

UNAUDITED FINANCIAL STATEMENTS

AT MARCH 31, 2007

PRESENTED IN COMPARATIVE FORMAT



PAMPA HOLDING S.A.

**UNAUDITED FINANCIAL STATEMENTS
AT MARCH 31, 2007
PRESENTED IN COMPARATIVE FORMAT**

TABLE OF CONTENTS

Unaudited Consolidated Financial Statements

- Unaudited Consolidated Balance Sheets
- Unaudited Consolidated Statement of Income
- Unaudited Consolidated Statement of Cash Flows
- Notes to the Unaudited Consolidated Financial Statements
- Exhibit H – Unaudited Consolidated information required by section 64 subsect. b) of Law No. 19550

Unaudited Parent-only Financial Statements

- Unaudited Balance Sheets
- Unaudited Statements of Income
- Unaudited Statements of Changes in Shareholders' Equity
- Unaudited Statements of Cash Flows
- Notes to the Unaudited Financial Statements
- Exhibit A – Fixed Assets
- Exhibit B – Intangible Assets
- Exhibit C – Investments in Shares and Government and Private Securities – Investments in Other Companies
- Exhibit D – Other Investments
- Exhibit F – Cost of Sales
- Exhibit G – Foreign Currency Assets and Liabilities
- Exhibit H – Information required by Section 64, sub-section b) of Law No. 19550
- Exhibit I – Breakdown of receivables and debts according to due dates and interest rate accrued

Summary of Activities

Limited Review Report

PAMPA HOLDING S.A.

Hipólito Bouchard 680, Piso 14^o – Autonomous City of Buenos Aires

Financial Statements as of March 31, 2007

For the three-month period commenced on January 1, 2007

Presented in comparative format

Company's main line of business: Investments in undertakings and in companies of any nature on the Company's own behalf or on behalf of third parties or of third parties' associates in Argentina and abroad.

Dates of registration with the Public Registry of Commerce:

- By-laws: February 21, 1945
- Latest amendments to By-laws: June 26, 2006

Date of expiration of By-laws or Incorporation agreement: June 30, 2044

| Type of shares | CAPITAL STATUS (Note 5 to the Unaudited parent-only Financial Statements) | | |
|--|---|------------------|----------------|
| | Shares | | |
| | Number of shares authorized to list for trading in a public offering | Subscribed \$ | Paid-in \$ |
| Ordinary book-entry, entitled to 1 vote each | 1,046,000,000 | 1, 046,000,000 | 1, 046,000,000 |

PAMPA HOLDING S.A.

Unaudited Consolidated Balance Sheets as of March 31, 2007 and December 31, 2006

Amounts in pesos – Note 2.3 to the Unaudited parent-only Financial Statements

| | 03.31.07 | 12.31.06 | | 03.31.07 | 12.31.06 |
|------------------------------------|----------------------|----------------------|--|----------------------|----------------------|
| <u>ASSETS</u> | | | <u>LIABILITIES</u> | | |
| <u>CURRENT ASSETS</u> | | | <u>CURRENT LIABILITIES</u> | | |
| Cash and banks | 265,947,565 | 23,142,888 | Accounts payable (Note 3 h)) | 75,403,834 | 60,622,625 |
| Short-term investments (Note 3 a)) | 1,192,278,869 | 182,670,957 | Financial debts (Note 3 j)) | 18,118,448 | 6,496,379 |
| Trade receivables (Note 3 b)) | 119,774,923 | 78,395,136 | Salaries and social security payable | 9,850,975 | 10,276,649 |
| Other receivables (Note 3 c)) | 35,928,209 | 28,243,461 | Taxes payable (Note 3 i)) | 28,226,682 | 23,997,556 |
| Inventories | 4,528,912 | 3,009,120 | Other debts | 3,962,393 | 1,024,302 |
| Other assets | 43,010 | 43,010 | Total Current Liabilities | 135,562,332 | 102,417,511 |
| Total Current Assets | 1,618,501,488 | 315,504,572 | | | |
| <u>NON-CURRENT ASSETS</u> | | | <u>NON-CURRENT LIABILITIES</u> | | |
| Trade receivables (Note 3 b)) | 77,560,150 | 62,349,285 | Accounts payable (Note 3 h)) | 49,227,157 | 50,797,686 |
| Long-term investments | 66,680 | 66,678 | Financial debts (Note 3 j)) | 433,688,504 | 358,952,956 |
| Other receivables (Note 3 c)) | 32,169,935 | 27,403,529 | Salaries and social security payable | 1,407,338 | - |
| Inventories | 13,238,289 | 9,329,890 | Taxes payable (Note 3 i)) | 187,595,001 | 146,104,967 |
| Fixed assets (Note 3 d)) | 968,253,462 | 776,298,365 | Other debts (Note 3 k)) | 54,066,086 | 49,079,955 |
| Intangible assets (Note 3 e)) | 325,954,295 | 330,661,176 | Total Non-current Liabilities | 725,984,086 | 604,935,564 |
| Other assets (Note 3 f)) | 182,531,173 | 188,214,225 | Total Liabilities | 861,546,418 | 707,353,075 |
| Subtotal Non-current Assets | 1,599,773,984 | 1,394,323,148 | | | |
| Goodwill (Note 3 g)) | (4,777,380) | (11,763,365) | MINORITY INTEREST | 528,405,030 | 490,710,315 |
| Total Non-current Assets | 1,594,996,604 | 1,382,559,783 | SHAREHOLDERS' EQUITY | 1,823,546,644 | 500,000,965 |
| Total Assets | 3,213,498,092 | 1,698,064,355 | Total Liabilities, Minority interest and Shareholders' Equity | 3,213,498,092 | 1,698,064,355 |

The accompanying notes are an integral part of these unaudited consolidated financial statements.

PAMPA HOLDING S.A.

Unaudited Consolidated Statement of Income

For the three-month period
ended March 31, 2007

Amounts in pesos – Note 2.3 to the Unaudited parent-only Financial Statements

| | 03.31.07 |
|---|-------------------|
| Income from sales (Note 3.1)) | 170,347,079 |
| Holding results of shares, securities and mutual funds | 711,171 |
| Cost of sales (Note 3 m)) | (107,576,651) |
| Gross income | 63,481,599 |
| Selling expenses (Exhibit H) | (1,204,089) |
| Administrative expenses (Exhibit H) | (14,029,226) |
| Goodwill amortization | 36,920 |
| Operating income | 48,285,204 |
| Financial and holding results generated by assets: | |
| Interest income | 14,741,958 |
| Bank taxes and charges | (1,388,080) |
| Foreign currency exchange difference | 7,466,926 |
| Result from receivables measurement at present value | (4,077,741) |
| Sundry | 122,369 |
| Financial and holding results generated by liabilities: | |
| Interest on loans | (12,452,132) |
| Foreign currency exchange difference | (4,713,754) |
| Result from measurement of liabilities at present value | (1,868,941) |
| Sundry | (31,613) |
| Total financial results, net | (2,201,008) |
| Other income and expenses, net | (2,771,812) |
| Income before taxes and minority interest | 43,312,384 |
| Income tax (Note 4) | (3,318,138) |
| Minority interest in subsidiaries | (8,829,327) |
| Net income for the period | 31,164,919 |
| Basic earnings per share | 0.0390 |
| Diluted earnings per share | 0.0366 |

The accompanying notes and exhibits are an integral part of these unaudited consolidated financial statements.

PAMPA HOLDING S.A.

