Buenos Aires, May 4th, 2016

Results for three-month period ended on March 31st, 2016

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A. ("Transener" or the "Company") announces the results for three-month period ended on March 31st, 2016

Stock Information

Bolsa de Comercio de Buenos Aires
Ticker: TRAN

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Transener, Argentina's leading electricity transmission company, announces results for three-month period ended on March 31st, 2016.

Consolidated net revenues of AR$ 375,1 million, 17,3% higher than the AR$ 319,9 million for the same period of 2015, mainly due to an increase of 19,0% (AR$ 34,9 million) in the Renewal Agreement revenue, of 35,3% (AR$ 7,4 million) in revenues from supervision of works and of 33,3% (AR$ 7,8 million) in revenues from operation and maintenance services and other non-regulated services.

Consolidated adjusted EBITDA[1] of AR$ 6,3 million, 93,8% lower than the AR$ 101,5 million for the same period of 2015, mainly due to a decrease of 46,0% (AR$ 18,1 million) in the Renewal Agreement interest and of 100,0% (AR$ 47,8 million) in the Fourth Line interest and an increase of 396,1% (AR$ 30,9 million) in the operating loss.

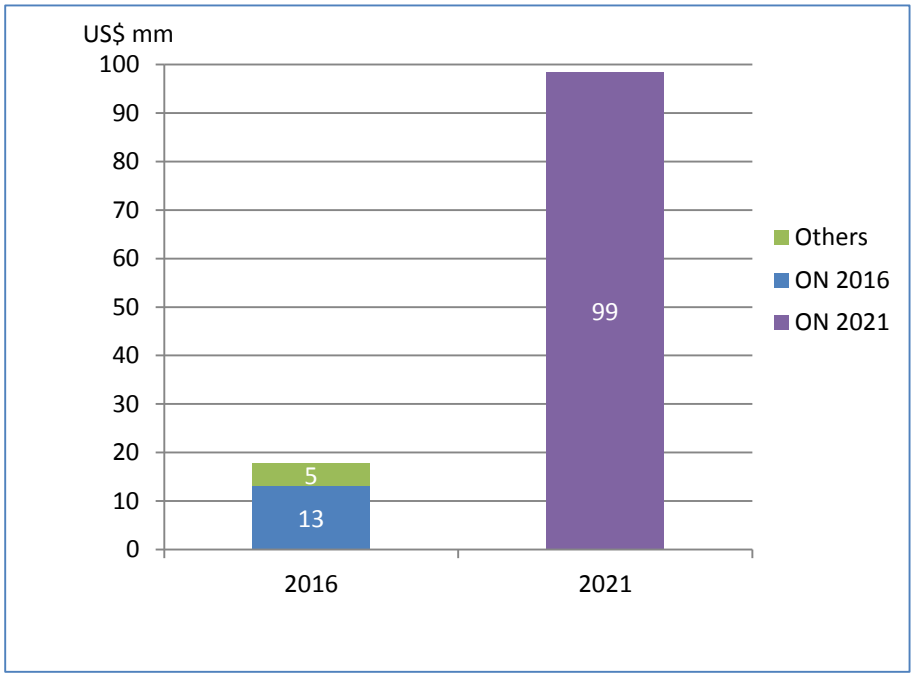
Consolidated net loss attributable to the owner of the parent of AR$ 112,2 million, compared to a profit of AR$ 18,2 million for the same period of 2015, mainly due to a higher operating loss of AR$ 30,9 million, a higher loss of AR$ 171,3 million in financial results net and a higher profit of AR$ 70,6 million in the income tax charge.

[1] Consolidated adjusted EBITDA represents consolidated operating results before depreciations plus Fourth Line interest and the Renewal Agreement interest.

1. Financial Situation

As of March 31st, 2016, consolidated outstanding principal debt of the Company amounts to US$ 116,3 million.

The following table shows the schedule of maturities of capital of the financial debt in US Dollars:



Regarding Transener's qualifications, S&P modified positively the local qualification from "raB-" negative to "raB+" with positive outlook and the global qualification for foreign and local currency from "CCC-" negative to "CCC" with positive outlook.

2. Tariff Situation

On May 13th, 2013 and on May 20th, 2013, Transener and Transba, respectively, entered into a Renewal Agreement of the Instrumental Agreement with the Secretariat of Energy and the ENRE (the Renewal Agreement), in force until December 31st, 2015, in which the following was stated:

i) the recognition of a credit for Transener and Transba for the variations of costs for the period December 2010 - December 2012, which have been calculated according to the costs variation index (CVI) foreseen in the Definitive Agreement,

ii) a mechanism of cancellation of the pending balances of the Addenda II, together with the amounts determined in i), during 2013,

iii) a procedure for the automatic updating and payment of the cost variations arising from the sequence of the semesters which have already elapsed from January 1st, 2013, up to December 31st, 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 reception of the disbursements according to the Addendas to be entered into. The Cash Flow and Investment Plan in all cases would be adjusted to the amounts received by the Company during each period.

