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## TGS Announces Results for the Nine-Month period and the Third Quarter ended on September 30, 2019<sup>(1)</sup>

Transportadora de Gas del Sur ("TGS" or "the Company") is the leader in Argentina in the transportation of natural gas, transporting approximately 59% of the gas consumed in the country, through more than 5,700 miles of gas pipelines, with a firm contracted capacity of 2.9 Bcf/d. It is one of the main natural gas processors. In addition, TGS' infrastructure investments in Vaca Muerta basin will allow the Company to grow significantly in the provision of services to natural gas producers, positioning TGS as one of the main Midstreamers in Argentina.

TGS shares are traded on NYSE (New York Stock Exchange) and BYMA (Bolsas y Mercados Argentinos S.A.).

The controlling company of TGS is Compañía de Inversiones de Energía S.A. ("CIESA"), which owns 51% of the total share capital. CIESA's shareholders are: (i) Pampa Energía S.A. with 50%, (ii) Grupo Investor Petroquímica S.L. (member of the GIP group, led by the Sielecki family), WST S.A. (member of the Werthein Group) and PCT L.L.C. with the remaining 50%.

For further information, see our website [www.tgs.com.ar](http://www.tgs.com.ar)

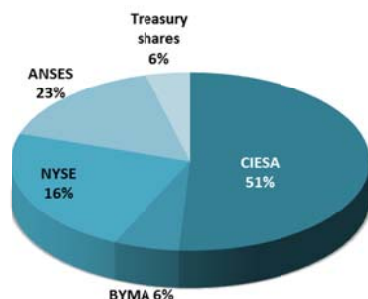
### Stock Information

**BYMA Symbol:** TGSU2

**NYSE Symbol:** TGS (1 ADS = 5 ordinary shares)

### Shareholding structure as of September 30, 2019

TGS holds 794,495,283 issued shares and 765,050,488 outstanding shares.



### Buenos Aires, Argentina, November 7, 2019

During the three-month period ended September 30, 2019 (3Q2019), total income amounted to Ps. 41.0 million, or Ps. 0.053 per share (Ps. 0.265 per ADS), compared to Ps. 551.2 million, or Ps. 0.701 per share (Ps. 3.503 per ADS) for the same period in 2018 (3Q2018).

	3Q2019	3Q2018
Revenues*	9,148.3	12,452.7
EBITDA*	4,087.0	6,481.3
Operating profit*	3,233.7	5,723.3
Total comprehensive income*	41.0	551.2
Earnings per share in Ps.	0.053	0.701
Earnings per ADS in Ps.	0.265	3.503

\*in million of Argentine pesos

Operating profit amounted to Ps. 3,233.7 million in 3Q2019, Ps. 2,489.6 million lower than in 3Q2018. This variation was mainly due to:

- Lower revenues of Ps. 3,304.4 million. This decrease was mainly related to lower revenues at the Natural Gas Liquids ("Liquids") Production and Commercialization and Natural Gas Transportation business segments, by Ps. 2,656.7 million and Ps. 551.8 million, respectively.
- Operating costs and Administrative and selling expenses decreased by Ps. 919.4 million, compared to 3Q2018.
- Depreciation increased by Ps. 95.3 million

Income tax recorded a positive variation of Ps. 1,229.2 million.

Financial results showed a positive variation of Ps. 722.0 million, mainly as a result of the impact of inflation adjustment recorded according to IAS 29 ("Gain on monetary position") during 3Q2019.

<sup>(1)</sup> The financial information presented in this press release is based on consolidated interim financial statements presented in constant Argentine pesos as of September 30, 2019 (Ps.) which is based on the application of the International Financial Reporting Standards (IFRS).

## Quarterly Highlights

- The execution of the five-year investment plan from April 2017 - March 2022 within the framework of the Comprehensive Tariff Review Process ("RTI") involved capital expenditures for Ps. 1,376.0 million. On the other hand, the business segment of Other Services, focused mainly in is the construction of the natural gas pipeline system and the compression plant in the Vaca Muerta area, involved expenditures for Ps. 1,492.3 million.
- On September 3, 2019, the Secretary of Energy ("SE") issued Resolution No. 521/2019 ("Resolution 521") postponing the semi-annual tariff adjustment of the Natural Gas Transportation segment for January 1, 2020, which should have kicked in October 1, 2019 within the framework of the RTI.
- On October 31, 2019, the SE ordered the extension of deadlines to March 31, 2020, to open the bids for a new license and construction of a natural gas pipeline to provide the natural gas transportation service.
- The General and Special Shareholders' Meeting held on October 17, 2019 delegated to the Board of Directors the opportunity for the distribution of the company's treasury shares and approved certain modifications to the Technical, Financial and Operational Assistance Service.
- On October 31, 2019, TGS' Board of Directors ordered the distribution of the aforementioned shares (0.0385 shares per outstanding common share) and a cash dividend payment, for withholding income tax purposes, if applicable, which will be equivalent to 7.5269% of the market value of the common treasury shares to be received based on the closing price of TGS' shares at the Argentine Stock Exchanges on November 8, 2019.
- On November 3, 2019, the commissioning of the northern tranche of the Vaca Muerta Norte natural gas pipeline connecting the *Rincon la Ceniza* reservoir with the southern tranche of said gas pipeline (enabled in April 2019) was carried out.