Unaudited Consolidated Statement of Cash Flows

For the three-month period

ended March 31, 2007

Amounts in pesos – Note 2.3 to the Unaudited parent-only Financial Statements

| | 03.31.07 |
|--|-----------------|
| CHANGES IN CASH AND CASH EQUIVALENTS | |
| Cash and cash equivalents at the beginning of year | 77,555,254 |
| Cash and cash equivalents at the end of period | 1,406,079,379 |
| Net increase in cash and cash equivalents | 1,328,524,125 |
| REASONS FOR CHANGES IN CASH | |
| OPERATING ACTIVITIES | |
| Net income for the period | 31,164,919 |
| Income tax | 3,318,138 |
| Accrued interest | 13,920,862 |
| Adjustments to arrive at the net cash flows provided by operating activities: | |
| Depreciation of fixed assets | 10,516,418 |
| Amortization of intangible assets and concession contracts | 4,706,881 |
| Depreciation of other assets | 5,683,052 |
| Goodwill amortization | (36,920) |
| Reserve for Directors' options | 2,941,667 |
| Exchange difference and other holding results | 4,266,781 |
| Minority interest | 8,829,327 |
| Result for sale of fixed assets | 569,516 |
| Changes in operating assets and liabilities | |
| Increase in trade receivables | (26,220,499) |
| Increase in other receivables | (9,950,780) |
| Increase in inventories | (104,544) |
| Decrease in accounts payable | (14,702,021) |
| Decrease in salaries and social security payable | (2,108,693) |
| Increase in taxes payable | 16,552,942 |
| Increase in other debts | (2,238,324) |
| Collection of Interest | 401,182 |
| Payment of interest | (8,503) |
| Income tax payment | (5,163,294) |
| Net cash flow provided for operating activities | 42,338,107 |
| INVESTMENT ACTIVITIES | |
| Increase in investments not equivalent to cash | (1,354,083) |
| Fixed asset acquisitions | (45,344,933) |
| Net variation for investment addition | 847,268 |
| Investment transfer - cash equivalent | 77,465,619 |
| Collection from the sale of fixed assets | 168,665 |
| Net cash flow provided in investment activities | 31,782,536 |
| FINANCING ACTIVITIES | |
| Capital increase | 1,289,439,093 |
| Payment of dividends | (162,858) |
| Decrease in bank and financial debt | (34,872,753) |
| Net cash flow provided by financing activities | 1,254,403,482 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 1,328,524,125 |

The accompanying notes and exhibits are an integral part of these unaudited consolidated financial statements.

PAMPA HOLDING S.A.
Notes to the unaudited consolidated financial statements

At March 31, 2007 and December 31, 2006

Amounts in pesos – Note 2.3 to the parent-only Financial Statements

NOTE 1: CONSOLIDATION OF FINANCIAL STATEMENTS

In accordance with General Resolutions Nos. 368/01 and 372/01 of the National Securities Commission, the consolidated financial statements must precede the individual financial statements of the issuing entity. This regulation only implies changing the order of disclosure of the consolidated information, without altering the nature of the parent-only financial statements as the principal information and the consolidated financial statements as complementary information, in accordance with Corporations Law No. 19550 and professional standards. Consequently the consolidated financial statements must be read in conjunction with the Company's parent-only financial statements which are presented after the consolidated information.

Basis of consolidation

Following the criteria established by Technical Resolution No. 21 of the Argentine Federation of Professional Councils in Economic Sciences ("FACPCE"), the Company has consolidated line by line its financial statements as of March 31, 2007 with the financial statements of Transelec Argentina S.A. ("Transelec"), Inversora Nihuales S.A. ("INNISA") and Inversora Diamante S.A. ("INDISA"), Dilurey S.A. ("Dilurey") and Pampa Energía S.A. ("PEPSA").

Data reflecting corporate control is as follows:

| Company | Percentage of interest held in capital stock |
|---------------|--|
| | 03.31.07 |
| Transelec | 89.76 (*) |
| INNISA | 90.27 |
| INDISA | 91.60 |
| Dilurey | 100.00 |
| Pampa Energía | 95.00 |

(*) See Note 8 to the unaudited parent-only financial statements.

In addition, the financial statements of Transelec are proportionally consolidated to those of Compañía Inversora en Transmisión Eléctrica Citelec S.A. ("Citelec") as a result of the joint control of 50% of the shares in this company, which also consolidates the financial information of Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A. ("Transener"), as it holds 52.65% of its shares.

The financial statements of INNISA and INDISA are consolidated line by line to those of Hidroeléctrica Nihuales S.A. ("HINISA") and Hidroeléctrica Diamante S.A. ("HIDISA"), as the first two hold the control of 51% and 59% of the shares in these last two companies, respectively.

PAMPA HOLDING S.A.
Notes to the unaudited consolidated financial statements

NOTE 1: (Contd.)

The financial statements of Diluery are consolidated line by line to those of Powerco S.A. as a result of its 90% shareholding in this company, which in turn consolidates to those of Central Térmica Güemes ("CTG"), as it holds 60% of the shares.

The financial statements of the subsidiaries used for consolidation purposes were prepared at the same closing date as that of the consolidated financial statements, covering the same periods, and have been prepared following accounting policies similar to those applied by the Company in preparing its financial statements, which are detailed in Note 3 to the unaudited parent-only financial statements.

NOTE 2: **ARGENTINE ECONOMIC CONTEXT AND ITS IMPACT ON THE COMPANY AND ITS SUBSIDIARIES**

Status of Transener and Transba tariff

The Law on Public Emergency and Reform of the Exchange System (Law No. 25561) imposed the obligation on utility companies, such as Transener and its subsidiary Empresa de Transporte de Energía Eléctrica por Distribución Troncal de la Provincia de Buenos Aires ("Transba") to renegotiate existing contracts with the Government while continuing to render the service.

On May 17, 2005 Agreement Minutes were signed with the UNIREN ("Renegotiation and Analysis of Utility Contracts Unit"), including the terms and conditions to adjust the Concession Contract, which were ratified by Decrees Nos. 1460/05 and 1462/05 of the Executive Branch on November 28, 2005.

Transener and Transba S.A. submitted their tariff proposals, which should have become effective for the periods February 2006 and May 2006, respectively in August 2005 based on the guidelines established in the Agreement Minutes for the performance of the Comprehensive Tariff Review in 2005 and the determination of a new tariff system, based on the terms outlined in Chapter X of Law No. 24065.

However, since January 2006 the ENRE continues with the suspension of the hearing ordered by Resolution No. 60/06 of the ENRE to discuss the tariff proposals submitted under the framework of the Comprehensive Tariff Review.

Because it considered that such Resolution infringes Transener's rights and implies the non-fulfillment of the obligations assumed in the Agreement Minutes by the Argentine Government, Transener filed –in due time and manner- a motion for reconsideration against that Resolution, which has not yet been resolved by the authorities of the Secretariat of Energy.

PAMPA HOLDING S.A.
Notes to the unaudited consolidated financial statements

NOTE 2: (Contd.)

As the ENRE postponed the Comprehensive Tariff Review unilaterally, Resolution No. 423/2006 was issued delaying the charges for connection, capacity and electricity transported established by Resolution No. 908/2005 of the ENRE and other obligations established for the contract transition period in the Agreement Minutes, as from February 1, 2006 until the Comprehensive Tariff Review has been concluded.

Lastly, as a result of the increase in labor costs arising from the application of Decree No. 392/04 of the Executive Branch and subsequent decrees, which have been translated into higher operating costs as from 2004, the corresponding claims have been filed with the ENRE to proceed to readjust remuneration in accordance with the clauses established in the Agreement Minutes. No answer has yet been received from the ENRE in relation to those claims.

Economic and financial situation of HINISA and HIDISA

Resolution No. 240/03 of the Energy Secretariat established that the Agency responsible for the Dispatch, CAMMESA, should approve the Spot Prices of the Wholesale Electric Market, setting as a maximum price that resulting from a virtual dispatch which does not recognize restrictions on the supply of natural gas to the generating units of the system. Consequently, HINISA and HIDISA future revenues will continue to be affected by this situation, which will possibly have an impact on the analysis of the recoverable values of the main assets.

On September 8, 2003, the Secretariat of Energy issued Resolution No. 406/03 establishing that, in view of the exhaustion of resources available in the Wholesale Electric Market (MEM) Stabilization Fund, the Agents' receivables will be paid in the month of their maturity, depending on the availability of funds, a receivable in favor of those agents from the Stabilization Fund being recorded for any amount remaining outstanding. If the Stabilization Funds available to settle the receivables in favor of the generating agents were not sufficient, such receivables will be consolidated at the end of each month, accruing interest at a rate equivalent to the monthly average yield obtained by the Agency Responsible for the Dispatch (ODE-CAMMESA) from its financial placements. This situation directly affects the financial position of HINISA and HIDISA. At March 31, 2007, the consolidated receivables amount in nominal terms to \$ 146,067,564.

On July 12, 2004, the Energy Secretariat issued Resolution No. 826/04 inviting all the MEM's creditor agents to participate in the setting up of a Fund for necessary investments (FONINVE MEM) in order to increase the supply of electricity in the wholesale electric market, with their accumulated receivables from January 2004 to December 2006. On December 6, 2004, the Energy Secretariat adopted Resolution No. 1427 establishing general guidelines based on which the expansion envisaged in Resolution No. 826 will be carried out.

PAMPA HOLDING S.A.
Notes to the unaudited consolidated financial statements

NOTE 2: (Contd.)