The Investment Plan settled within the Renewal Agreement provided investments under the before mentioned conditions, for the years 2013 and 2014, for approximate amounts of AR$ 286 and AR$ 207 million, respectively for Transener and of AR$ 113 and AR$ 100 million, respectively for Transba.

On March 17th, 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 AR$ 563,6 and AR$ 178,3 million for Transener and Transba, respectively, related to: (i) the outstanding balance from the Financing Agreements as of January 30th, 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 30th, 2014 according to the Instrumental Agreements in order to cancel the amounts to be received through the application of the New Addendas.

On September 17th, 2015 Transener and Transba entered into with the Secretariat of Energy and the ENRE the Addendas to the Renewal Agreement, in which the 2015 Financial and Economic Projection was approved and it was established an investment plan for 2015 of AR$ 431,9 and AR$ 186,6 million for Transener and Transba, respectively, and additional non-refundable amounts were granted for the implementation of said investment plan.

On November 25th, 2015 Transener and Transba entered into with CAMMESA the new Financing Agreements (the New Agreements), by which it was agreed to provide funding in the amount of AR$ 508,9 and AR$ 317,6 million for Transener and Transba, respectively, corresponding to: i) credits recognized by the SE and the ENRE for cost variations from December 2014 to May 2015 and ii) the amounts for additional investments under the Addenda to the Renewal Agreements.

CAMMESA is calculating the credits for cost variations from June to November 2015 in order to proceed with the signing of the Addendas to the New Agreements.

The Company recognized revenues and interest income from the Renewal Agreement for the amount of AR$ 218,8 and AR$ 21,2 million, respectively, for the three-month period ended on March 31st, 2016.

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

On December 20th, 2014 the fifteen-year Fee Period was fulfilled, initiating the exploitation period.

On August 5th, 2015, through Resolution 272/2015, the ENRE determined: (i) the remuneration for the operation and maintenance of the Fourth Line from December 21st, 2014, according to the transmission capacity values established by Resolution ENRE 328/2008, (ii) to instruct CAMMESA to take into consideration the facilities of the Fourth Line in determining credits for variations of costs, using tariff charges to be determined for Transener, in accordance with the Definitive Agreement, the Instrumental Agreement and the Renewal Agreement and (iii) the annual remuneration for electricity transmission in AR$ 19,3 million.

It is worth mentioning that the Addenda to the Renewal Agreement entered into on September 17th, 2015 confirms that the operation and maintenance remuneration of the Fourth Line is adjusted by CVI as well as the rest of Transener's lines, in accordance with the Definitive Agreement and since the beginning of the of exploitation period.

On the other hand, through Resolution 74/2015 the ENRE determined the adequacy of the fee for the period August 2014 to December 20th, 2014, which was requested by Transener on September 12th, 2014. Based on that resolution, Transener registered in the result corresponding to the three-month period ended on March

31st, 2015 the amount of AR$ 50,0 million due to retroactive adjustment fee for the period August 2014 to December 20th, 2014, which has been fully collected.

4. Consolidated Adjusted EBITDA Calculation

Consolidated adjusted EBITDA has been calculated as follows:

	Three-month period ended on March 31st,	
AR$mm	**2016**	**2015**
Consolidated operating loss	(38,8)	(7,8)
Depreciations	23,8	22,2
Consolidated EBITDA	(15,0)	14,4
Adjustments		
Renewal Agreement interest	21,2	39,3
Fourth Line interest	0,0	47,8
Consolidated adjusted EBITDA	6,3	101,5

5. Operating information

Transener, as the concessionaire of the extra high voltage electric power transmission network, is in charge of the supervision of the expansions of the network.

Here follows the most significant works in progress under Transener's supervision:

- **Federal Plan for Transmission Works**

  Rincón Santa María – Resistencia Interconnection
  Construction of the 500 kV EHVL between Rincón Santa María and Resistencia (270 km).

  Bahía Blanca – Vivoratá Interconnection
  Construction of the 500 kV EHVL between Bahía Blanca and Vivoratá (400 km). New 500/132 kV Substation at Vivoratá (2x450 MVA).

