


Results for the first quarter ended on March 31st, 2012

Pampa Energía S.A. (“Pampa” or the “Company”) announces the results for the first quarter ended on March 31st, 2012.

Stock Information

 Buenos Aires Stock Exchange
Ticker: PAMP

 New York Stock Exchange
Ticker: PAM
1 ADS = 25 ordinary shares

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Pampa Energía S.A., the largest integrated electricity company in Argentina that, through its subsidiaries, participates in the generation, transmission and distribution of electricity, announces the results for the first quarter ended on March 31st, 2012:

Consolidated net sales of AR\$1,610.4 million¹, 20.2% greater than the AR\$1,340.2 million for the same period of 2011, mainly due to increases of 0.9% (AR\$6.2 million) in generation, 37.8% (AR\$244.6 million) in distribution, and AR\$33.8 million in holding and others.

Adjusted Consolidated EBITDA² of AR\$278.4, 5.9% lower than for the same period of 2011, mainly due to decreases of 58.3% (AR\$22.9 million) in transmission and of 30.6% (AR\$53.0 million) in distribution, which were partially offset by increases of 53.2% (AR\$48.1 million) in generation and a higher gain in holding and others (AR\$10.4 million).

Consolidated net loss of AR\$47.2 million, compared to a net gain of AR\$249.9 million for the same period of 2011, mainly due to losses in our transmission segment (AR\$5.2 million), distribution (AR\$67.9 million) and holding and others (AR\$21.2 million), partially offset by a net profit in our generation segment (AR\$47.2 million).

¹ Under the International Financial Reporting Standards (“IFRS”), we no longer consolidate the Transmission segment, and our net income in said segment is shown in the line “Results for participation in joint businesses”. For more information, please refer to section 5 of this Earnings Release.

² Adjusted Consolidated EBITDA represents the consolidated earnings before financial results, net, income taxes, depreciation, amortization, reserve directors options, other income and expenses, net, and minority interest, including PUREE proceeds and other collections, and other adjustments related to IFRS. For more information, please refer to section 5 of this Earnings Release.

2. Relevant Events

2.1 | Central Térmica Loma de la Lata's ("CTLLL") Insurance Compensation

As a result of the accident at CTLLL in February 2011, CTLLL is taking the necessary steps to collect the compensations from the insurance companies that the company had hired to cover the works risks damage.

In that sense, during March 2012, CTLLL collected from the insurance companies an initial amount of US\$7.5 million as a first advance payment of the mentioned insurance, which was recorded as other operating income in the first quarter 2012. At the date of this publication, CTLLL has not collected further amounts related to this concept, and we are still working with the insurance companies.

2.2 | Sale of Distribuidora de Electricidad de Salta S.A. ("Edesa")

On April 23, 2012, the Board of Directors of Edenor accepted an offer proposal from Salta Inversiones Eléctricas S.A. ("Siesa") dated on April 16, 2012, in which, said company, offered Edenor and its subsidiary Emdersa Holding S.A. to acquire shares representing: (i) 78.44% of the share capital and voting rights of Edesa Holding S.A., a company in process of being incorporated due to Empresa Distribuidora Eléctrica Regional S.A. ("Emdersa") spin-off process, which completion is currently pending and once it is finished, Edesa Holding will hold 90% of the share capital and voting rights of Edesa, a company which in turn owns 99.99% of the share capital and voting rights of Empresa de Sistemas Eléctricos Dispersos S.A. ("Esed"), and (ii) the remaining 0.01% of Esed.

On May 10, 2012, Edenor received an amount equivalent to AR\$83.8 million, whereas the remaining balance of US\$3.0 million will be settled by the buyer in five annual and consecutive installments, with the first due on May 5, 2013.

Furthermore, Edesa settled the total financial credit granted by Edenor for an amount of AR\$131.3 million, plus AR\$5.9 million in concept of accrued interests.

2.3 | Capital Increase of Empresa Distribuidora de Energía Eléctrica de La Rioja S.A. ("Edelar")

On April 19, 2012, EMDERSA as holder of 99.99% of the capital stock of Edelar together with authorities from the province of La Rioja ("The Province") subscribed a memorandum agreement through which The Province declares its intention and EMDERSA consents for The Province to be incorporated as shareholder of Edelar through a capital contribution of US\$12.3 million, in exchange of 32% of the share capital of Edelar. The capital contribution will be made through a non-monetary payment through the transfer to Edelar of certain electrical installations owned by The Province.

On May 17, 2012 the Board of Directors of Emdersa approved the capital increase, being still pending the approval of the Governor of La Rioja.

