



***TRANSPORTADORA
DE GAS DEL NORTE S.A.***

Interim condensed financial statements as of September 30, 2014 presented in thousands of pesos and in a comparative format

Transportadora de Gas del Norte S.A.

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Additional information to the notes to the interim condensed financial statements required by Title IV, Chapter III, Section 1st of the National Securities Commission regulations.

Review report

Transportadora de Gas del Norte S.A.

Legal address: Don Bosco 3672 - 3rd floor - Autonomous City of Buenos Aires.

INTERIM CONDENSED FINANCIAL STATEMENTS for the nine-month period ended on September 30, 2014, presented in a comparative format.

Main activity of the Company: provision of the natural gas carriage utility service.

Date of registration with the Public Registry of Commerce: December 1st, 1992.

Registration number with the Superintendency of Corporations: 11,667 - Book 112 - Tome A of Corporations.

Amendments to by-laws registered with the Public Registry of Commerce: March 7, 1994; June 9, 1994; July 5, 1994; February 14, 1995; August 9, 1995; June 27, 1996; December 23, 1996; September 20, 2000; July 7, 2004; August 24, 2005 and August 18, 2006.

Date of expiry of Company's by-laws: December 1st, 2091

Controlling shareholder: Gasinvest S.A.

Legal address: Roque Sáenz Peña Av., 938 - 3rd floor - Autonomous City of Buenos Aires.

Main activity: investments in securities, real estate and financial activities.

Percentage of shares held by the controlling shareholder: 56.354%.

Percentage of votes held by the controlling shareholder: 56.354%.

Capital status (Note 13)

Type of shares	Subscribed and paid in	
	09.30.14	12.31.13
	Thousands of \$	
Ordinary, book-entry class A shares, of \$ 1 par value each and entitled to one vote per share	179,264	179,264
Ordinary, book-entry class B shares, of \$ 1 par value each and entitled to one vote per share	172,235	172,235
Ordinary, book-entry class C shares, of \$ 1 par value each and entitled to one vote per share	87,875	87,875
Total	439,374	439,374

TRANSPORTADORA DE GAS DEL NORTE S.A.

SUMMARY OF INFORMATION CORRESPONDING TO THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

In accordance with the terms of the National Securities Commission (“CNV”) regulations, an analysis of the results of the operations of Transportadora de Gas del Norte S.A. (“TGN” or “the Company”) is detailed below, as well as its financial situation, its business prospects and other financial indicators, which should be read in conjunction with the interim condensed financial statements and the additional information to the Notes required by Section 68 of the Buenos Aires Stock Exchange Listing Rules, by Title IV, Chapter III, Sections 1st and 12 of the CNV regulations, that have been attached to this summary of information, as well as the press releases opportunely notified to the CNV and the Company’s financial statements corresponding to the fiscal year ended December 31, 2013.

D) ANALYSIS OF COMPREHENSIVE RESULT AND FINANCIAL SITUATION

- *Comprehensive result for the period:*

	<i>(in million of pesos)</i>		
	<i>Nine-month period ended September 30,</i>		
	2014	2013	Variation
Revenues			
<i>Gas carriage service</i>	435.9	355.2	80.7
<i>Allowances for disputed amounts and others</i>	(65.7)	(42.6)	(23.1)
Subtotal gas carriage service	370.2	312.6	57.6
<i>Other services:</i>			
<i>Gas pipeline operation and maintenance services</i>	41.5	34.3	7.2
<i>Management fees – Gas Trust Program</i>	16.6	10.7	5.9
Subtotal other services	58.1	45.0	13.1
Total revenues	428.3	357.6	70.7
Cost of services			
<i>Operation and maintenance costs</i>	(319.2)	(226.2)	(93.0)
<i>Property, plant and equipment depreciation</i>	(100.6)	(98.8)	(1.8)
Subtotal	(419.8)	(325.0)	(94.8)
Gross profit	8.5	32.6	(24.1)
<i>Administrative and selling expenses</i>	(146.5)	(118.0)	(28.5)
Loss before other net income and expenses	(138.0)	(85.4)	(52.6)
<i>Other net income and expenses</i>	33.4	46.7	(13.3)
Loss before financial results	(104.6)	(38.7)	(65.9)
<i>Net financial results</i>	(126.0)	(208.5)	82.5
<i>Results from loans restructuring</i>	-	280.7	(280.7)
<i>Results from investments in affiliate companies</i>	3.3	1.5	1.8
Result before income tax	(227.3)	35.0	(262.3)
<i>Income tax</i>	73.6	(19.8)	93.4
(Loss) income for the period	(153.7)	15.2	(168.9)
<i>Other comprehensive results</i>	-	-	-
Comprehensive (loss) income for the period	(153.7)	15.2	(168.9)
EBITDA ⁽¹⁾	2.0	65.5	(63.5)

(1) Result before income tax, financial results, results from loans restructuring, property, plant and equipment depreciation and charges for consumable goods not entailing outlays of cash.

TRANSPORTADORA DE GAS DEL NORTE S.A.

SUMMARY OF INFORMATION CORRESPONDING TO THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

D) ANALYSIS OF COMPREHENSIVE RESULT AND FINANCIAL SITUATION (Cont.)

	<i>(in million of pesos)</i>	
	<i>09.30.2014</i>	<i>12.31.2013</i>
<i>Total assets</i>	3,324	3,138
<i>Total liabilities</i>	2,392	2,052
<i>Shareholders' equity</i>	932	1,086

The following paragraphs describe the reasons for the main variations in the comprehensive result and cash flows of the Company, and some economic-financial indexes are disclosed in connection with the Company's equity.

- *Revenues*

Revenues' variation of \$ 70.7 million between the nine-month periods ended September 30, 2014 and 2013 is mainly explained by the following causes:

- increase of \$ 58.1 million in billings denominated in foreign currency principally as a result of the increase in the US dollar exchange rate;
- decrease of \$ 20.0 million due to the early termination, during the fiscal year ended December 31, 2013, of firm carriage contracts with export customers (see Note 19 to the Company's financial statements as of December 31, 2013);
- \$ 23.1 million decrease due to higher allowances for disputed amounts during the nine-month period ended September 30, 2014, compared to the same period of the previous year;
- increase of \$ 19.6 million in billings due to the rise in the domestic carriage rates since April, 2014 (with specific assignment to an investment plan approved by the ENARGAS);
- higher income for \$ 23.0 million in interruptible services and exchange and displacement services for local and export destination, higher firm carriage and others;
- higher income for \$ 5.9 million during the nine-month period ended September 30, 2014, corresponding to "Management fees – Gas Trust Programs", compared to the same period of the previous year; and
- higher income for \$ 7.2 million in "Gas pipeline operation and maintenance services".

TRANSPORTADORA DE GAS DEL NORTE S.A.

SUMMARY OF INFORMATION CORRESPONDING TO THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

D) ANALYSIS OF COMPREHENSIVE RESULT AND FINANCIAL SITUATION (Cont.)

- *Cost of services*

(in million of pesos)

<i>Accounts</i>	<i>Nine-month period ended September 30,</i>		
	<i>2014</i>	<i>2013</i>	<i>Variation</i>
<i>Fees for professional services</i>	6.5	4.0	2.5
<i>Salaries, wages and other personnel benefits and social security contributions</i>	135.1	108.5	26.6
<i>Technical assistance fees</i>	7.0	13.8	(6.8)
<i>Consumption of materials and spare parts</i>	24.1	15.4	8.7
<i>Maintenance and repair of property, plant and equipment and third-party services and supplies</i>	111.7	58.3	53.4
<i>Communications, freight, transportation and travel expenses</i>	19.5	13.1	6.4
<i>Insurance</i>	6.6	4.6	2.0
<i>Rentals and office supplies</i>	3.5	2.2	1.3
<i>Easements</i>	4.2	2.8	1.4
<i>Taxes, rates and contributions</i>	0.7	0.5	0.2
<i>Property, plant and equipment depreciation</i>	100.6	98.8	1.8
<i>Slow-moving and obsolete materials and spare parts</i>	(0.7)	1.5	(2.2)
<i>Others</i>	1.0	1.5	(0.5)
Total	419.8	325.0	94.8
<i>% of Costs of services on revenues</i>	98.0%	90.9%	

Accounts recording the most relevant variations between both periods are as follows:

- i. \$ 26.6 million increase in *Salaries, wages and other personnel benefits and social security contributions* as a result of pay increases, partially corresponding to inflation adjustment; and
- ii. \$ 53.4 million increase in *Maintenance and repair of property, plant and equipment and third-party services and supplies*, mainly due to the fact that during the nine-month period ended September 30, 2014, higher expenses were made in cleaning and weeding of facilities (\$ 4.4 million), internal inspection of gas pipelines (\$ 17.5 million), river crossings and erosions remediation and repair of gas pipelines (\$ 14.8 million), anti-corrosive protection, repair by class tracking and integrity (\$ 8.4 million), safety and security (\$ 3.8 million), and other works.

TRANSPORTADORA DE GAS DEL NORTE S.A.

SUMMARY OF INFORMATION CORRESPONDING TO THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

D) ANALYSIS OF COMPREHENSIVE RESULT AND FINANCIAL SITUATION (Cont.)

- *Administrative and selling expenses*

(in million of pesos)

<i>Accounts</i>	<i>Nine-month period ended September 30,</i>		
	<i>2014</i>	<i>2013</i>	<i>Variation</i>
<i>Salaries, wages and other personnel benefits and social security contributions</i>	59.1	45.8	13.3
<i>Property, plant and equipment depreciation</i>	1.4	1.4	-
<i>Fees for professional services</i>	9.6	7.6	2.0
<i>Taxes, rates and contributions</i>	50.0	43.4	6.6
<i>Communications, freight, transportation and travel expenses</i>	2.9	2.2	0.7
<i>Maintenance and repair of property, plant and equipment and third-party services and supplies</i>	3.4	2.5	0.9
<i>Rentals and office supplies</i>	2.3	1.6	0.7
<i>Doubtful accounts</i>	7.1	8.0	(0.9)
<i>Contingencies</i>	4.3	0.8	3.5
<i>Statutory auditors committee's fees</i>	1.0	0.9	0.1
<i>Board of directors' fees</i>	1.9	1.5	0.4
<i>Compensation for damages</i>	1.2	1.0	0.2
<i>Others</i>	2.3	1.3	1.0
Total	146.5	118.0	28.5
% of Administrative and selling expenses on revenues	34.2%	33.0%	

Accounts recording the most relevant variations between both periods are as follows:

- i. \$ 6.6 million increase in *Taxes, rates and contributions* due to higher charges for the verification and control rate in favor of the National Gas Regulatory Entity ("ENARGAS"), the Turnover tax and the Tax on bank transactions;
- ii. \$ 13.3 million increase in *Salaries, wages and other personnel benefits and social security contributions* as a result of pay increases, partially corresponding to inflation adjustment; and
- iii. \$ 3.5 million increase in *Contingencies* as a result of the adjustment of the provisions for contingencies to the current status of lawsuits and complaints in which the Company is involved.

- *Other net income and expenses*

(in million of pesos)

<i>Accounts</i>	<i>Nine-month period ended September 30,</i>		
	<i>2014</i>	<i>2013</i>	<i>Variation</i>
<i>Income from commercial indemnifications</i>	7.6	43.2	(35.6)
<i>Compensation for damages adjustment</i>	21.5	-	21.5
<i>Net result from disposal of property, plant and equipment</i>	(1.2)	0.7	(1.9)
<i>Net income from sundry sales and others</i>	5.5	2.8	2.7
Total	33.4	46.7	(13.3)

Note 19 to the Company's financial statements as of December 31, 2013 describes agreements reached with certain export customers. Those agreements, among others, have generated incomes amounting to \$ 7.6 million and \$ 43.2 million during the nine-month periods ended September 30, 2014 and 2013, respectively, on account of income from commercial indemnifications.

TRANSPORTADORA DE GAS DEL NORTE S.A.

SUMMARY OF INFORMATION CORRESPONDING TO THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

D) ANALYSIS OF COMPREHENSIVE RESULT AND FINANCIAL SITUATION (Cont.)

In addition, on March 10, 2014, the Company entered into an *addendum* to the compromise and settlement agreement signed with AES Argentina Generación S.A. on March 13, 2012, whereby the volume available for expansion is modified to 958,100 m³/day. This *addendum* generated income for \$ 21.5 million in the nine-month period ended September 30, 2014.

- *Net financial results*

<i>Accounts</i>	<i>(in million of pesos)</i>		
	<i>Nine-month period ended September 30,</i>		
	<i>2014</i>	<i>2013</i>	<i>Variation</i>
<i>Generated by exchange rate differences:</i>			
<i>Income on exchange rate variations</i>	318.7	129.3	189.4
<i>Expenses on exchange rate variations</i>	(429.2)	(228.4)	(200.8)
<i>Total financial results generated by exchange rate differences</i>	(110.5)	(99.1)	(11.4)
<i>Financial income:</i>			
<i>Interest</i>	32.4	21.3	11.1
<i>Holding results</i>	68.1	35.6	32.5
<i>Result from loans repurchase</i>	19.6	3.2	16.4
<i>Allowances recovered and others</i>	0.5	6.0	(5.5)
<i>Total financial income</i>	120.6	66.1	54.5
<i>Financial expenses:</i>			
<i>Interest</i>	(87.2)	(57.2)	(30.0)
<i>Holding results</i>	(2.3)	-	(2.3)
<i>Results on discounting at present value</i>	(44.5)	(116.3)	71.8
<i>Commissions, taxes and expenses on banking and financial operations</i>	(2.1)	(2.0)	(0.1)
<i>Total financial expenses</i>	(136.1)	(175.5)	39.4
<i>Total net financial results</i>	(126.0)	(208.5)	82.5

Net financial results for the nine-month period ended September 30, 2014 presented lower losses for \$ 82.5 million compared to the nine-month period ended September 30, 2013. Accounts showing the most significant variations between both periods were:

- higher losses for \$ 200.8 million resulting from exchange rate differences generated by liabilities denominated in US dollars;
- higher results from loans repurchase for \$ 16.4 million, as a consequence of the situation described in Note 14;
- lower losses for \$ 71.8 million related to the net present value associated to the settlement of the Claim Protection Notes during the nine-month period ended September 30, 2013, partially offset by the non-current accounts receivable valuation at their net present value;
- \$ 30,0 million increase in interest and penalties accrued on financial loan balances;
- \$ 32.5 million of higher profit due to yields accrued in relation to short-term investments and other holding results; and
- higher profits for \$ 189.4 million resulting from exchange rate differences generated by assets denominated in US dollars.

