



Results of the 6-month Fiscal year ending December 31st, 2006

Buenos Aires, March 12th, 2007

Pampa Holding S.A. (BCBA: "PAMP"; Luxembourg Euro MTF market: "PAMPA"), **announces today the results corresponding to the irregular fiscal year ending December 31st, 2006.**

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1. RELEVANT EVENTS

1.1. Capital Increases

On June 16th, 2006 our Shareholders' Meeting approved a capital increase of up to 900 million shares, delegating timing and amount of each issuance to the Board of Directors.

Within this context, on August 23rd, 2003 the Board of Directors approved the issuance of 300 million shares at Ps. 1.15 per share. This subscription ended on September 28th raising Ps. 345 million. (For further information see Note No. 1 to the Financial Statements as of December 31st, 2006)

In addition, on January 15th, 2007 the Board of Directors approved the issuance of the remaining 600 million shares, fixing by means of a local and international offering, an issue price of Ps. 2.23 per share. Said subscription ended on February 22nd, 2007 and resulted in a capital inflow to the company of around Ps. 1,300 million.

1.2. Acquisition of Transelec

On September 21st, 2006 we acquired from Dolphin Opportunity LLC 89.76% of Transelec S.A. at US\$ 48.5 million. Simultaneously, we entered into an agreement with Transelec's minority shareholders to merge into Transelec and granted call and put options over the remaining 10.24% of Transelec's shares. In this way, Pampa would control 100% of Transelec and, indirectly, 26.33% of Transener S.A. (For further information see Note No. 8 to the Financial Statements as of December 31st, 2006)

1.3. Issuance of Call Options ("Warrants")

On September 27th, 2006 Pampa entered into an Opportunities Assignment Agreement with Marcelo Mindlin, Damián Mindlin, Gustavo Mariani and Ricardo Torres (the "Managers"). Under this Opportunities Assignment Agreement, within a three-year term, the Managers shall offer us on a priority basis any private equity investment opportunity they may identify, provided it exceeds US\$ 5 million and it is within our investment guidelines and financial capabilities.

Pursuant to the Opportunities Assignment Agreement, and as sole consideration for the offering of the investment opportunities mentioned above, on September 27th, 2006 we signed a Warrants Issuance Agreement and by virtue thereof we issued 111.5 million of call options ("warrants") in favor of the Managers. These options grant them, once exercisable, the right to subscribe our common shares representing in the aggregate 20% of our capital stock calculated on a fully diluted basis after making any capital increase of Pampa effective, taking into consideration and including the shares

issued under the call options and subject to the adjustments set forth in the Warrants Issuance Agreement. Said options are to be exercised at the same price per share, in dollars, as that for the shareholders who have subscribed shares in each capital increase, subject to the adjustments set forth in the corresponding Warrants Issuance Agreements. (For further information see Note No. 14 to the Financial Statements as of December 31st, 2006)

1.4. Inclusion in the Merval index of the Buenos Aires Stock Exchange (BCBA)

After many years during which Pampa's shares did not have relevant operations in the market, the third quarter of 2006 showed an average daily trading volume at the BCBA of more than Ps. 450 thousand. As a consequence, as of October 1st, 2006 Pampa was added to the MERVAL index, an index that includes the most widely traded shares at the BCBA. Moreover, the average daily trading volume in 2006, after the issuance of the 300 million shares in September, amounted to Ps. 4.4 million.

1.5. Modification of the Fiscal Year-End Date

Our Shareholders Meeting held on October 11th, 2006 resolved to change our fiscal year-end date from June 30th to December 31st of each year. The registration of this change is still in process before the corresponding official entities.

1.6. Acquisition of Inversora Nihuiles and Inversora Diamante

On October 18th, 2006 the closing of the acquisitions of Inversora Nihuiles S.A. and Inversora Diamante S.A. took place for an aggregate price of US\$ 55.8 million, of which US\$4.9 million shall be paid on June 7th, 2011 to Banco Galicia and Buenos Aires S.A., accruing an annual interest rate of 3%. As a result of these transactions, Pampa is the controlling company of Hidroeléctrica Nihuiles S.A. and of Hidroeléctrica Diamante S.A., with an indirect share of 46% and 54%, respectively. The price paid for the companies implies a company value per installed MW of US\$ 139 thousand. (For further information see Note No. 9 to the Financial Statements as of December 31st, 2006)

1.7. Standard & Poor's Rating

On November 2nd, 2006 Standard & Poor's International Ratings LLC. of Argentina rated Pampa's shares class "2", with a "regular" capacity to generate gains and "high" liquidity. This rating allows Argentinean institutional investors, such as the Retirement and Pension Funds Management Companies (AFJP), to be shareholders of Pampa.

