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TRANSENER S.A. REPORTS THIRD QUARTER YEAR 2011 RESULTS

Buenos Aires – November 9, 2011 – Transener (The "Company") (BASE: TRAN), Argentina's leading electricity transmission company, today reported a consolidated net loss of Pesos 41.7 million (Pesos 0.094 per share) for the nine-month period ended September 30, 2011.

Consolidated net sales for the nine-month period ended September 30, 2011 resulted in Pesos 463.5 million, 13.5% higher than the Pesos 408.4 million for the same period last year, principally due to an increase of (i) Pesos 28.3 million in electricity transmission revenue, net, (ii) Pesos 24.7 million in the Fourth Line canon and (iii) Pesos 2.1 million in other net revenues.

The increase in electricity transmission revenue, net, was originated mainly by an increase of Pesos 17.6 million due to the recognition of revenue following the execution of the Instrumental Agreements entered into by Transener and Transba with the Secretariat of Energy ("SE") and the ENRE (See "Tariff situation and regulatory aspects"), a decrease of Pesos 14.4 million in the penalties determined by el ENRE and a decrease of Pesos 1.6 million in the quality service rewards determined by the ENRE.

The increase in the Fourth Line canon, net was originated principally by the recognition of the canon increase as from July 2010, approved by the ENRE, through Resolution 150/2011 (See "Fourth Line").

Consolidated operating and administrative costs for the nine-month period ended September 30, 2011 amounted to Pesos 451.3 million, 16.5% higher than the Pesos 387.4 million for the same period last year, showing an increase of: (i) Pesos 35.7 million in Salaries and social security charges, (ii) Pesos 14.1 in Works for third parties and (iii) Pesos 23.3 million in the Provision for irrecoverable loans granted to its subsidiary Transener Internacional Ltda. in order to finance its operation, partially offset by (iv) a decrease of Pesos 11.8 million in

Provisions principally due to the reversal of a provision for costs related to regulatory aspects.

Consolidated other income and expenses for the nine-month period ended September 30, 2011 resulted in a net loss of Pesos 0.1 million, in comparison with a net profit of Pesos 4.6 million for same period last year, mainly originated in a decrease in the collection of insurance recoveries.

Consolidated financial results for the nine-month period ended September 30, 2011 resulted in a net loss of Pesos 56.4 million, in comparison with Pesos 65.3 million for the same period last year, mainly due to (i) an increase of Pesos 22.9 million in interests generated by assets principally due to the recognition of interest from the Instrumental Agreements entered into with the SE and the ENRE, partially offset by (ii) an increase of Pesos 3.9 million in the exchange difference losses, net, (iii) a decrease of Pesos 3.4 million in the profit originated in the repurchase of notes and (iv) an increase of Pesos 4.5 million in interest generated by liabilities.

Income tax charges for the nine-month period ended September 30, 2011 resulted in a profit of Pesos 1.3 million, in comparison with a loss of Pesos 4.5 million for the same period last year, mainly due to a decrease of Pesos 3.1 million originated in the deferred tax charge and of Pesos 2.6 million in the income tax payable.

Financial situation

Consolidated outstanding principal debt of the Company as of September 30, 2011 amounted to US$ 165.2 million, without having substantial refinancing needs until year 2021.

Regarding the Transener's qualifications, S&P maintained the local qualification in "raBBB+" stable and the global qualification for foreign and local currency in "B-" stable.

Refinancing of the Series 1 Notes

Taking into consideration the adequate conditions in the international capital markets at the beginning of the current year and that the partial amortization of the Series 1 Notes will begin 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 included US$ 29.1 million of notes held by Transener and Transba.

Additionally and as part of the refinancing process, Transener called Series 1 Noteholders' Meetings, in order to propose amendments to the First Supplemental Indenture of the Program with the purpose of eliminating substantially all restrictive covenants and events of default contained in the terms and conditions of such Notes. 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 total amount of US$ 100.5 million. 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.

The Series 2 Notes were authorized for listing in the BASE and in the Luxemburg Stock Exchange, in accordance with the authorizations opportunely issued by said entities, and for trading in the Mercado Abierto Electrónico S.A.

The tender offer and the exchange of the Series 1 Notes were consummated on August 11, 2011. After the completion of the transaction, the remaining Series 1 Notes amount to US$ 53.1 million.

CAMMESA Financing – Resolution SE 146/2002

As a result of the delay in the implementation of the cost variations adjustments according to the guidelines stated in the Definitive Agreements (See "Tariff situation and regulatory aspects"), on May 12, 2009, Transener and Transba entered into Financing Agreements with CAMMESA for an amount up to Pesos 59.7 million and Pesos 30.7 million, respectively. On January 5, 2010, extensions of the above-mentioned agreements were subscribed for an amount up to Pesos 107.7 million and Pesos 42.7 million, for Transener and Transba, respectively (Addendas I).