TRANSPORTADORA DE GAS DEL NORTE S.A.

SUMMARY OF INFORMATION CORRESPONDING TO THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

D) ANALYSIS OF COMPREHENSIVE RESULT AND FINANCIAL SITUATION (Cont.)

- *Summary of the statement of cash flows*

(in million of pesos)

	<i>Nine-month period ended September 30,</i>	
	<i>2014</i>	<i>2013</i>
<i>Cash generated by the operations</i>	28.7	48.1
<i>Income tax</i>	(73.6)	19.8
<i>Accrued interest generated by liabilities</i>	87.2	57.2
<i>Net cash flow generated by the operations</i>	42.3	125.1
<i>Purchase of property, plant and equipment</i>	(70.0)	(55.6)
<i>Collection of dividends</i>	-	0.8
<i>Variation of short-term investments (non-cash equivalents)</i>	101.9	(31.9)
<i>Net cash flow generated by (used in) the investing activities</i>	31.9	(86.7)
<i>Decrease (increase) in attachments and guarantee deposits</i>	4.8	(8.7)
<i>Loans payment</i>	(53.9)	(8.4)
<i>Net cash flow used in financing activities</i>	(49.1)	(17.1)
<i>Net increase in cash and cash equivalents</i>	25.1	21.3
<i>Cash and cash equivalents at the beginning of the year</i>	350.2	123.9
<i>Financial results generated by cash</i>	84.7	24.2
<i>Cash and cash equivalents at the end of the period</i>	460.0	169.4

- *Breakdown of cash and cash equivalents*

(in million of pesos)

	<i>Nine-month period ended September 30,</i>	
	<i>2014</i>	<i>2013</i>
<i>Cash and banks</i>	105.5	33.4
<i>Time deposits in US\$</i>	283.0	26.5
<i>Time deposits in \$</i>	-	19.7
<i>Mutual funds in US\$</i>	29.4	28.9
<i>Mutual funds in \$</i>	42.1	60.9
<i>Cash and cash equivalents at the end of the period</i>	460.0	169.4

TRANSPORTADORA DE GAS DEL NORTE S.A.

SUMMARY OF INFORMATION CORRESPONDING TO THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

II) BUSINESS PROSPECTS (not covered by the Review report)

This section, related to the Company's business, operating, financial and regulatory prospects must be complemented with the notes to the interim condensed financial statements, the additional information required by Section 68 of the Buenos Aires Stock Exchange Listing Rules, by Title IV, Chapter III, Sections 1st and 12 of the CNV regulations as of September 30, 2014 and the Company's financial statements as of December 31, 2013. This information should be jointly read, analyzed and interpreted to have a full vision of the significant corporate matters.

Business prospects for the current fiscal year:

Upon enactment of the Public Emergency Law N° 25,561 ("LEP") in early 2002 and the extension of its effectiveness since then, the gas carriage rates were pesified and frozen. Since the regulation issued after the enactment of the LEP did not establish any alternative mechanism for the adjustment of rates, the economic-financial equation of the License (as defined in Note 1) was broken.

The freezing of rates that was in force between July, 1999 and March, 2014, prevented the Company from continuing making investments to expand the system. Public trusts organized by the National Secretariat of Energy replaced the Company in that role. The trusts are financed through rates that largely exceed (4.5 times) the rate collected by TGN.

In addition, a strong upward pressure on prices materially impacts on the Company's expenses and, despite the constant efforts to use resources efficiently, operational costs have significantly increased.

The consequences of the rate freezing that was in force for almost fifteen years, together with the sharp increase in costs, have materially affected the operating results of TGN, which has recorded losses since 2011. The Company has recorded operating losses over the last fifteen quarters as regards the natural gas carriage utility. TGN has not received and is not receiving any subsidy from the National State and, since the year 2000, it subsidizes consumers through its rate, which does not even allow the Company to recover its operational costs.

In April 2014, the ENARGAS implemented a Temporary Agreement for rate adjustment entered into in 2008, and ratified by the National Executive Branch in 2010, which approved an increase in transportation rates of 8% as from April 1st, 2014; 14% accumulated as from June 1st, 2014, and 20% accumulated as from August 1st, 2014. The incremental collection will be applied to carry out investments approved by the ENARGAS. TGN believes that this would be the first step towards the regularization of its rates. However, the effect of such increase does not modify the operating losses tendency recorded by the Company during the last fifteen quarters.

The provision of the gas carriage public service is considered as a capital-intensive activity; therefore, income must be sufficient not only to bear the operating costs and property, plant and equipment depreciation charges, but also the cost of capital -whether arising from the shareholders' contributions, reinvestment of profits, or debts with third parties-. This position has also been reinforced in the LEP, which includes "company profitability", among other aspects, as an element to be considered for the renegotiation of rates. As mentioned in the previous paragraph, current TGN revenues are not sufficient to cover its operating costs.

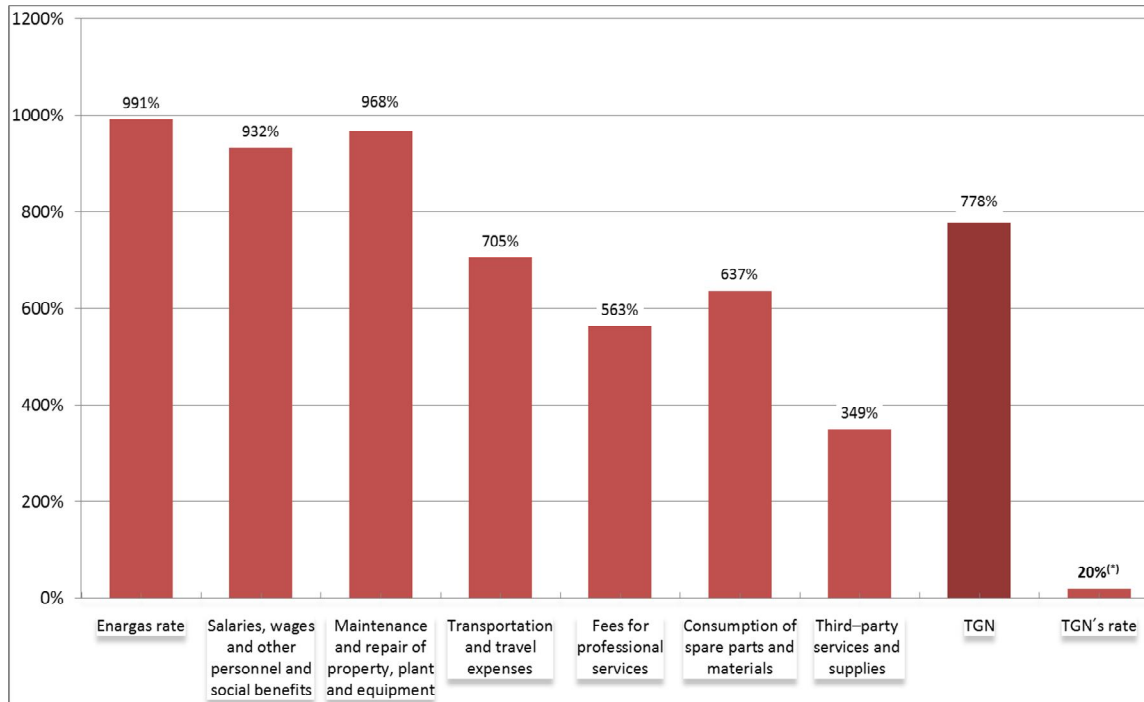
Both Law N° 24,076 and the LEP establish that the rate must be sufficient to cover operational costs and to provide reasonable profitability. Additionally, the License mentions that the National State must pay a compensation to TGN, in case of applying -as it actually occurred and it still occurs- rate freezing or price control. However, none of these points have been fulfilled. In case of persisting, rate freezing will expose TGN during the current fiscal year to a situation of financial imbalance, accumulating new operational losses.

TRANSPORTADORA DE GAS DEL NORTE S.A.

SUMMARY OF INFORMATION CORRESPONDING TO THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

II) BUSINESS PROSPECTS (not covered by the Review report) (Cont.)

Changes in main costs of TGN vs. Rate (period: 2001 – September 30, 2014)



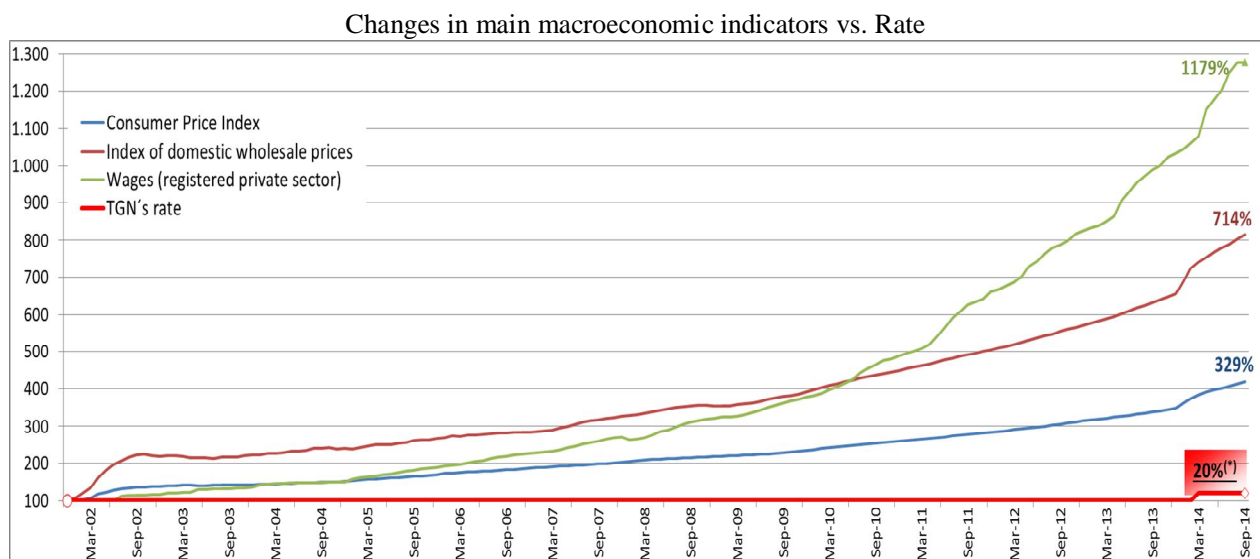
^(*) Gradual increases: 8% as from April 2014, 14% accumulated as from June 2014 and 20% accumulated as from August 2014.

Source: Company's internal information.

TRANSPORTADORA DE GAS DEL NORTE S.A.

SUMMARY OF INFORMATION CORRESPONDING TO THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

II) BUSINESS PROSPECTS (not covered by the Review report) (Cont.)



(*) Gradual increases: 8% as from April 2014, 14% accumulated as from June 2014 and 20% accumulated as from August 2014.

Source: INDEC

III) COMPARATIVE BALANCE SHEET STRUCTURE AT SEPTEMBER 30, 2014, 2013, 2012, 2011 and 2010

(in million of pesos)

	At 09.30.				
	2014	2013	2012	2011	2010
Non-current assets	2,540	2,251	2,222	2,389	2,423
Current assets	784	669	570	883	597
Total	3,324	2,920	2,792	3,272	3,020
Shareholders' equity	932	1,073	1,074	922	919
Non-current liabilities	1,950	1,498	1,205	300	338
Current liabilities	442	349	513	2,050	1,763
Subtotal liabilities	2,392	1,847	1,718	2,350	2,101
Total	3,324	2,920	2,792	3,272	3,020

TRANSPORTADORA DE GAS DEL NORTE S.A.