1.8. Acquisition of Central Térmica Güemes

On November 22nd, 2006 and December 5th, 2006 we entered into purchase agreements to acquire the indirect control of Central Térmica Güemes S.A. On January 4th, 2007 we closed such acquisition, by virtue whereof we indirectly acquired 58.8% of Central Térmica Güemes S.A., paying an aggregate price of US\$ 16.7 million. The price paid implies a company value per installed MW of US\$ 169 thousand (22% of the value paid at the privatization in 1992).

The acquisition of Central Térmica Güemes is strategic for Pampa since it has the possibility of expanding its existing installed capacity within the framework of the "Energía Plus" plan, by adding around 100 MW, with an investment close to US\$ 100 million. In this context, on March 2nd, 2007 an Engagement Letter was signed among Pampa Holding S.A., the Ministry of Federal Planning, Public Investments and Services, the Argentine Secretariat of Energy, the Government of the Province of Salta and Central Térmica Güemes S.A., by means of which mutual commitments were set for the development of the project of increasing the installed capacity of Central Térmica Güemes.

The transaction is subject to the approval of the Argentine antitrust authority, which has been requested on January, 2007. (For further information see Note No. 10 to the Financial Statements as of December 31st, 2006)

1.9. Acquisition of Loma La Lata and Sale Agreement of Central Puerto

On December 4th, 2006, we agreed with Sociedad Argentina de Electricidad S.A. ("SADESA"), a company that acquired together with Merrill Lynch, Pierce, Fenner & Smith Inc. a controlling stake of Central Puerto S.A., the purchase of 100% of the assets of Central Puerto's thermal generation plant at Loma La Lata, for a total of US\$ 60 million.

At the same time, on December 4th, 2006 we granted SADESA a call option over our shares in Central Puerto S.A. (representing 8.66% of the capital stock and votes), which may be exercised on December 4th, 2007. We will be able to sell those shares at the BCBA at any time until that date, without prejudice of said option being effective with respect to those shares that remain unsold at the BCBA until that date.

We consider the acquisition of Loma La Lata as strategic for Pampa since, apart from its current installed capacity, by means of the installation of a steam turbine that takes advantage of the current heat generated by the use of gas-fired turbines, we would have a combined cycle plant that would add around 185 MW, therefore reaching 554 MW of installed capacity. The closing of the cycle would imply an investment of around US\$ 140 million, which would be made as part of the "Energía Plus" plan.

The closing of the acquisition of Loma La Lata is subject to the satisfaction of certain conditions precedent, which include the approval of Central Puerto's shareholders and the compliance with the applicable regulations. (For further information see Note No. 11 to the Financial Statements as of December 31st, 2006)

1.10. Listing on the Luxembourg Stock Exchange

On December 21st, 2006, the GDS ("Global Depository Shares"), each representing 25 common shares of Pampa, were listed in the Luxembourg Stock Exchange, being traded in the Euro MTF market under the symbol PAMPA.

2. RELEVANT FINANCIAL INDICATORS

As previously stated, our Shareholders' Meeting held on October 11th, 2006 resolved to change our fiscal year-end date from June 30th to December 31st of each year. Therefore, the indicators as of December 2006 listed below, correspond to the irregular 6-month fiscal year starting on July 1st, 2006.

This fiscal year includes the results of our investments in Transelec S.A., Inversora Nihuiles S.A. and Inversora Diamante S.A. for the three-month period from October to December 2006. However, it does not include the results or the equity of Central Térmica Güemes S.A., operation closed after the end of the fiscal year, nor those of Loma La Lata, which is still pending for closing.

