



2020 Third Quarter

Earnings Presentation

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## 2020 Third Quarter: Earnings Presentation



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## Recent events

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### **Covid 19 pandemic**

- Under general restrictions (established since March), activities of natural gas industry are considered essential.
- Fulfillment of strict healthy protocols.

### **Shareholders' meeting on August 21, 2020**

- Mrs. Carolina Sigwald was appointed member of the Board of Directors and the Executive Committee.
- 4 Alternate Directors and 2 members of the Statutory Audit Committee were appointed.

### **Gas Plan**

- Launched in October by the Argentine government.
- Goal to increase natural gas production increase through higher prices (up to US\$ 3.7).
- 3-year contracts with minimum volume of 70 MMm<sup>3</sup>/d (additional volume for winter season).
- Potential impact on TGS.

### **New buy back program**

- Approved by the Board of Directors on August 21, 2020.
- Up to Ar\$ 3.0 Bn.
- Period: 210 days (expires March 22, 2021).
- Current shares in treasury: 5% of the capital stock.

# Third Quarter Results Highlights

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NET INCOME 3Q20 VS. 3Q19 (IN MM AR\$)

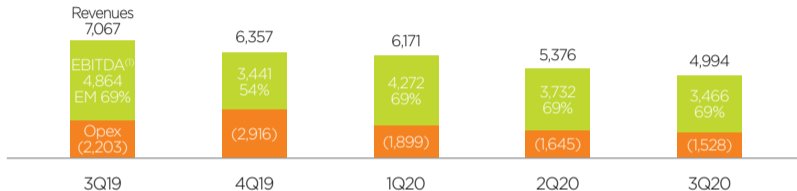


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## NATURAL GAS TRANSPORTATION (MM AR\$)



<b>3Q19 EBITDA</b>	<b>4,864</b>
Inflation loss effect	(2,024)
Lower PP&E maintenance expenses	546
Others	80
<b>3Q20 EBITDA</b>	<b>3,466</b>

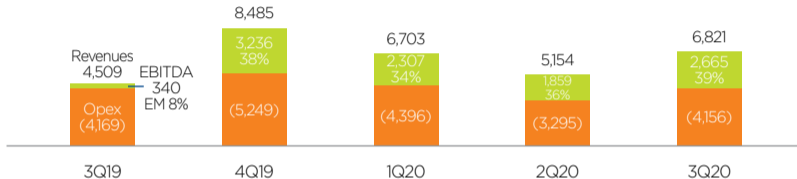
1 EBITDA is a non-IFRS financial measure. We define EBITDA as revenues minus operating costs and expenses (excluding depreciation and amortization).

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## LIQUIDS (MM AR\$)



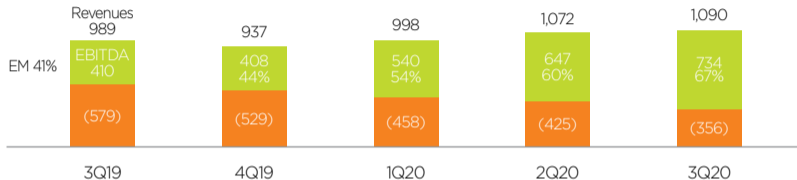
<b>3Q19 EBITDA</b>	<b>340</b>
Higher volume of ethane (101K vs 6K tons)	2,197
Higher exports of LPG (66K vs. 36K tons)	631
Lower price of natural gas (US\$ 2.2 vs. US\$ 4.0 p/MMBTU)	1,007
Higher volume of natural gas purchased	(1,155)
Lower export parity price of propane	(417)
Others	62
<b>3Q20 EBITDA</b>	<b>2,665</b>

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## OTHER SERVICES (MM AR\$)



<b>3Q19 EBITDA</b>	<b>410</b>
Midstream services (mainly in Vaca Muerta)	200
Lower operating expenses	223
Lower construction service revenues	(65)
Others	(34)
<b>3Q20 EBITDA</b>	<b>734</b>

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NET FINANCIAL RESULTS (MM AR\$)			
3 <sup>RD</sup> Quarter		Variation	
2020	2019	Ar\$	%
(4,232)	(5,085)	853	(17)

MAIN VARIATIONS	
5,228	Foreign exchange rate results.
(2,985)	Financial assets results.
(1,025)	Lower gains due to inflation exposure.

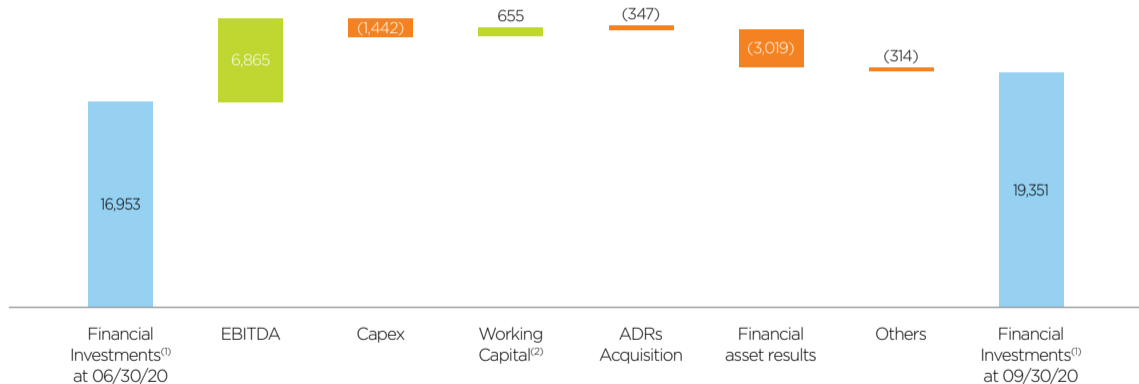


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## 3<sup>RD</sup> QUARTER 2020 CASH FLOW (MM AR\$)



1 Financial Investments is a non-IFRS financial measure. We define Financial investments as cash and cash equivalents and other financial assets at amortized cost.

2 Working Capital is a non-IFRS financial measure. We define Working Capital as Changes in assets and Liabilities from the Consolidated Statement of Cash Flow, except for Interest paid and Income tax paid.