SUMMARY OF INFORMATION CORRESPONDING TO THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

IV) COMPARATIVE STRUCTURE OF COMPREHENSIVE RESULTS FOR THE PERIODS ENDED SEPTEMBER 30, 2014, 2013, 2012, 2011 and 2010

(in million of pesos)

	<i>At 09.30.</i>				
	2014	2013	2012	2011	2010
<i>(Loss) income before other net income and expenses</i>	(138.0)	(85.4)	(77.8)	(27.2)	29.8
<i>Other net income and expenses</i>	33.4	46.7	(5.0)	95.7	190.9
<i>(Loss) income before financial results</i>	(104.6)	(38.7)	(82.8)	68.5	220.7
<i>Net financial results</i>	(126.0)	(208.5)	(146.0)	(160.2)	(175.7)
<i>Results from loans restructuring</i>	-	280.7	576.2	-	-
<i>Results from investments in affiliate companies</i>	3.3	1.5	1.3	-	1.4
<i>Result before income tax</i>	(227.3)	35.0	348.7	(91.7)	46.4
<i>Income tax</i>	73.6	(19.8)	(121.2)	31.6	(16.6)
<i>(Loss) income for the period</i>	(153.7)	15.2	227.5	(60.1)	29.8
<i>Other comprehensive results</i>	-	-	-	-	-
<i>Comprehensive (loss) income for the period</i>	(153.7)	15.2	227.5	(60.1)	29.8

V) COMPARATIVE STATISTICAL DATA CORRESPONDING TO THE PERIODS ENDED SEPTEMBER 30, 2014, 2013, 2012, 2011 and 2010

Volume dispatched in million of cubic meters:

According to the type of carriage agreement

	<i>At 09.30.</i>				
	2014	2013	2012	2011	2010
<i>Firm carriage</i>	11,913	11,219	10,934	10,213	10,417
<i>Interruptible carriage and Exchange and displacement</i>	5,688	5,049	5,034	4,195	3,212
<i>Total</i>	17,601	16,268	15,968	14,408	13,629

According to the type of source

	<i>At 09.30.</i>				
	2014	2013	2012	2011	2010
<i>Norte Gas pipeline</i>	7,961	6,445	6,415	6,007	5,758
<i>Centro-Oeste Gas pipeline</i>	9,640	9,823	9,553	8,401	7,871
<i>Total</i>	17,601	16,268	15,968	14,408	13,629

According to its destination

	<i>At 09.30.</i>				
	2014	2013	2012	2011	2010
<i>Domestic market</i>	17,527	16,253	15,957	14,360	13,396
<i>Foreign market</i>	74	15	11	48	233
<i>Total</i>	17,601	16,268	15,968	14,408	13,629

TRANSPORTADORA DE GAS DEL NORTE S.A.

SUMMARY OF INFORMATION CORRESPONDING TO THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2014 AND 2013

VI) COMPARATIVE INDICATORS AT SEPTEMBER 30, 2014, 2013, 2012, 2011 and 2010

	<i>At 09.30.</i>				
	<i>2014</i>	<i>2013</i>	<i>2012</i>	<i>2011</i>	<i>2010</i>
<i>Current liquidity (1)</i>	<i>1.78</i>	<i>1.92</i>	<i>1.11</i>	<i>0.43</i>	<i>0.34</i>
<i>Solvency (2)</i>	<i>0.39</i>	<i>0.58</i>	<i>0.63</i>	<i>0.39</i>	<i>0.44</i>
<i>Freezing capital (3)</i>	<i>0.76</i>	<i>0.77</i>	<i>0.80</i>	<i>0.73</i>	<i>0.80</i>

- (1) Current assets over current liabilities
- (2) Shareholders' equity over total liabilities
- (3) Non-current assets over total assets

Autonomous City of Buenos Aires, November 6, 2014

Santiago Marfort
President

Transportadora de Gas del Norte S.A.

INTERIM CONDENSED BALANCE SHEET AT SEPTEMBER 30, 2014 COMPARATIVE WITH THAT AT DECEMBER 31, 2013 (in thousands of pesos)

	Note	<u>09.30.2014</u>	<u>12.31.2013</u>
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,760,424	1,794,381
Investments in affiliate companies	6	6,625	4,038
Other assets – gas stock		53,361	41,760
Materials and spare parts	9	48,223	36,898
Other accounts receivable	10	87,123	70,139
Trade accounts receivable	11	546,075	345,542
Investments at amortised cost	8	37,757	36,194
Total non-current assets		<u>2,539,588</u>	<u>2,328,952</u>
Current assets			
Materials and spare parts		11,591	11,591
Other accounts receivable	10	38,325	56,890
Trade accounts receivable	11	74,817	86,618
Investments at amortised cost	8	15,547	197,442
Investments at fair value	8	184,597	106,154
Cash and cash equivalents	12	459,954	350,237
Total current assets		<u>784,831</u>	<u>808,932</u>
Total assets		<u>3,324,419</u>	<u>3,137,884</u>

Transportadora de Gas del Norte S.A.

INTERIM CONDENSED BALANCE SHEET AT SEPTEMBER 30, 2014 COMPARATIVE WITH THAT AT DECEMBER 31, 2013 (in thousands of pesos)

	Note	<u>09.30.2014</u>	<u>12.31.2013</u>
SHAREHOLDERS' EQUITY			
Common stock	13	439,374	439,374
Inflation adjustment of common stock		506,053	506,053
Legal reserve		73,201	71,757
Optional reserve		67,556	46,495
Retained earnings		(153,688)	22,505
Total shareholders' equity		<u>932,496</u>	<u>1,086,184</u>
LIABILITIES			
Non-current liabilities			
Contingencies	17	-	49,585
Loans	14	1,717,205	1,273,044
Deferred tax liability	7	177,934	251,514
Other debts	15	35,142	37,670
Trade accounts payable	16	19,653	41,946
Total non-current liabilities		<u>1,949,934</u>	<u>1,653,759</u>
Current liabilities			
Contingencies	17	94,249	33,958
Loans	14	6,980	58,200
Salaries and social security contributions		49,293	45,632
Taxes payable		14,341	12,928
Other debts	15	28,107	37,886
Trade accounts payable	16	249,019	209,337
Total current liabilities		<u>441,989</u>	<u>397,941</u>
Total liabilities		<u>2,391,923</u>	<u>2,051,700</u>
Total liabilities and shareholders' equity		<u>3,324,419</u>	<u>3,137,884</u>

The accompanying notes 1 to 25 are an integral part of these interim condensed financial statements.

Transportadora de Gas del Norte S.A.

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME AT SEPTEMBER 30, 2014 AND 2013 (in thousands of pesos)

	Nota	<u>Nine-month period ended</u>		<u>Three-month period ended</u>	
		<u>09.30.2014</u>	<u>09.30.2013</u>	<u>09.30.2014</u>	<u>09.30.2013</u>
Revenues	18	428,333	357,563	149,446	124,145
Cost of services	19	(419,830)	(325,020)	(167,885)	(123,229)
Gross profit (loss)		8,503	32,543	(18,439)	916
Selling expenses	19	(29,556)	(20,380)	(2,248)	(8,249)
Administrative expenses	19	(116,951)	(97,593)	(40,662)	(39,317)
Loss before other net income and expenses		(138,004)	(85,430)	(61,349)	(46,650)
Other net income and expenses	20	33,415	46,739	834	15,323
Loss before financial results		(104,589)	(38,691)	(60,515)	(31,327)
Financial results					
Generated by exchange rate differences	21	(110,498)	(99,158)	(15,809)	(41,124)
Financial income	21	120,632	66,141	34,734	22,071
Financial expenses	21	(136,115)	(175,458)	(36,932)	(118,721)
Net financial results		(125,981)	(208,475)	(18,007)	(137,774)
Results from investments in affiliate companies	6	3,302	1,474	973	702
Results from loans restructuring		-	280,732	-	280,732
Result before income tax		(227,268)	35,040	(77,549)	112,333
Income tax					
Current		-	(8,941)	-	-
Deferred		73,580	(10,894)	33,181	(39,572)
Subtotal income tax	7	73,580	(19,835)	33,181	(39,572)
(Loss) income for the period		(153,688)	15,205	(44,368)	72,761
Other comprehensive results		-	-	-	-
Comprehensive (loss) income for the period		(153,688)	15,205	(44,368)	72,761
Net result per share	22	(0.3498)	0.0346	(0.1010)	0.1656

The accompanying notes 1 to 25 are an integral part of these interim condensed financial statements.

Transportadora de Gas del Norte S.A.

INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIODS ENDED SEPTEMBER 30, 2014 AND 2013 (in thousands of pesos)

Item	Common stock	Inflation adjustment of common stock	Legal reserve	Optional reserve	Retained earnings	Total shareholders' equity
Balances at December 31, 2012	439,374	506,053	60,869	139,372	(88,360)	1,057,308
Resolution of Ordinary Shareholders' Meeting held on April 18, 2013:						
Set up of the Legal reserve	-	-	10,888	-	(10,888)	-
Set up of the Optional reserve	-	-	-	206,877	(206,877)	-
Allocation of the deferred tax liability generated by the inflation adjustment of fixed assets against the Optional reserve	-	-	-	(299,754)	299,754	-
Income for the nine-month period ended September 30, 2013	-	-	-	-	15,205	15,205
Balances at September 30, 2013	439,374	506,053	71,757	46,495	8,834	1,072,513
Income for the supplementary three-month period until December 31, 2013	-	-	-	-	13,671	13,671
Balances at December 31, 2013	439,374	506,053	71,757	46,495	22,505	1,086,184
Resolution of Ordinary Shareholders' Meeting held on April 25, 2014:						
Set up of the Legal reserve	-	-	1,444	-	(1,444)	-
Set up of the Optional reserve	-	-	-	27,432	(27,432)	-
Absorption of retained earnings' balance against the Optional reserve	-	-	-	(6,371)	6,371	-
Loss for the nine-month period ended September 30, 2014	-	-	-	-	(153,688)	(153,688)
Balances at September 30, 2014	439,374	506,053	73,201	67,556	(153,688)	932,496

The accompanying notes 1 to 25 are an integral part of these interim condensed financial statements.

Transportadora de Gas del Norte S.A.

INTERIM CONDENSED STATEMENT OF CASH FLOWS AT SEPTEMBER 30, 2014 AND 2013 (in thousands of pesos)

	Note	<u>09.30.2014</u>	<u>09.30.2013</u>
Cash generated by the operations	23	28,731	48,127
Income tax	7	(73,580)	19,835
Accrued interest generated by liabilities	21	87,170	57,161
Net cash flow generated by the operations		<u>42,321</u>	<u>125,123</u>
Purchase of property, plant and equipment	5	(70,019)	(55,607)
Changes in short-term investments (non-cash equivalents)		101,889	(31,932)
Collection of dividends	24	-	768
Net cash flow generated by (used in) investing activities		<u>31,870</u>	<u>(86,771)</u>
Decrease (increase) in attachments and guarantee deposits		4,758	(8,673)
Loans payment		(53,946)	(8,412)
Net cash flow used in financing activities		<u>(49,188)</u>	<u>(17,085)</u>
Net increase in cash and cash equivalents		<u>25,003</u>	<u>21,267</u>
Cash and cash equivalents at the beginning of the year		350,237	123,903
Financial results generated by cash		84,714	24,228
Cash and cash equivalents at the end of the period	12	<u>459,954</u>	<u>169,398</u>

The accompanying notes 1 to 25 are an integral part of these interim condensed financial statements.

Transportadora de Gas del Norte S.A.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

1 - GENERAL INFORMATION

1.1 - Incorporation of the Company

Transportadora de Gas del Norte S.A. (“the Company” or “TGN”) was incorporated on November 24, 1992 as a result of the enactment of Laws Nos. 23,696 and 24,076 (“Natural Gas Act”) and the issuance of National Executive Branch (“PEN”) Decree No. 1,189/92, whereby the privatization of the natural gas carriage and distribution services and the setting up of the companies that would receive the licenses to operate those services were established. The Company was granted a license (the “License”) pursuant to which TGN is authorized to provide the public service of gas carriage through the exclusive utilization of its two pipelines in the northern and central-western regions of Argentina.

1.2 - Argentine economic context, energy crisis and its impact on the economic and financial position of the Company

In view of the major changes in the main macroeconomic variables that Argentina has recorded since the end of 2001, as from January 2002 the National State issued laws, executive orders and regulations that involved a deep change to the then prevailing economic model, which produced the material effects on the Company’s economic and financial equation, its business and the regulatory framework. The most significant changes are mentioned below:

- (i) The Public Emergency Law N° 25,561 (“LEP”) established the pesification of the rates of carriage of natural gas destined for the domestic market and the repeal of the semi-annual adjustment mechanism based on the Producer Price Index (“PPI”). Furthermore, the LEP authorized the PEN to renegotiate the public works and services contracts and rates. At the date of issuance of these interim condensed financial statements, and considering the transitory agreement mentioned in Note 1.3.3, no substantial progress has been made regarding rates renegotiation.

Note 1.3 details several issues relating to the rates, the License and the implications of the amendments introduced by the LEP within the Company’s regulatory framework.

- (ii) As from 2004 the National State adopted a series of measures to redistribute the effects of the energy sector crisis derived from a natural gas and electricity shortage. The National Energy Secretariat, the Fuel Undersecretariat and the National Gas Regulatory Entity (“ENARGAS”) have issued a series of rules establishing precautionary measures to prevent a shortfall in domestic natural gas supply and its effects on the wholesale electricity supply, including measures that led to almost cessation of exports of natural gas to first ensure the supply of domestic consumption. The creation of trust funds was also established to finance investments in the expansion of the capacity of the natural gas carriage and distribution systems and gas imports.

These government measures, that ultimately did not prevent that Argentina returned to depend on fuel importation, have produced negative results regarding TGN’s gas carriage agreements. In that sense, material controversies have arisen in relation to certain export customers, as mentioned in Note 19 to the Company’s financial statements as of December 31, 2013.

- (iii) As indicated in Note 1.3.6, on December 22, 2008 the Board of Directors of the Company decided to postpone the payment of the principal and interest installments on the negotiable obligations that would fall due since that date. In that context, on December 29, 2008, through Resolution I/587 the ENARGAS established an intervention in TGN for 120 days, as well as a comprehensive audit in charge of the

Transportadora de Gas del Norte S.A.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

intervener. Upon expiration of such term, the intervention was repeatedly extended by ENARGAS resolutions up to January 2015.

- (iv) The characteristics of the economic environment and the legal and regulatory framework in which the Company is currently operating and the current status of the renegotiation of the License, give rise to uncertainty as to the future cash flows' sufficiency to recover non-current assets, the re-payment of the financial debts, the future development of the Company's business and the normal continuity of its operations.