## Analysis of the results

### 3Q2019 vs. 3Q2018

TGS posted total revenues of Ps. 9,148.3 million in 3Q2019, a Ps. 3,304.4 million decrease compared to Ps. 12,452.7 million recorded in 3Q2018.

Revenues from the **Natural Gas Transportation** segment are mainly derived from firm contracts, under which pipeline capacity is reserved and paid, regardless of actual usage by the shipper. The Natural Gas Transportation business segment represented approximately 56% and 46% of TGS' total revenues during 3Q2019 and 3Q2018, respectively.

Revenues from the Natural Gas Transportation segment in 3Q2019 decreased by Ps. 551.8 million, compared to 3Q2018. This negative variation is mainly due to the negative effect of the inflation restatement in accordance with the provisions of IAS 29 - "Financial Information in Hyperinflationary Economies" ("IAS 29") on revenues which was not totally offset by the tariff increases granted within the RTI framework of Ps. 1,733.0 million. These increases, in nominal value, were the following:

- 19.7% according to Resolution No. 265/2018 ("Resolution 265") starting October 1, 2018, and,
- 26.0% according to Resolution No. 192/2019 ("Resolution 192") starting April 1, 2019.

Additionally, and contributing to the negative effect that arises from the aforementioned restatement, during 3Q2019 the services provided by interruptible natural gas transportation and exchange and displacement declined by Ps. 402.9 million.

	3Q2019	3Q2018
Average firm contracted capacity (in millions of cf/d)	2,921.5	2,901.8
Average deliveries (in millions of cf/d)	2,639.0	2,868.1
% firm contracted net revenues	81%	75%

**Liquids Production and Commercialization** revenues accounted for approximately 36% and 48% of the total revenues in 3Q2019 and 3Q2018, respectively. During 3Q2019, production was 22,080 short tons lower than the production of 3Q2018, reaching 199,816 short tons.

Liquids revenues decreased by Ps. 2,656.7 million year-over-year, amounting to Ps. 3,282.9 million in 3Q2019. This variation was mainly due to: (i) the impact of the restatement according to IAS 29 of Ps. 2,104.3 million, (ii) the nominal variation in international reference prices that led to a decrease in revenues of Ps. 1,702.7 million and (iii) the decrease in the volumes of products shipped by Ps. 1,070.2 million. These effects were partially offset by the increase in the nominal variation of the exchange rate on revenues denominated in US dollars that amounted to Ps. 1,909.6 million.

Additionally, total volumes dispatched decreased by 18.8%, or 47,884 short tons in 3Q2019, compared to 3Q2018, which are mainly related to lower sales of ethane (as a result of the impossibility of PBB Polisor S.A. ("PBB") of acquiring the product due to the incident at PBB plant in June 2019), which in turn were partially offset by the increase in the commercialization of propane and butane.

The breakdown of volumes dispatched by market and product and revenues by market is included below:

	3Q2019	3Q2018	Variation
	(in short tones)		
<u>Local Market</u>			
Ethane	6,996	66,905	(59,909)
Propane	84,679	56,374	28,305
Butane	47,130	52,002	(4,872)
<u>Subtotal</u>	<u>138,805</u>	<u>175,281</u>	<u>(36,476)</u>
<u>Foreign Market</u>			
Propane	18,834	39,673	(20,839)
Butane	20,592	12,812	7,780
Natural gasoline	28,092	26,441	1,651
<u>Subtotal</u>	<u>67,518</u>	<u>78,926</u>	<u>(11,408)</u>
<b>Total</b>	<b>206,323</b>	<b>254,207</b>	<b>(47,884)</b>
	(in millions of Argentine pesos)		
	<b>3Q2019</b>	<b>3Q2018</b>	
Foreign market	1,057.8	2,096.4	
Local market	2,225.1	3,843.2	
<u>Subtotal</u>	<u>3,282.9</u>	<u>5,939.6</u>	

**Other Services** business segment includes midstream and telecommunication activities. As a percentage of the Company's total revenues, this segment accounted for approximately 8% and 6% of the revenues in 3Q2019 and 3Q2018, respectively.