On February 2, 2005, the Energy Secretariat issued Resolution No. 49, whereby payment of a portion of the consolidated debt for those adhering to the call established by Resolution No. 1427/04 was approved, paying the debt arising in 2003 in twenty-four monthly installments as from March 2005. HINISA and HIDISA decided to participate in that Fund, contributing the minimum established percentage (65% of sales settlements with due dates to be defined).

On October 7, 2005, the Secretariat of Energy issued Resolution No. 1193/05 inviting all generators participating in the FONINVEMEM to execute the "Final agreement for managing and operating the MEM adaptation projects". This statement shall be irrevocable. This agreement established guidelines for the operation of companies to be created with the funds obtained from the contributions undertaken by generators. This agreement also established the method for repaying the generators' receivables that had been agreed to be contributed to the FONINVEMEM (65% in the case of the subsidiaries). Those receivables shall be converted to US\$ and collected, after the commercial authorization of the power plants expected to be granted in September 2008, in 120 equal and consecutive monthly installments. This principal amount accrues interest at an annual rate equivalent to LIBOR + 1%. This agreement was signed by the generators through minutes dated October 17, 2005.

On December 13, 2005, the agreements to establish the electricity generating companies "Sociedad Termoeléctrica Manuel Belgrano S.A." and "Sociedad Termoeléctrica José de San Martín S.A." were signed for the production and block sales of electricity, and for the purchase of equipment, construction, operation and maintenance of a power plant. On December 15, 2005, HINISA and HIDISA signed the pertinent minutes accepting subscription of shares in the two electricity generating companies, subscribing 24,459 and 12,568 ordinary shares, respectively.

In addition, in view of the above Agreement, after the incorporation of the companies, a trust was set up for each thermoelectric company with the purpose of managing 50% of the resources accumulated in the FONINVEMEM, and the remaining funds allocated to the financing of the thermoelectric plants to be built.

The trust agreement beneficiaries are each of the holders with undefined due date sales settlements. The Trustor is CAMMESA, in its capacity as MEM fund and account Manager, and the trustee is BICE, which is the owner of the Trust Assets.

Trust agreements are effective until termination of the supply contract, i.e. ten years as from the Plant start-up. Once the trust agreement has been terminated, the Trustee will freely transfer the trust assets available at that date to the beneficiary.

On October 13, 2006, HINISA and HINDISA signed a guarantee assignment contract, whereby 50% of all rights conferred by the LVFVD on each Trust will be granted to the trustee for the benefit of each Trust to guarantee the power plants' commitments under the management contracts entered into with the Trustee.

PAMPA HOLDING S.A.
Notes to the unaudited consolidated financial statements

NOTE 2: (Contd.)

As established by Resolution No. 826/04 receivables contributed to the FONINMEM are those arising from January 1, 2004 to December 31, 2006. The companies' managements estimate that the Fund will be maintained to manage the receivables arising during 2007 under the same refund methodology, changing the amount contributed to 50% of generated receivables.

NOTE 3: DETAIL OF BALANCE SHEET ACCOUNTS

Consolidated Balance Sheets at March 31, 2007 and December 31, 2006

a) Investments

| | <u>03.31.07</u> | <u>12.31.06</u> |
|---------------------------------|----------------------|--------------------|
| <u>Current</u> | | |
| Time deposits | 453,512,951 | 54,412,366 |
| Investments in shares and bonds | 738,765,918 | 128,258,591 |
| | <u>1,192,278,869</u> | <u>182,670,957</u> |

b) Trade receivables

| | | |
|--|--------------------|-------------------|
| <u>Current</u> | | |
| CAMMESA | 54,395,521 | 49,220,194 |
| Consolidated receivables Res. 406/03 – Secretariat of Energy | 27,062,639 | 11,090,022 |
| Trade receivables - Wholesale Electric Market | 25,616,677 | 10,311,905 |
| Checks pending deposit | 5,698,054 | - |
| Other | 11,445,215 | 7,528,398 |
| Intercompanies and related companies | 421,490 | 658,250 |
| Allowance for bad debts | (4,864,673) | (413,633) |
| | <u>119,774,923</u> | <u>78,395,136</u> |
| <u>Non-current</u> | | |
| Consolidated receivables Res. 406/03 – Secretariat of Energy | 119,004,925 | 100,116,479 |
| CAMMESA | 394,817 | - |
| Other | 237,343 | 232,000 |
| Provision for trade receivables present value | (42,076,935) | (37,999,194) |
| | <u>77,560,150</u> | <u>62,349,285</u> |

PAMPA HOLDING S.A.
Notes to the unaudited consolidated financial statements

NOTE 3: (Contd.)

c) Other receivables

| | 03.31.07 | 12.31.06 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Current | | |
| Directors and syndics' fee advances | 1,459,429 | 602,081 |
| Legal attachments | 6,035,797 | 5,763,429 |
| Guarantee deposits | 4,634,028 | 5,578,412 |
| Expenses to be recovered | 3,561,286 | 1,353,651 |
| Intercompanies and related companies | 154,727 | 275,922 |
| Pre-paid expenses | 2,945,065 | 3,758,604 |
| Tax and social security credits | 13,416,832 | 5,872,451 |
| Advances to suppliers | 2,254,660 | 3,217,072 |
| Sundry | 1,466,385 | 1,821,839 |
| | 35,928,209 | 28,243,461 |
| Non-current | | |
| Asset tax credit | 26,671,875 | 20,504,966 |
| Equity interest program for the personnel | 5,449,560 | 5,612,419 |
| Deferred income tax credit | - | 1,166,434 |
| Sundry | 48,500 | 119,710 |
| | 32,169,935 | 27,403,529 |

d) Fixed assets

| Main account | Original values | Accumulated depreciation | Net book value at 03.31.07 | Net book value at 12.31.2006 |
|------------------------------------|-----------------|--------------------------|----------------------------|------------------------------|
| Land | 2,651,394 | - | 2,651,394 | 894,025 |
| Properties | 64,953,206 | (901,409) | 64,051,797 | 24,991,060 |
| Leasehold improvements | 703,045 | (9,020) | 694,025 | 698,535 |
| High-voltage lines | 328,086,573 | (5,725,607) | 322,360,966 | 325,243,944 |
| Electricity equipment | 257,247,241 | (5,421,192) | 251,826,049 | 251,385,916 |
| Aerial and semi-heavy equipment | 3,768,923 | (102,175) | 3,666,748 | 3,713,080 |
| Laboratory and maintenance | 1,967,478 | (55,586) | 1,911,892 | 1,833,309 |
| Turbines | 44,142,460 | (711,268) | 43,431,192 | - |
| Boilers | 54,587,447 | (716,949) | 53,870,498 | - |
| Automation of plants | 9,034,487 | (346,670) | 8,687,817 | 8,836,538 |
| Remote control systems | 1,478,832 | (51,812) | 1,427,020 | 1,452,751 |
| Multi-year maintenance | 7,297,665 | (458,049) | 6,839,616 | - |
| Transformers | 7,140,272 | (136,885) | 7,003,387 | 896,869 |
| Installations | 227,913 | (33,845) | 194,068 | 187,407 |
| Vehicles | 6,918,137 | (433,093) | 6,485,044 | 6,251,274 |
| Furniture and fixtures | 1,438,743 | (192,739) | 1,246,004 | 1,120,873 |
| Computer and software equipment | 2,016,708 | (550,938) | 1,465,770 | 1,472,085 |
| Telecommunication equipments | 28,678,552 | (1,072,357) | 27,606,195 | 28,120,946 |
| Spare parts | 32,835,467 | - | 32,835,467 | 36,295,791 |
| Tools and machines | 2,149,060 | (108,949) | 2,040,111 | 2,083,518 |
| Work in progress | 73,443,825 | (27,207) | 73,416,618 | 68,222,307 |
| Work and compulsory work performed | 7,640,684 | (280,524) | 7,360,160 | 7,500,164 |
| Sundry | 7,108,888 | (728,839) | 6,380,049 | 3,393,819 |
| Advances to suppliers | 40,801,575 | - | 40,801,575 | 1,704,154 |
| Total at 03.31.07 | 986,318,575 | (18,065,113) | 968,253,462 | |
| Total at 12.31.06 | 784,415,375 | (8,117,010) | | 776,298,365 |

PAMPA HOLDING S.A.
Notes to the unaudited consolidated financial statements

NOTE 3: (Contd.)

