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TRANSENER S.A. REPORTS SECOND QUARTER YEAR 2009 RESULTS

Buenos Aires – August 7, 2009 – Transener (The "Company") (BASE: TRAN), Argentina's leading electricity transmission company, today reported a consolidated net profit of Pesos 48.5 million (Pesos 0.109 per share) for the six-month period ended June 30, 2009.

Consolidated net sales for the six-month period ended June 30, 2009 resulted in Pesos 303.2 million, 38.5% higher than the Pesos 218.9 million for the same period last year, principally due to an increase of (i) Pesos 38.4 million in the electricity transmission revenue, net, (ii) Pesos 9.0 million in Fourth Line canon, net and (iii) Pesos 36.9 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 31.2 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 six-month period ended June 30, 2009 amounted to Pesos 268.9 million, 36.2% higher than the Pesos 197.4 million for the same period last year, resulting mainly by an increase of (i) Pesos 30.9 million in Materials for works for third parties, mainly due to the higher level of non-regulated activities, (ii) Pesos

23.1 million in Salaries and social security charges, (iii) Pesos 5.4 million in Provisions and (iv) Pesos 4.1 million in Depreciation of fixed assets.

Consolidated other income and expenses for the six-month period ended June 30, 2009 resulted in a net profit of Pesos 3.4 million, in comparison with a net profit of Pesos 9.6 million for the same period last year. The latter was mainly 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 six-month period ended June 30, 2009 resulted in a net profit of Pesos 24.3 million, in comparison with a net loss of Pesos 2.6 million for the same period last year, mainly due to (i) a profit of Pesos 115.9 million generated by the repurchase of notes profit and (ii) an increase of Pesos 5.6 million in the interest results generated by assets, partially offset by (iii) Pesos 96.7 million generated by the foreign exchange loss, net.

Income tax charges for the six-month period ended June 30, 2009 resulted in a loss of Pesos 10.9 million, in comparison with a loss of Pesos 18.0 million for the same period last year, mainly originated by the variation in the deferred tax liabilities for such periods.

Financial situation

During the second quarter, Transba purchased Transener's Series 1 Notes, for a total nominal value of US$ 2.0 million. As of June 30, 2009, the mentioned notes were held by Transba holding a total amount of US$ 31.4 million.

During the same period, Transener repurchased Notes Series 1 for a nominal value of US$ 12.2 million. As of June 30, 2009, Transener hold notes of the mentioned Series 1 for a total nominal value of US$ 3.5 million, having cancelled notes for a nominal value of US$ 8.7 million.

Ratings as of June 30, 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 changed the local qualification from "raBBB+" stable to positive and kept the global qualification in "B-" stable for local foreign and local currency.

Consolidated outstanding principal debt of the Company as of June 30, 2009 amounted to US$ 170.1 million, without having substantial refinancing needs until year 2013.

After June 30, 2009, Transener repurchased Series 1 Notes for a nominal value of US$ 3.4 million, which have been cancelled.

Tariff situation and regulatory aspects

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 nonfulfillment 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 June 30, 2009, the ENRE 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.

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 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 Companies have not had an answer to their claims.

On the other hand, on May 12, 2009, Transener and Transba have entered into a financing agreement with CAMMESA for an amount up to Pesos 59.7 million and Pesos 30.7 million, respectively.

Under the terms of the agreement, the funds will be destined to the investments plan currently under execution and to the operation and maintenance of the high voltage transmission system; and will be disbursed through partial payments in advance according to the progress of the works, which will be certified through documents issued by the Companies; and subject to the availabilities of funds of CAMMESA pursuant to the Secretary of Energy instructions.

The reimbursement of the financing will occur after a twelve month grace period, which will start as from the accreditation of the last partial payment or after one year as from the date of the agreement, whatever occurs first. It will be paid in 18 monthly installments,

foreseeing an anticipated cancellation in case that the ENRE provides to make retroactive payments owed to the Company in concept of variations of costs as from year 2005.

Besides, and within the framework of the agreement, the Companies assigned 20% of their credits from the operations in the WEM to CAMMESA. In the case of Transener, the revenues in concept of canon for the operation and maintenance of the so called Fourth Line, have been excluded from the assignment.