The impact generated by all the measures adopted so far by the National State on the balance sheet and financial position of the Company as of September 30, 2014 was calculated on the basis of evaluations and estimates used by the Board of Directors at the date these interim condensed financial statements were issued. The future development of the economy might require that the National State modify some measures adopted or issue additional regulations. However, it is important to remark that actual future results could differ from the evaluations and estimates made at the date of issuance of these interim condensed financial statements and these differences could be significant.

1.3 - Regulatory framework

1.3.1 - General

The Natural Gas Act and its regulations, together with the License, the Transfer Agreement, the Bidding Terms and Conditions for the privatization of Gas del Estado S.E. ("GdE") and the resolutions adopted by the ENARGAS establish the legal framework within which the Company carries out its business activities. The License was granted for an original term of 35 years, which expires in December 2027. However, the Natural Gas Act and the License provide that TGN may apply to ENARGAS for a renewal of the License for an additional ten-year term. ENARGAS is required at that time to evaluate the Company's performance and make a recommendation to the PEN.

1.3.2 - Rates

Gas carriage service's rates were established by the License and are regulated by the ENARGAS. The Natural Gas Act establishes that rates must cover reasonable operating costs, taxes and depreciations charges, enable obtaining reasonable profit margins similar to those derived from other comparable or equivalent risky activities and must be related to the degree of efficiency in the providing of the services. In accordance with the original conditions of the License, and up to the enactment of the LEP, rates were subject to the following until expiration thereof:

- i) adjustments for the five-yearly review of rates by the ENARGAS, which affect as far as possible the "X" efficiency factor and "K" investment factor, where "X" reduces the rate as a counterpart for increased efficiency and "K" increases rates to encourage unprofitable investments;
- ii) semi-annual adjustments to reflect PPI variations;
- iii) non-recurring adjustments to reflect the variations in the costs resulting from changes in tax regulations (except in the case of variations in income tax); and
- iv) unplanned adjustments for other objective and justifiable reasons at the discretion of the ENARGAS.

As mentioned in Note 1.2, the LEP established the pesification of natural gas carriage rates of gas destined for the domestic market and the repeal of the semi-annual adjustment mechanism based on the PPI.

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

1.3.3 - License

Under the provisions of LEP, the PEN is entitled to renegotiate the terms of the licenses granted for the provision of public services based on the following criteria: (i) the impact of the rates on the competitiveness of the economy and the distribution of people's income; (ii) the quality of the services and the investment plans, as contractually agreed; (iii) the customers' interests and accessibility to the services; (iv) the safety of the systems; and (v) the profitability of the companies.

At present, the Unit for the Renegotiation and Analysis of Public Utility Services Contracts ("UNIREN") is responsible for the renegotiation process. This unit was created in July 2003 within the jurisdiction of the Ministries of Economy and Production ("MEP") and of Federal Planning, Public Investment and Services ("MPFIPyS").

Law No. 25,790 dated October 2003 established that the decisions to be made by the PEN throughout the renegotiation process would not be limited to or conditioned by the stipulations contained in the regulatory frameworks for the concession or license contracts involving the respective public utility services.

TGN considers that the main obstacle to reach a complete renegotiation agreement is the National State's requirement on adding an indemnity clause for its benefit, under which the effects of judgments or arbitration awards requiring Argentina to pay indemnifications supported by the LEP on the License would be transferred to TGN.

On October 2008, the Company entered into a temporary agreement ("the Temporary Agreement") that does not involve an indemnity clause for the benefit of the National State, and envisage a transition rates regime as from September 1, 2008 on which a 20% increase would be applied to the remuneration of the ruled domestic activity of TGN in force at August 31, 2008. The Temporary Agreement establishes that TGN will assign the rights of the resulting incremental revenue to a specific fund that will be set up as a trust for the payment of works and/or tasks detailed in a document attached to the Temporary Agreement. The Temporary Agreement assumed that on December 31, 2008 the LEP would no longer be effective, which did not occur since that law will actually be in force until December 31, 2015. Consequently, by that date the parties had to agree on the methodology, term and time of the execution of an Overall Contractual Renegotiation Minute. Otherwise, the PEN, if it deems it convenient, would rule on the enforcement of the Temporary Agreement and, in turn, UNIREN would make the necessary recommendations to the PEN pursuant to section 1 subsection e) of Decree No. 311/03 and section 11 of the Joint Resolution No. 188/03 and No. 44/03 of the MEP and MPFIPyS. Although the Temporary Agreement was ratified by the PEN through Decree N° 458 of April 5, 2010, the rate increase cannot be invoiced by TGN because the ENARGAS did not approved the new rate schedules. However, TGN performed the foreseen works at its expense. On April 7, 2014, the ENARGAS implemented the Temporary Agreement, which approved an increase in transportation rates of 8% as from April 1st, 2014; 14% accumulated as from June 1st, 2014, and 20% accumulated as from August 1st, 2014. The incremental collection will be applied to carry out investments approved by the ENARGAS.

At the date of issuance of these interim condensed financial statements, no significant progress had been made to ensure compliance with the objective to sign a comprehensive agreement in the short term. Furthermore, it cannot be assured that the final outcome of the renegotiation will effectively restore the balance of the License and award a fair and reasonable rate in order to redress TGN for the damage suffered as a result of the LEP. (Refer to Notes 18.1.7 and 18.1.8 to the Company's financial statements as of December 31, 2013).

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

1.3.4 - Technical assistance agreement

According to its regulatory framework, TGN receives technical assistance from certain indirect controlling shareholders. Such assistance covers, among others, issues relating to system performance, security, environment, preventive maintenance, in-house procedures, training, information technology systems and compliance with certain international standards governing the gas carriage industry. Since October 2013 contractual compensation amounts to \$ 5 million.

The technical assistance agreement will expire on December 31, 2017. In consideration of the decision to postpone the due dates of TGN financial debt adopted on December 22, 2008, the Board of Directors resolved to temporarily suspend effective December 31, 2008 the payments of fees envisaged in the technical assistance agreement. Furthermore, under financial agreements currently in force, TGN limited its ability to pay those fees.

1.3.5 - Decrease in revenues from carriage of gas for export

Effective February 2004, the National State adopted a series of measures, still in force, to ensure a natural gas supply sufficient to satisfy domestic demand, considerably limiting gas exportation. Dispatched export volume has systematically decreased from 2006 until the end of this period. In that context, YPF S.A. (“YPF”) ceased to pay and initiated administrative and judicial actions to obtain the rescission without negligence of the gas carriage contract, and the Chilean distributor Metrogas S.A. (“Metrogas”) attempted to unilaterally rescind the agreement and claimed compensation. YPF and Metrogas recorded unpaid balances of \$ 623.5 million and \$ 860.3 million, respectively, as of September 30, 2014, so the Company has set up an allowance of \$ 741.9 million to cover the uncollectible past due balance for the carriage service. Disputes with these customers are described in Notes 18.1.4 and 18.1.6 to the Company’s financial statements as of December 31, 2013.

1.3.6 - Loan payments postponement and intervention established by the ENARGAS

On December 22, 2008, the Board of Directors of TGN decided that it was necessary for the Company to postpone the negotiable obligations’ principal and interest payments that would fall due since that date. Although this decision was made to explicitly maintain the safe and reliable provision by TGN of the public utility natural gas carriage service, as called for by the Natural Gas Act and Section 10 of the LEP, on December 29, 2008, through Resolution I/587 the ENARGAS established the intervention in TGN for 120 days and designated an intervener with powers of “*co-administration, surveillance and control of all the usual acts of administration and disposition that may affect the normal provision of the public utility gas carriage service by TGN under the License*”. By this resolution, the ENARGAS also established that a comprehensive audit should be conducted at TGN.

TGN challenged the legality of Resolution I/587 as regards the corporate joint management and in March 2009, Room I of the Federal Court of Appeals in administrative litigation matters resolved as follows: (i) to stay the effects of ENARGAS Resolution I/587 which had established an intervention in TGN and appointed an intervener with powers of company co-administration; (ii) to maintain the control and superintending powers vested in the officer appointed by the ENARGAS with respect to all the acts that may reasonably affect the normal provision of the public utility service by TGN; and (iii) to order the ENARGAS to return to TGN the meeting minutes books that had been withdrawn by the intervener from TGN’s principal place of business.

The aforementioned appeal filed by TGN was declared “insubstantial” by the Federal Court of Appeals in administrative litigation matters on August 5, 2013. This was due to the fact that the successive extensions of Resolution I/587 did not consider the power of company co-administration. The Company filed an extraordinary appeal against the decision of the Federal Court of Appeals on the grounds that the case is a current issue. The appeal was granted and the case is now set for the National Supreme Court to issue a decision.

Transportadora de Gas del Norte S.A.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

Resolution I/587 was successively extended until January, 2015, term over which TGN will continue to be subject to surveillance and control of the usual acts of administration and disposition that may affect the normal provision of the gas carriage public utility service under its charge. The Company considers that having restructured its financial liabilities, there would be no grounds to maintain the intervention.

2 - PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

These interim condensed financial statements have been issued in accordance with the International Financial Reporting Standards (“IFRS”), issued by the International Accounting Standards Board (“IASB”).

The National Securities Commission (“CNV”) through its General Resolution N° 622/13, established the implementation of the Technical Resolutions N° 26 and 29 of the Federación Argentina de Consejos Profesionales de Ciencias Económicas, which adopt IFRS, issued by the IASB, for the entities encompassed by the public offering regime, either because of their capital or negotiable obligations, or because those entities have requested authorization to be encompassed by this regime.

These interim condensed financial statements for the nine-month period ended September 30, 2014 have been prepared in accordance with the International Accounting Standard 34 (“Interim financial reporting”). These interim condensed financial statements should be read in conjunction with the Company’s financial statements as of December 31, 2013, issued in accordance with IFRS. Additionally, these interim condensed financial statements have been prepared following the same accounting policies used in the preparation of the Company’s financial statements as of December 31, 2013.

Furthermore, the provisions of ENARGAS Resolution No. 1,660/00 (as amended by Resolution No. 1,903/00) regulating certain valuation and disclosure criteria for the regulated natural gas carriage and distribution activity have been applied. These criteria are similar to those established by IFRS.

2.1 - Accounting estimates and policies

The preparation of these interim condensed financial statements requires the Company’s Board of Directors to make estimates and assessments that affect the reported valuation of assets and liabilities at the date of issuance of these interim condensed financial statements as well as income and expenses recorded for the period. However, actual results and amounts may significantly differ from the estimations used to prepare these interim condensed financial statements.

Such estimates are affected by uncertainties related to changes in the economic environment, and the legal and regulatory framework in which the Company is currently operating, as well as by the current status of the License renegotiations and the consequences of the gas supply shortage (mentioned in Note 1). In this context, there is uncertainty as to the generation of future cash flows sufficient to recover non-current assets, the re-payment of financial debts, the future development of the Company’s business and the normal continuity of its operations.

Accounting estimates and policies applied by the Company during the nine-month period ended September 30, 2014 are consistent with those applied during the fiscal year ended December 31, 2013.

3 - FINANCIAL RISK MANAGEMENT

As for financial risk analysis, except for what it is mentioned in Note 3.1, as of September 30, 2014, there are no significant variations in relation to what has been mentioned in Note 3 to the Company’s financial statements as of December 31, 2013.

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

3.1 - Exchange rate risks

The Company is exposed to the exchange rate risk, since most of its revenues are denominated in local currency and all of its financial debt is denominated in US dollars. In the case of devaluation or significant inflation without an adequate adjustment of rates, the Company might not be able to meet its financial commitments.

Notwithstanding the above, it should be noted that part of the investments are made in financial instruments adjusted by the variation of the US dollar or is directly issued in US dollars, thus enabling the Company to partially mitigate the risk of a devaluation. The potential impact on the interim condensed statement of comprehensive income and the interim condensed statement of changes in shareholders' equity resulting from each percentage point of devaluation of the peso against the US dollar would account for an approximate loss of \$ 6.8 million, provided that the other economic and financial variables affecting the Company remain stable. This sensitivity analysis is based on reasonable information and assumptions. Yet, actual results might differ significantly from such analysis.

4 - BUSINESS SEGMENT INFORMATION

Segment reporting is presented in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The Company's General Director has been identified as CODM. The management information used by the CODM in decision making is prepared on a monthly basis, in million of US dollars, and does not include any breakdown by business segment, which means that the information is presented as a single segment and corresponds to the total for the Company. It has been determined that the representative measure used for decision making by the CODM is the "management EBITDA", together with the projects for expenses and acquisitions of property, plant and equipment.