2.4 | Merger of Companies

On December 30, 2011, the Board of Directors of Pampa decided to begin the proceedings aimed to jointly absorb the companies Pampa Generación S.A., Inversora Ingentis S.A. and the assets and liabilities corresponding to the investment activity spin off from Powerco S.A. It results beneficial for the four companies to merge into one company under the terms of tax neutrality, in order to optimize its resources by simplifying its administrative and operative structure.

On April 27, 2012, the General Ordinary and Extraordinary Shareholder's Meeting of Pampa approved the merger mentioned above, with effect as from January 1, 2012.

2.5 | Pampa, Edenor and Transener's Board Members appointment

On April 27, 2012, the General Ordinary and Extraordinary Shareholder's Meeting of Pampa approved the appointment of the Board Members. Regarding the previous composition, by cumulative voting of the Administración Nacional de la Seguridad Social ("ANSES"), Emmanuel Agis joined the Board, replacing Diana Elena Mondino as Director and Eduardo Pablo Setti joined the Board, replacing Silvestre Hernán Bisquert, as Alternate Director.

On April 27, 2012, the General Ordinary and Extraordinary Shareholder's Meeting of Edenor approved the appointment of the Board Members. Regarding the previous composition, by voting of the shareholders Class B, Emmanuel Antonio Álvarez Agis, Patricia Charvay, Federico Gosman, Santiago López Alfaro and Lisandro Cleri joined the Board, replacing Edgardo Volosin, Alfredo Mac Laughlin, Ricardo Torres, Diego Salaverri and Eduardo Quiles as Directors, and Lucía Guitiérrez, Edgardo Ruibal, Diego Leiva, Eduardo Endeiza and Palbo Martínez Burkett replacing Alejandro Mindlin, Maia Chmielewsky, Gabriel Cohen, Eduardo Maggi and Rafael Mancuso as Alternate Directors. On the other hand, by voting of the shareholders Class A, Ricardo Torres, Marcos Marcelo Mindlin, Pablo Diaz, Gustavo Mariani, Maximiliano Fernández, Eduardo Llanos and Edgardo Volosin were appointed as Directors Class A. It is important to mention that Mr. Torres, Mr. Diaz and Mr. Volosin were appointed in replacement of Mr. Alejandro Macfarlane, Luis Pablo Rogelio Pagano and Damián Mindlin. In addition, Diego Salaverri, Jaime Barba, Damián Mindlin, Leandro Montero, Daniel Flaks, Mariano Batistella and Diana Mondino were appointed as Alternate Directors of Class A shares, replacing Javier Doer, Jorge Grecco, Pablo Diaz, Ariel Schapira, Brian Henderson and Ricardo Sericano.

On April 12, 2012, the General Ordinary and Extraordinary Class A and B Shareholder's Meeting of Transener approved the appointment of the Board Members. Regarding the previous composition, by voting of the shareholders Class A, Gonzalo Venacio, Leopoldo Elises, Gerardo Luis Ferreyra joined the Board as Directors, and Gabriel Cohen, Gustavo Mariani, Brian Roberto Henderson, Osvaldo Antenor Acosta joined the Board as Alternate Directors Class A. The Directors Marcos Marcelo Mindlin and Rubén Fernandez Rienzi and the Alternate Director Héctor Hugo Nordio were reappointed by the shareholders Class A. On the other hand, by voting of the shareholders Class B, Emmanuel Antonio Álvarez Agis, Lucía Belén Gutiérrez, Eduardo P. G. Setti joined the Board as Directors Class B, and María José van Morlegan, Pablo Martínez Burkett and Edgardo Ruibal as Alternate Directors Class B. The Directors Carlos Santiago Pierro and Luis A. Vitullo were reappointed by the shareholders Class B.

2.6 | Debt Transactions by Our Subsidiaries

2.6.1 | Issuance of Short Term Notes ("VCP") Series II of Petrolera Pampa S.A. ("Pepasa")

On July 27, 2011, the General Extraordinary Shareholder's Meeting of Pepasa approved the creation of a global short-term debt Program, up to an amount of AR\$200 million or its equivalent in other currencies.

On May 9, 2012, Pepasa issued VCPs Series II, under the global short-term debt Program, up to an amount of AR\$200 million or its equivalent in other currencies, for an amount of AR\$32.6 million, which accrue interest at Badlar plus 2.75%. Principal will be repaid in a single bullet payment 12 months as from the date of issuance and interest is payable on a quarterly basis.

2.6.2 | *Central Piedra Buena S.A. (“CPB”) canceled Short Term Notes*

On May 3, 2012, CPB repaid the outstanding amount of Short Term Notes Series 6 for an amount of AR\$70.1 million.