Other Services revenues decreased by Ps. 95.9 million in 3Q2019 compared to 3Q2018. This decrease was mainly due to the restatement in accordance with IAS 29 of Ps. 280.3 million and the nominal decrease in the operation and maintenance, as well as construction services rendered of Ps. 79.8 million. The aforementioned negative effects were partially offset by the increase in the nominal exchange rate of Ps. 172.1 million, higher services of natural gas compression and conditioning of Ps. 44.7 million and the beginning of the rendering of the natural gas transportation services in Vaca Muerta of Ps. 40.0 million.

**Operating costs and administrative and selling expenses**, without including depreciation, decreased by approximately Ps. 919.4 million in the 3Q2019 compared to 3Q2018. This variation is mainly explained by the decrease in natural gas costs processed in

the Cerri Complex of Ps. 1,117.1 million, given by the restatement effect according to the provisions of IAS 29 and the lower volume of processed natural gas, both effects were partially offset by the increase in the price measured in Argentine pesos (in spite of the decrease in the price measured in US dollars) as well as the lower fees paid to third parties for Ps. 158.6 million. These effects were partially offset by the increase in tax on exports of Ps. 68.1 million and the cost of repair and maintenance of property, plant and equipment of Ps. 310.0 million.

Concept	3Q2019		3Q2018		Variation	
	MM of \$	% / Total	MM of \$	% / Total	MM of \$	% / Total
Natural Gas Purchase (RTP)	2,264.2	45%	3,381.3	57%	(1,117.1)	(33%)
Labor costs	853.5	17%	806.9	14%	46.6	6%
Taxes, fees and contributions	573.0	11%	542.2	9%	30.8	6%
Repair and maintenance	576.9	11%	266.9	4%	310.0	116%
Other fees and third party services	576.8	11%	735.4	12%	(158.6)	(22%)
Other charges	188.7	5%	219.8	4%	(31.1)	(14%)
<b>Total</b>	<b>5,033.1</b>		<b>5,952.5</b>		<b>(919.4)</b>	

The **financial results** are presented in gross terms considering the effects of change in the currency purchasing power ("Gain on monetary position") in a single separate line. In 3Q2019, financial results recorded a positive variation of Ps. 722.0 million compared to 3Q2018. This variation mainly reflects the gain on monetary position of Ps. 1,866.8 million as a consequence of the higher net monetary liability position and inflation rate of the 3Q2019, and the positive effect recorded in 3Q2019 of Ps. 200.1 million, but was compared with the Ps.150.3 million recorded in the derivative financial instruments in 3Q2018. These effects were partially offset by lower interests generated by financial assets, at Ps. 1,257.5 million as a consequence of lower capital invested.

For 3Q2019, TGS reported a gain for **income tax** of Ps. 492.7 million, compared to a loss of Ps. 736.5 million in 3Q2018. This variation is mainly due to the lower application of the inflation adjustment for tax purposes in accordance with the tax reform in force since the end of the year 2018.

### 9M2019 vs. 9M2018

In 9M2019, TGS reported total revenues of Ps. 31,943.7 million compared to Ps. 34,422.0 million registered in 2018, which represented a decrease of Ps. 2,478.3 million.

Revenues from the **Natural Gas Transportation** segment during 9M2019 decreased by Ps. 358.2 million compared to 9M2018. The negative variation was mainly due to the fall in the interruptible natural gas transportation services and exchange and displacement services, and the effect on the restatement according to IAS 29. These effects were partially offset by the tariff increases in nominal terms authorized by the Resolutions No. 310/2018, 265 and 192.

Revenues derived from the **Liquids Production and Commercialization** segment decreased Ps. 1,870.7 million in 9M2019 from 9M2018, mainly as a result of: (i) the negative impact of the restatement in accordance with IAS 29 of Ps. 4,910.6 million, (ii) the decrease in international reference prices for Ps. 3,090.0 million and (iii) the decrease in ethane volumes shipped of Ps. 1,576.0 million. These effects were partially offset by the positive effect on the foreign exchange rate of the Argentine peso with respect to the US dollar at Ps. 6,533.8 million together with higher volumes of propane and butane sold for Ps. 810.1 million.