- **Works covered by the SE Resolutions 1/2003 and 821/2006**

  Rosario Oeste and Ezeiza Substations
  Supply, installation and commissioning of a new bank of 500/220kV – 800MVA transformers with a back-up phase, for each substation.

  Ramallo Substation
  Supply, installation and commissioning of a new 500/220kV – 300MVA transformer.

  Choele Choel Substation
  Installation and commissioning of a back-up 500/132kV – 150MVA transformer.

  Campana – Colonia Elía 500 kV EHVL
  Supply and assembly of a new structure to relocate Tower No. 412 from the Campana – Colonia Elía EHVL, located on the bank of Paraná Guazú River.

25 de Mayo Substation
Supply, civil engineering and assembly of the new 500/132kV 25 de Mayo Substation, and 132 kV interconnection.

Chaco Substation
Substation expansion with supply, civil engineering and assembly of a new transformer.

Rodríguez Substation
Substation expansion with supply, civil engineering and assembly of a new transformer.

- **Other works to be undertaken by the WEM (Wholesale Electricity Market) Agents**

Puerto Madryn Substation
Installation of an array of capacitors for serial compensation over the Choele Choel - Puerto Madryn EHVL and relocation of the transmission grid exit point for the Choele Choel – Puerto Madryn 500 kV EHVL and of its associated 150 MVAr line reactor from Field 01 to Field 03.

Luján Substation
Assembly and commissioning of a new 500/132 kV – 300 MVA transformer (to be provided in the framework of the Energy Secretariat's Resolution 1/2003).
Construction of a new 500 kV field and two exit point fields for the 132 kV line.

Nueva San Juan Substation
Construction of the new 500/132 kV – 450 MVA Nueva San Juan Substation.

Cobos Substation
Installation of a 500/345 kV – 450 MVA transformer bank.

Paso de la Patria Substation
Substation expansion (132 kV). Two new exit point fields.

Brown Substation
Installation and commissioning of a new bank of 500kV line reactors.

Business Development

Given Transener's position as a leader in electricity transmission, it is involved in the local market through the supply of operation and maintenance services, engineering, testing and commissioning of lines and substations for new works or for the enhancement of existing works in the 500KV system.

Transener maintains its main contracts with the following customers:

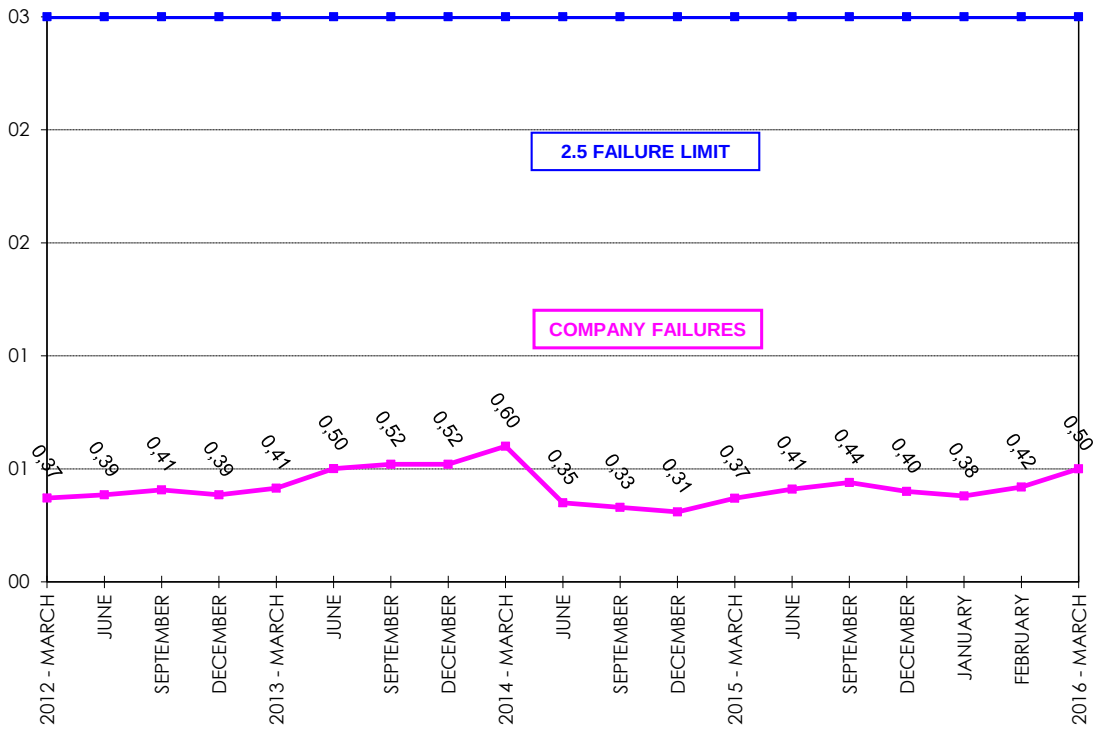
- Minera Alumbrera Ltd.
- Yacylec S.A.
- Integración Eléctrica Sur Argentina S.A.
- Transportadora del Norte S.A.
- Transportadora Cuyana S.A.
- AES Argentina Generación S.A.
- Nucleoeléctrica Argentina S.A.
- CT Loma de la Lata S.A.
- Transportel Minera II S.A.