As a consequence of the Instrumental Agreements entered into on December 21, 2010 (See "Tariff situation and regulatory aspects"), the Company applied receivables recognized by the Secretariat of Energy and the ENRE due to variations of costs, as a cancellation of the financing received from CAMMESA.

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, which provide the following: i) the amounts received as of January 17, 2011 by Transener and Transba by virtue of the loans granted by the CAMMESA Financing would be cancelled, ii) a new loan for Transener and Transba for the amount of Pesos 289.7 million and Pesos 134.1 million respectively, corresponding to the credits recognized by the SE and the ENRE resulting from the variations of costs occurred during the period June 2005 – November 2010 would be granted, and iii) all the amounts owed to the Company by mayor costs as of November 2010 under the Instrumental Agreements would serve as a guarantee for the Addendas II.

According to the above-mentioned, the situation at the end of the period was as follows:

	CAMMESA Financing - Disbursements received		
	Principal	Accrued Interests	Total
	Millions of Pesos		
12/05/2009 - 31/12/2010	132.6	10.0	142.6
1/01/2011 - 17/01/2011	7.0	0.8	7.8
18/01/2011 - 30/09/2011	57.0	-	57.0
	196.6	10.8	207.4

The liabilities for the total amount of disbursements received as from September 30, 2011, have been cancelled through the cession of credits resulting from the recognition of the

variations of costs, according to the Instrumental Agreements. After September 30, 2011 and up to date, the Company has received disbursements for the amount of Pesos 12.0 million.

In addition, on September 27, 2010, Transener entered into a financing agreement with CAMMESA under the same terms and conditions for up to US$ 2.3 million, in order to afford works of maintenance in the 500 kV circuit breakers of the Alicurá substation. As of September 30, 2011, Transener certified Pesos 1.2 million, and CAMMESA made the total disbursement of such amount. By virtue of the above-mentioned Instrumental Agreement, CAMMESA is not expected to go on making disbursements. The repayment of the amounts received will be made in eighteen installments as from January 2012, accruing an interest rate equivalent to the average yield obtained by CAMMESA in the financial investments of the WEM.

Tariff situation and regulatory aspects

The Emergency Law No. 25,561, 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, which had been ratified by National Executive Branch Decrees Nos. 1,462/05 and 1,460/05, respectively, on November 28, 2005.

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 has 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 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. Transba has presented before the ENRE similar requirements to those of Transener's but adapted in terms of time and investment, as provided in the Definitive Agreement.

On July 30, 2008, through Resolutions SE No. 869/08 and 870/08, the SE extended the contractual transition period for Transener and Transba, respectively, up to the effective enforcement of the regime resulting from the FTR, thus fixing such date for February 2009.

Transener and Transba submitted their respective tariff proposals, based on the term stated in the Definitive Agreements, and also in accordance with the Law No. 24,065, for

the purpose of dealing with the matter, calling for a Public Hearing and defining a new tariff regime.

In spite of that, as of September 30, 2011, the ENRE has not called for a Public Hearing yet, and did not deal with the tariff requirements demanded by Transener and Transba within the FTR framework.

On the other hand, due to the increase in labor and operating costs incurred from 2004 until now, Transener and Transba, every quarter continued certifying the costs variations actually incurred, filing the respective claims before the ENRE, in order to readjust the Company's regulated remuneration according to the clauses established in the Definitive Agreements for such purpose.

Transener and Transba, have unsuccessfully requested the ENRE to schedule the administrative acts for the recognition in the tariff of the cost increases occurred after the Definitive Agreements have been entered into, which led to the initiation of judicial claims.

The UNIREN has stated that the mechanism of monitoring of costs and regime of service quality had been foreseen up to the enforcement of Transener and Transba's respective FTR 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.

On December 21, 2010, the Instrumental Agreements (the "Instrumental Agreements") related to the Definitive Agreements were entered into with the SE and the ENRE, setting forth as follows:

(i) the recognition of Transener and Transba´s credits resulting from the variations of costs occurred during the period June 2005 – November 2010, which have been calculated according to the costs variation index (CVI) foreseen in the Instrumental Agreements,
(ii) the mandatory cancellation of the financing received from CAMMESA, through the cession of credits resulting from the recognition of the above-mentioned variations of costs,
(iii) a mechanism of cancellation of the pending balances,
(iv) the recognition of an additional amount to receive from CAMMESA for capital expenditures in the system, for an amount of Pesos 34.0 million for Transener and Pesos 18.4 million for Transba,
(v) a procedure for the updating and payment of the cost variations, arising from the sequence of the semesters as from December 1, 2010 up to December 31, 2011.
(vi) the withdrawal of the judicial claims for delay, asking for the recognition of major costs and the need of calling a Public Hearing in order to carry out the FTR.