Below is the information provided to the CODM (in million of US dollars):

	<u>09.30.2014</u>	<u>09.30.2013</u>
Total income	50.9	72.8
Technical assistance fees	(0.9)	(2.8)
Salaries, wages, and other personnel benefits	(23.8)	(28.7)
O&M/G&A	(20.4)	(23.2)
Expenses projects	(9.0)	(6.1)
Total operating costs	<u>(54.1)</u>	<u>(60.8)</u>
Management EBITDA	<u>(3.1)</u>	<u>12.0</u>
Acquisitions of property, plant and equipment	<u>(8.5)</u>	<u>(10.4)</u>

Below is shown a reconciliation of management EBIDTA to the result before income tax and income reconciliation:

	<u>09.30.2014</u>	<u>09.30.2013</u>
Management EBITDA in millions of US dollars	(3.1)	12.0
Average exchange rate	7.99	5.28
Management EBITDA in millions of pesos	<u>(25.2)</u>	<u>63.1</u>
Property, plant and equipment depreciation	(102.0)	(100.2)
Results from loans restructuring	-	280.7
Other net income and expenses	22.6	(1.6)
Net financial results	(126.0)	(208.5)
Results from investments in affiliate companies	3.3	1.5
Result before income tax	<u>(227.3)</u>	<u>35.0</u>

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

	<u>09.30.2014</u>	<u>09.30.2013</u>
Total income in millions of US dollars	50.9	72.8
Translation into millions of pesos	410.0	383.9
Turnover tax	18.8	8.9
Doubtful accounts	7.1	8.0
Income from commercial indemnifications and others	(7.6)	(43.2)
Total revenues in million of pesos	<u>428.3</u>	<u>357.6</u>

4.1 - Information on services

In millions of US dollars

Gas carriage	44.3	64.1
Gas pipelines operation and maintenance	5.0	6.2
Management fees – Gas Trust Program	2.1	2.0
Others	(0.4)	0.5
Total revenues	<u>50.9</u>	<u>72.8</u>

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 31 DECEMBER 2014 A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

5 - PROPERTY, PLANT AND EQUIPMENT

	09.30.2014									
	Original values					Depreciation				
	At the beginning of the year	Increases	Disposals	Transfers	At the end of the period / year	At the beginning of the year	Amount for the period / year	Disposals	Transfers	At the end of the period / year
Land	3,274	-	-	127	3,401	-	-	-	-	-
Buildings and constructions	78,711	-	-	75	78,786	27,918	1,183	-	-	-
Installations	2,349	-	-	-	2,349	1,101	69	-	-	-
Gas pipelines	2,100,130	-	(96)	1	2,100,035	924,715	44,682	(29)	(66)	-
Investments in pipeline maintenances	174,748	-	-	1,270	176,018	47,759	10,591	-	-	-
High-pressure branch lines	980	-	-	-	980	407	22	-	-	-
Compressor plants	940,661	-	(176)	28,166	968,651	637,209	34,536	(118)	-	-
High-pressure control and/or measurement stations	72,491	-	(224)	876	73,143	53,391	2,340	(193)	-	-
Other technical installations	46,705	-	-	3,740	50,445	36,852	1,758	-	-	-
Machinery, equipment and tools	27,791	929	(44)	-	28,676	25,242	594	(44)	-	-
IT and telecommunication systems	75,398	4,390	(55)	-	79,733	51,986	3,659	(31)	66	-
Vehicles	24,134	3,549	(1,710)	-	25,973	17,311	1,780	(1,506)	-	-
Furniture and office supplies	11,427	328	(26)	-	11,729	9,827	199	(26)	-	-
Assets held at third-parties facilities	12,621	-	(6)	990	13,605	9,257	586	(6)	-	-
Work in process	65,936	60,823	(1,593)	(35,245)	89,921	-	-	-	-	-
Total as of September 30, 2014	3,637,356	70,019	(3,930)	-	3,703,445	1,842,975	101,999	(1,953)	-	-
Total as of December 31, 2013	3,556,929	82,864	(2,437)	-	3,637,356	1,709,834	134,570	(1,429)	-	-

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

A substantial portion of the assets transferred by GdE has been defined in the License as “Essential assets for the performance of the licensed service”. Pursuant to the License, the Company is required to segregate and maintain the essential assets, together with any future improvements and expansions, in accordance with certain standards defined in the License. The Company cannot, for any reason, dispose of, encumber, lease, sublease or lend essential assets for purposes other than the provision of the licensed service without ENARGAS’ prior authorization.

5.1 - Property, plant and equipment impairment

The Company analyzes the recoverability of its assets classified as “property, plant and equipment” when there are events or changes in circumstances that may be indicators of potential impairment. The recoverable value of those assets is estimated by the Company as the value in use of the assets measured, based on the discounted future cash flow, applying a discount rate that reflects the risks inherent to the activity.

Determining the discounted future cash flow implies a series of assumptions and estimates, such as the changes in the gas carriage levels, the price of the regulated rate, inflation, exchange rate, and costs and other cash expenditures. Future cash flows are projected for a period covering the term of the License. The discount rate applied is the rate that represents the weighted average cost of capital. During the current period, no results on assets impairment were computed for items of property, plant and equipment, as a result of the recoverability analyses.

It should be mentioned that if changes were made to the estimates used to prepare projections of future cash flows, there would be necessary to record a significant impairment loss.

6 - INVESTMENTS IN AFFILIATE COMPANIES

	<u>09.30.2014</u>	<u>12.31.2013</u>
Balances at the beginning of the year	4,038	2,399
Dividends distribution	(715)	(1,189)
Results from investments in affiliate companies	3,302	2,828
Balances at the end of the period / year	<u>6,625</u>	<u>4,038</u>

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

The interest held by the Company in its unlisted affiliates was as follows:

Issuer	Characteristics of the instruments		Amount	Cost value	Book value as of		Information on the issuer						
	Shares	Face value			09.30.14	12.31.13	Main activity	Date	Latest financial statements				
									Capital stock and capital adjustment	Other reserves	Retained earnings	Shareholders' equity	Percentage of direct holding
Comgas Andina S.A.	Common	⁽¹⁾ 1 per share	490	246	6,625	4,038	Gas pipeline operation and maintenance services	09.30.14	18	-	13,503	13,521	49.0
Companhia Operadora do Rio Grande do Sul Impairment of investment	Common	⁽²⁾ 1 per share	49	0.1	375 (375)	219 (219)	Gas pipeline operation and maintenance services	12.31.13	1	107	339	447	49.0
Total					6,625	4,038							

(1) Chilean pesos

(2) Brazilian reais

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

7 - INCOME TAX

The deferred income tax net position is as follows:

	<u>09.30.2014</u>	<u>12.31.2013</u>
Deferred income tax assets	191,202	127,551
Deferred income tax liabilities	(369,136)	(379,065)
Deferred income tax net liability	<u>(177,934)</u>	<u>(251,514)</u>

The movement of deferred tax assets and liabilities, not considering the offsetting of balances, is as follows:

	Trade accounts payable and Loans	Materials and spare parts	Other accounts receivable	Contingencies	Board of directors' fees	Tax-loss carryforward	Total
Deferred income tax assets							
Balances at December 31, 2012	19,074	33,523	(4,345)	26,931	-	-	75,183
Charged to statement of comprehensive income	21,881	(4,072)	4,819	(1,994)	702	31,032	52,368
Balances at December 31, 2013	40,955	29,451	474	24,937	702	31,032	127,551
Charged to statement of comprehensive income	8,688	18,398	21	3,807	(21)	32,758	63,651
Balances at September 30, 2014	49,643	47,849	495	28,744	681	63,790	191,202

	Investments at fair value	Property, plant and equipment	Trade accounts receivable	Others	Total
Deferred income tax liabilities					
Balances at December 31, 2012	(14)	(303,988)	(1,726)	(9,452)	(315,180)
Charged to statement of comprehensive income	(1,463)	17,193	(76,105)	(3,510)	(63,885)
Balances at December 31, 2013	(1,477)	(286,795)	(77,831)	(12,962)	(379,065)
Charged to statement of comprehensive income	255	12,085	1,653	(4,064)	9,929
Balances at September 30, 2014	(1,222)	(274,710)	(76,178)	(17,026)	(369,136)

Reconciliation between income tax charged to the comprehensive result and the amounts obtained by applying the Company's statutory income tax rate to pre-tax results is presented below:

	<u>09.30.2014</u>	<u>09.30.2013</u>
Result before income tax	(227,268)	35,040
Statutory income tax rate	35%	35%
Income tax charge applying tax rate in force to the result for the period	<u>79,544</u>	<u>(12,264)</u>
Exceptions at statutory income tax rate:		
- Results from investments in affiliate companies	1,156	516
- Adjustment to income tax provision	(13,102)	(8,941)
- Others	5,982	854
Total income tax charge	<u>73,580</u>	<u>(19,835)</u>

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

8 - FINANCIAL INSTRUMENTS BY CATEGORY

	<u>09.30.2014</u>	<u>12.31.2013</u>
<u>Financial assets</u>		
Financial assets at fair value ⁽¹⁾ :		
Mutual funds in \$ (Note 12)	42,055	36,557
Mutual funds in US\$ (Note 12)	29,434	32,614
Government bonds in US\$	184,597	92,646
Government bonds in \$	-	13,508
Total financial assets at fair value	<u>256,086</u>	<u>175,325</u>
Financial assets at amortised cost:		
Other investments in US\$	3,220	3,660
Stock exchange securities in \$ (Note 12)	-	1,280
US Treasury bills	-	116,422
Time deposits in \$ ⁽²⁾	-	12,237
Time deposits in US\$ ⁽²⁾	282,984	241,496
Government bonds in \$	50,084	49,321
Trade accounts receivable and other accounts receivable	534,510	479,335
Total financial assets at amortised cost	<u>870,798</u>	<u>903,751</u>
<u>Financial liabilities</u>		
Financial liabilities at amortised cost:		
Loans	1,724,185	1,331,244
Trade accounts payable, other debts and taxes payable	289,924	280,757
Total financial liabilities at amortised cost	<u>2,014,109</u>	<u>1,612,001</u>

⁽¹⁾ All financial assets at fair value have been measured using Level 1 fair values. Fair value levels are defined in Note 3.6 to the Company's financial statements for the fiscal year ended December 31, 2013.

⁽²⁾ Time deposits originally falling due within three months or less are classified as "Cash and cash equivalents" in the interim condensed balance sheet. A breakdown of this account is presented in Note 12.

9 - MATERIALS AND SPARE PARTS

	<u>09.30.2014</u>	<u>12.31.2013</u>
Non-current		
Spare parts and consumption materials	131,659	121,045
Allowance for slow-moving and obsolescence	(83,436)	(84,147)
Total non-current materials and spare parts	<u>48,223</u>	<u>36,898</u>

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

10 - OTHER ACCOUNTS RECEIVABLE

	<u>09.30.2014</u>	<u>12.31.2013</u>
Non-current		
Minimum presumed income tax	86,382	69,650
Sundry	741	489
Total other accounts receivable - Non-current	<u>87,123</u>	<u>70,139</u>
Current		
Commercial indemnifications to be collected	-	5,213
Attachments and guarantee court deposits	27	5,424
VAT, net	3,711	12,805
Tax credits	2,292	3,570
Key management personnel (Note 24)	3,599	3,523
Prepaid expenses and advances	19,479	16,262
Expenses to be collected	1,219	2,121
Assistance fees - controlling shareholder (Note 24)	29	29
Other receivables - affiliate companies (Note 24)	2,132	1,141
Other receivables - related parties (Note 24)	118	243
Transactions on behalf of third parties	1,835	2,709
Allowance for doubtful accounts	(800)	(642)
Receivables from sundry sales and others	4,684	4,492
Total other accounts receivable - Current	<u>38,325</u>	<u>56,890</u>

11 - TRADE ACCOUNTS RECEIVABLE

Non-current		
Trade accounts receivable with third parties	1,514,940	1,058,492
Less: Discount at present value	(226,993)	(188,091)
Less: Allowance for doubtful accounts and disputed amounts	(741,872)	(524,859)
Total trade accounts receivable - Non-current	<u>546,075</u>	<u>345,542</u>
Current		
Trade accounts receivable with third parties	69,244	84,313
Trade accounts receivable with related parties (Note 24)	46,015	39,592
Less: Allowance for doubtful accounts and disputed amounts	(40,442)	(37,287)
Total trade accounts receivable - Current	<u>74,817</u>	<u>86,618</u>

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

The variations in the allowance for doubtful accounts and disputed amounts are as follow:

	<u>09.30.2014</u>	<u>12.31.2013</u>
Balances at the beginning of the year	562,146	387,849
Increases, net of recoveries	223,942	194,298
Usage	<u>(3,774)</u>	<u>(20,001)</u>
Balances at the end of the period / year	<u>782,314</u>	<u>562,146</u>

12 - CASH AND CASH EQUIVALENTS

	<u>09.30.2014</u>	<u>09.30.2013</u>	<u>12.31.2013</u>
Cash and banks	105,481	33,419	90,286
Mutual funds in \$	42,055	60,962	36,557
Mutual funds in US\$	29,434	28,870	32,614
Time deposits in \$	-	19,668	12,237
Time deposits in US\$	282,984	26,479	177,263
Stock exchange securities in \$	-	-	1,280
Total cash and cash equivalents	<u>459,954</u>	<u>169,398</u>	<u>350,237</u>

13 - COMMON STOCK AND RESERVES

Common stock, of \$ 439,373,939, is represented by 179,264,584 ordinary book-entry class A shares, of 1 peso par value each and entitled to 1 vote per share, 172,234,601 ordinary book-entry class B shares, of 1 peso par value each and entitled to 1 vote per share, and 87,874,754 ordinary book-entry class C shares, of 1 peso par value each and entitled to 1 vote per share. All the shares issued are subscribed and paid-in.

13.1 - Limitation on the transferring of the Company's shares and on distribution of profits

Limitation on the transferring of TGN's shares and to the distribution of profits are mentioned in Notes 14.1 and 14.2 to the Company's financial statements for the fiscal year ended December 31, 2013.

14 - LOANS

Note 15 to the financial statements for the fiscal year ended December 31, 2013 discloses information on the terms and conditions of the negotiable obligations issued by the Company.

In March 2014, the Company repurchased Class A and B negotiable obligations for a nominal value of US\$ 5.8 million. With this transaction, TGN completed the process for restructuring its financial debts.