The volumes dispatched decreased by 46,141 short tons (5.5%). The breakdown of the volumes dispatched by market and product, and the revenues by market is included below:

	9M2019	9M2018	Variation
	(in short tones)		
<b>Local Market</b>			
Ethane	208,771	310,221	(101,450)
Propane	192,506	142,858	49,648
Butane	123,656	135,189	(11,533)
<b>Subtotal</b>	<b>524,933</b>	<b>588,269</b>	<b>(63,336)</b>
<b>Foreign Market</b>			
Propane	106,974	106,545	429
Butane	75,387	56,547	18,841
Natural gasoline	93,280	95,354	(2,075)
<b>Subtotal</b>	<b>275,641</b>	<b>258,446</b>	<b>17,195</b>
<b>Total</b>	<b>800,574</b>	<b>846,715</b>	<b>(46,141)</b>
(in millions of pesos)	<b>9M2019</b>	<b>9M2018</b>	
Foreign market	5,112.3	5,386.8	
Local market	9,404.5	11,000.7	
<b>Subtotal</b>	<b>14,516.8</b>	<b>16,387.5</b>	

**Other Services revenues** decreased by Ps. 222.4 million in 9M2019 compared to 9M2018. The decrease mainly corresponds to: (i) the effect of restatement according to IAS 29 of Ps. 661.2 million, (ii) lower operating and maintenance services of Ps. 99.2 million and (iii) lower construction services provided during 9M2019 of Ps. 128.9 million. These effects were partially offset by the increase in the exchange rate on revenues denominated in US dollars of Ps. 569.7 million and natural gas transportation services in Vaca Muerta of Ps. 51.1 million.

**Operating costs, administrative and commercialization expenses**, without considering depreciation, corresponding to 9M2019 increased by Ps. 221.8 million, or 1.4% compared to 9M2018. This variation is mainly due to the increase in: (i) taxes, fees and contributions accrued, related to the effect exports taxes of Ps. 527.0 million; (ii) expenses for repair and maintenance of Property, plant and equipment, incurred primarily for the operation of the natural gas transportation system of Ps. 519.9 million; and, (iii) labor costs of Ps. 233.2 million. These effects were partially offset by the decrease in: (i) the cost of natural gas processed in the Cerri Complex of Ps. 534.9 million, due to the decrease in natural gas prices denominated in Argentine pesos and volumes of natural gas acquired as well as (ii) lower fees for services provided by third parties for Ps. 380.6 million.

The following table shows the main components of operating costs, administrative and commercialization expenses and comparisons for 9M2019 and 9M2018:

Concept	9M2019		9M2018		Variation	
	MM of \$	% / Total	MM of \$	% / Total	MM of \$	% / Total
Natural Gas Purchase (RTP)	8,104.1	51%	8,639.0	55%	(534.9)	(6%)
Labor costs	2,468.6	15%	2,235.4	14%	233.2	10%
Taxes, fees and contributions	2,030.6	13%	1,473.2	9%	557.4	38%
Repair and maintenance	1,351.0	8%	831.1	5%	519.9	63%
Other fees and third party services	1,553.7	10%	1,934.3	12%	(380.6)	(20%)
Other charges	519.1	3%	692.3	4%	(173.2)	(25%)
<b>Total</b>	<b>16,027.1</b>		<b>15,805.3</b>		<b>221.8</b>	

The **other operating results** recorded a positive variation of Ps. 874.7 million mainly as a result of the recognition in May 2018 of the adverse award of the Arbitration held with Pan American Energy S.L. Suc. Arg. and Pan American Sur S.A. This effect was partially offset by the higher negative charge for contingency provisions made in 9M2019.

In 9M2019, the **financial results** showed a positive variation of Ps. 4,300.2 million with respect to 9M2018. This variation is mainly due to: (i) the positive effect of the gain on monetary position for Ps. 3,254.3 million, (ii) the lower net negative exchange rate difference of Ps. 2,380.7 million due to the lower devaluation of the Argentine peso against the US dollar over the net liability position in foreign currency and (iii) the greater capitalization of financial costs according to IFRS for Ps. 444.4 million. These effects were partially offset by the lower interest income generated by assets of Ps. 2,049.9 million as a result of the lower capital invested during 9M2019.

## Financial Position Analysis

### Net Debt

As of September 30, 2019, the Company's net financial debt amounted to Ps. 21,500.2 million compared to Ps. 5,429.7 million as of December 31, 2018. Total net financial debt of the Company is denominated in US dollars for both periods.

The table included below shows a reconciliation of the Company's net debt:

	09/30/2019	12/31/2018
	(in million of Argentine pesos)	
Current loans	(1,198.0)	(609.3)
Non Current Loans	(30,695.5)	(27,728.9)
Cash and cash equivalents	1,794.9	22,900.6
Other financial assets at amortized cost	8,598.4	7.9
<b>Net Debt*</b>	<b>(21,500.2)</b>	<b>(5,429.7)</b>

\* Net debt is a non-IFRS financial measure. The Company defines Net Debt as short and long-term financial debts less: (i) cash and cash equivalents and (ii) Other current financial assets at amortized cost. TGS believes that this measure provides complementary information to investors and management for decision making that allows to assess the level of indebtedness of the Company. Net debt should not be interpreted as an alternative to other financial measures calculated in accordance with IFRS as this presented may not be comparable with similar denomination measures reported by other entities.