Rate of failures

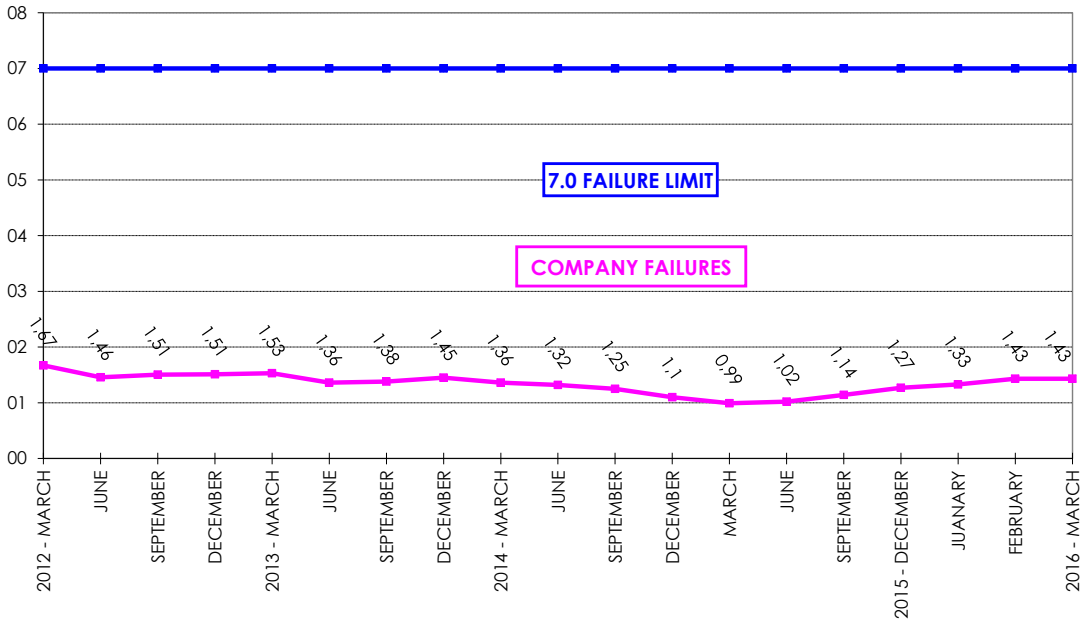
The rate of failures respresents the quality of the service provided. The following charts show the quality of the service provided by Transener and Transba as from March 2012.

Transener and Transba Concession Agreements state a maximum rate of failures of 2,5 and 7,0 outages per 100km over a 12-month period, respectively.

Transener



Transba



6. Significant Financial Information

6.1 Consolidated Statements of Operations (AR$mm)

	Three-month period ended on March 31st	
	2016	**2015**
Net Revenues	375,1	319,9
Operating expenses	(340,0)	(269,6)
Gross income	35,1	50,2
Administrative expenses	(66,9)	(51,3)
Other gains / (expenses), net	(6,9)	(6,7)
Operating loss	(38,8)	(7,8)
Finance income	95,1	101,9
Finance costs	(42,6)	(27,5)
Other financial results	(184,5)	(35,1)
Income before taxes	(170,8)	31,5
Income tax	59,2	(11,4)
Income / (loss) for the period	(111,6)	20,1
Income / (loss) attributable to :		
Owners of the parent	(112,2)	18,2
Non-controlling interests	0,6	1,9
Total for the period	(111,6)	20,1
Other consolidated comprehensive results		
Income / (loss) for the period	(111,6)	20,1
Other comprehensive results	0,0	0,0
Total comprehensive income / (loss) for the period	(111,6)	20,1
Total comprehensive income / (loss) attributable to :		
Owners of the parent	(112,2)	18,2
Non-controlling interests	0,6	1,9
Total for the period	(111,6)	20,1