e) Intangible Assets

| Main account | Original values | Accumulated depreciation | Net book value at 03.31.2007 | Net book value at 12.31.2006 |
|---------------------|-----------------|--------------------------|------------------------------|------------------------------|
| Concession contract | 335,368,057 | (9,413,762) | 325,954,295 | 330,661,176 |
| Total at 03.31.2007 | 335,368,057 | (9,413,762) | 325,954,295 | |
| Total at 12.31.2006 | 335,368,057 | (4,706,881) | | 330,661,176 |

f) Other Assets

| Main account | Original values | Accumulated depreciation | Net book value at 03.31.2007 | Net book value at 12.31.2006 |
|------------------------------------|-----------------|--------------------------|------------------------------|------------------------------|
| Cuarta Línea Project | 173,072,967 | (10,528,202) | 162,544,765 | 167,808,866 |
| Exchange difference capitalization | 13,825,384 | (837,902) | 12,987,482 | 13,406,433 |
| Frigorífico La Pampa Building | 6,998,926 | - | 6,998,926 | 6,998,926 |
| Total at 03.31.2007 | 193,897,277 | (11,366,104) | 185,531,173 | |
| Total at 12.31.2006 | 193,897,277 | (5,683,052) | | 188,214,225 |

g) Goodwill

| Main account | Original values | Accumulated depreciation | Net book value at 31.03.2007 | Net book value at 31.12.2006 |
|--------------------------|-----------------|--------------------------|------------------------------|------------------------------|
| Goodwill – Transelec (1) | (20,521,859) | 666,324 | (19,855,535) | (21,735,914) |
| Goodwill – INNISA (2) | (745,689) | 21,322 | (724,367) | (735,036) |
| Goodwill – INDISA (2) | 10,859,826 | (303,772) | 10,556,054 | 10,707,585 |
| Goodwill – Dilurey (3) | 4,732,712 | (68,658) | 4,664,054 | - |
| Goodwill – Powerco (3) | 590,988 | (8,574) | 582,414 | - |
| Total at 31.03.2007 | (5,084,022) | 306,642 | (4,777,380) | |
| Total at 31.12.2006 | (12,033,087) | 269,722 | | (11,763,365) |

(1) Useful life has been estimated at 21 years based on the average weighted remaining useful life of the subsidiaries' assets subject to depreciation.

(2) Useful lives have been estimated at 17 years based on the remaining useful life of the concession contracts of Hidroeléctrica Nihules and Hidroeléctrica Diamante, subsidiaries of INNISA and INDISA, respectively.

(3) Useful life has been estimated at 17 years based on the average weighted remaining useful life of the assets subject to depreciation of Central Térmica Güemes S.A., subsidiary of Dilurey and Powerco.

PAMPA HOLDING S.A.
Notes to the unaudited consolidated financial statements

NOTE 3: (Contd.)

| | 03.31.07 | 12.31.06 |
|--|--------------------|--------------------|
| h) Accounts payable | | |
| <u>Current</u> | | |
| Suppliers | 38,356,671 | 20,499,865 |
| Provisions | 12,572,797 | 17,603,856 |
| CAMMESA | 9,925,750 | 8,513,210 |
| Fees and royalties | 4,530,501 | 5,258,526 |
| Technical operator fees | - | 1,014,195 |
| Provision for directors and syndics fees | 1,389,862 | 640,443 |
| Intercompanies and related parties | 1,012,065 | 656,638 |
| Deferred income | 7,376,086 | 6,298,231 |
| Advances to customers | 240,102 | 137,661 |
| | 75,403,834 | 60,622,625 |
| <u>Non-current</u> | | |
| Deferred income | 3,956,719 | 4,060,808 |
| Advances to customers | 45,270,438 | 46,736,878 |
| | 49,227,157 | 50,797,686 |
| | 03.31.07 | 12.31.06 |
| i) Taxes payable | | |
| <u>Current</u> | | |
| Provision for income tax | 26,767,785 | 23,084,000 |
| Income tax withholdings and pre-payments | (26,221,368) | (15,407,355) |
| Asset tax provision | 9,410,937 | 261,281 |
| Provision for VAT debit | 10,646,821 | 2,541,057 |
| Municipal Contributions | 6,591,705 | 6,261,011 |
| Tax related to energy | 492,451 | - |
| Sundry | 538,351 | 7,257,562 |
| | 28,226,682 | 23,997,556 |
| <u>Non-current</u> | | |
| Provision for income tax | 9,152,000 | - |
| Income tax withholdings and advances | (679,979) | - |
| Deferred tax liabilities | 159,890,513 | 131,100,365 |
| Tax debit on consolidated credit | 19,232,467 | 15,004,602 |
| | 187,595,001 | 146,104,967 |

PAMPA HOLDING S.A.
Notes to the unaudited consolidated financial statements

NOTE 3: (Contd.)

| | 03.31.07 | 12.31.06 |
|---|--------------------|--------------------|
| j) Financial debts – Note 6 | | |
| Current | | |
| Negotiable obligations | 9,136,717 | 6,525,659 |
| Adjustment to financial debt at discounted value | (17,278) | (29,280) |
| Financial loans | 5,675,809 | - |
| Interest | 3,323,200 | - |
| | 18,118,448 | 6,496,379 |
| Non-current | | |
| Financial loans | 11,624,520 | - |
| Negotiable obligations | 490,066,211 | 367,424,767 |
| Adjustment to financial debt at discounted value | (68,002,227) | (8,471,811) |
| | 433,688,504 | 358,952,956 |
| k) Other debts | | |
| Non-current | | |
| Debt for purchase of Subsidiaries | 15,394,753 | 15,095,056 |
| Purchase option of shares in Transelec (Note 8 to the parent-only financial statements) | 35,610,264 | 33,984,899 |
| Provisions | 3,061,069 | - |
| | 54,066,086 | 49,079,955 |
| | | 03.31.07 |
| l) Income from sales | | |
| Net electricity sales | | 105,106,257 |
| Net regulated sales | | 27,268,137 |
| Net Fourth Line fees | | 7,922,672 |
| Other sales | | 30,050,013 |
| | | 170,347,079 |
| m) Cost of sales | | |
| Purchases of energy | | 20,930,294 |
| Cost of generation/transmission – (Exhibit H) | | 86,589,829 |
| Cost of sales- Plots of land | | 56,528 |
| | | 107,576,651 |

PAMPA HOLDING S.A.
Notes to the unaudited consolidated financial statements

NOTE 4: INCOME TAX AND DEFERRED TAX METHOD

The table below shows the breakdown of net consolidated deferred tax liabilities at March 31, 2007:

| | 03.31.07 |
|---|-----------------|
| Tax loss-carryforwards | 120,019,737 |
| Financial debt | (22,465,752) |
| Fixed assets | (139,429,901) |
| Investments | (3,189,246) |
| Trade receivables | (16,823,352) |
| Intangible assets | (33,227,335) |
| Other assets | (4,545,619) |
| Provisions | 6,214,959 |
| Exchange difference deferral | (716,000) |
| Other | (6,256) |
| Subtotal | (94,168,765) |
| Provision for doubtful tax loss-carryforwards | (65,721,748) |
| Net deferred tax liabilities | (159,890,513) |

Below is a reconciliation between consolidated income tax charged to results for the three-month period ended March 31, 2007 and that which would result if the statutory tax rate were to be applied to the consolidated accounting profit before taxes and tax determined for the period:

| | 03.31.07 |
|--|-----------------|
| Income tax calculated at the current tax rate (35%) on the accounting profit before income tax | (15,159,334) |
| Permanent differences: | |
| Directors' options | (1,029,853) |
| Capital increase expenses | 12,454,959 |
| Result from foreign bond holding | 707,347 |
| Adjustment for inflation | (2,798,345) |
| Amortization of goodwill | 13,005 |
| Other | (2,024,714) |
| Subtotal | (7,836,665) |
| Variation of the provision for tax-loss carryforwards recoverability | 2,856,539 |
| Variation of subsidiaries deferred tax liabilities (1) | 1,661,988 |
| Total income tax charge recorded | (3,318,138) |

(1) To value its equity interest in subsidiaries, the Company has decided to recognize the deferred tax liabilities resulting from the effect of the adjustment for inflation of its subsidiaries' non-monetary assets.

PAMPA HOLDING S.A.
Notes to the unaudited consolidated financial statements

NOTE 5: **INFORMATION BY SEGMENTS**

The Company's business is mainly focused on the electricity sector, with a participation in the electricity transmission and generation segments distributed among the different legal entities in which the Company has an equity interest. The following business segments have been identified by means of its subsidiaries and based on the nature, customers and risks involved:

Electricity Transmission: Made up of the indirect equity interest in Transener S.A. and its subsidiaries.