3. Financial Highlights

3.1 | Consolidated Balance Sheet (AR\$mm)

	As of 03.31.12	As of 12.31.11		As of 03.31.12	As of 12.31.11
ASSETS			EQUITY		
Property, plant and equipment	5,918.4	5,871.5	Share capital	1,314.3	1,314.3
Intangible assets	1,689.7	1,683.0	Share premium	1,536.8	1,536.8
Participation in joint businesses	176.4	181.6	Director's options reserve	243.7	241.5
Participation in associates	132.7	130.7	Legal reserve	27.4	27.4
Investments at redeemed cost	553.5	553.8	Retained earnings	(727.7)	(680.6)
Deferred tax assets	106.2	116.6	Equity attributable to owners of the parent	2,394.4	2,439.4
Inventories	-	-	Non-controlling interests	953.9	969.4
Trade receivable and other credits	182.1	363.6	Total equity	3,348.3	3,408.7
Total non-current assets	8,759.1	8,900.7	LIABILITIES		
Inventories	41.9	38.0	Accounts payable and other liabilities	1,542.6	1,428.3
Assets on construction	44.9	45.5	Borrowings	2,459.7	2,447.5
Trade receivable and other credits	1,659.0	1,648.8	Deferred revenues	97.0	157.3
Financial assets with a results changing fair value	42.3	72.7	Salaries and social security payable	24.3	23.6
Derivative financial instruments assets	-	1.3	Defined benefit plan obligations	109.2	110.4
Cash and cash equivalents	455.4	345.5	Deferred tax liabilities	778.1	821.1
Total current assets	2,243.5	2,151.8	Tax payable	(161.6)	45.7
Assets classified as held for sale	1,262.2	1,079.1	Provisions	76.6	70.0
Total assets	12,264.8	12,131.6	Total non-current liabilities	4,925.8	5,103.9
			Accounts payable and other liabilities	1,314.8	1,241.0
			Borrowings	933.0	893.8
			Salaries and social security payable	372.9	324.9
			Defined benefit plan obligations	17.5	14.9
			Tax payable	277.9	217.6
			Derivative financial instruments	1.4	-
			Provisions	11.0	11.4
			Total current liabilities	2,928.5	2,703.5
			Liabilities classified as held for sale	1,062.2	915.4
			Total liabilities	8,916.4	8,722.9
			Total liabilities and equity	12,264.8	12,131.6

3.2 | Consolidated Income Statements (AR\$mm)

	1 st Quarter	
	2012	2011
Sales revenue	1,610.4	1,340.2
Cost of sales	(1,387.6)	(1,097.3)
Gross profit	222.8	242.8
Selling expenses	(100.5)	(49.8)
Administrative expenses	(108.5)	(90.8)
Other operating income	55.9	67.3
Other operating expenses	(21.3)	(21.7)
Results for participation in joint businesses	(5.2)	0.9
Results for participation in associates	2.1	-
Gain for acquisition of companies	-	500.1
Operating income	45.2	648.8
Financial income	20.7	16.6
Financial costs	(145.3)	(96.9)
Other financial results	(21.7)	(37.9)
Financial results, net	(146.3)	(118.1)
Profit before tax	(101.1)	530.7
Income tax and minimum expected profit tax	5.6	(156.0)
Net income for continuing operations	(95.4)	374.7
Discontinued operations	24.1	1.4
Total comprehensive income for the period	(71.4)	376.1
Attributable to:		
Owners of the Company	(47.2)	249.9
Non-controlling interests	(24.2)	126.2
Total comprehensive income for the period attributable to the owners of the Company:		
Basic income for continuing operations per share (AR\$ per share)	(0.0542)	0.1891
Diluted income for continuing operations per share (AR\$ per share)	(0.0469)	0.1627
Basic income for discontinued operations per share (AR\$ per share)	0.0183	0.0010
Diluted income for discontinued operations per share (AR\$ per share)	0.0164	0.0009

4. Operations' Summary

4.1 | Generation Segment

The following table shows the performance of Pampa's generation segment assets:

Summary of Electricity Generation Assets	Hydroelectric		Thermal				Total
	HINISA	HIDISA	CTG ¹	CTLL ²	CPB	CTP ³	
Installed Capacity (MW)	265	388	361	553	620	30	2,217
Market Share	0.9%	1.3%	1.2%	1.9%	2.1%	0.1%	7.5%
First Quarter							
Net Generation 1Q12 (GWh)	222	160	457	894	717	31	2,482
Market Share	0.7%	0.5%	1.4%	2.8%	2.2%	0.1%	7.8%
Sales 1Q12(GWh)	302	230	635	895	906	31	2,999
Net Generation 1Q11 (GWh)	198	152	460	260	920	11	2,000
Variation Net Generation 1Q12 - 1Q11	12.1%	5.2%	-0.6%	244.2%	-22.1%	193.4%	24.1%
Sales 1Q11 (GWh)	282	229	575	269	1,093	11	2,458
Average Price 1Q12 (AR\$ / MWh)	160.1	177.2	199.4	214.1	310.6	339.2	233.2
Average Gross Margin 1Q12 (AR\$ / MWh)	71.3	65.2	52.7	106.3	8.4	181.1	59.5
Average Gross Margin 1Q11 (AR\$ / MWh)	73.8	69.1	70.8	26.3	34.2	110.8	48.3

Note: Gross Margin before amortization and depreciation.

