regime arising from the FTR is in force, establishing this process for February 2009.

For this purpose, in December 2008, both companies submitted the information and the tariff pretensions requested by the ENRE through notes 83.199 and 83.200, in order to its treatment and to define the new tariff regime previous to the Public Hearing.

However, on March 31, 2009, has not called for a Public Hearing yet according to the instructions given by the Secretariat of Energy through Resolutions Nos. 869/08 and 870/08, according to which a new tariff regime should be determined in the month of February 2009. As a consequence of that, a new claim was submitted to the Secretariat of Energy and the UNIREN, about the lack of determination of the new tariff regime.

On the other hand, due to the increase in labor costs resulting from the application of Decree No. 392/04 and subsequents, and the major operating costs recorded from 2004 until now, Transener and Transba continued submitting their respective claims before the ENRE, according to the clauses established in the Definitive Agreements, in order to readjust the Company's regulated remuneration.

In this respect, in March 2008, the Company asked the ENRE for a prompt response to their requests and to proceed to acknowledge the major costs that Transener and Transba have had to deal with, respectively.

It must be pointed out that on April 21, 2008 and on May 5, 2008, the UNIREN stated through a note that the mechanism of monitoring of costs and regime of service quality had been foreseen up to the enforcement of Transener and Transba's FTR, respectively, and that the delay in the definition of said process is not attributable to the Concessionaires and it could not lead to undermine their rights.

In addition, Transener and Transba asked the Secretariat of Energy (i) to instruct the ENRE the application of a tariff increase equal to the costs variation index foreseen in the Definitive Agreements and (ii) that the ENRE determine the actual incidence of the major costs of operations and capital expenditures in order to establish the corresponding adjustments with retroactive effect according to what it is stated in the Definitive Agreements.

In that sense, through letter SE No. 897 dated July 29, 2008, the Mr. Secretary of Energy instructed the ENRE to apply what has been agreed in clauses 4.2, 4.3 and 11.1 of the Definitive Agreements, although in a partial way, by issuing Resolution ENRE N° 328/08 and 327/08 adequating Transener and Transba's remunerations in approximately 23% and 28% respectively, coming into force as from July 1° 2008.

Due to the fact that these increases did not reflect the presentations made by both companies in relation to the recognition of the actual major costs as from fiscal year 2005 up to now, both companies have submitted their claims before the ENRE, due to disagreements about the instrumentation of the Resolutions mentioned in the previous paragraph, given that they are contrary to the instruction issued by the Secretary of Energy instructing the ENRE increases of 39.2% and 43.03% on the regulated remunerations in force as from June 30, 2008 for Transener and Transba respectively. Up to now, the Company has not had an answer to its claims.

RECENT DEVELOPMENTS

Local activities

- ### Federal Plan of 500 kV Electric Energy Transmission

The Secretariat of Energy has issued several resolutions establishing certain mechanisms and creating a fund to finance works identified as inter-provincial expansions of the National Interconnection System. The investments supported by this initiative are destined to satisfy demand in areas where investments are not being undertaken by market participants.

This federal plan encourages private initiative and allows bidders to use special funds created under the plan as part of their initial bids for the construction, operation and maintenance of expansions to the existing network. Bids are accepted on the basis of the lowest price and they must receive technical approval by the ENRE and Transener.

Transener, as the concessionaire of the high voltage network, is in charge of the supervision of the construction, operation and maintenance carried out by the independent transmitters and receives revenues for these services.

The following chart shows the estimated construction costs of the works under construction and the estimated revenues to be collected by Transener for the supervision of the construction.

Work	Estimated construction costs	Estimated supervision revenues
	Millions of Pesos	
Under construction:		
Recreo – La Rioja HVL (*)	193	6.3
NEA – NOA HVL	2,600	78.0
La Rioja Sur Substation	18	0.5
Atucha II Substation	63	1.9
Under bidding process:		
Comahue – Cuyo HVL	1,300	39.0

(*) This work is about to be finished

- **Other expansion works**

  These works are still in progress:

  Installation of reactors in Chocón and Bahía Blanca substations
  Ramallo substation - expansion
  Recreo substation - transformer replacement
  El Bracho substation - Field 19

  The installation of reactors, the expansion of the Ramallo substation and the replacement of the transformer in the Recreo substation, are in their final stage. The works are expected to be finished during the next quarter.

  The civil work and electromechanical assemblage of the new Arroyo Cabral substation owned by EPEC (Empresa Provincial de Energía de Córdoba), have been bidded. The equipment and the transformer are being manufactured. The work amounts to approximately Pesos 155 million and Transener will collect Pesos 4.6 million in concept of supervision.