Electricity Generation: Made up of the indirect equity interest in HINISA and HIDISA and CTG and investments in shares in other companies related to the electricity generation sector.

Holding: Made up of own operations, such as advisory services and financial investments.

Other: Made up of investments in real estate and other companies not related to the electricity sector.

Below is a table with the Information for each segment identified by the Company at March 31, 2007:

PAMPA HOLDING S.A.
Notes to the consolidated financial statements

NOTE 5: INFORMATION BY SEGMENTS (Contd.)

| | <u>Transmission</u> | <u>Generation</u> | <u>Holding</u> | <u>Other</u> | <u>Deletions</u> | <u>Consolidated</u> |
|--|---------------------|---------------------|--------------------|------------------|--------------------|---------------------|
| Unaudited Consolidated Income Statement Information at 03.31.2007 | | | | | | |
| Transmission sales | 62,067,749 | - | - | - | - | 62,067,749 |
| Generation sales | - | 107,927,670 | - | - | - | 107,927,670 |
| Holding result of shares and bonds | - | (2,358,188) | 1,683,296 | 1,386,063 | - | 711,171 |
| Other sales | - | - | 1,427,389 | 93,060 | (1,168,789) | 351,660 |
| Total sales | <u>62,067,749</u> | <u>105,569,482</u> | <u>3,110,685</u> | <u>1,479,123</u> | <u>(1,168,789)</u> | <u>171,058,250</u> |
| Cost of sales | <u>(29,315,390)</u> | <u>(58,364,375)</u> | <u>-</u> | <u>(56,528)</u> | <u>252,255</u> | <u>(87,484,038)</u> |
| Gross income before depreciation and amortization charges | <u>32,752,359</u> | <u>47,205,107</u> | <u>3,110,68</u> | <u>1,422,595</u> | <u>(916,534)</u> | <u>83,574,212</u> |
| Administrative expenses | (5,700,522) | (2,669,534) | (5,519,732) | - | 641,574 | (13,248,214) |
| Selling expenses | - | (1,050,761) | (97,180) | (298,382) | 274,960 | (1,171,363) |
| Subtotal | <u>27,051,837</u> | <u>43,484,812</u> | <u>(2,506,227</u> | <u>1,124,213</u> | <u>-</u> | <u>69,154,635</u> |
| Fixed assets depreciation (1) | (7,412,594) | (3,096,843) | (6,980) | - | - | (10,516,417) |
| Intangible assets amortization (1) | - | (4,706,881) | - | - | - | (4,706,881) |
| Other assets amortization(1) | (5,683,052) | - | - | - | - | (5,683,052) |
| Amortization of goodwill (1) | 255,014 | (218,094) | - | - | - | 36,920 |
| Operating results | <u>14,211,205</u> | <u>35,462,994</u> | <u>(2,513,207)</u> | <u>1,124,213</u> | <u>-</u> | <u>48,285,204</u> |
| Financial and holding results | | | | | | |
| Generated by assets | 1,381,084 | (1,244,740) | 16,729,088 | - | - | 16,865,432 |
| Generated by liabilities | (15,189,616) | (3,744,556) | - | (132,268) | - | (19,066,440) |
| Other income and expenses, net | 219,707 | (3,050,152) | - | 58,632 | - | (2,771,813) |
| (Loss) Gain before income tax and minority interest | <u>622,380</u> | <u>27,423,546</u> | <u>14,215,881</u> | <u>1,050,577</u> | <u>-</u> | <u>43,312,384</u> |
| Income Tax | (1,065,442) | (9,917,167) | 7,664,471 | - | - | (3,318,138) |
| Minority interest | 502,658 | (9,331,985) | - | - | - | (8,829,327) |
| Net Income (Loss) for the period | <u>59,596</u> | <u>8,174,394</u> | <u>21,880,352</u> | <u>1,050,577</u> | <u>-</u> | <u>31,164,919</u> |
| Unaudited Consolidated Balance Sheet Information at 03.31.2007 | | | | | | |
| Total Assets | 1,015,558,596 | 838,986,014 | 1,347,051,671 | 46,783,061 | (34,881,250) | 3,213,498,092 |
| Total Liabilities | 585,350,013 | 302,724,612 | 1,652,489 | 6,700,554 | (34,881,250) | 861,546,418 |
| Fixed assets acquisition | 3,414,671 | 40,397,697 | 21,093 | - | - | 43,833,461 |
| (1) Charged to: | | | | | | |
| Cost of sales | (12,370,292) | (7,722,320) | - | - | - | (20,092,612) |
| Selling expenses | - | (32,729) | - | - | - | (32,729) |
| Administrative expenses | (725,354) | (48,674) | (6,981) | - | - | (781,009) |

PAMPA HOLDING S.A.
Notes to the consolidated financial statements

NOTE 6: TRANSENER FINANCING STRUCTURE

6.1. Financial restructuring

On June 30, 2005 Transener concluded its financial debt restructuring process (2005 restructuring). That restructuring consisted of a swap of previous debt securities, loans and derivatives pending payment for a mix of cash payments, the issue of new shares in Transener and new negotiable obligations with the following public and private offerings:

| Series | Date of issue | Amount US\$ | Agreed rate | Final maturity | Allocation of funds |
|--------------|---------------|--------------------|-------------|-------------------|---------------------------------|
| Class 6 (*) | June 30, 2005 | 59,301,841 | (1) | December 15, 2016 | Restructuring of financial debt |
| Class 7 (**) | June 30, 2005 | 178,598,116 | (2) | December 15, 2015 | Restructuring of financial debt |
| Class 8 (*) | June 30, 2005 | 20,698,159 | (1) | December 15, 2016 | Restructuring of financial debt |
| Class 9 (**) | June 30, 2005 | 21,234,675 | (2) | December 15, 2015 | Restructuring of financial debt |
| Total | | 279,832,791 | | | |

(*) At par value

(**) With discount

(1) Until December 2007: 3.0%
 Until December 2010: 4.0%
 Until December 2012: 5.0%
 Until December 2014: 6.0%
 Until December 2016: 7.0%

(2) Until December 2008: 9.0%
 Remaining period: 10.0%

Class 6 Negotiable Obligations at an outstanding par value at March 31, 2007 total US\$ 12,400,414 (see Note 6.2. Financial Debt Restructuring).

Class 8 Negotiable Obligations have been fully settled (see Note 6.2. Financial Debt Restructuring).

Discounted Negotiable Obligations (Class 7 and 9) have been fully redeemed (see Note 6.2. Financial Debt Restructuring).

The effects related to Transener debt restructuring at June 30, 2005 led to: i) the recognition of income for the reduction of principal, compensatory and punitive interest for \$532.2 million, ii) recognition of a loss for the write off of costs and exchange differences capitalized for \$ 21.2 million, iii) the recognition of income for financial debt measurement at discounted value for \$96 million.

6.2. Financial Debt Restructuring (the “2006 Restructuring”)

Transener decided to refinance its financial debt in view of the excellent conditions of the capital markets in 2006 and the improved risk rating achieved by that Company.

PAMPA HOLDING S.A.
Notes to the consolidated financial statements

NOTE 6: (Contd.)

The process commenced in October 2006 included a cash purchase offer for Class 6 and Class 8 Negotiable Obligations at par value and the full redemption of Discounted Class 7 and Class 9 Negotiable Obligations. At the closing of that offer, votes for approximately 76% of total securities were obtained.

As part of the 2006 Restructuring process, Transener S.A. called Meetings of Holders of Class 6 and Class 8 Negotiable Obligations at par value to submit to their consideration an amendment to the Indenture Contract with the purpose of eliminating substantially all restrictive commitments and events of non-compliance encompassed in the terms and conditions of those Negotiable Obligations. The meetings were held on December 14, 2006 and the holders of Class 6 and Class 8 Negotiable Obligations at par value approved the amendments to the terms proposed by Transener S.A.

Class 1 Negotiable Obligations for US\$ 220 million were issued to finance the purchase offer and the above bond redemption. These new securities falling due on December 15, 2016 accrue an annual interest rate of 8.875% and they will be amortized in four equal facilities on December 15, 2013, 2014, 2015 and 2016.

Class 1 Negotiable Obligations have been authorized to list for trading in a public offering in Argentina in accordance with Resolution No. 15523 dated November 30, 2006 of the National Securities Commission. In addition, those negotiable obligations have been authorized to be listed at the Buenos Aires Stock Exchange and the Luxemburg Stock Exchange according to the authorizations originally granted by those entities, and to be traded in the Over-the-counter Market.