¹ CTG includes results for Powerco. ² The installed capacity of CTLL includes 178 MW of the combined cycle that began commercial operations on November 1, 2011, for 165 MW. ³ On October 11, 2011, we made an acquisition offer for Central Térmica Piquirenda and said transaction is subject to the completion of Emdersa's spinoff.

The generation for the first quarter of 2012 was 24.1% higher than the same period of 2011, mainly due to the beginning of commercial operations of CTLL's combined cycle on November 2011, which jointly produced: (i) an increase in the power plant's capacity of approximately 50% and hence, a higher dispatch priority for CTLL in the system; (ii) the elimination of fuel restrictions because of the authorization to fire Gas Plus for generation, by means of the agreement entered into with CAMMESA under Resolution SE No. 220/2007; and (iii) the generation of the combined cycle's steam turbines. Moreover, there were higher hydraulic inputs, that positively affected the generation of our hydraulic units (increase of 24 GWh in HINISA and 8 GWh in HIDISA), as well as the generation of CTP, which has no fuel restrictions, given that it fires Gas Plus for generation and sells electricity through a contract 220/07 signed with CAMMESA. These increases were partially offset by lower generation in CPB, mainly due to scheduled maintenance on the units.

4.2 | Distribution Segment

The following table shows a summary of the electricity sales and clients of Pampa's distribution assets, comprised by Edenor, Emersa and Eden:

Type of Customer	2011			2010			Variation	
	In GWh	Part. %	Clients	In GWh	Part. %	Clients	% GWh	% Clients
First Quarter								
Residential	2,710	39%	3,133,037	2,185	40%	3,082,487	24.0%	1.6%
Commercial	1,091	16%	446,948	890	16%	430,684	22.5%	3.8%
Industrial	1,404	20%	14,161	1,028	19%	13,445	36.6%	5.3%
Wheeling System	1,312	19%	968	1,102	20%	939	19.1%	3.1%
Others								
<i>Public Lighting</i>	209	3%	6,633	168	3%	6,348	24.4%	4.5%
<i>Shantytowns and Others</i>	256	4%	627	140	3%	619	82.8%	1.3%
Total	6,981	100%	3,602,374	5,513	100%	3,534,522	26.6%	1.9%

The electricity sold in the first quarter of 2012 increased by 26.6% compared to the same period of 2011, due to a 5.1% quarterly increase in Edenor's sales as well as the incorporation of the new subsidiaries Emersa and Eden, which added, in the first quarter of 2012, 1,772 GWh in electricity sales compared to 555 GWh the same quarter in 2011 (only one month consolidated). Moreover, during the first quarter of 2012 there was an increase of 1.9% in clients, explained by an increase of 1.4% in Edenor's client base and 0.7% increase in the incorporation of 859.871 clients from Emersa and Eden.

5. Analysis of the First Quarter 2012 Results Compared to the Same Period of 2011

Consolidated net sales of AR\$1,610.4 million, 20.2% greater than the AR\$1,340.2 million for the same period of 2011, mainly due to increases of 0.9% (AR\$6.2 million) in generation, 37.8% (AR\$244.6 million) in distribution, and AR\$33.8 million in holding and others.

Adjusted Consolidated EBITDA of AR\$278.4, 5.9% lower than for the same period of 2011, mainly due to decreases of 58.3% (AR\$22.9 million) in transmission and of 30.6% (AR\$53.0 million) in distribution, which were partially offset by increases of 53.2% (AR\$48.1 million) in generation and a higher gain in holding and others (AR\$10.4 million).

Consolidated net loss of AR\$47.2 million, compared to a net gain of AR\$249.9 million for the same period of 2011, mainly due to losses in our transmission segment (AR\$5.2 million), distribution (AR\$67.9 million) and holding and others (AR\$21.2 million), partially offset by a net profit in our generation segment (AR\$47.2 million).