According to the terms and conditions of the Step-up Notes (detailed in the Pricing Supplement dated August 21, 2012, and published at the CNV), on September 30, 2014 operated the calculation of the "Net incremental Tariff Cash", which amounted to US\$ 828 thousands and ought to be cancelled by TGN on or before December 31, 2014.

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

15 - OTHER DEBTS

	<u>09.30.2014</u>	<u>12.31.2013</u>
Non-current		
Provision for easements	35,142	37,670
Total other debts - Non-current	<u>35,142</u>	<u>37,670</u>
Current		
Section 9.6.2 - Basic rules of the License	18,199	18,418
Provision for easements	2,922	2,922
Key management personnel (Note 24)	3,405	3,538
Advanced collections	2,980	6,578
Sundry debts and customer's warrants	601	6,430
Total other debts - Current	<u>28,107</u>	<u>37,886</u>

16 - TRADE ACCOUNTS PAYABLE

Non-current		
AES Argentina Generación S.A.	19,653	41,946
Total trade accounts payable - Non-current	<u>19,653</u>	<u>41,946</u>
Current		
Suppliers - purchases and services	32,264	26,407
Administration trust ("Importation of natural gas")	5,835	2,919
Other related parties (Note 24)	142,509	114,012
Unbilled services and purchases	68,411	65,999
Total trade accounts payable - Current	<u>249,019</u>	<u>209,337</u>

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

17 - CONTINGENCIES

Provisions for labor, civil and contentious lawsuits	<u>Non-current</u>	<u>Current</u>
Balances at December 31, 2012	49,585	40,009
– Increases / Recoveries	-	(4,622)
– Usages	-	(1,429)
	<hr/>	<hr/>
Balances at December 31, 2013	49,585	33,958
– Increases / Recoveries	4,328	6,517
– Transfers	(53,913)	53,913
– Usages	-	(139)
	<hr/>	<hr/>
Balances at September 30, 2014	-	94,249

The Company is party to several legal proceedings and claims that have arisen in the ordinary course of its business. In Note 18 to the Company's financial statements corresponding to the fiscal year ended December 31, 2013, there is a summary of the most significant claims and legal actions, including those against TGN as well as those in which the Company acts as a claimer. No significant events in relation to these claims and legal actions have arisen during the nine-month period ended September 30, 2014.

18 - REVENUES

	<u>Nine-month period ended</u>		<u>Three-month period ended</u>	
	<u>09.30.2014</u>	<u>09.30.2013</u>	<u>09.30.2014</u>	<u>09.30.2013</u>
Gas carriage service				
Gas carriage service	435,936	355,209	149,856	121,335
Allowance for disputed amounts and others	(65,682)	(42,605)	(22,810)	(15,024)
	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal gas carriage service	370,254	312,604	127,046	106,311
Other services				
Gas pipelines operation and maintenance	41,506	34,266	13,111	11,600
Management fees - Gas Trust Program	16,573	10,693	9,289	6,234
	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal other services	58,079	44,959	22,400	17,834
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	428,333	357,563	149,446	124,145

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

19 - EXPENSES BY NATURE

Item	Cost of services	Selling expenses	Administrative expenses	Total at 09.30.2014	Total at 09.30.2013	Three-month period ended	
						09.30.2014	09.30.2013
Board of directors' fees	-	-	1,946	1,946	1,465	760	556
Statutory auditors committee's fees	-	-	1,049	1,049	871	350	290
Fees for professional services	6,460	15	9,550	16,025	11,572	4,655	3,748
Salaries, wages and other personnel benefits	114,453	1,506	46,705	162,664	128,178	62,652	53,122
Social security contributions	20,612	414	10,447	31,473	26,105	12,568	9,044
Technical assistance fees	7,040	-	-	7,040	13,848	2,388	4,191
Consumption of materials and spare parts	24,107	-	208	24,315	15,512	11,276	5,859
Third party services and supplies	13,302	57	592	13,951	10,721	4,682	4,171
Maintenance and repair of property, plant and equipment	98,416	126	2,639	101,181	50,159	53,205	22,812
Travel expenses	16,283	35	2,117	18,435	12,128	7,375	4,645
Freight and transportation	2,222	-	34	2,256	1,698	976	619
Post and telecommunications expenses	969	39	662	1,670	1,419	566	544
Insurance	6,556	1	958	7,515	5,148	2,425	1,681
Office supplies	1,869	19	1,778	3,666	2,504	1,280	801
Rentals	1,616	33	497	2,146	1,385	895	497
Easements	4,164	-	-	4,164	2,832	2,171	944
Taxes, rates and contributions	674	18,833	31,150	50,657	43,943	16,628	14,458
Property, plant and equipment depreciation	100,572	203	1,224	101,999	100,198	34,872	33,995
Compensation for damages	-	1,166	-	1,166	1,024	-	395
Doubtful accounts	-	7,087	-	7,087	8,028	(5,136)	7,912
Contingencies	-	-	4,344	4,344	821	632	102
Slow-moving and obsolete materials and spare parts	(710)	-	-	(710)	1,478	(5,593)	(598)
Others	1,225	22	1,051	2,298	1,956	1,168	1,007
Total at September 30, 2014	419,830	29,556	116,951	566,337	-	-	-
Total at September 30, 2013	325,020	20,380	97,593	-	442,993	-	-
Three-month period ended September 30, 2014	167,885	2,248	40,662	-	-	210,795	-
Three-month period ended September 30, 2013	123,229	8,249	39,317	-	-	-	170,795

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

20 - OTHER NET INCOME AND EXPENSES

	<u>Nine-month period ended</u>		<u>Three-month period ended</u>	
	<u>09.30.2014</u>	<u>09.30.2013</u>	<u>09.30.2014</u>	<u>09.30.2013</u>
Income from commercial indemnifications	7,605	43,167	-	15,058
Compensation for damages adjustment ⁽¹⁾	21,534	-	-	-
Net result from disposal of property, plant and equipment	(1,162)	777	74	232
Net income from sundry sales and others	5,438	2,795	760	33
Total other net income and expenses	<u>33,415</u>	<u>46,739</u>	<u>834</u>	<u>15,323</u>

(1) On March 10, 2014, the Company entered into an *addendum* to the compromise and settlement agreement signed with AES Argentina Generación S.A. on March 13, 2012, whereby the volume available for expansion is modified to 958,100 m³/day. This *addendum* generated income for \$ 21.5 million in the nine-month period ended September 30, 2014.

21 - FINANCIAL RESULTS

	<u>Nine-month period ended</u>		<u>Three-month period ended</u>	
	<u>09.30.2014</u>	<u>09.30.2013</u>	<u>09.30.2014</u>	<u>09.30.2013</u>
Generated by exchange rate differences				
Income on exchange rate variation	318,661	129,281	48,049	60,356
Expenses on exchange rate variation	<u>(429,159)</u>	<u>(228,439)</u>	<u>(63,858)</u>	<u>(101,480)</u>
Total financial results generated by exchange rate differences	<u>(110,498)</u>	<u>(99,158)</u>	<u>(15,809)</u>	<u>(41,124)</u>
Financial income				
Interest	32,380	21,311	9,092	9,017
Holding results	68,092	35,633	25,221	15,430
Result from loans repurchase	19,615	3,153	54	-
Allowances recovered and others	545	6,044	367	218
Results on discounting at present value	-	-	-	(2,594)
Total financial income	<u>120,632</u>	<u>66,141</u>	<u>34,734</u>	<u>22,071</u>
Financial expenses				
Interest	(87,170)	(57,161)	(32,969)	(18,523)
Results on discounting at present value	(44,506)	(116,303)	(3,632)	(99,938)
Holding results	(2,299)	-	-	-
Commissions, expenses and taxes on banking and financial operations	<u>(2,140)</u>	<u>(1,994)</u>	<u>(331)</u>	<u>(260)</u>
Total financial expenses	<u>(136,115)</u>	<u>(175,458)</u>	<u>(36,932)</u>	<u>(118,721)</u>
Total net financial results	<u>(125,981)</u>	<u>(208,475)</u>	<u>(18,007)</u>	<u>(137,774)</u>

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

22 - NET RESULT PER SHARE

Net result per ordinary share has been calculated as the quotient obtained by dividing the results for the periods ended September 30, 2014 and 2013, by the weighted average of outstanding ordinary shares, which made a total of 439,373,939 shares at those dates. At September 30, 2014 and 2013 there are neither negotiable obligations nor other debt securities convertible into shares, so no diluted earnings per share have been disclosed. Basic earnings per share are calculated by dividing the net income attributable to the Company equity holders by the weighted average number of ordinary shares outstanding during the period. The Company does not have preferred shares or debt convertible to shares, so the basic earnings per share are equal to the diluted earnings per share.

23 - CASH GENERATED BY THE OPERATIONS

	<u>09.30.2014</u>	<u>09.30.2013</u>
Comprehensive (loss) income for the period	(153,688)	15,205
Adjustments to reach cash generated by the operations:		
Property, plant and equipment depreciation	101,999	100,198
Net book value of disposed property, plant and equipment	1,977	952
Increase in allowances and provisions for contingencies (net of recoveries)	234,404	118,854
Results from loans restructuring	-	(280,732)
Exchange rate differences and other net financial results	263,352	230,869
Results from investments in affiliate companies	(3,302)	(1,474)
Net changes in operating assets and liabilities:		
Increase in trade accounts receivable	(412,674)	(163,497)
(Increase) decrease in other accounts receivable	(2,790)	12,690
Increase in materials and spare parts and other assets	(10,566)	(3,916)
Increase in trade accounts payable	17,389	28,483
Increase in salaries and social security contributions	3,661	8,434
Increase (decrease) in taxes payable	1,413	(10,602)
Decrease in other debts	(12,305)	(6,118)
Decrease in contingencies	(139)	(1,219)
Cash generated by the operations	<u>28,731</u>	<u>48,127</u>

24 - RELATED PARTIES

The transactions performed between related parties are the following:

	<u>09.30.2014</u>	<u>09.30.2013</u>
Controlling shareholder		
<u>Other net income</u>		
Gasinvest S.A.	71	71
<u>Total other net income</u>	<u>71</u>	<u>71</u>
Affiliate companies		
<u>Revenues</u>		
Comgas Andina S.A.	376	174
Companhía Operadora do Rio Grande do Sul	95	23
<u>Total revenues</u>	<u>471</u>	<u>197</u>

Transportadora de Gas del Norte S.A.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

	<u>09.30.2014</u>	<u>09.30.2013</u>
<u>Recovery of expenses</u>		
Comgas Andina S.A.	92	80
<u>Total recovery of expenses</u>	92	80
<u>Collection of cash dividends</u>		
Comgas Andina S.A.	-	768
<u>Total collection of cash dividends</u>	-	768
Other related parties		
<u>Revenues</u>		
Litoral Gas S.A.	44,654	41,502
Siderar S.A.	5,949	5,357
Siderca S.A.	3,939	3,586
Transportadora de Gas del Mercosur S.A.	5,324	3,545
Total Gas Marketing Cono Sur S.A.	727	632
Gasoducto Gasandes Argentina S.A.	868	678
<u>Total revenues</u>	61,461	55,300
<u>Cost of services</u>		
Total Gas y Electricidad Argentina S.A.	(1,250)	(3,772)
Tecpetrol S.A.	(1,250)	(3,772)
Compañía General de Combustibles S.A.	(1,250)	(3,772)
Total Especialidades Argentina S.A.	(23)	-
<u>Total cost of services</u>	(3,773)	(11,316)
<u>Administrative expenses</u>		
Total Gas y Electricidad Argentina S.A.	(1,934)	(1,622)
Cainzos, Fernández & Premrou Soc. Civ.	(351)	(495)
<u>Total administrative expenses</u>	(2,285)	(2,117)
<u>Other net income and expenses</u>		
Gasoducto Gasandes Argentina S.A.	102	60
Total Austral S.A.	84	55
Tecpetrol S.A.	84	54
Compañía General de Combustibles S.A.	83	54
Gasoducto Gasandes S.A.	-	101
<u>Total other net income and expenses</u>	353	324
<u>Financial income</u>		
Transportadora de Gas del Mercosur S.A.	2,242	1,314
<u>Total financial income</u>	2,242	1,314
<u>Materials and spare parts purchases</u>		
Siat S.A.	(484)	-
<u>Total materials and spare parts purchases</u>	(484)	-

Transportadora de Gas del Norte S.A.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

	<u>09.30.2014</u>	<u>09.30.2013</u>
<u>Recovery of expenses</u>		
Transportadora de Gas del Mercosur S.A.	13	-
<u>Total recovery of expenses</u>	<u>13</u>	<u>-</u>

Key management personnel

Board of directors' fees	(1,946)	(1,465)
Statutory auditors committee's fees	(1,049)	(871)

Balances with related parties are the following:

	<u>09.30.2014</u>	<u>12.31.2013</u>
Trade accounts receivable		
<u>Other related parties</u>		
Transportadora de Gas del Mercosur S.A.	37,041	32,235
Litoral Gas S.A.	7,373	5,742
Siderar S.A.	863	741
Siderca S.A.	574	484
Total Gas Marketing Cono Sur S.A.	50	315
Gasoducto Gasandes Argentina S.A.	114	75
<u>Total other related parties</u>	<u>46,015</u>	<u>39,592</u>

Other accounts receivable

Assistance fees - controlling shareholder

Gasinvest S.A.	29	29
<u>Total assistance fees - controlling shareholder</u>	<u>29</u>	<u>29</u>

Other receivables - affiliate companies

Comgas Andina S.A.	1,872	911
Companhía Operadora do Rio Grande do Sul	260	230
<u>Total other receivables - affiliate companies</u>	<u>2,132</u>	<u>1,141</u>

Other receivables - related parties

Litoral Gas S.A.	118	122
Transportadora de Gas del Mercosur S.A.	-	113
Siderar S.A.	-	8
<u>Total other receivables - related parties</u>	<u>118</u>	<u>243</u>

Key management personnel

Board of directors' fees and fees to the statutory auditors committee paid in advance	3,599	3,523
<u>Total key management personnel</u>	<u>3,599</u>	<u>3,523</u>

Transportadora de Gas del Norte S.A.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014, PRESENTED IN A COMPARATIVE FORMAT (in thousands of pesos, except where specifically mentioned)

	<u>09.30.2014</u>	<u>12.31.2013</u>
Trade accounts payable		
<u>Other related parties</u>		
Total Gas y Electricidad Argentina S.A.	47,662	35,708
Tecpetrol S.A.	47,275	35,498
Compañía General de Combustibles S.A.	47,413	42,806
Cainzos, Fernández & Premrou Soc.Civ.	159	-
<u>Total other related parties</u>	<u>142,509</u>	<u>114,012</u>
Other debts		
<u>Key management personnel</u>		
Provision for fees for the board of directors and to the statutory auditors committee	3,405	3,538
<u>Total key management personnel</u>	<u>3,405</u>	<u>3,538</u>

25 - SUBSEQUENT EVENTS

Subsequent to September 30, 2014, there have been no other events, situations or circumstances, that are not publicly known or that have not been published as press releases, that have impacted or could impact significantly on the net worth, or economic and financial situation of the Company that have not been considered or mentioned in these interim condensed financial statements.