The cash purchase offer for Class 6 and Class 8 Negotiable Obligations at par value, total redemption of Discounted Class 7 and Class 9 Negotiable Obligations and the issue of new Class 1 Negotiable Obligations was settled on December 20, 2006.

6.3. Restrictions related to the 2006 Restructuring

Transener and its restricted subsidiaries must comply with a series of restrictions arising from the 2006 Refinancing terms, including: i) Limitations on Indebtedness: In certain circumstances, the Company will not be able to incur new debts, unless for amounts of less than US\$ 30 million, among other exceptions, ii) Limitations on the sale of assets, iii) Limitations on the operations with Shareholders and Affiliates, iv) Limitations on Sale and Leaseback operations, v) Limitations on restricted payments, vi) Making a change in control under certain circumstances.

PAMPA HOLDING S.A.
Notes to the consolidated financial statements

NOTE 7: RESTRICTED ASSETS AND LIMITATION TO THE TRANSFER OF SHARES. COMMITMENTS UNDERTAKEN

Transener and Transba restricted assets

The Concession Contract prohibits the Concessionaire from placing a lien, mortgage or any other collateral in favor of third parties on assets destined to the rendering of the National High-Voltage Electricity Public Transmission Service in the case of Transener and the Provincial Electricity Public Transmission Service in the case of Transba, notwithstanding the free availability of those assets becoming unsuitable for that purpose in the future according to the ENRE criteria.

Limitation on the transfer of shares in Transener and Transba

Citelec shall not modify its investment, or sell its Class "A" shares in Transener without the prior authorization of the ENRE. Transener shall also not be able to modify or sell its investment in Transba without the prior authorization of that body.

In accordance with the Concession Contract, Citelec with regard to Transener and Transener with regard to Transba, have placed a lien in favor of the Government on all Class "A" shares to guarantee the execution of obligations assumed. Awardees Citelec and Transener should increase the guarantee amount by putting a lien on Class "A" shares purchased subsequently as a result of new capital contributions made or the capitalization of profits and/or capital adjustment balances. The possible successive transfers of the majority Class "A" share package will be pledged.

In addition, the Company's by-laws prohibit the placing of a lien or any other encumbrance on Class "A" shares, with certain exceptions mentioned in the Concession Contract.

Commitments undertaken by INNISA

Point 12.13 of Chapter XII of the Terms and Conditions for the sale of 51% of HINISA capital stock, establishes that Class "B" shares are of free availability and their transfer by public offering shall be mandatory once the Government of the Province of Mendoza transfers its Class "C" shares to retail investors resident of the Province of Mendoza. At March 31, 2007, the Government of the Province of Mendoza has not performed any transfer of the Class "C" shares to retail investors resident in the Province of Mendoza.

Furthermore, it is established that the Concessionaire should take the necessary measures for the Company to list its securities on the Stock Exchange.

On March 9, 2006, the Provincial Executive Branch, through the Ministry of the Environment and Public Works, issued Decree No. 334, whereby it was agreed the sale of 37% of HINISA capital stock, represented by Class "C" shares, to institutional minority investors of the

PAMPA HOLDING S.A.
Notes to the consolidated financial statements

NOTE 7: (Contd.)

Province of Mendoza, by means of a procedure guaranteeing that none of the purchasers of this class of shares could hold more than 5% of the capital stock and none of the holders of Class "A" shares could hold any other classes of shares. The same decree authorized the Ministry of the Environment and Public Works to perform the necessary procedures to confirm the irrevocable sales mandate granted by the holders of Class "B" shares to the Provincial Government.

On September 7, 2006, the legislature of the Province of Mendoza confirmed Decree No. 334 dated March 9, 2006.

PAMPA HOLDING S.A.

Unaudited Consolidated information required by section 64 subject. b) of Law No. 19550

For the three-month period ended March 31, 2007
amounts in pesos – Note 2.3 to the parent-only financial statements

Exhibit H

| Items | Expenses | | | Total at 03.31.07 |
|---------------------------------------|-------------------|------------------|-----------------------------|----------------------|
| | Administrative | Selling | Generation/ transmission | |
| Salaries and social security payables | 3,438,655 | 458,513 | 15,747,956 | 19,645,124 |
| Fees and compensation for services | 1,751,157 | 151,072 | 4,381,284 | 6,283,513 |
| Directors and syndics' salaries | 4,353,259 | - | - | 4,353,259 |
| Royalties and fees | - | - | 7,430,611 | 7,430,611 |
| Depreciation of fixed assets | 781,009 | 32,729 | 9,702,680 | 10,516,418 |
| Amortization of intangible assets | - | - | 4,706,881 | 4,706,881 |
| Amortization of other assets | - | - | 5,683,052 | 5,683,052 |
| Maintenance | 93,684 | - | 2,091,491 | 2,185,175 |
| Transport and per diem | 385,878 | 4,135 | 1,051,477 | 1,441,490 |
| Rental and expenses | 287,809 | 95,342 | 429,922 | 813,073 |
| Energy, fuels and lubricant | 56,444 | - | 22,552,073 | 22,608,517 |
| Spare parts and materials | - | - | 10,953,754 | 10,953,754 |
| Taxes and services | 401,189 | 248,299 | 808,832 | 1,458,320 |
| Communication | 117,389 | - | 647,540 | 764,929 |
| Advertising and promotion | 117,960 | 163,273 | - | 281,233 |
| Insurance | 773,444 | 4,626 | 733,296 | 1,511,366 |
| Office expenses | 153,049 | 13,898 | 75,947 | 242,894 |
| Other expenses | 1,318,300 | 32,202 | (406,967) | 943,535 |
| Total at 03.31.07 | 14,029,226 | 1,204,089 | 86,589,829 | 101,823,144 |

PAMPA HOLDING S.A.

Unaudited Parent-only Financial Statements
At March 31, 2007
presented in comparative format

PAMPA HOLDING S.A.

Balance Sheets as of March 31, 2007 (unaudited) and December 31, 2006

amounts in pesos – Note 2.3

| | 03.31.07 | 12.31.06 | | 03.31.07 | 12.31.06 |
|---|----------------------|--------------------|---|----------------------|--------------------|
| ASSETS | | | LIABILITIES | | |
| CURRENT ASSETS | | | CURRENT LIABILITIES | | |
| Cash and banks (Note 4 a) | 247,806,276 | 17,540,875 | Accounts payable (Note 4 f) | 3,231,292 | 2,376,928 |
| Short-term investments (Exhibits C and D) | 1,136,445,317 | 151,542,745 | Salaries and social security payable | 218,427 | 365,331 |
| Trade receivables (Note 4 b) | 1,140,184 | 1,704,534 | Taxes payable (Note 4 g) | 11,866,599 | 6,915,999 |
| Other receivables (Note 4 c) | 7,418,192 | 5,199,547 | Other debts | 1,163,500 | 100,000 |
| Inventories (Note 4 d) | 3,009,120 | 3,009,120 | Total Current Liabilities | 16,479,818 | 9,758,258 |
| Total Current Assets | 1,395,819,089 | 178,996,821 | | | |
| NON-CURRENT ASSETS | | | NON-CURRENT LIABILITIES | | |
| Trade receivables (Note 4 b) | 237,343 | 232,000 | Taxes payable (Note 4 g) | - | 701,196 |
| Other receivables (Note 4 c) | 14,493,451 | 2,259,478 | Other debts (Note 4 h) | 51,005,017 | 49,079,955 |
| Inventories (Note 4 d) | 9,273,362 | 9,329,890 | Total Non-current Liabilities | 51,005,017 | 49,781,151 |
| Long-term investments (Exhibits C) | 426,273,335 | 361,637,137 | Total Liabilities | 67,484,835 | 59,539,409 |
| Other assets (Note 4 e) | 6,998,926 | 6,998,926 | | | |
| Fixed assets (Exhibit A) | 37,935,973 | 86,122 | SHAREHOLDERS' EQUITY | | |
| Intangible assets (Exhibit B) | - | - | (per related statement) | 1,823,546,644 | 500,000,965 |
| Total Non-current Assets | 495,212,390 | 380,543,553 | Total Liabilities and Shareholders' Equity | 1,891,031,479 | 559,540,374 |
| Total Assets | 1,891,031,479 | 559,540,374 | | | |

The accompanying notes and exhibits are an integral part of these unaudited financial statements.

PAMPA HOLDING S.A.