In AR\$mm	1Q12			1Q11			Variation		
	Sales	Net Income	Adjusted EBITDA	Sales	Net Income	Adjusted EBITDA	Sales	Net Income	Adjusted EBITDA
Generation	699.1	47.2	138.5	692.9	1.9	90.4	0.9%	NA	53.2%
Transmission	61.1	(5.2)	16.4	63.6	0.9	39.2	-3.9%	NA	-58.3%
Distribution	891.7	(67.9)	120.4	647.1	184.7	173.4	37.8%	NA	-30.6%
Holding & Others	36.7	(21.2)	3.1	2.9	62.3	(7.3)	NA	NA	NA
Deletions	(78.3)	-	-	(66.3)	-	-	18.1%	NA	NA
Total	1,610.4	(47.2)	278.4	1,340.2	249.9	295.8	20.2%	NA	-5.9%

Adjusted Consolidated EBITDA Calculation

From January 1, 2012, and according to the Comisión Nacional de Valores (“CNV”) requirements for companies in the public offering either by their capital or their bonds, Pampa Energía and certain subsidiaries financial statements are published under IFRS standards. The next table shows the calculation of the Adjusted Consolidated EBITDA:

En AR\$mm	1Q12	1Q11
Consolidated operating income	45.2	648.8
Consolidated depreciations and amortizations	102.7	86.4
Consolidated EBITDA under IFRS standards	148.0	735.2
<i>Adjustments from generation segment:</i>		
Advance collection from CTLL insurance compensation	(33.7)	-
<i>Adjustments from transmission segment:</i>		
Instrumental Agreement	4.1	3.6
Consolidation effects from participation in joint businesses	17.5	34.7
<i>Operating result from transmission segment</i>	<i>(16.1)</i>	<i>5.3</i>
<i>Depreciations and amortizations from transmission segment</i>	<i>10.4</i>	<i>12.0</i>
<i>Results for Fourth Line Project</i>	<i>18.0</i>	<i>18.3</i>
<i>Results for participation in joint businesses</i>	<i>5.2</i>	<i>(0.9)</i>
<i>Adjustments from distribution segment:</i>		
PUREE penalty system	78.8	65.9
Delay charges	8.4	6.7
Gain for acquisition of companies	-	(500.1)
Discontinued operations	57.4	13.6
<i>Adjustments from holding and others segment:</i>		
Results for participation in associates	(2.1)	-
Other non-recurrent income	-	(63.8)
Consolidated adjusted EBITDA	278.4	295.8

Generation Segment's Adjustments:

- CTLLL's collection of advance payment from the insurance companies: described in Section 2.1 "Relevant Events".

Transmission Segment's Adjustments:

- Instrumental Agreement: is the difference between collected amounts and accrued sales corresponding to CAMMESA's credit regarding the Instrumental Agreement signed between Transener and Transba with the Secretariat of Energy and Electricity Regulator;
- Effect of consolidation in our participation in joint business: As Transener is co-controlled by Pampa, under IFRS standards we consolidate our participation in its net income in a single line as operating income ("Results from participation in joint business"). In order to conciliate the Transmission's segment Adjusted EBITDA, such segment's EBITDA plus Fourth Line Project income, which is recorded as financial results, plus the Instrumental Agreement less the segment's net income is added to the EBITDA.

Distribution Segment's Adjustments:

- PUREE Penalty System: AR\$78.8 million collected in the first quarter 2012;
- Companies acquisitions results: since the implementation of IFRS and comparison of the reporting period with the first quarter of 2011, the purchases of the distributors Emdersa and Eden in March 2011, have been recorded following the method of acquisition over the basis of preliminary baseline measurements of assets and liabilities acquired. The difference between the acquisition value of net assets and the price paid was recognized as a AR\$500.1 million profit in the first quarter of 2011, included in "Gain for acquisition of companies" in the Income Statement;
- Discontinued operations: includes Emdersa's EBITDA.

Holding & Others Segment's Adjustments:

- Results for participation in associates: is the gain from our participation in 10% of Compañía de Inversiones de Energía S.A. ("Ciesa"), through Enron Pipeline Company Argentina S.A. ("EPCA");
- Other non-recurrent income: related to the consolidation of permanent investments and other assets regarding AEI's acquisition.

Adjusted Consolidated EBITDA, Breakdown by Segment

In AR\$mm	1Q12				1Q11				Variation
Segment	Operating Income	Depreciations & Amortizations	Adjustments	Adjusted EBITDA	Operating Income	Depreciations & Amortizations	Adjustments	Adjusted EBITDA	Adjusted EBITDA
Generation	137.0	35.3	(33.7)	138.5	61.6	28.8	-	90.4	53.2%
Transmission	(16.1)	10.4	22.1	16.4	5.3	12.0	21.9	39.2	-58.3%
Distribution	(83.2)	59.0	144.6	120.4	532.3	55.0	(413.9)	173.4	-30.6%
Holding & Others	(3.3)	8.5	(2.1)	3.1	53.9	2.6	(63.8)	(7.3)	NA
Deletions	10.9	(10.4)	(0.5)	0.0	(4.4)	(12.0)	16.4	-	NA
Total	45.2	102.7	130.5	278.4	648.8	86.4	(439.4)	295.8	-5.9%