CAMMESA made an estimation of the amounts owed to Transener and Transba due to variations of costs occurred during the period June 2005 – November 2010 up to January 17, 2011. The mentioned amounts were as follows:

Differences for Connection and Capacity	Millions of Pesos		
	Transba	Transener	Total
Principal	75.9	189.3	265.2
Interests	43.2	104.8	148.0
Total	119.1	294.1	413.2

The results arising from the recognition of the variation of costs on behalf of the Secretariat of Energy and the ENRE has been registered up to the amounts received through the CAMMESA Financing. Consequently, Transener has recognized revenues for the amount of

$ 12.6 million and $ 47.9 million and interest income for the amount of $ 14.8 million and $ 61.7 million, for the nine-month period ended September 30, 2011 and the fiscal year ended December 31, 2010, respectively.

In the same way, Transba has registered results due to the recognition of the variations of costs on behalf of the Secretariat of Energy and the ENRE up to the amounts received through the CAMMESA Financing. Consequently, Transba has recognized revenues for the amount of $ 5.0 million and $ 14.0 million and interest income for the amount of $ 6,4 million and $ 19.0 million, for the nine-month period ended September 30, 2011 and the fiscal year ended December 31, 2010, respectively.

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, which provide the following: i) the amounts received as of January 17, 2011 by Transener and Transba by virtue of the loans granted by the CAMMESA Financing would be cancelled, ii) a new loan for Transener and Transba for the amount of Pesos 289.7 million and Pesos 134.1 million respectively, corresponding to the credits recognized by the SE and the ENRE resulting from the variations of costs occurred during the period June 2005 – November 2010 would be granted, and iii) all the amounts owed to the Company by mayor costs as of November 2010 under the Instrumental Agreements would serve as a guarantee for the Addendas II.

It must be pointed out that the funds that comprise the new loans under the Addendas II will be destined to the operation and maintenance and to the 2011 capital expenditure plans; and will be disbursed through partial payments in advance according to the availability of funds on behalf of CAMMESA, according to the instructions of the SE.

However, such commitments are not being met in full since as of September 30, 2011 the amounts received from CAMMESA do not reach 15% of the corresponding amounts for variations of costs from June 2005 to November 2010, and is not being received any amount by the remuneration adjustment that should have been applied from December 1, 2010.

CAMMESA continued to pay the remuneration to Transener and Transba, for the electric power transmission public service applying the same values as established in ENRE's Resolutions N° 328/08 and 327/08, and not applying the values indicated in the Instrumental Agreements with the cost variation adjustment, which were informed by the ENRE to the SE through Note Nº 99.866 on June 21, 2011. On September 2, 2011, through Note DG Nº 31/11, the Company asked the SE to adopt the measures in order to fulfill the commitments under the Instrumental Agreements.

Thus, the remuneration adjustments as from December 1, 2010, the payment of the credits for this concept and the interests accrued up to its effective cancellation are still pending. Said amounts should be included in new Addendas, to be entered into with CAMMESA.

Due to the delay above-mentioned, the Company asked the SE to adopt the corresponding measures in order to regularize the disbursements foreseen in the Addendas II in such a way that they are made within the deadline established in the Instrumental Agreements and to instruct CAMMESA to proceed to carry out the extension of the Financing Agreements for the amounts resulting from the calculations made by the ENRE for the semester initiated in December 2010.

Fourth Line

On March 30, 2011, the ENRE issued the Resolution N°150/2011 which establishes a new annual canon of Pesos 95.9 million as from July 2010, and instructed CAMMESA to make the corresponding adjustments. The Company has recognized revenues for Pesos 10.0 million corresponding to the retroactive adjustment for year 2010 and for Pesos 15.0 million corresponding to the nine-month period ended September 30, 2011.

On April 7, 2011, the Company filed an appeal against said Resolution because the interests which correspond to the delayed payment of the retroactive adjustment of the canon have been omitted. The resolution of this appeal is still pending.

RECENT DEVELOPMENTS

- **500 kV Transmission Federal Plan**

  The Federal Plan has been set forth by the SE and allows the bidders to use special funds, created in accordance with the plan, as part of the initial offers for the construction, operation and maintenance of the expansions of the existing network. The proposals are accepted based on the lowest price and they should count with the technical approval of both the ENRE and Transener.

  Transener, as the concessionaire of the extra high voltage electric power transmission network, is in charge of the supervision of the construction, operation and maintenance carried out by the Independent Transmitters and is entitled to receive revenues for such services.

  The most important works in progress are the NEA-NOA high voltage line, the Comahue-Cuyo high voltage lines and Pico Truncado – Río Gallegos high voltage line.

  The NEA-NOA high voltage line and the Comahue-Cuyo high voltage line were completed during the period.