Santiago Marfort
President

Transportadora de Gas del Norte S.A.

ADDITIONAL INFORMATION TO THE NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS REQUIRED BY SECTION 68 OF THE BUENOS AIRES STOCK EXCHANGE LISTING RULES AND BY TITLE IV, CHAPTER III, SECTION 12 OF THE NATIONAL SECURITIES COMMISSION REGULATIONS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014 (in thousands of pesos, except where specifically mentioned).

i. General matters related to the Company's activities

1. Specific and significant legal systems entailing the lapsing of contingent benefits envisaged by those regulations or their rebirth:

The Natural Gas Act and its regulations, the Specifications for the privatization of GdE, the Transfer Contract, the License and the resolutions issued by the ENARGAS make up the regulatory framework in which the Company conducts its operations. The License, granted for a term of 35 years with an option to extend it for a ten year-term, may be revoked by the PEN upon ENARGAS's recommendation in case the Company expressly fails to comply with its obligations. If the License is officially and finally revoked, the Company may be forced to cease operating the assets transferred by GdE to the Company and transfer them to the National State or the person the National State so appointed. Note 1 to TGN's financial statements as of December 31, 2013 describes the Company's legal and regulatory aspects.

2. Major changes in the Company's business activities or other similar circumstances that took place during the periods covered by the condensed interim financial statements which affect their comparability with those submitted in prior periods, or which could affect such comparability with those to be submitted in future periods:

See Notes 1.3.5; 2; 15 and 18 to the Company's financial statements as of December 31, 2013.

3. Classification of receivables and liabilities according to their aging and due dates:

	09.30.2014		
	Receivables ⁽¹⁾	Loans ⁽²⁾	Other payables ⁽³⁾
Past due			
From 10.01.2002 up to 09.30.2003	14	-	-
From 10.01.2003 up to 09.30.2004	-	-	-
From 10.01.2004 up to 09.30.2005	399	-	-
From 10.01.2005 up to 09.30.2006	27	-	-
From 10.01.2006 up to 09.30.2007	26,271	-	-
From 10.01.2007 up to 09.30.2008	93,477	-	-
From 10.01.2008 up to 09.30.2009	184,107	-	-
From 10.01.2009 up to 09.30.2010	279,929	-	322
From 10.01.2010 up to 09.30.2011	219,789	-	-
From 10.01.2011 up to 09.30.2012	167,727	-	-
From 10.01.2012 up to 09.30.2013	162,652	-	-
From 10.01.2013 up to 12.31.2013	40,316	-	-
From 01.01.2014 up to 03.31.2014	41,411	-	-
From 04.01.2014 up to 06.30.2014	40,736	-	-
From 07.01.2014 up to 09.30.2014	57,024	-	-

(1) Includes trade accounts receivable and other accounts receivable at their present value. Not including allowances.

(2) Denominated at their present value.

(3) Includes all non-financial liabilities, excluding contingencies.

Transportadora de Gas del Norte S.A.

ADDITIONAL INFORMATION TO THE NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS REQUIRED BY SECTION 68 OF THE BUENOS AIRES STOCK EXCHANGE LISTING RULES AND BY TITLE IV, CHAPTER III, SECTION 12 OF THE NATIONAL SECURITIES COMMISSION REGULATIONS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014 (in thousands of pesos, except where specifically mentioned).

	09.30.2014		
	Receivables ⁽¹⁾	Loans ⁽²⁾	Other payables ⁽³⁾
Without due date	106,778	-	262,085
To be due			
12.31.2014	84,719	6,980	280,544
03.31.2015	2,212	-	398
06.30.2015	3,820	-	10,089
09.30.2015	96	-	398
09.30.2016	27,242	82,373	1,594
09.30.2017	45	82,373	1,594
09.30.2018	-	114,821	1,594
09.30.2019	-	1,437,638	1,594
09.30.2020	-	-	1,594
09.30.2021	-	-	1,594
09.30.2022	-	-	1,594
09.30.2023	-	-	1,594
09.30.2024	-	-	1,594
09.30.2025	-	-	1,594
09.30.2026	-	-	1,594
09.30.2027	-	-	1,594
09.30.2028	-	-	525
Total at 09.30.2014	1,538,791	1,724,185	573,489

4. Classification of receivables and liabilities according to their financial consequences:

	09.30.2014		
	Receivables ⁽¹⁾	Loans ⁽²⁾	Other payables ⁽³⁾
In local currency	199,057	-	391,519
In foreign currency	1,319,612	1,724,185	178,990
In-kind	20,122	-	2,980
Total at 09.30.2014	1,538,791	1,724,185	573,489
Balances subject to adjustment	-	-	-
Balances not subject to adjustment	1,538,791	1,724,185	573,489
Total at 09.30.2014	1,538,791	1,724,185	573,489
Interest bearing balances	1,916	1,639,829	77,256
Non-interest bearing balances	1,536,875	84,356	496,233
Total at 09.30.2014	1,538,791	1,724,185	573,489

(1) Includes trade accounts receivable and other accounts receivable at their present value. Not including allowances.

(2) Denominated at their present value.

(3) Includes all non-financial liabilities, excluding contingencies.

5. Percentage of interest in affiliate companies - Law No. 19,550, Section 33 -, in capital and total votes:

See Note 6 to the Company's interim condensed financial statements as of September 30, 2014.

Transportadora de Gas del Norte S.A.

ADDITIONAL INFORMATION TO THE NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS REQUIRED BY SECTION 68 OF THE BUENOS AIRES STOCK EXCHANGE LISTING RULES AND BY TITLE IV, CHAPTER III, SECTION 12 OF THE NATIONAL SECURITIES COMMISSION REGULATIONS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014 (in thousands of pesos, except where specifically mentioned).

5.1. Balances (positive and/or negative) with affiliate companies, classified according to their financial consequences:

	Comgas Andina S.A.		Companhia Operadora do Rio Grande do Sul	
	Receivables	Other payables	Receivables	Other payables
Past due	-	-	-	-
Without due date	1,788	-	228	-
To be due				
From 10.01.2014 up to 12.31.2014	84	-	32	-
Total at 09.30.2014	1,872	-	260	-
In local currency	-	-	-	-
In foreign currency	1,872	-	260	-
In-kind	-	-	-	-
Total at 09.30.2014	1,872	-	260	-
Balances subject to adjustment	-	-	-	-
Balances not subject to adjustment	1,872	-	260	-
Total at 09.30.2014	1,872	-	260	-
Interest bearing balances	-	-	-	-
Non-interest bearing balances	1,872	-	260	-
Total at 09.30.2014	1,872	-	260	-

6. Trade receivables or loans from Directors, Syndics and their relatives up to the second degree inclusive:

None.

ii. Physical count of inventories:

7. Periodicity and scope of physical count of inventories:

Physical count of materials and spare parts is performed on an annual basis, and is carried over 100% of stocks. Slow-moving and obsolete materials and spare parts amount to \$ 83.4 million and are totally written-off. (Refer to Note 9 to the Company's interim condensed financial statements as of September 30, 2014).

iii. Current values:

8. Source of data used to calculate the current values used to measure inventories, fixed assets and other significant assets:

The only assets the Company values using current values are disclosed under "Investments at fair value". The sources of information used to calculate those current values are included in Note 3.6 to the financial statements for the year ended December 31, 2013.

9. Technically appraised fixed assets:

None.

Transportadora de Gas del Norte S.A.

ADDITIONAL INFORMATION TO THE NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS REQUIRED BY SECTION 68 OF THE BUENOS AIRES STOCK EXCHANGE LISTING RULES AND BY TITLE IV, CHAPTER III, SECTION 12 OF THE NATIONAL SECURITIES COMMISSION REGULATIONS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014 (in thousands of pesos, except where specifically mentioned).

10. Value of fixed assets left unused for obsolescence reasons:

None.

iv. Equity investments in other companies:

11. Equity investments in other companies exceeding the provisions of Section 31 of Law 19,550:

None.

v. Recoverable values:

12. The criteria followed to determine the Company's assets "recoverable value" are:

- Materials and spare parts and Property, plant and equipment: the recoverable value of such assets was determined based on their economic use - Notes 2.8 and 2.6, respectively - to the Company's financial statements as of December 31, 2013, subject to the resolution of the uncertainties generated by the changes in the economic context and the legal and contractual conditions under which the Company operates.

- Minimum presumed income tax credit: the projections of future taxable income have been taken into consideration for the calculation of the recoverable value. Such projections have been built on the basis of the best estimate in accordance with the guidelines pointed out in Notes 2.14.b) and 4 to the Company's financial statements as of December 31, 2013, and taking into consideration the resolution of the uncertainties mentioned in Notes 1.2 and 1.3 to the Company's financial statements as of December 31, 2013, referring to the modifications of the Argentine economic context and of the legal and contractual framework in which the Company operates.

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ADDITIONAL INFORMATION TO THE NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS REQUIRED BY SECTION 68 OF THE BUENOS AIRES STOCK EXCHANGE LISTING RULES AND BY TITLE IV, CHAPTER III, SECTION 12 OF THE NATIONAL SECURITIES COMMISSION REGULATIONS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014 (in thousands of pesos, except where specifically mentioned).

vi. Insurance:

13. Insurance covering the Company's tangible assets:

Property insured	Risks covered	Amount insured in thousands	Book value in thousands of \$
<ul style="list-style-type: none"> • Personal and real property allocated to the provision of services, except for machinery and equipment 	All physical risks and loss of profits	US\$ 75,000	227,227
	Liability insurance	US\$ 50,000	
<ul style="list-style-type: none"> • Compressor plants 	Terrorism	US\$ 35,000	297,024
<ul style="list-style-type: none"> • Machinery 	Machinery breakdown	US\$ 10,000	118,117
<ul style="list-style-type: none"> • Automobiles: <ul style="list-style-type: none"> - Management's fleet - Operational fleet (cars and pick-ups) - Trucks and trailers 	Limited liability insurance		
	Total loss car accident	\$ 3,000	331
	Total or partial loss due to fire, robbery or theft	Replacement value	7,824
	Limited liability insurance	\$ 4,000	
	Limited liability insurance	\$ 13,000	233
<ul style="list-style-type: none"> • Personal property located in Head Office and IT equipments 	Fire of contents	US\$ 8,650	5,382
	Theft	US\$ 10	

vii. Positive and negative contingencies:

14. Allowance and provision balances jointly or individually exceeding 2% of the equity:

Allowances and provisions balances amount to 970,511. A breakdown of these allowances and provisions as well as its following up during the period, are presented in Annex E to the additional information to the notes to the interim condensed financial statements required by Title IV, Chapter III, Section 1st of the CNV.

15. Contingent situations whose probability of occurrence was not remote and whose patrimonial effect has not been registered in these financial statements:

Except for the provision mentioned in Note 18.1.3 to the Company's financial statements as of December 31, 2013, there are no such situations.

Transportadora de Gas del Norte S.A.

ADDITIONAL INFORMATION TO THE NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS REQUIRED BY SECTION 68 OF THE BUENOS AIRES STOCK EXCHANGE LISTING RULES AND BY TITLE IV, CHAPTER III, SECTION 12 OF THE NATIONAL SECURITIES COMMISSION REGULATIONS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014 (in thousands of pesos, except where specifically mentioned).

viii. Irrevocable advances on account of future subscription of shares:

16. Status of the capitalization process:

There are no irrevocable advances on account of future subscription of shares.

17. Unpaid cumulative dividends of preferred shares:

None.

18. Conditions, circumstances or terms for the cease of the restrictions to the distribution of retained earnings:

Under the terms of the financial agreements currently in force, TGN shall not make dividend payments in the event of default or grounds for default and in no case in excess of the Available Basket Amount (as defined in the contract). See Note 15 to the Company's financial statements as of December 31, 2013.

Santiago Marfort
President

Transportadora de Gas del Norte S.A.

ADDITIONAL INFORMATION TO THE NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS REQUIRED BY TITLE IV, CHAPTER III, SECTION 1ST OF THE NATIONAL SECURITIES COMMISSION REGULATIONS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014 (in thousands of pesos, except where specifically mentioned).

ANNEX A – PROPERTY, PLANT AND EQUIPMENT

See Note 5 to the Company's interim condensed financial statements as of September 30, 2014.