Unaudited Statements of Income

For the three-month period ended March 31, 2007
presented in comparative format ⁽¹⁾
amounts in pesos – Note 2.3

| | 03.31.07 | 03.31.06 |
|--|-------------------|------------------|
| Holding results of shares, securities and mutual funds (Exhibit C) | 711,171 | 194,267 |
| Result of investment in subsidiaries (Note 4 i) | 10,711,205 | - |
| Goodwill amortization | 36,920 | - |
| Income from sales | 1,520,449 | 248,994 |
| Cost of sales (Exhibit F) | (56,528) | (175,883) |
| Gross income | 12,923,217 | 267,378 |
| Selling expenses (Exhibit H) | (395,559) | (31,564) |
| Administrative expenses (Exhibit H) | (5,526,716) | (1,590,409) |
| Subtotal | (5,922,275) | (1,621,973) |
| Result from reversal of property impairment allowance (Note 12) | - | 722,236 |
| Operating income (loss) | 7,000,942 | (632,359) |
| Financial and holding results | | |
| -Generated by assets | | |
| - Interest income | 9,785,511 | 108,001 |
| - Bank charges | (314,604) | (15,517) |
| - Tax on financial transactions | (319,650) | - |
| - Foreign currency exchange difference | 7,577,831 | 442,895 |
| -Generated by liabilities | | |
| - Interest expense | (112,387) | (65,204) |
| - Tax interest | (132,268) | (432,759) |
| - Foreign currency exchange difference | (197,609) | 68,046 |
| Net financial results | 16,286,824 | 105,462 |
| Other income and expenses, net | 212,682 | - |
| Income (loss) before taxes | 23,500,448 | (526,897) |
| Income tax and asset tax (Note 4 j) | 7,664,471 | 3,669,630 |
| Net income for the period | 31,164,919 | 3,142,733 |
| Basic earnings per share (Note 3 m) | 0,0390 | 0,5238 |
| Diluted earnings per share (Note 3 m) | 0,0366 | - |

The accompanying notes and exhibits are an integral part of these unaudited financial statements.

(1) See Note 2.5

PAMPA HOLDING S.A.

Unaudited Statements of Changes in Shareholders' Equity

For the three-month period ended March 31, 2007

presented in comparative format ⁽¹⁾

amounts in pesos – Note 2.3

| | SHAREHOLDERS' CONTRIBUTIONS | | | | Reserve for directors' options (Note 13) | (Accumulated deficit) Retained earnings | Total at 03.31.07 | Total at 03.31.06 |
|--|-----------------------------|------------------------------|---------------------|---------------|---|--|----------------------|----------------------|
| | Common stock (Note 5) | Irrevocable contributions | Paid-in- capital | Total | | | | |
| Balances at the beginning of the year | 446,000,000 | - | 45,000,000 | 491,000,000 | 2,941,667 | 6,059,298 | 500,000,965 | (354,587) |
| Prior year adjustments (Note 2.6) | - | - | - | - | - | - | - | 643,252 |
| Adjusted balances at the beginning of the year | 446,000,000 | - | 45,000,000 | 491,000,000 | 2,941,667 | 6,059,298 | 500,000,965 | 288,665 |
| Capital increase - Meeting held on 01.10.07 (Note 1) | 600,000,000 | - | 689,439,093 | 1,289,439,093 | - | - | 1,289,439,093 | - |
| Irrevocable contributions received | - | - | - | - | - | - | - | 23,900,000 |
| Reserve for Directors' options (Note 13) | - | - | - | - | 2,941,667 | - | 2,941,667 | - |
| Net income for the period | - | - | - | - | - | 31,164,919 | 31,164,919 | 3,142,733 |
| Balances at 03.31.07 | 1,046,000,000 | - | 734,439,093 | 1,780,439,093 | 5,883,334 | 37,224,217 | 1,823,546,644 | |
| Balances at 03.31.06 | 6,000,000 | 23,900,000 | - | 29,900,000 | - | (2,568,602) | | 27,331,398 |

The accompanying notes and exhibits are an integral part of these unaudited financial statements.

(1) See Note 2.5

PAMPA HOLDING S.A.

Unaudited Statements of Cash Flows

For the three-month period ended March 31, 2007

presented in comparative format ⁽¹⁾

amounts in pesos – Note 2.3

| | 03.31.07 | 03.31.06 |
|---|---------------|--------------|
| CHANGES IN CASH AND CASH EQUIVALENTS | | |
| Cash and cash equivalents at the beginning of year | 40,825,029 | 5,026 |
| Cash and cash equivalents at the end of period | 1,332,104,538 | 10,297,081 |
| Net increase in cash and cash equivalents | 1,291,279,509 | 10,292,055 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the period | 31,164,919 | 3,142,733 |
| Income tax and asset tax | (7,664,471) | (3,669,630) |
| Accrued interest | 244,655 | 432,759 |
| Adjustments to reconcile net income for the period to net cash flows provided by (used in) operating activities: | | |
| Depreciation of fixed assets and amortization of intangible assets | 6,981 | 2,816 |
| Amortization of goodwill | (36,920) | - |
| Exchange difference provided by other short-term investments and other debts | 189,041 | 15,180 |
| Result from investments in subsidiaries | (10,711,205) | - |
| Short-term investments holding results | - | (3,052) |
| Reserve for Directors' options | 2,941,667 | - |
| Reversal of property impairment allowance | - | (722,236) |
| Changes in operating assets and liabilities | | |
| Decrease (Increase) in trade receivables | 559,007 | (91,260) |
| Increase in other receivables | (7,489,343) | (715,146) |
| Decrease (Increase) in inventories | 56,528 | (10,978,083) |
| Increase in accounts payable | 854,364 | 456,509 |
| (Decrease) Increase in salaries and social security payable | (146,904) | 37,604 |
| Increase in taxes payable | 5,162,373 | 526,658 |
| Increase in other debts | (101,732) | (46,000) |
| Income tax payments | (344,041) | - |
| Net cash flow provided by / (used in) operating activities | 14,684,919 | (11,611,148) |
| CASH USED IN INVESTMENT ACTIVITIES | | |
| Purchase of companies | (51,099,207) | - |
| Transfer of investments equivalent to cash | 77,465,619 | - |
| Fixed asset additions | (37,856,832) | (13,393) |
| Increase in investments not equivalent to cash | (1,354,083) | (1,487,607) |
| Net cash flow used in investment activities | (12,844,503) | (1,501,000) |
| CASH PROVIDED BY FINANCING ACTIVITIES | | |
| Capital increase | 1,289,439,093 | - |
| Paying up of irrevocable contributions | - | 23,900,000 |
| Decrease in financial debts | - | (495,797) |
| Net cash flow provided by financing activities | 1,289,439,093 | 23,404,203 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 1,291,279,509 | 10,292,055 |

Cash and banks plus highly liquid investments (original maturities of three months or less) were considered cash.

The accompanying notes and exhibits are an integral part of these unaudited financial statements.

(1) See Note 2.5

PAMPA HOLDING S.A.

Notes to the unaudited financial statements

At March 31, 2007 and

December 31, 2006

Amounts in pesos – Note 2.3

NOTE 1: CAPITAL INCREASE

In addition, the General Extraordinary Meeting of Shareholders of June 16, 2006 approved a new capital increase for up to \$ 900,000,000 (nine hundred million pesos face value), increasing capital from \$ 146,000,000 to \$ 1,046,000,000 by means of the issue of up to 900,000,000 of new ordinary, book-entry shares of 1 vote each and of \$ 1 face value each, delegating timing and amount of each issue to the Board of Directors. Under this new capital increase, in September 2006 a capital increase for 300,000,000 ordinary, book-entry, non-callable shares of 1 vote each and of \$ 1 face value each was subscribed and paid up at \$ 1.15 each.

On January 15, 2007 the Board of Directors approved the issue of 600,000,000 shares at \$2.23 each. That process concluded on February 22, 2007, the Company recording net income for \$1,289,439,093.

NOTE 2: BASIS OF PRESENTATION

2.1 Financial statement preparation and presentation

These financial statements are stated in Argentine pesos, and were prepared in accordance with generally accepted accounting principles issued by the FACPCE, as approved by the Professional Council in Economic Sciences of the Autonomous City of Buenos Aires ("CPCECABA") with certain modifications, and the regulations of the National Securities Commission ("CNV").

The Company's parent-only financial statements have been prepared including the information required by current legal and professional accounting standards. The Company's Management recommends the reading of the parent-only financial statements together with the consolidated financial statements, which are presented at the beginning and are an integral part of the parent-only financial statements, for an adequate interpretation of the financial position and the changes in the results of the Company and its subsidiaries.

Certain reclassifications have been made to prior period financial statements to present it in comparative format with this period information.