  Pico Truncado – Río Gallegos high voltage line comprises the expansion of the Pico Truncado substation, the Río Santa Cruz and Esperanza new substations and the new lines to the Río Gallegos and Río Turbio substations. The final commercial operation for the project is expected for September 2012.

  Here follows the estimated construction costs for the works in progress, Transener's estimated revenues for the supervision of the construction and the status of the works:

Works	Estimated Construction Costs	Estimated Supervision Revenues	Status
	Millions of Pesos		%
NEA – NOA HVL	2,600	78.0	100%
Comahue – Cuyo HVL	1,300	39.0	100%
INTERCONNECTION PICO TRUNCADO – ESPERANZA - RIO TURBIO - RIO GALLEGOS	2,398	71.9	59%

- **Expansion Works**

The SE has issued several procedures for the execution of interprovincial expansions and their financing. The investments supported by this initiative are destined to satisfy the demand in such areas where the Wholesale Electricity Market agents do not make investments.

The Works in ATUCHA II and EZEIZA Substations and in Rodeo Calingasta HVL have been completed during the period.

Here follows the estimated construction costs for the works in progress, Transener´s estimated revenues for the supervision of the construction and the status of the works:

Works	Estimated Construction Costs	Estimated Supervision Revenues	Status
	Millions of Pesos		
ARROYO CABRAL Substation (New substation)	155	4.6	71%
ATUCHA II Substation (New substation)	130	3.9	100%
Expansion of the EZEIZA 500Kv Substation	60	2.5	100%
Expansion of the HENDERSON 500kV Substation	55	2.0	45%
Interconnection RODEO - CALINGASTA	175	5.3	100%

- **Transener Internacional Ltda.**

The investment in Transener Internacional Ltda. has been impaired due to the adverse situation that the subsidiary is going through.

SELECTED FINANCIAL INFORMATION

Consolidated Balance Sheet

	September 30, 2011	December 31, 2010
	(in thousands of Argentine Pesos)	
ASSETS		
CURRENT ASSETS		
Cash and banks	100.758	67.953
Investments	65.918	39.644
Accounts receivable	142.988	121.333
Other receivables	29.636	25.007
Total Current Assets	339.300	253.937
NON-CURRENT ASSETS		
Property, plant and equipment, net	1.461.541	1.492.017
Other receivables	51.085	40.318
Other assets	146.475	180.573
Total Non-Current Assets	1.659.101	1.712.908
TOTAL ASSETS	**1.998.401**	**1.966.845**
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	53.602	44.976
Bonds and other indebtedness	32.999	52.566
Payroll and social securities taxes payable	40.584	35.614
Taxes payable	18.972	26.494
Provisions	20.792	32.101
Other liabilities	1.480	6.625
Total Current Liabilities	168.429	198.376
NON-CURRENT LIABILITIES		
Accounts payable	42.962	52.038
Bonds and other indebtedness	648.237	534.492
Payroll and social securities taxes payable	22.762	20.230
Taxes payable	33.296	34.575
Other liabilities	585	1.185
Total Non-Current Liabilities	747.842	642.520
TOTAL LIABILITIES	**916.271**	**840.896**
MINORITY INTEREST	**41.372**	**43.465**
SHAREHOLDERS' EQUITY	**1.040.758**	**1.082.484**
TOTAL	**1.998.401**	**1.966.845**

Consolidated Income Statement

	Nine-month period ended September 30,	
	2011	2010
	(in thousands of Argentine Pesos)	
Net revenues	463.498	408.396
Operating expenses	(376.411)	(324.315)
Gross profit	**87.087**	**84.081**
Administrative expenses	(74.935)	(63.049)
Operating profit	**12.152**	**21.032**
Operating profit per share	*0,027*	*0,047*
Other income, net	**(121)**	**4.594**
Financial and holding results, net		
Generated by assets		
Interest income	27.321	4.457
Foreign currency exchange differences	8.100	6.858
Other results generated by assets	603	399
Translation gains (loss), net	0	906
Generated by liabilities		
Interest expense	(58.861)	(54.359)
Foreign currency exchange differences	(31.183)	(26.062)
Gain from repurchase of notes	(89)	3.262
Result from liabilities measured at fair value	(2.240)	(853)
Total financial results	**(56.349)**	**(65.392)**
Minority Interest in Subsidiaries	**1.314**	**716**
Income (loss) before taxes	**(43.004)**	**(39.050)**
Income tax expense	1.279	(4.493)
Net loss	**(41.725)**	**(43.543)**
Net loss per share	*(0,094)*	*(0,098)*

Other Data

	Nine-month period ended September 30,	
	2011	2010
	(in thousands of Argentine Pesos)	
Depreciation and amortization	92.275	93.223
Adjusted EBITDA	128.413	115.296
Capital expenditure	30.834	36.207