2.1. Consolidated Balance Sheet

	12/31/06		12/31/06
ASSETS		LIABILITIES	
CURRENT ASSETS		CURRENT LIABILITIES	
Cash and banks	23.142.888	Accounts payable	60.622.625
Investments	182.670.957	Financial debt	6.496.379
Trade receivables	78.395.136	Salaries and social security payable	10.276.649
Other receivables	28.243.461	Tax payable	23.997.556
Inventories	3.009.120	Other liabilities	1.024.302
Other assets	43.010		
Total current assets	315.504.572	Total current liabilities	102.417.511
NON-CURRENT ASSETS		NON-CURRENT LIABILITIES	
Trade receivables	62.349.285	Accounts payable	50.797.686
Investments	66.678	Financial debt	358.952.956
Other receivables	27.403.529	Taxes payable	146.104.967
Inventories	9.329.890	Other payables	49.079.955
Fixed assets	776.298.365	Total non-current liabilities	604.935.564
Intangible assets	330.661.176	Total liabilities	707.353.075
Other assets	188.214.225		
Sub-total non-current assets	1.394.323.148	Minority interest	490.710.315
Goodwill	-11.763.365		
Total non-current assets	1.382.559.783	Shareholders equity	500.000.965
		Total liabilities, minority interest and shareholders equity	1.698.064.355
Total assets	1.698.064.355		

2.2. Non-consolidated Balance Sheet

	12/31/06		12/31/06
ASSETS		LIABILITIES	
CURRENT ASSETS		CURRENT LIABILITIES	
Cash and banks	17.540.875	Accounts payable	2.376.928
Investments	151.542.745	Salaries and social security payable	365.331
Trade receivables	1.704.534	Tax payable	6.915.999
Other receivables	5.199.547	Other liabilities	100.000
Inventories	3.009.120		
Total current assets	178.996.821	Total current liabilities	9.758.258
NON-CURRENT ASSETS		NON-CURRENT LIABILITIES	
Trade receivables	232.000	Taxes payable	701.196
Other receivables	2.259.478	Other payables	49.079.955
Inventories	9.329.890	Total non-current liabilities	49.781.151
Investments	361.637.137	Total liabilities	59.539.409
Other assets	6.998.926		
Fixed assets	86.122		
Intangible assets	-	Shareholders equity	500.000.965
Total non-current assets	380.543.553	Total liabilities and shareholders equity	559.540.374
Total assets	559.540.374		

2.3. Consolidated Income Statement

	12/31/06
Sales revenue	127.686.513
Holding results	8.073.563
Cost of sales	-79.592.381
Gross profit	56.167.695
Selling expenses	-974.702
Administrative expenses	-16.488.513
Goodwill amortization	269.722
Operating income	38.974.202
Financial results generated by assets:	
Financial interest	10.977.292
Taxes and bank expenses	-307.570
Foreign currency exchange difference	588.865
Result from credits present value	-9.047.999
Other interests	146.352
Others	72.935
Sub-total	2.429.875
Financial results generated by liabilities:	
Financial interests	-8.768.539
Foreign currency exchange difference	4.984.928
Other financial results	-24.139.915
Other interests	-308.067
Sub-total	-28.231.593
Total financial results, net	-25.801.718
Other income and expenses, net	91.824
Income before income taxes and minority interest	13.264.308
Income tax expense	-1.831.357
Minority interest	-4.075.568
Net income	7.357.383
Basic income per share	0,0237
Diluted income per share	0,0225

2.4. Non-consolidated Income Statement

	12/31/06
Holding results	8.073.563
Results of participation in controlled companies	5.584.969
Goodwill amortization	269.722
Sales revenue	1.943.437
Cost of sales	-368.006
Gross profit	15.503.685
Selling expenses	-642.474
Administrative expenses	-8.979.456
Sub-total expenses	-9.621.930
Operating income	5.881.755
Financial results	
Generated by assets:	
Financial interests	3.251.466
Bank expenses	(35.061)
Foreign currency exchange difference	992.282
Other financial income	54.285
Generated by liabilities:	
Financial interests	(91.256)
Tax interests	(308.067)
Foreign currency exchange difference	182.653
Total financial results, net	4.046.302
Other income	168.455
Income before income tax	10.096.512
Income tax / Asset tax	(2.739.129)
Net income	7.357.383
Basic income per share	0,0237
Diluted income per share	0,0225