### Liquidity and capital resources

The net positive variation in cash and cash equivalents in 3Q2019, 3Q2018, 9M2019 and 9M2018 was as follows:

Concept	3Q2019	3Q2018	9M2019	9M2018
	(In million of Argentine pesos)			
Cash flows provided by operating activities	2,207.9	3,512.2	7,867.2	7,981.8
Cash flows (used in) / provided by investing activities	(3,157.0)	5,030.8	(18,335.3)	(3,171.8)
Cash flows (used in) / provided by financing activities	(909.7)	(6,530.6)	(10,180.8)	3,268.6
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(1,858.8)</b>	<b>2,012.4</b>	<b>(20,648.9)</b>	<b>8,078.6</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>3,192.9</b>	<b>15,334.2</b>	<b>22,900.6</b>	<b>5,388.8</b>
Monetary result effect on cash and cash equivalents	(463.9)	(2,121.7)	(4,070.8)	(3,549.4)
Foreign exchange gain on cash and cash equivalents	924.3	4,139.8	3,613.9	9,446.8
<b>Cash and cash equivalents at the end of the period</b>	<b>1,794.5</b>	<b>19,364.7</b>	<b>1,794.8</b>	<b>19,364.8</b>

Below is a reconciliation of the free cash flows for the 3Q2019, 3Q2018, 9M2019 and 9M2018:

	3Q2019	3Q2018	9M2019	9M2018
	(in million of Argentine pesos)			
Cash flows provided by operations	2,207.9	3,512.2	7,867.2	7,981.8
PPE acquisition payments	(3,175.1)	(1,381.7)	(10,598.0)	(3,844.4)
<b>Free Cash Flows<sup>(1)</sup></b>	<b>(967.2)</b>	<b>2,130.5</b>	<b>(2,730.8)</b>	<b>4,137.4</b>

<sup>(1)</sup> Free cash flows is a non-IFRS financial measure TGS defines the free cash flows as the cash flows generated by operating activities less the payments made for the acquisition of PPE. TGS management considers it as useful for investors and management as a measure of TGS' ability to generate cash that will be used to pay the scheduled debt maturities and that can be used to invest in future growth through new business activities, business development, dividend payment, buy back treasury shares or other financing and investment activities. The free cash flows should not be interpreted as an alternative to other financial measures determined in accordance with IFRS as the one presented here may not be comparable with similar denomination measurements reported by other entities.

### 3Q2019 vs. 3Q2018

During 3Q2019 the net decrease in cash and cash equivalents and free cash flow amounted to Ps. 1,858.8 million and a loss of Ps. 967.2 million, respectively.

During 3Q2019 the **cash flow generated by the operating activities** amounted to Ps. 2,207.9 million, Ps. 1,304.3 million below 3Q2018. This is mainly due to a lower operating profit and higher income tax payment.





**Cash flow used in investing activities** amounted to Ps. 3,157.0 million mainly for payments made to fulfill the capital expenditures investment plan in order to conclude the Five-Year Investment Plan and development of the midstream business at Vaca Muerta.

Finally, the **cash flow used for financing activities** amounted to Ps. 909.7 million. The decrease from 3Q2018 reflects cash dividends payment in the period of Ps. 5,956.3 million. During 3Q2019, the cash flow used to execute the buy-back program and acquisition of treasury shares was Ps. 335.4 million higher than in 3Q2018.

### 9M2019 vs. 9M2018

During 9M2019 the net decrease in cash and cash equivalents and free cash flow amounted to Ps. 20,648.9 million and a loss of Ps. 2,730.8 million, respectively.

During 9M2019 the **cash flow provided by the operating activities** amounted to Ps. 7,867.2 million, Ps. 114.6 million above 9M2018. This is mainly due a lower operating income before depreciation and higher income tax payments made during 9M2019. These effects were partially offset by the positive variation in working capital.

The **cash flow used for investing activities** amounted to Ps. 18,335.3 million and was mainly to payments made to fulfill the capital expenditures investment plan in order to conclude the Five-Year Investment Plan and development of the midstream business at Vaca Muerta project. On the other hand, during 9M2019 there was an increase in cash flow applied to the acquisition of financial assets not considered effective and cash equivalents.

Finally, the **cash flow used for financing activities** amounted to Ps. 10,180.8 million, compared to Ps. 3,268.6 million registered in 9M2018. The variation was due to loans, net of cancellations made during 9M2018 and the higher dividend payment made during 9M2019.