As of June 30, 2009 Transener and Transba certified payments amounting to Pesos 23.3 million and Pesos 9.2 million, respectively and up to date, only Pesos 13.6 million and Pesos 5.4 million have been disbursed for Transener and Transba, respectively. Due to the fact that the financing disbursement is subject to the availability of funds on behalf of the Secretariat of Energy, the Company cannot assure when the pending disbursements will occur.

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
Comahue – Cuyo HVL	1,300	39.0

(*) Works about to be finished

- **Other expansion works**

  The installation of reactors in Chocón and Bahía Blanca substations and the Ramallo substation expansion have been completed.

  The works in El Bracho substation - Field 19 are still in progress.

  The civil work and electromechanical assemblage of the new Arroyo Cabral substation owned by EPEC (Empresa Provincial de Energía de Córdoba), is expecting the approval of the offers on behalf of the ENRE. 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 of installations up to 500 kV and the expansion of transmission capacity in the existing installations.

  The project of technical assistance to the TERNA Group has already commenced. The program will be extended up to the middle of 2010 and foresees the writing of procedures, training and equipment inventory, for the fulfillment of works of maintenance in the installations energized in 500 kV.

  During the second semester of the year, Brasil 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.

SELECTED FINANCIAL INFORMATION

Consolidated Balance Sheet

	June 30, 2009	December 31, 2008
	(in thousands of Argentine Pesos)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	3.817	8.416
Investments	33.653	13.149
Trade receivables	104.061	110.787
Other receivables	23.666	25.838
Total Current Assets	165.197	158.190
NON-CURRENT ASSETS		
Property, plant and equipment, net	1.528.231	1.537.897
Other receivables	64.344	62.223
Other assets	248.770	271.502
Total Non-Current Assets	1.841.345	1.871.622
TOTAL ASSETS	**2.006.542**	**2.029.812**
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	33.706	35.767
Bonds and other indebtedness	35.672	4.811
Payroll payable	20.227	25.845
Taxes payable	29.021	13.741
Provisions	59.599	49.793
Total Current Liabilities	178.225	129.957
NON-CURRENT LIABILITIES		
Vendor notes payable	70.192	76.243
Bonds and other indebtedness	608.272	730.155
Payroll payable	10.520	7.109
Taxes payable	20.509	25.616
Other liabilities	7.030	0
Total Non-Current Liabilities	716.523	839.123
TOTAL LIABILITIES	**894.748**	**969.080**
MINORITY INTEREST IN SUBSIDIARIES	**50.768**	**48.243**
SHAREHOLDERS' EQUITY	**1.061.026**	**1.012.489**
TOTAL	**2.006.542**	**2.029.812**

Consolidated Income Statement

	Six months ended June 30,	
	2009	2008
	(in thousands of Argentine Pesos)	
Net sales	303.162	218.886
Operating costs	(234.619)	(171.517)
Gross profit	**68.543**	**47.369**
Administrative expenses	(34.269)	(25.882)
Operating profit	**34.274**	**21.487**
Operating profit per share	***0,077***	***0,048***
Other income and expenses	**3.402**	**9.589**
Financial results		
Generated by assets		
Interest income	10.062	4.485
Income from measurement of other receivables at present value	1.549	849
Foreign exchange income	4.299	(654)
Traslation result foreign investment	2.889	1.232
Generated by liabilities		
Interest expense and related taxes	(37.445)	(36.190)
Foreign exchange loss	(72.551)	29.110
Repurchase of notes result	115.919	0
Loss from measurement of liabilities at present value	(447)	(1.421)
Total financial results	**24.275**	**(2.589)**
Minority Interest in Subsidiaries	**(2.559)**	**318**
Income before taxes	**59.392**	**28.805**
Income tax	(10.855)	(17.988)
Net Income	**48.537**	**10.817**
Net Income per share	***0,109***	***0,024***

Other Data

	Six months ended June 30,	
	2009	2008
	(in thousands of Argentine Pesos)	
Depreciation and amortization	61.111	57.025
EBITDA	95.386	78.512
Capital expenditure	29.961	67.739