5.1 | Generation Segment Analysis

Generation Segment, Consolidated (AR\$mm)	1 st Quarter		
	2012	2011	Δ %
Sales revenue	699.1	692.9	0.9%
Cost of sales	(556.2)	(587.2)	-5.3%
Gross profit	142.9	105.6	35.3%
Selling expenses	(11.5)	(4.4)	160.4%
Administrative expenses	(25.6)	(31.7)	-19.2%
Other operating income	34.0	0.4	NA
Other operating expenses	(2.9)	(8.2)	-64.3%
Operating income	137.0	61.6	122.2%
Finance income	13.4	11.3	18.2%
Finance costs	(62.7)	(42.7)	46.8%
Other financial results	0.2	(2.5)	NA
Profit before tax	87.8	27.7	216.6%
Income tax and minimum expected profit tax	(28.5)	(12.8)	122.1%
Total comprehensive income for the period	59.3	14.9	298.0%
<i>Attributable to:</i>			
<i>Owners of the Company</i>	47.2	1.9	NA
<i>Non-controlling interests</i>	12.0	12.9	-7.0%
Adjusted EBITDA	138.5	90.4	53.2%

- During the first quarter of 2012, the operating result of our generation segment increased by 122.2%, compared to the same period in 2011, mainly due to a higher generation in our hydraulic units (+9.1%) and thermal units (+241.3%) as a result of the beginning of commercial operations in CTLL's expansion and a higher generation of CTP under 220/07 contract with CAMMESA, partially offset by a lower generation of CTG and CPB (-15.9%).
- From January 1, 2012, following the SE's decision to temporarily suspend the "Agreement for Managing and Operating Projects, Increasing Thermal Generation Availability and Adapting the 2008- 2011 Remuneration due to Generation" signed in November 2010, Pampa Energía and its generation subsidiaries accrued lower income for power and for operating and maintenance. We estimate that in the first quarter of 2012 we would have additionally accrued AR\$32 million under this agreement.
- During March 2012, CTLL collected from the insurance companies an amount of US\$7.5 million as an advance payment of the insurance, which was recorded as other operating income.
- Net financial losses increased AR\$15.3 million mainly due to financial interests and net exchange rate difference, including the accrual of interests corresponding to the Bonds issued to finance Loma de la Lata's expansion project (AR\$15 million), which were capitalized until February 2011.

5.2 | Transmission Segment Analysis

Transmission Segment, Consolidated (AR\$mm)	1 st Quarter		
	2012	2011	Δ %
Sales revenue	61.1	63.6	-3.9%
Cost of sales	(63.7)	(48.2)	32.0%
Gross profit	(2.5)	15.4	NA
Administrative expenses	(14.7)	(10.5)	40.4%
Other operating income	1.2	0.4	197.2%
Other operating expenses	(0.0)	(0.0)	43.4%
Operating income	(16.1)	5.3	NA
Finance income	18.0	12.9	39.6%
Finance costs	(12.5)	(11.0)	13.8%
Other financial results	(2.8)	(4.7)	-40.2%
Profit before tax	(13.4)	2.4	NA
Income tax and minimum expected profit tax	4.4	(2.0)	NA
Net income for continuing operations	(9.0)	0.5	NA
Adjustment for non-controlling participation in joint businesses	4.1	0.4	NA
Total comprehensive income for the period	(5.2)	0.9	NA
<i>Attributable to:</i>			
<i>Owners of the Company</i>	(5.2)	0.9	NA
<i>Non-controlling interests</i>	-	-	NA
Adjusted EBITDA	16.4	39.2	-58.3%

- During the first quarter of 2012, net sales decreased 3.9% (AR\$2.5 million), mainly due to lower revenues related to non-regulated activities such as supervision of constructions, partially offset by an increase in regulated net sales of Transener due to higher revenue recognition from the Instrumental Agreements application signed by SE and ENRE, for which in the first quarter of 2012 AR\$2.6 million were recognized as sales revenues, compared to AR\$1.8 million recognized in the first quarter of 2011.
- The gross margin of our transmission segment decreased in AR\$21.4 million compared to the same period of 2011, mainly due to a raise in labor costs agreed with labor unions and higher operating costs.
- Adjusted EBITDA includes the difference between collected amounts and accrued sales corresponding to CAMMESA's credit regarding the Instrumental Agreement for AR\$4.1 million for the first quarter of 2012, plus AR\$18.0 million for the Fourth Line Project, previously recorded in sales and currently under IFRS standards, in the line of financial results.