### Third quarter earnings conference call

TGS invites you to participate in the conference call to discuss this 3Q2019 announcement on **Friday November 8, 2019 at 09:00 a.m. New York time / 11:00 a.m. Buenos Aires time**. To listen to the call from USA dial: +1-877-407-9210, and for international calls dial: +1-201-689-8049. To view the webcast, go to <http://www.tgs.com.ar/en/home>.

Below, financial information is provided.

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This press release includes forward-looking statements within the meaning of Section 27 A of the Securities Act of 1933, as amended. Forward-looking statements are based on management's current views and assumptions and involve known and unknown risks. Although the Company has made reasonable efforts to ensure that the information and assumptions on which these statements and projections are based are current, reasonable and complete, a variety of factors could cause actual results to differ materially from the projections, anticipated results or other expectations contained in this release. Neither the Company nor its management can guarantee that anticipated future results will be achieved. Investors should refer to the Company's filings with the U.S. Securities and Exchange Commission for a description of important factors that may affect actual results.

Transportadora de Gas del Sur S.A.

**Financial Information for the 9M2019, 9M2018, 3Q2019 and 3Q2018**

(In millions of Argentine pesos, except for per share and per ADS information in pesos or where otherwise indicated)

	Third Quarters		Nine-Month Period	
	3Q2019	3Q2018	9M2019	9M2018
Natural Gas Transportation	5,145.0	5,696.8	15,602.5	15,987.7
Liquids Production and Commercialization	3,282.9	5,939.6	14,516.8	16,387.5
Other Services	720.4	816.3	1,824.4	2046.8
<b>Revenues</b>	<b>9,148.3</b>	<b>12,452.7</b>	<b>31,943.7</b>	<b>34,422.0</b>
Operating costs	(4,226.2)	(5,141.9)	(13,281.0)	(13,674.9)
Administrative and Selling Expenses	(806.9)	(810.6)	(2,746.1)	(2,130.4)
Other Operating Results	(28.2)	(18.9)	(97.6)	(976.6)
<b>Operating profit before depreciation</b>	<b>4,087.0</b>	<b>6,481.3</b>	<b>15,819.0</b>	<b>17,640.1</b>
Depreciation	(853.3)	(758.0)	(2,438.0)	(2,200.1)
<b>Operating profit</b>	<b>3,233.7</b>	<b>5,723.3</b>	<b>13,381.0</b>	<b>15,440.0</b>
Net Financial Results	(3,703.8)	(4,425.8)	(3,067.7)	(7,367.9)
Share of gain / (loss) from associates	18.4	(9.8)	(15.4)	(13.2)
<b>Total comprehensive income before Income Tax</b>	<b>(451.7)</b>	<b>1,287.7</b>	<b>10,297.9</b>	<b>8,058.9</b>
Income Tax gain / (expense)	492.7	(736.5)	(2,741.4)	(3,109.5)
<b>Total comprehensive income</b>	<b>41.0</b>	<b>551.2</b>	<b>7,556.5</b>	<b>4,949.4</b>
<b>Earnings per share</b>	<b>0.053</b>	<b>0.701</b>	<b>9.643</b>	<b>6.260</b>
<b>Earnings per ADS</b>	<b>0.265</b>	<b>3.503</b>	<b>48.217</b>	<b>31.298</b>

**Financial Results for the 9M2019, 9M 2018, 3Q2019 and 3Q2018**

(In millions of Argentine Pesos)

	3Q2019	3Q2018	9M2019	9M2018
<b>Financial income</b>				
Interest	156.5	438.7	499.6	968.9
Foreign exchange gain	3,826.0	6,082.0	6,504.1	12,955.7
<b>Subtotal</b>	<b>3,982.5</b>	<b>6,520.7</b>	<b>7,003.7</b>	<b>13,924.6</b>
<b>Financial expenses</b>				
Interest	(603.4)	(587.4)	(1,673.4)	(1,648.6)
Foreign exchange gain	(9,343.0)	(11,239.2)	(12,648.9)	(21,481.2)
less Capitalized financial costs	159.9	-	444.4	-
<b>Subtotal</b>	<b>(9,786.5)</b>	<b>(11,826.6)</b>	<b>(13,877.9)</b>	<b>(23,129.8)</b>
<b>Other financial results</b>				
Derivative financial instruments results	200.1	(150.3)	189.4	(150.3)
Results on assets at fair value through profit or loss	101.8	1,077.1	489.5	2,070.1
Others	(104.4)	(82.6)	(287.2)	(243.0)
<b>Subtotal</b>	<b>197.5</b>	<b>844.2</b>	<b>391.7</b>	<b>1,676.8</b>
<b>Gain on monetary position</b>	<b>1,902.7</b>	<b>35.9</b>	<b>3,414.8</b>	<b>160.5</b>
<b>Total</b>	<b>(3,703.8)</b>	<b>(4,425.8)</b>	<b>(3,067.7)</b>	<b>(7,367.9)</b>



