City of Buenos Aires, August 8, 2018

Transportadora de Gas del Norte S.A. (hereinafter the "Company" or "TGN") is pleased to announce results for the six and three month periods ended June 30, 2018

Stock information:

Market capitalization as of June 29, 2018: ***AR$ 19,310.5 million.***

20% of its capital stock trades on BYMA(*);

Ticker: TGNO4

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Main indicators for the six month period ended June 30, 2018:

- Income for the period[1] amounted to AR$ 371.0 million (AR$ 0.84 per share) as compared to AR$ 302.8 million (AR$ 0.69 per share) during the same period in previous year, principally due to higher revenues from operating activities, which were partially offset by higher losses associated with the peso depreciation.

- Revenues for the period amounted to AR$ 4,228.0 million, equivalent to an increase of 159.6% from the same period in previous year where revenues amounted to AR$ 1,628.9 million. The Company continued to apply the rate scheme established by Resolution 4363/2017 issued by the National Gas Regulatory Entity ("ENARGAS") and ratified by the rate tables approved by said regulatory entity.

- EBITDA[2] for the period reached AR$ 3,011.7 million, representing an increase of 308.4% as compared to the same period in 2017 where EBITDA amounted to AR$ 737.4 million.

[1] Note that effective as of 12/31/2017 the Company implemented a change in the valuation criteria for its essential assets (main pipelines, compressor plants and ancillary facilities), which are reported under "Property, plant and equipment", from the cost model to the revaluation model. Said change affects comparability of income for the period against income for same period in 2017 due to a higher depreciation charge that is reported through profit or loss under the Statement of Comprehensive Income.
[2] EBITDA: Earnings before interest, tax, depreciation and amortization, have been calculated as "Income before other income and expenses" plus depreciation for the period for items of "Property, plant and equipment".

Main indicators for the three month period from April 1, 2018 to June 30, 2018:

• Income for the period[1] amounted to AR$ 234.5 million (AR$ 0.53 per share) in comparison with AR$ 100.4 million (AR$ 0.23 per share) recorded in the same period in previous year; the aforesaid change basically derives from higher revenues from operating activities as a result of the implementation of the rate scheme established by ENARGAS Resolution 4363/2017, which were partially offset by a higher loss resulting from the peso depreciation.

• Revenues for the period amounted to AR$ 2,666.2 million, representing an increase of 167.9% as compared to the same period in previous year when revenues reached a total of AR$ 995.1 million.

1- Revenues for the six month period ended June 30, 2018:

Revenues for the period were increased by AR$ 2,599.1 million with respect to the same period in previous year as a result of the following:

- an increase of AR$ 2,192.5 million in gas transportation services due to the rate increase obtained by the Company as part of the Integral Tariff Review (ITR) process;
- an increase of AR$ 372.3 million on account of interruptible and other transportation services; and
- an increase of AR$ 34.3 million on account of gas pipeline operation and maintenance and other services.

During the first half of 2018 the Company saw its revenues partially increased as compared to the same period in 2017, as a result of the IRT.

As of June 30, 2018, 96.9% of the Company's revenues came from the gas transportation services (regulated business), with the remaining 3.1% being represented by gas pipeline operation and maintenance and other services (non-regulated business). As of June 30, 2017, revenues from the regulated business accounted for 94.0% while those from the non-regulated business accounted for the remaining 6.0%.

National Executive Branch Decree No. 251/2018 dated as of March 27, 2018, ratified and implemented the Memorandum of Understanding for Updating the License Agreement executed between TGN and the Ministry of Energy and Mining and Ministry of Finance on March 30, 2017 ("Memorandum of Understanding").

The Memorandum of Understanding contains the terms and conditions agreed between the National Executive Branch and TGN for updating the Transportation License, and puts an end to the renegotiation process conducted pursuant to the Economic Emergency Law.

The Memorandum covers the contractual period beginning January 6, 2002 to the expiration date of the Transportation License.

Accordingly, ENARGAS approved TGN rate tables resulting from the Integral Tariff Review carried out during 2017.

2- Costs and expenses for the six month period ended June 30, 2018:

During the first half of 2018, the cost of service amounted to AR$ 1,878.5 million, which meant a 180.8% increase with respect to the same period in previous year. An 84.3% of the aforementioned increase is due to a higher depreciation charge mainly as a result of the PP&E revaluation implemented in December 2017.

Administrative and selling expenses for the period amounted to AR$ 473.0 million, showing a 51.3% increase with respect to previous year, principally due to higher taxes, rates and contributions as a result of higher revenues.

3- Financial condition:

As of the end of June, the Company has a gross debt of US$ 221.0 million associated with the syndicated loan it borrowed from three banks, due in October 2020. The net debt as of the end of period amounts to US$ 145.8 million.

The applicable interest rate to the financial debt is Libor plus 3.25%.

On April 26, 2018, TGN paid its shareholders a dividend for a total amount of AR$ 367.7 million.

4- Operating data:

Volumes dispatched during the first half of 2018 increased by 7.3% as compared to the same period in 2017. This was basically due to an increase in the interruptible and exchange and displacement transportation services.

Below are volumes dispatched broken down by type of contract and source:

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Dispatched volumes in million m^3	As of June 30				
	2018	2017	2016	2015	2014
Firm	7,363	7,434	7,415	7,534	7,309
Interruptible & exchange and displacement	4,311	3,441	3,870	3,846	3,768
Total	**11,674**	**10,875**	**11,285**	**11,380**	**11,077**

Per source in million m^3	As of June 30				
	2018	2017	2016	2015	2014
Northern Pipeline	5,054	4,854	4,891	4,970	5,047
Central West Pipeline	6,620	6,021	6,394	6,410	6,030
Total	**11,674**	**10,875**	**11,285**	**11,380**	**11,077**

TRANSPORTADORA DE GAS DEL NORTE S.A.