5.3 | Distribution Segment Analysis

Distribution Segment, Consolidated (AR\$mm)	1 st Quarter		
	2012	2011	Δ %
Sales revenue	891.7	647.1	37.8%
Cost of sales	(822.9)	(509.6)	61.5%
Gross profit	68.8	137.5	-50.0%
Selling expenses	(88.5)	(45.4)	94.7%
Administrative expenses	(63.8)	(50.1)	27.4%
Other operating income	17.9	2.1	NA
Other operating expenses	(17.5)	(11.8)	48.2%
Results for participation in associates	0.0	-	NA
Gain for acquisition of companies	-	500.1	-100.0%
Operating income	(83.2)	532.3	NA
Finance income	9.2	8.1	13.1%
Finance costs	(71.8)	(54.4)	32.0%
Other financial results	(17.2)	(39.2)	-56.1%
Profit before tax	(163.0)	446.9	NA
Income tax and minimum expected profit tax	34.7	(140.6)	NA
Net income for continuing operations	(128.2)	306.3	NA
Discontinued operations	24.1	1.4	NA
Total comprehensive income for the period	(104.1)	307.7	NA
<i>Attributable to:</i>			
<i>Owners of the Company</i>	(67.9)	184.7	NA
<i>Non-controlling interests</i>	(36.2)	123.0	NA
Adjusted EBITDA	120.4	173.4	-30.6%

- During the first quarter of 2012, net sales increased by 37.8% (AR\$244.6 million), mainly due to the inclusion of net sales of Eden in the first quarter of 2012 compared to only one month included in the same period of 2011 and the increase in sales due to the removal of the subsidies to certain customers of Edenor.
- The cost of sales, administration and selling expenses rose by AR\$370.0 million, mainly explained by the incorporation of Eden (AR\$144.9 million), as well as a rise in labor and third party costs.
- The operating results decreased AR\$615.5 million, since with the implementation of IFRS and comparison of the reporting period with the first quarter of 2011, the purchases of the distributors Emderosa and Eden in March 2011, have been recorded following the method of acquisition over the basis of preliminary baseline measurements of assets and liabilities acquired. The difference between the acquisition value of net assets in the first quarter of 2011 and the price paid was recognized as a AR\$500.1 million profit, included in “Gain for acquisition of companies” in the Income Statement.
- The Adjusted EBITDA for our distribution segment includes collections carried out by Edenor from its clients in concept of the penalty system (“PUREE”), by AR\$78.8 million, late payment penalty and the EBITDA of our subsidiary EMDERSA, which is under spin-off process and its included under “Discontinued Operations” (previously explained in Section 5).

5.4 | Holding and Others Segment Analysis

Holding and Others Segment, Consolidated (AR\$mm)	1 st Quarter		
	2012	2011	Δ %
Sales revenue	36.7	2.9	NA
Cost of sales	(11.1)	(2.2)	NA
Gross profit	25.6	0.7	NA
Selling expenses	(0.5)	(0.0)	NA
Administrative expenses	(33.6)	(9.8)	241.5%
Other operating income	4.0	64.8	-93.9%
Other operating expenses	(0.8)	(1.6)	-51.3%
Results for participation in associates	2.1	-	NA
Operating income	(3.3)	53.9	NA
Finance income	0.2	0.1	107.2%
Finance costs	(12.9)	(2.7)	NA
Other financial results	(4.7)	3.8	NA
Profit before tax	(20.7)	55.1	NA
Income tax and minimum expected profit tax	(0.6)	(2.5)	-77.4%
Total comprehensive income for the period	(21.2)	52.6	NA
<i>Attributable to:</i>			
<i>Owners of the Company</i>	(21.2)	62.3	NA
<i>Non-controlling interests</i>	-	(9.8)	NA
Adjusted EBITDA	3.1	(7.3)	NA

- During the first quarter of 2012, net sales increases mainly correspond to gas and oil sales related to our subsidiary Petrolera Pampa (AR\$19.6 million).
- The costs of sales had a AR\$8.9 million rise mainly as a result of: (i) higher amortizations of certain productive wells for AR\$6.2 million; and (ii) higher gas lifting costs and royalties associated with a larger production of gas (AR\$2.4 million), all related to Petrolera Pampa.
- Administrative costs increased by AR\$23.8 million, due to the reallocation of Pampa Generación's costs (which was under the generation segment) to Pampa Energía, by the merger implemented in December 2011.
- The gain of AR\$2.1 million in results from participation in associates comes from our direct participation in EPCA, holding 10% of CIESA. The Adjusted EBITDA does not include the earning for our participation in EPCA.
- The net financial results registered a AR\$17.3 million loss during this quarter compared to a gain of AR\$1.1 million in the same period of 2011, mainly explained by losses in net exchange rate difference, and net interests.