ANNEX B - INTANGIBLE ASSETS

Not applicable.

ANNEX C - INVESTMENTS IN OTHER COMPANIES (Section 33 – Law N° 19,550)

See Note 6 to the Company's interim condensed financial statements as of September 30, 2014.

ANNEX D - OTHER INVESTMENTS

	<u>Book value at</u> <u>09.30.2014</u>	<u>Book value at</u> <u>12.31.2013</u>
Mutual funds in \$	42,055	36,557
Mutual funds in US\$	29,434	32,614
Government bonds in US\$	184,597	92,646
Government bonds in \$	15,547	30,295
US Treasury bills	-	116,422
Time deposits in US\$	282,984	241,496
Time deposits in \$	-	12,237
Stock exchange securities in \$	-	1,280
Total current	<u>554,617</u>	<u>563,547</u>
Other investments in US\$	3,220	3,660
Government bonds in \$	34,537	32,534
Total non current	<u>37,757</u>	<u>36,194</u>

Transportadora de Gas del Norte S.A.

ADDITIONAL INFORMATION TO THE NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS REQUIRED BY TITLE IV, CHAPTER III, SECTION 1ST OF THE NATIONAL SECURITIES COMMISSION REGULATIONS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014 (in thousands of pesos, except where specifically mentioned).

ANNEX E - ALLOWANCES AND PROVISIONS

Description	09.30.14				12.31.13	
	Balances at the beginning of the year	Net increases	Transfers	Decreases (payment / usage)	Balances at the end of the period	Balances at the end of the year
Deducted from assets						
Non-current assets						
Investments in affiliate companies						
Foreign affiliate companies	219	156	-	-	375	219
Materials and spare parts						
Allowance for slow-moving and obsolete materials and spare parts	84,147	(711) (4)	-	-	83,436	84,147
Other accounts receivable						
Court deposits and receivables from by recovery actions	9,167	170 (3)	-	-	9,337	9,167
Trade accounts receivables						
Allowance for doubtful accounts and disputed amounts	524,859	217,013 (1)	-	-	741,872	524,859
Current assets						
Other accounts receivable						
Allowance for doubtful accounts	642	158 (2)	-	-	800	642
Trade accounts receivables						
Allowance for doubtful accounts and disputed amounts	37,287	6,929 (2)	-	(3,774)	40,442	37,287
Total allowances deducted from assets	656,321	223,715	-	(3,774)	876,262	656,321
Included in liabilities						
Non-current liabilities						
Contingencies						
Provisions for labor, civil and contentious lawsuits	49,585	4,328 (5)	(53,913)	-	-	49,585
Current liabilities						
Contingencies						
Provisions for labor, civil and contentious lawsuits	33,958	6,517 (3)	53,913	(139)	94,249	33,958
Total provisions included in liabilities	83,543	10,845	-	(139)	94,249	83,543
Total at 09.30.14	739,864	234,560	-	(3,913)	970,511	-
Total at 12.31.13	577,150	185,819	-	(23,105)	-	739,864

- (1) 65,682 charged to Revenues (Note 18 to the Company's interim condensed financial statements as of September 30, 2014) and 151,331 to Financial results generated by exchange rate differences (Note 21 to the Company's interim condensed financial statements as of September 30, 2014).
(2) Charged to Selling expenses - Doubtful accounts (Note 19 to the Company's interim condensed financial statements as of September 30, 2014).
(3) 4,344 charged to Administrative expenses - Contingencies (Note 19 to the Company's interim condensed financial statements as of September 30, 2014) and 2,343 to Financial results - Financial expenses - Results on discounting at present value (Note 21 to the Company's interim condensed financial statements as of September 30, 2014).
(4) Charged to Cost of services - Slow moving and obsolete materials and spare parts (Note 19 to the Company's interim condensed financial statements as of September 30, 2014).
(5) Charged to Financial results - Financial expenses - Result on discounting at present value (Note 21 to the Company's interim condensed financial statements as of September 30, 2014).

Transportadora de Gas del Norte S.A.

ADDITIONAL INFORMATION TO THE NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS REQUIRED BY TITLE IV, CHAPTER III, SECTION 1ST OF THE NATIONAL SECURITIES COMMISSION REGULATIONS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014 (in thousands of pesos, except where specifically mentioned).

ANNEX F - COST OF PRODUCTS SOLD OR SERVICES PROVIDED

See Note 19 to the Company's interim condensed financial statements at September 30, 2014.

Transportadora de Gas del Norte S.A.

ADDITIONAL INFORMATION TO THE NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS REQUIRED BY TITLE IV, CHAPTER III, SECTION 1ST OF THE NATIONAL SECURITIES COMMISSION REGULATIONS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014 (in thousands of pesos, except where specifically mentioned).

ANNEX G - ASSETS AND LIABILITIES IN FOREIGN CURRENCY

	09.30.14			12.31.13		
	Foreign currency class and amount ⁽¹⁾	Exchange rate in \$	Amount in local currency ⁽¹⁾	Foreign currency class and amount ⁽¹⁾	Amount in local currency ⁽¹⁾	
ASSETS						
NON-CURRENT ASSETS						
Investments in affiliate companies						
Comgas Andina S.A.	\$ch 441,678	0.015	6,625	\$ch 330,990	4,038	
Companhía Operadora do Rio Grande do Sul	R\$ 112	3.35	375	R\$ 83	219	
			7,000		4,257	
Trade accounts receivable						
Trade accounts receivable with third parties	US\$ 181,865	8.33	1,514,940	US\$ 163,322	1,058,492	
			1,514,940		1,058,492	
Investments at amortised cost						
Other investments	US\$ 387	8.33	3,220	US\$ 565	3,660	
			3,220		3,660	
Total non-current assets			1,525,160		1,066,409	
CURRENT ASSETS						
Other accounts receivable						
Commercial indemnifications to be collected	-	-	-	US\$ 804	5,213	
Attachments and guarantee deposits	-	-	-	US\$ 325	2,109	
Prepaid expenses and advances	US\$ 754	8.33	6,284	US\$ 1,788	11,587	
Other receivables – related parties	-	-	-	US\$ 17	113	
Other receivables – affiliate companies	\$ch 114,077	0.015	1,711	\$ch 66,640	813	
	US\$ 23	8.33	193	US\$ 23	147	
	R\$ 68	3.35	228	R\$ 68	181	
			8,416		20,163	
Trade accounts receivable						
Trade accounts receivable with third parties	US\$ 329	8.33	2,741	US\$ 978	6,338	
Trade accounts receivable with related parties	US\$ 4,460	8.33	37,153	US\$ 4,987	32,322	
			39,894		38,660	
Investments at amortised cost						
Time deposits	-	-	-	US\$ 9,911	64,233	
US Treasury bills	-	-	-	US\$ 17,964	116,422	
			-		180,655	
Investments at fair value						
Government bonds	US\$ 22,161	8.33	184,597	US\$ 14,295	92,646	
			184,597		92,646	
Cash and cash equivalents						
Time deposits	US\$ 33,972	8.33	282,984	US\$ 27,351	177,263	
Mutual funds	US\$ 3,533	8.33	29,434	US\$ 5,032	32,614	
Balances in bank accounts	US\$ 7,074	8.33	58,925	US\$ 10,789	69,923	
			371,343		279,800	
Total current assets			604,250		611,924	
Total assets			2,129,410		1,678,333	

Transportadora de Gas del Norte S.A.

ADDITIONAL INFORMATION TO THE NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS REQUIRED BY TITLE IV, CHAPTER III, SECTION 1ST OF THE NATIONAL SECURITIES COMMISSION REGULATIONS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014 (in thousands of pesos, except where specifically mentioned).

	09.30.14			12.31.13	
	Foreign currency class and amount ⁽¹⁾	Exchange rate in \$	Amount in local currency ⁽¹⁾	Foreign currency class and amount ⁽¹⁾	Amount in local currency ⁽¹⁾
LIABILITIES					
NON-CURRENT LIABILITIES					
Loans					
Step-up Notes					
Principal	US\$ 150,066	8.43	1,265,056	US\$ 150,066	978,580
Interests	US\$ 9,179	8.43	77,376	US\$ 8,284	54,023
Capitalized interests	US\$ 11,294	8.43	95,206	US\$ 5,390	35,150
Five-Year Negotiable Obligations					
Principal	US\$ 29,314	8.43	247,120	US\$ 29,314	191,159
Capitalized interests	US\$ 3,849	8.43	32,447	US\$ 2,167	14,132
			1,717,205		1,273,044
Total non-current liabilities			1,717,205		1,273,044
CURRENT LIABILITIES					
Trade accounts payable					
Suppliers – purchases and services	US\$ 5,733	8.43	48,329	US\$ 6,985	45,546
	€ 1	10.66	11	€ 3	27
Other related parties	US\$ 16,155	8.43	136,185	US\$ 17,260	112,551
			184,525		158,124
Loans					
Class A Negotiable Obligations					
Principal	-	-	-	US\$ 5,522	36,009
Interests	-	-	-	US\$ 2,050	13,368
Punitive interests	-	-	-	US\$ 820	5,345
Class B Negotiable Obligations					
Principal	-	-	-	US\$ 324	2,108
Interests	-	-	-	US\$ 157	1,023
Punitive interests	-	-	-	US\$ 53	347
Step-up Notes					
Capitalized interests	US\$ 828	8.43	6,980	-	-
			6,980		58,200
Total current liabilities			191,505		216,324
Total liabilities			1,908,710		1,489,368

US\$: US Dollars

\$ ch: Chilean Pesos

€: Euros

R\$: Brazilian Reais

⁽¹⁾ Does not include allowances, provisions for contingencies and discounts at present value.

Transportadora de Gas del Norte S.A.

ADDITIONAL INFORMATION TO THE NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS REQUIRED BY TITLE IV, CHAPTER III, SECTION 1ST OF THE NATIONAL SECURITIES COMMISSION REGULATIONS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014 (in thousands of pesos, except where specifically mentioned).

ANNEX H – INFORMATION REQUIRED BY LAW N° 19,550, SECTION 64, SUB-SECTION I.b)

See Note 19 to the Company's interim condensed financial statements at September 30, 2014.

Santiago Marfort
President

REVIEW REPORT ON THE CONDENSED INTERIM FINANCIAL STATEMENTS

To the President and Directors of
Transportadora de Gas del Norte S.A.
Legal Domicile: Don Bosco 3672 - Piso 3°
Ciudad Autónoma de Buenos Aires
CUIT No. 30-65786305-6

Introduction

We have reviewed the attached condensed interim financial statements of Transportadora de Gas del Norte S.A. (the "Company" or "TGN"), which consist of the statement of financial position as of September 30, 2014 and the statement of comprehensive income, statement of changes in shareholders' equity and cash flow statement for the nine-month and three-month periods then ended and the selected explanatory notes.

The balances and other information for the fiscal year 2013 and interim periods are an integral part of the above-mentioned financial statements and therefore they should be considered in relation with those financial statements.

Management Responsibility

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 incorporated by the National Securities Commission (CNV) to 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). Our responsibility is to express a conclusion based on the review we have performed with the scope detailed in section "Scope of our review".

Scope of our review

Our review was limited to the application of the procedures established under International Standard on Review Engagements ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", 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 inquiries of Company staff responsible for preparing the information included in the condensed interim financial statements and of analytical and other review procedures. This review is substantially less in scope than an audit examination performed in accordance with international auditing standards; consequently, a review does not enable us to obtain assurance that we will get to know all significant matters that could be identified in an audit. Therefore, we express no audit opinion on the financial position, comprehensive income and cash flow of the Company.

Conclusion

On the basis of our review, nothing has come to our attention that make us think that the condensed interim financial statements mentioned in the first paragraph of this report are not prepared, in all material respects, in accordance with International Accounting Standard 34.

Emphasis of matter paragraph

We want to emphasize the information contained in note 1 about the modifications introduced by the National Government to the License under which the Company operates. This situation indicates that there is uncertainty as to whether the future cash inflows will be sufficient to recover the value of non-current assets, and whether the Company will be able to repay its financial debts. TGN has prepared these condensed interim financial statements using accounting principles applicable to a going concern. Therefore, those statements do not include the effects of possible adjustments and/or reclassifications, if any, which could be required if the situation described is not resolved in favor of the continuity of Company's operations and if the Company were forced to realize its assets and settle its liabilities, including contingencies, in conditions other than the normal course of its business. Our conclusion contains no qualifications as to the situations described above.

Report on compliance with current regulations

In compliance with current regulations, we report with respect to Transportadora de Gas del Norte S.A. that:

- a) The condensed interim financial statements of Transportadora de Gas del Norte S.A. are transcribed into the "Inventory and Balance Sheet" book and are in compliance, as regards matters within our field of competence, with the provisions of the Commercial Companies Law and pertinent resolutions of the National Securities Commission;
- b) The condensed interim financial statements of Transportadora de Gas del Norte S.A. arise from accounting records kept in their formal respects in conformity with legal provisions;
- c) We have read the summary of activity and the additional information to the notes to the condensed interim financial statements required by Section 68 of the Buenos Aires Stock Exchange Regulations and sections 1 and 12, Chapter III, Title IV, of CNV regulations, on which we have no observation to make insofar as concerns matters within our field of competence.
- d) The debt accrued as of September 30, 2014 in favor of the Argentine Integrated Social Security System, as shown by the Company's accounting records, amounted to \$ 5,401,312 and was not claimable at that date.

Autonomous City of Buenos Aires, November 6, 2014

PRICE WATERHOUSE & CO. S.R.L.

by _____ (Partner)
Raúl Leonardo Viglione