6.2 Consolidated Balance Sheets (AR$mm)

	31.03.2016	31.12.2015
ASSETS		
Non-current assets		
Property, plant and equipment	1.795,2	1.742,9
Other receivables	17,6	17,6
Deferred tas assets	33,0	0,0
Total Non-current assets	1.845,8	1.760,4
Current assets		
Trade accounts receivable	406,0	536,7
Other receivables	73,0	66,3
Cash and cash equivalents	525,1	591,8
Total Current assets	1.004,0	1.194,8
TOTAL ASSETS	2.849,8	2.955,2
EQUITY		
Common stock	444,7	444,7
Inflation adjustment on common stock	353,0	353,0
Share premium	32,0	32,0
Legal reserve	42,6	42,6
Retained earnings	(310,2)	(197,9)
Equity attributable to owners of the parent	562,1	674,3
Non-controlling interests	48,8	48,2
TOTAL EQUITY	610,9	722,5
LIABILITIES		
Non-current liabilities		
Bonds and other indebtedness	1.393,9	1.234,8
Deferred tax liabilities	0,0	34,6
Employee benefits payable	207,7	193,5
Trade accounts payable	3,3	3,3
Total Non-current liabilities	1.604,9	1.466,2
Current liabilities		
Previsions	67,8	64,3
Other liabilities	0,8	0,8
Bonds and other indebtedness	284,0	278,9
Taxes payable	11,5	15,4
Income tax payable	35,8	31,3
Payroll and social securities taxes payable	97,6	207,8
Trade accounts payable	136,5	167,8
Total Current liabilities	634,0	766,4
TOTAL LIABILITIES	2.238,9	2.232,7
TOTAL LIABILITIES AND EQUITY	2.849,8	2.955,2

7. Analysis of results for the three-month period ended on March 31st, 2016 compared to the same period of 2015

Net revenues

Consolidated net revenues for the three-month period ended on March 31st, 2016 resulted in AR$ 375,1 million, 17,3% higher than the AR$ 319,9 million for the same period of 2015.

Consolidated net regulated revenue for the three-month period ended on March 31st, 2016, amounted to AR$ 326,8 million, 13,4% higher than the AR$ 288,3 million for the same period of 2015, mainly due to an increase of AR$ 25,6 million in revenues from the Renewal Agreement entered into by Transener and Transba with the Secretariat of Energy ("SE") and the ENRE (See "Tariff situation") and AR$ 7,4 million in supervision of works.

Consolidated net non-regulated revenue for the three-month period ended on March 31st, 2016 amounted to AR$ 48,4 million, 53,1% higher than the AR$ 31,6 million for the same period of 2015, mainly due to an increase of AR$ 8,9 million in the Fourth Line revenues, as a consequence of the application of the Resolution 272/2015, through which the ENRE determined the remuneration for the operation and maintenance of the Fourth Line from December 21st, 2014 and of AR$ 7,8 million in revenues from operation and maintenance services and other non-regulated services.

Operating and administrative expenses

Consolidated operating and administrative expenses for the three-month period ended on March 31st, 2016 amounted to AR$ 406,9 million, 26,8% higher than the AR$ 321,0 million for the same period of 2015, principally due to an increase of AR$ 65,7 million in salaries and social security charges.

Other gains / expenses

Consolidated other gains / expenses, net for the three-month period ended on March 31st, 2016 amounted to a loss of AR$ 6,9 million, similar to the AR$ 6,7 million for the same period of 2015.

Financial results

Consolidated finance income for the three-month period ended on March 31st, 2016 amounted to AR$ 95,1 million, 6,7% lower than the AR$ 101,9 million for the same period of 2015, mainly due to a decrease of AR$ 18,1 million in the Renewal Agreement interest and of AR$ 47,8 million in the Fourth Line interest, partially offset by an increase of AR$ 57,8 million in the result from Mutual Funds.

Consolidated finance costs for the three-month period ended on March 31st, 2016 amounted to AR$ 42,6 million, 54,8% higher than the AR$ 27,5 million for the same period of 2015, mainly originated by the effect of the increase of the exchange rate on the interest from the financial debts denominated in U.S. Dollars.

Consolidated other financial results for the three-month period ended on March 31st, 2016 amounted to a loss of AR$ 184,5 million, 426,0% higher than the loss of AR$ 35,1 million for the same period of 2015, mainly due to an increase of AR$ 149,9 million in the exchange loss net, mainly originated by the effect of the increase in the variation of the exchange rate on the financial debts denominated in U.S. Dollars.

Income tax

Consolidated income tax charges for the three-month period ended on March 31st, 2016 resulted in a profit of AR$ 59,2 million, compared to a loss of AR$ 11,4 million for the same period of 2015, due to a lower loss of AR$ 14,5 million in the current tax charge and a higher income of AR$ 56,0 million in the deferred tax charge.