5.5 | Period Analysis by Subsidiary (AR\$mm)

Subsidiary	1 st Quarter 2012				1 st Quarter 2011			
	% Pampa	Adjusted EBITDA	Net Debt ²	Net Income ⁵	% Pampa	Adjusted EBITDA	Net Debt ²	Net Income ⁵
Generation Segment								
Diamante	56.0%	11.4	(17.8)	8.4	56.0%	13.9	(16.0)	9.9
Los Nihuiles	47.0%	17.9	(13.9)	14.2	47.0%	18.5	(6.4)	13.6
CPB	100.0%	(1.5)	166.7	(0.4)	100.0%	24.1	276.5	8.8
CTG	92.3%	24.4	200.5	3.0	92.3%	33.3	203.9	12.7
CTLLL ¹	100.0%	83.0	1,037.9	27.7	100.0%	5.9	967.5	(14.7)
CTP	100.0%	5.0	(11.7)	0.4	-	-	-	-
Other Companies & Deletions ⁴		(1.7)	(208.1)	(6.1)		(5.2)	(331.5)	(28.3)
Total Generation		138.5	1,153.6	47.2		90.4	1,094.0	1.9
Transmission Segment								
Transener	26.3%	30.4	579.4	(17.2)	26.3%	65.2	493.9	(0.4)
Consolidation adjustment 50%		(15.2)	(289.7)	8.6		(32.6)	(246.9)	0.2
Adjustments & Deletions ⁴		1.2	-	3.3		6.6	(41.0)	1.1
Total Transmission		16.4	289.7	(5.2)		39.2	206.0	0.9
Distribution Segment								
Edenor ¹	55.4%	24.4	1,141.7	(90.7)	55.6%	142.1	1,212.8	255.9
Emdersa ³	29.8%	57.4	-	7.7	42.9%	13.6	114.1	0.1
Eden ³	49.9%	36.5	44.6	13.3	49.9%	12.3	(47.1)	1.4
EASA ¹	100.0%	6.6	429.4	(60.4)	100.0%	3.3	400.0	(29.5)
Adjustments & Deletions ⁴		(4.5)	(414.2)	62.1		2.1	(288.1)	(43.3)
Total Distribution		120.4	1,201.4	(67.9)		173.4	1,391.8	184.7
Holding & Others Segment								
Petrolera Pampa	100.0%	9.9	75.3	(0.5)	100.0%	(1.6)	25.9	(1.7)
Other Companies & Deletions ⁴		(6.8)	466.2	(20.7)		(5.7)	253.8	64.1
Total Holding & Others		3.1	541.5	(21.2)		(7.3)	279.7	62.3
Deletions		(0.0)	(289.7)	-		(0.0)	-	-
Total Consolidated Amounts		278.4	2,896.6	(47.2)		295.8	2,971.5	249.9
Total Adjusted by Ownership		186.8	2,383.5	(47.2)		178.9	2,292.1	249.9

¹Non - consolidated amounts. ² Net debt includes holding companies. ³ The results for Emdersa and Eden only are included from March of 2011, month in which they were acquired by Edenor. The Balance Sheet of Emdersa is not consolidated in Pampa's Balance Sheet and under IFRS standards the results are shown as "Discontinued operations". ⁴ The deletions in net debt correspond to inter-companies and debt repurchases, and in Transener's case the deletion of its debt as it is not consolidated according to IFRS standards. The deletions in net income mainly correspond to minority interests. ⁵ CTLLL, Edenor and EASA do not include results from its subsidiaries.

6. Information about the Conference Call

There will be a conference call to discuss Pampa and Edenor's first quarter 2012 results on Wednesday, May 23, 2012 at 10:00 a.m. New York Time / 11:00 a.m. Buenos Aires Time. Mr. Ricardo Torres, Chief Executive Officer of Pampa and Chairman of Edenor, will be presenting for Pampa Energía S.A. For those interested in participating, please dial 0800-444-2930 in Argentina, (877) 317-6776 in the United States or +1 (412) 317-6776 from any other country. Participants of the conference call should use the identification password Pampa Energía / Edenor and dial in five minutes before the scheduled time. There will also be a live audio webcast of the conference at www.pampaenergia.com/ir.

Besides the access to the audio file in the website, a replay of the Conference Call through telephone is available, dialing (877) 344-7529 in the United States or +1 (412) 317-0088 from any other country. The conference's identification code is 10013298. This material will be available one hour after the finalization of the Conference Call and until June 4, 2012.

You may find additional information on the Company at:

www.pampaenergia.com/ir

www.cnv.org.ar