2.5. Segment Information

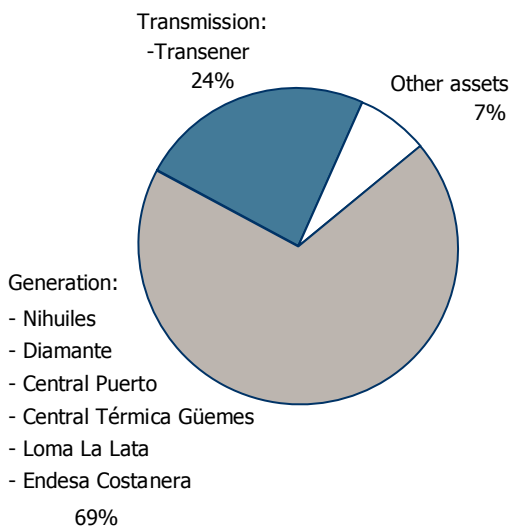
Pampa focuses primarily on the electricity sector, participating in the transmission and generation sectors through the legal entities in which the Company has a stake. Through its controlled companies, and based on its nature, clients and risks involved, the following business segments have been identified:

- Electricity Transmission, through the indirect holding in Transener S.A. and its subsidiaries.
- Electricity Generation, through the indirect holdings in Hidroeléctrica Nihuiles S.A., Hidroeléctrica Diamante S.A., and investments in shares of other companies related to the electricity generation sector.
- Holding, comprised of our own businesses, such as consulting services and financial investments.
- Others, comprised of real estate investments and investments in other companies not related to the electricity sector.

Consolidated Results (as of December 31 st , 2006)	Transmission	Generation	Holding	Others	Eliminations	Consolidated
Transmission sales	58.186.111	-	-	-	-	58.186.111
Generation sales	-	68.551.654	-	-	-	68.551.654
Holding results	-	3.051.556	1.724.754	3.297.253	-	8.073.563
Other sales	-	-	1.285.350	658.087	-994.689	948.748
Total sales	58.186.111	71.603.210	3.010.104	3.955.340	-994.689	135.760.076
Cost of sales	-41.914.089	-38.304.975	-	-368.006	994.689	-79.592.381
Gross profit (loss)	16.272.022	33.298.235	3.010.104	3.587.334	-	56.167.695
Selling and Administrative expenses	-5.811.710	-2.029.575	-5.396.262	-1.284.001	-	-14.521.548
Reserve for warrants	-	-	-2.941.667	-	-	-2.941.667
Goodwill amortization	411.310	-141.588	-	-	-	269.722
Total expenses	-5.400.400	-2.171.163	-8.337.929	-1.284.001	-	-17.193.493
Operating results	10.871.622	31.127.072	-5.327.825	2.303.333	-	38.974.202
Financial results, net	-22.992.639	-6.760.437	4.248.047	-296.689	-	-25.801.718
Other income and expenses, net	42.682	-26.763	31.505	44.400	-	91.824
Income before income taxes and minority interest	-12.078.335	24.339.872	-1.048.273	2.051.044	-	13.264.308
Income tax expense	12.035.239	-12.119.614	-2.057.587	310.605	-	-1.831.357
Minority interest	734.280	-4.809.848	-	-	-	-4.075.568
Net income	691.184	7.410.410	-3.105.860	2.361.649	-	7.357.383
Depreciation of fixed assets	-7.406.549	-695.252	-11.465	-	-	-8.113.266
Amortization of intangible assets	-	-4.706.881	-2.505	-	-	-4.709.386
Amortization other assets	-5.683.052	-	-	-	-	-5.683.052
Consolidated Results (as of December 31, 2006)						
Total assets	1.014.959.151	486.221.674	103.089.095	93.794.435	-	1.698.064.355
Total liabilities	549.881.540	97.932.126	53.278.398	6.261.011	-	707.353.075

3. Asset COMPOSITION OF PAMPA HOLDING

The following chart shows the asset* composition of Pampa as of December 31st, 2006, based on the acquisition costs and including the purchase of Central Térmica Güemes (acquisition subsequently closed) and of Loma La Lata (closing still pending).



Pampa Holding's Assets (as of December 31 st , 2006)	US\$ Million	%
Transmission	48,5	24%
Transener	48,5	24%
Generation	139,0	69%
Loma La Lata	60,0	30%
Nihules and Diamante	55,8	28%
Central Térmica Güemes	16,7	8%
Central Puerto	5,3	3%
Endesa Costanera	1,2	1%
Other assets	13,5	7%
Cerámica San Lorenzo	7,0	3%
Estancia Benquerencia	4,3	2%
Frigorífico La Pampa Building (1)	2,3	1%
Total	201,1	100%

* It does not include the funds received through the issuance of 600 million shares of Pampa on February 22nd, 2007.
(1) At book value.

Find further information about the company in:
www.cnv.org.ar
www.pampaholding.com