  Once the commercial operation of all these works begins, Transener will start to collect the regulated remuneration corresponding to the operation and maintenance, according to the tariff regime.

International activities

- **Brazil**

Services continue to be rendered, mainly the operation and maintenance services of installations up to 500 kV and expansion of transmission capacity in the existing installations.

Regarding operation and maintenance, Transener Internacional Ltda. continues rendering the service to the ATE project, an installation made up of a line and three substations in 500 kV, which links the locations of Londrinas, Assis and Araraquara, owned by the Abengoa Group, located in the state of San Pablo.

Besides, the operation and maintenance of the installations of the Mineradora RPM-Kinross interconnection located in Paracatú, Mina Gerais, has already started, which comprises the interconnection in 500, 230 and 138 kV, 3 substations in 500/230 kV and 230/138/13.8 kV and feeding in 13.8 kV.

In the second semester of the year, Transener Internacional Ltda. will start to render a service of maintenance for medium voltage networks in the north of the Rondonia state, for the company CERON, an electricity distribution company of the area.

On the other hand, regarding the activities of repowering of the lines, Transener Internacional Ltda. maintains the contractual relation with Cteep, Compañia de Transmisión de Energía Eléctrica Paulista, concluding, in the first quarter of the year, the works of repowering of the Jupiá System lines, 74 km of 138 kV between the locations of Jupiá, Tres Irmaos and Andradina, and starting, in April, similar works in 54 km of 88 kV to operate in 138 kV, between the locations of Assis, Canoias and Salto Grande.

SELECTED FINANCIAL INFORMATION

Consolidated Balance Sheet

	March 31, 2009	December 31, 2008
	(in thousands of Argentine Pesos)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	7.851	8.416
Investments	24.200	13.149
Trade receivables	101.014	110.787
Other receivables	26.623	25.838
Total Current Assets	159.688	158.190
NON-CURRENT ASSETS		
Property, plant and equipment, net	1.533.781	1.537.897
Other receivables	65.820	62.223
Other assets	260.136	271.502
Total Non-Current Assets	1.859.737	1.871.622
TOTAL ASSETS	**2.019.425**	**2.029.812**
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	30.635	35.767
Bonds and other indebtedness	37.709	4.811
Payroll payable	16.634	25.845
Taxes payable	18.654	13.741
Provisions	51.444	49.793
Total Current Liabilities	155.076	129.957
NON-CURRENT LIABILITIES		
Vendor notes payable	73.217	76.243
Bonds and other indebtedness	661.815	730.155
Payroll payable	8.747	7.109
Taxes payable	21.801	25.616
Total Non-Current Liabilities	765.580	839.123
TOTAL LIABILITIES	**920.656**	**969.080**
MINORITY INTEREST IN SUBSIDIARIES	**48.771**	**48.243**
SHAREHOLDERS' EQUITY	**1.049.998**	**1.012.489**
TOTAL	**2.019.425**	**2.029.812**

Consolidated Income Statement

	Three months ended March 31,	
	2009	2008
	(in thousands of Argentine Pesos)	
Net sales	155.060	110.349
Operating costs	(121.059)	(81.485)
Gross profit	**34.001**	**28.864**
Administrative expenses	(16.747)	(12.585)
Operating profit	**17.254**	**16.279**
Operating profit per share	*0,039*	*0,037*
Other income and expenses	**99**	**4.058**
Financial results		
Generated by assets		
Interest income	2.634	2.376
Income from measurement of other receivables at present value	212	567
Foreign exchange income	550	1.118
Traslation result foreign investment	780	338
Generated by liabilities		
Interest expense and related taxes	(18.814)	(18.068)
Foreign exchange loss	(55.328)	(5.080)
Repurchase of notes result	91.574	0
Loss from measurement of liabilities at present value	(176)	(551)
Total financial results	**21.432**	**(19.300)**
Minority Interest in Subsidiaries	**(562)**	**184**
Income (loss) before taxes	**38.223**	**1.221**
Income tax	(714)	(4.864)
Net Income / (Loss)	**37.509**	**(3.643)**
Net Income / (Loss) per share	*0,084*	*(0,008)*

Other Data

	Three months ended March 31,	
	2009	2008
	(in thousands of Argentine Pesos)	
Depreciation and amortization	30.339	28.468
EBITDA	47.593	44.747
Capital expenditure	15.416	42.120