ANNEXES:

1- Statement of Income (in millions AR$)

	Six-month period ended		Three-month period ended	
	06.30.2018	06.30.2017	06.30.2018	06.30.2017
Revenues	4,228.0	1,628.9	2,666.2	995.1
Cost of service	-1,878.5	-668.9	-946.5	-394.3
Gross profit	**2,349.4**	**960.0**	**1,719.7**	**600.8**
Selling expenses	-166.7	-114.9	-53.2	-76.6
Administrative expenses	-306.4	-197.7	-179.2	-123.9
Other net income and expenses	-112.2	13.4	-116.3	-12.6
Income before financial income	**1,764.2**	**660.8**	**1,371.0**	**387.7**
Other net financial income	-1,136.3	-98.5	-961.0	-165.8
Financial income	85.8	53.3	30.7	1.1
Financial expenses	-195.9	-146.0	-119.1	-64.3
Income from investments in affiliated companies	3.9	1.3	3.2	1.1
Income before income tax	**521.7**	**470.9**	**324.8**	**159.9**
Income tax	-150.7	-168.1	-90.2	-59.5
Income for the period	**371.0**	**302.8**	**234.5**	**100.4**
Other comprehensive income for the period	5.0	0.3	3.8	0.4
Comprehensive income for the period	**376.0**	**303.1**	**238.4**	**100.9**

TRANSPORTADORA DE GAS DEL NORTE S.A.

2- Balance Sheet (in millions AR$)

	06.30.2018	12.31.2017
ASSETS		
Non-current assets		
Property, plant and equipment	21,119.6	21,696.2
Investments in affiliated companies	18.7	9.9
Materials and spare parts	89.4	98.4
Other accounts receivable	139.8	148.4
Trade accounts receivable	2,307.4	1,434.5
Investments at amortized cost	32.2	35.1
Total non-current assets	**23,707.2**	**23,422.4**
Current assets		
Materials and spare parts	77.6	36.8
Other accounts receivable	216.7	102.6
Trade accounts receivable	1,581.3	896.0
Investments at amortized cost	23.8	8.6
Investments at fair value	730.6	118.0
Cash and cash equivalents	1,408.3	475.5
Total current assets	**4,038.2**	**1,637.5**
Total assets	**27,745.4**	**25,059.9**
SHAREHOLDERS’ EQUITY		
Common stock	439.4	439.4
Property, plant and equipment revaluation allowance	13,417.9	14,135.8
Statutory Reserve	87.9	0.0
Other reserves	9.7	4.7
Retained earnings	1,088.9	455.6
Total shareholders’ equity	**15,043.8**	**15,035.4**
LIABILITIES		
Non-current liabilities		
Contingencies	27.7	25.5
Deferred income tax liability	5,104.9	4,993.9
Loans	4.722.7	4,047.4
Other debts	24.2	21.1
Trade accounts payable	215.2	154.9
Total non-current liabilities	**10,094.7**	**9,242.9**
Current liabilities		
Contingencies	105.8	76.3
Loans	1,653.6	31.3
Salaries and social security contributions	98.2	139.8
Income tax	6.8	0.0
Taxes payable	182.4	69.9
Other debts	109.7	105.1
Trade accounts payable	450.5	359.2
Total current liabilities	**2,607.0**	**781.6**
Total liabilities	**12,701.7**	**10,024.5**
Total liabilities and shareholders’ equity	**27,745.4**	**25,059.9**

TRANSPORTADORA DE GAS DEL NORTE S.A.

3- Statement of Cash Flows (in millions AR$)

	06.30.2018	12.31.2017
Income for the period	371.0	302.8
Adjustments to cash generated by (used in) operating activities:		
Property, plant and equipment depreciation	1,135.3	90.0
Residual value of property, plant and equipment disposed of	1.8	0.1
Income tax	150.7	168.1
Accrued interest generated by liabilities	190.1	131.9
Accrued interest generated by assets	-37.6	-19.1
Increase in allowances and provisions (net of recoveries)	382.5	143.5
Exchange rate differences and other net financial income	1,370.7	138.2
Loss from investments in affiliated companies	-3.9	-1.3
Net changes in operating assets and liabilities:		
Increase in trade accounts receivable	-1,080.6	-411.4
Increase in other accounts receivable	-72.0	-94.1
Increase in materials and spare parts	-33.7	-14.3
Increase in trade accounts payable	97.9	31.5
Decrease in salaries and social security contributions	-41.6	-26.8
Increase (decrease) in taxes payable	57.9	-5.9
Increase in other debts	7.6	63.8
Decrease in contingencies	0.0	-42.4
Net cash flow generated by operating activities	**2,496.1**	**454.4**
Acquisition of property, plant and equipment	-560.4	-306.8
Subscriptions net of recovery of investments at amortized cost and investments at fair value (non-cash equivalents)	-603.5	-46.0
Principal received from investments at amortized cost and investments at fair value	4.2	4.2
Interest received from investments at amortized cost and investments at fair value	6.1	6.6
Net cash flow used in investing activities	**-1,153.6**	**-342.1**
Interest payment	-110.5	-141.5
Payment of dividends in cash	-367.7	0.0
Net cash flow used in financing activities	**-478.2**	**-141.5**
Net increase (decrease) in cash and cash equivalents	864.4	-29.2
Cash and cash equivalents at the beginning of fiscal year	475.5	250.9
Financial income generated by cash	68.4	21.9
Cash and cash equivalents at the end of period	**1,408.3**	**243.6**

This press release should be read in connection with the financial statements for the interim period ended June 30, 2018 that are available at:

www.tgn.com.ar

www.cnv.gob.ar