## Business Segment information

	Natural Gas Transportation	Liquids	Other Services	Telecommunications	Total
(in millions of Argentine Pesos)					
<b>9M2019</b>					
Revenues	15,602.5	14,516.8	1,631.2	193.2	31,943.7
Operating profit before depreciation	10,949.1	4,076.2	724.6	69.1	15,819.0
Depreciation	(1,993.7)	(161.8)	(282.5)	-	(2,438.0)
Operating profit	8,955.4	3,914.4	442.1	69.1	13,381.0
<b>9M2018</b>					
Revenues	15,987.7	16,387.5	1,887.8	159.0	34,422.0
Operating profit before depreciation	12,057.5	4,620.0	919.9	42.7	17,640.1
Depreciation	(1,848.6)	(115.8)	(235.7)	-	(2,200.1)
Operating profit	10,208.9	4,504.2	684.2	42.7	15,440.0

	Natural Gas Transportation	Liquids	Other Services	Telecommunications	Total
(in millions of Argentine Pesos)					
<b>3Q2019</b>					
Revenues	5,145.0	3,282.9	645.8	74.6	9,148.3
Operating profit before depreciation	3,543.0	248.2	274.2	21.6	4,087.0
Depreciation	(673.7)	(56.6)	(123.0)	-	(853.3)
Operating profit	2,869.3	191.6	151.2	21.6	3,233.7
<b>3Q2018</b>					
Revenues	5,696.8	5,939.6	741.5	74.8	12,452.7
Operating profit before depreciation	4,278.5	1,803.5	376.3	23.0	6,481.3
Depreciation	(639.4)	(40.2)	(78.4)	-	(758.0)
Operating profit	3,639.1	1,763.3	297.9	23.0	5,723.3

	Natural Gas Transportation	Liquids	Other Services	Telecommunications	Total
(in millions of Argentine pesos without inflation adjustment - non audited)					
<b>9M2019</b>					
Revenues	13,431.6	12,296.1	1,435.6	166.3	27,329.6
Operating profit before depreciation	9,650.0	3,352.3	642.4	69.7	13,714.4
Depreciation	(328.3)	(46.4)	(108.0)	-	(482.7)
Operating profit	9,321.7	3,305.9	534.4	69.7	13,231.7
<b>9M2018</b>					
Revenues	4,869.1	3,115.4	617.9	70.6	8,673.0
Operating profit before depreciation	3,442.1	240.0	268.5	31.8	3,982.4
Depreciation	(125.5)	(17.2)	(58.9)	-	(201.6)
Operating profit	3,316.6	222.8	209.6	31.8	3,780.8

	Natural Gas Transportation	Liquids	Other Services	Telecommunications	Total
(in millions of Argentine pesos without inflation adjustment - non audited)					
<b>3Q2019</b>					
Revenues	4,869.1	3,115.4	617.9	70.6	8,673.0
Operating profit before depreciation	3,442.1	240.0	268.5	31.8	3,982.4
Depreciation	(125.5)	(17.2)	(58.9)	-	(201.6)
Operating profit	3,316.6	222.8	209.6	31.8	3,780.8
<b>3Q2018</b>					
Revenues	3,496.1	3,667.9	457.9	46.1	7,668.0
Operating profit before depreciation	2,620.2	1,113.6	232.5	14.2	3,980.5
Depreciation	(93.7)	(9.1)	(23.3)	-	(126.1)
Operating profit	2,526.5	1,104.5	209.2	14.2	3,854.4

Transportadora de Gas del Sur S.A.

Consolidated Statement of Financial Position as of September 30, 2019 and  
December 31, 2018

(In millions of Argentine pesos)

	09/30/2019	12/31/2018
<b>Assets</b>		
<b>Non Current assets</b>		
Property, plant and equipment	64,019.8	53,225.0
Other financial assets at amortized cost	6.2	12.1
Investments in associates	57.3	100.0
Deferred income tax assets	10.7	6.2
Other receivables	7.0	11.3
<b>Total non current assets</b>	<b>64,101.0</b>	<b>53,354.6</b>
<b>Current assets</b>		
Other receivables	2,948.4	3,663.9
Inventories	786.1	495.7
Trade receivables	5,235.7	4,285.0
Contract assets	166.3	215.6
Derivative financial instruments	489.2	300.3
Other financial assets at amortized cost	8,598.4	7.9
Cash and cash equivalents	1,794.9	22,900.6
<b>Total current assets</b>	<b>20,019.0</b>	<b>31,869.0</b>
<b>Total assets</b>	<b>84,120.0</b>	<b>85,223.6</b>
<b>Equity</b>		
Common stock	25,072.6	25,243.1
Treasury shares	610.2	439.7
Cost of treasury shares	(3,618.4)	(1,955.0)
Legal reserve	1,652.2	894.6
Future investments reserve	-	96.1
Future dividends reserve	-	1,364.3
Accumulated retained earnings	9,015.7	16,492.8
Reserve for capital expenditures, acquisition of treasury shares and / or dividends	7,235.7	-
<b>Total equity</b>	<b>39,968.0</b>	<b>42,575.6</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Deferred income tax liabilities	3,384.8	3,065.5
Contract liabilities	2,719.3	2,021.2
Loans	30,695.5	27,728.9
<b>Total non-current liabilities</b>	<b>36,799.6</b>	<b>32,815.6</b>
<b>Current liabilities</b>		
Provisions	544.3	510.7
Contract liabilities	180.6	178.3
Other payables	242.0	111.0
Taxes payables	257.5	278.2
Income tax payable	736.5	3,362.8
Payroll and social security taxes payables	534.5	528.0
Loans	1,198.0	609.3
Trade payables	3,659.0	4,254.1
<b>Total current liabilities</b>	<b>7,352.4</b>	<b>9,832.4</b>
<b>Total liabilities</b>	<b>44,152.0</b>	<b>42,648.0</b>
<b>Total equity and liabilities</b>	<b>84,120.0</b>	<b>85,223.6</b>

Transportadora de Gas del Sur S.A.

Consolidated Statement of Cash Flows for the 9M2019 and 9M2018

(In millions of Argentine pesos)

	9M2019	9M2018
<b>Cash flows provided by operating activities</b>		
Total comprehensive income for the period	7,556.5	4,949.4
<b>Reconciliation of net income to cash flows provided by operating activities:</b>		
Depreciation of property, plant and equipment	2,437.8	2,200.2
Derivate financial instruments results	(189.4)	142.4
Disposal of property, plant and equipment	94.1	-
Increase in allowances and provisions	191.6	168.3
Share of loss from associates	15.4	13.2
Interest expense accrual	1,114.4	1,567.0
Interest income on other financial assets other than cash and cash equivalents	(59.8)	(2,717.3)
Income tax	2,741.4	3,109.3
Foreign exchange loss	6,842.2	10,476.8
Gain on monetary position	(3,902.6)	(3,016.9)
<b>Changes in assets and liabilities:</b>		
Trade receivables	(2,384.1)	(3,207.9)
Other receivables	(1,609.5)	(1,959.5)
Inventories	(425.9)	(305.0)
Trade payables	(408.6)	411.8
Payroll and social security taxes payable	150.9	107.3
Taxes payable	(220.7)	14.6
Contract assets	(9.6)	(154.4)
Other payables	161.3	45.3
Provisions	-	(1.1)
Interest paid	(887.5)	(391.8)
Derivative financial instruments payment	-	(142.8)
Income tax paid	(3,818.3)	(3,286.7)
Contract liabilities	477.6	(40.4)
<b>Cash flows provided by operating activities</b>	<b>7,867.2</b>	<b>7,981.8</b>
<b>Cash flows used in investing activities</b>		
Additions to property, plant and equipment	(10,598.0)	(3,844.4)
Financial assets not considered cash equivalents	(7,737.3)	672.6
<b>Cash flows used in investing activities</b>	<b>(18,335.3)</b>	<b>(3,171.8)</b>
<b>Cash flows used in financing activities</b>		
Payment of loans	(16.8)	(1,686.8)
Payment of redemption of loans	-	(6,598.9)
Proceeds from loans	-	19,015.9
Cost of acquisition of treasury shares	(1,663.4)	(1,505.3)
Dividend paid	(8,500.6)	(5,956.3)
<b>Cash flows (used in) / provided by financing activities</b>	<b>(10,180.8)</b>	<b>3,268.6</b>
<b>Net decrease / (increase) in cash and cash equivalents</b>	<b>(20,648.9)</b>	<b>8,078.6</b>
Cash and cash equivalents at the beginning of the year	22,900.6	5,388.8
Foreign exchange gain on cash and cash equivalents	3,613.9	9,446.8
Monetary result effect on cash and cash equivalents	(4,070.8)	(3,549.4)
<b>Cash and cash equivalents at the end of the period</b>	<b>1,794.8</b>	<b>19,364.8</b>