2.2. New accounting standards

On August 10, 2005, through Resolution CD No. 93/2005, the CPCECABA approved the unification within its jurisdiction of professional accounting standards with those issued by the FACPCE. Application of Technical Pronouncements Nos. 6, 7, 8, 9, 11, 14, 15, 16, 17, 18, 21 and 22 of the FACPCE shall be mandatory within the jurisdiction of the Autonomous City of Buenos Aires, with the amendments introduced by that body until January 1, 2005.

PAMPA HOLDING S.A.

NOTE 2: (Contd.)

The standards approved shall come into force for fiscal years commencing as from January 1, 2006, their early application being admitted.

On December 29, 2005, through Resolutions Nos. 485 and 487, the CNV adopted the CPCECABA standards with certain modifications.

The main change derived from the unification of accounting standards is the treatment of the adjustment for inflation of the deferred tax calculation, which allows recognizing such liability as a temporary or permanent difference for fiscal years commencing as from January 1, 2006, the application of this standard in advance being optional. At present, the adjustment for inflation is considered as a permanent difference in the calculation of deferred tax.

As established by the new accounting standards, the Company has decided not to recognize the deferred liability derived from the adjustment for inflation of fixed and other non-monetary assets. The effect is included in Note 4 j).

2.3. Presentation of financial statements in constant Argentine pesos

The financial statements have been prepared in constant monetary units, reflecting the overall effects of inflation through August 31, 1995. As from that date, in accordance with professional accounting standards and the requirements of the control authorities, restatement of the financial statements was discontinued until December 31, 2001. As from January 1, 2002, in accordance with professional accounting standards recognition of the effects of inflation has been resumed, considering that the accounting measurements restated due to the change in the purchasing power of the currency up to August 31, 1995 and those originating between that date and December 31, 2001 have been stated in the currency value of the latter date.

On March 25, 2003, the National Executive Branch issued Decree 664 establishing that the financial statements for fiscal years ending as from that date be stated in nominal currency. Consequently, in accordance with CNV Resolution No. 441/03, the Company discontinued the restatement of its financial statements as from March 1, 2003. This criterion is not in accordance with prevailing professional accounting standards, which establish that financial statements are to be restated until September 30, 2003. Nevertheless, given the very low rates of inflation applicable between March and September 2003, this departure has not had a significant impact on the financial statements taken as a whole.

The index used in restating the items contained in these financial statements until February 28, 2003 is the domestic wholesale price index published by the National Statistics and Census Institute.

2.4. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting standards requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the income and expenses

PAMPA HOLDING S.A.

NOTE 2: (Contd.)

2.5. Use of estimates

recorded for the period. Significant estimates include those required for the accounting of depreciation and amortization, the recoverable value of assets, the income tax charge and provisions for contingencies. Actual results could differ from those estimates.

2.6. Comparative information

In view of the change in the closing date approved by the Ordinary and Extraordinary Shareholders' Meeting of October 11, 2006, the amounts in the statement of income and in the notes and exhibits relating to the amounts in that statement, included in the financial statements for the three-month period ended March 31, 2007, cannot be compared with the financial information included in the financial statements for the nine-month period ended March 31, 2006, presented in comparative format.

2.7. Prior year adjustments

During the fiscal year ended June 30, 2006 the Company recorded prior year adjustments, which are detailed below:

| Items | Effect on retained earnings for the year 06.30.05 Income (loss) |
|---|--|
| Reversal of other assets impairment allowance (Note 12) | 3,170,178 |
| Municipal contributions (Note 11) | (2,526,926) |
| Total | 643,252 |

NOTE 3: **SIGNIFICANT ACCOUNTING POLICIES**

a. Cash and banks

In local currency: At nominal value.

In foreign currency: Translated at the exchange rate at the end of each period or year applied to settle these operations, detailed in Exhibit G. Exchange differences were allocated to the results for each period.

b. Investments

- Short-term

Time deposit balances have been stated at their respective fair value plus interest accrued at the end of each period or year as per the clauses specific to each transaction.

Share balances have been valued at their net realizable value at the end of each period or year.

PAMPA HOLDING S.A.

NOTE 3:

(Contd.)

The balances of government and private securities in foreign currency have been stated at their net realizable value converted at the exchange rate at the end of each period or year applied to settle these operations plus interest accrued at the end of each year, and they have been detailed in Exhibit G. Exchange differences were allocated to the results for each period.

- Long-term – Minority interest and goodwill

Long-term investments in subsidiaries have been accounted for under the equity method in accordance with Technical Pronouncement No. 21 of the FACPCE. The Company has used the financial statements of its subsidiaries for the three-month period ended March 31, 2007. At December 31, 2006 the Company used the financial statements of its subsidiaries for the three-month period ended on that date, considering the dates in which effective control was assumed.

Those companies have prepared their financial statements applying similar accounting standards to those applied by the Company.

Goodwill represents the excess or shortfall in the fair value of identifiable net assets purchased compared with their acquisition cost. Positive goodwill amortization charges are calculated on a regular basis throughout their useful life, representing the best estimate for the period during which the Company expects to receive economic benefits from them. Negative goodwill is amortized on a regular basis throughout a period equal to the weighted average remaining useful life of the issuer's assets subject to depreciation and amortization.

The Company assesses on a regular basis the recoverability of goodwill on the basis of future cash flows and other information available at the date of issue of these financial statements. The value of goodwill does not exceed its estimated recoverable value.

c. Receivables and liabilities

In local currency: Stated at their nominal value plus financial results accrued at period or year end, if applicable. The values thus obtained do not significantly differ from those that would result from application of the prevailing accounting standards, which establish that they must be valued at the amount receivable and payable, respectively, discounted applying a rate reflecting the time value of money and the risks specific to the transaction estimated at the time of their addition to assets and liabilities, respectively.

In foreign currency: Valued as mentioned above, considering the exchange rates in force at the end of each period or year, detailed in Exhibit G. Exchange differences were allocated to the results for each period or year.

PAMPA HOLDING S.A.

NOTE 3: (Contd.)

d. Inventories

Land acquired for their development and subsequent sale have been classified as inventories.

Inventories have been valued at acquisition cost. This caption includes expenses incurred in the acquisition of the land and its preparation for sale before the notarizing act.

Aggregate inventory value does not exceed their recoverable value.

The Company has classified inventories as current and non-current based on Management estimated date of sale.

e. Other assets

The Frigorifico La Pampa building, located in Avenida Don Pedro de Mendoza, Autonomous City of Buenos Aires, no longer in use since the beginning of 2003, has been valued at acquisition cost restated as mentioned in Note 2.3 and amortized until that time.

During the fiscal year ended June 30, 2003 the Company recognized an impairment allowance of \$ 3,225,000 for that building, because the book value recorded was in excess of the recoverable value estimated at that date. The Company has reversed that impairment allowance in subsequent periods; no allowance having been recorded at the end of these financial statements (See Note 12).

The Company has classified other assets as non-current, on the basis of the management estimate of when they will be sold.

Their aggregate value does not exceed their recoverable value.

f. Fixed assets

Fixed assets have been valued at acquisition cost restated as mentioned in Note 2.3, net of accumulated depreciation and impairment allowance, where applicable.

Depreciation charges are computed under the straight-line method over the estimated useful lives assigned to the assets, considering the full addition month criterion.

The evolution of this caption is detailed in Exhibit A.

Aggregate asset value does not exceed their recoverable value.

g. Intangible assets

Intangible assets corresponding to brands have been valued at acquisition cost restated

PAMPA HOLDING S.A.

as mentioned in Note 2.3, less accumulated amortization, as disclosed in Exhibit B.

PAMPA HOLDING S.A.

NOTE 3: (Contd.)

h. Income tax

The Company has recognized the income tax charge using the deferred tax method, thus recognizing the temporary differences between the carrying amounts of existing assets and liabilities and their respective tax bases.

Deferred tax assets and liabilities are measured using the enacted tax rates expected to be applied to taxable income in the years in which those temporary differences are expected to be recorded and settled, considering the regulations in effect at the time of issue of these financial statements.

The Company recognizes tax assets on its balance sheet only when their realization is deemed to be probable.

i. Asset tax

The Company is subject to the asset tax at a statutory rate of 1% over its computable assets at the end of the year. This tax complements income tax. Pursuant to this tax regime, the Company is required to pay the greater of the income tax or the asset tax. Any excess of the asset tax over the income tax may be carried forward and recognized as a tax against future income tax payable over a 10-year period:

The Company has recognized as an expense the asset tax paid until the fiscal year ended June 30, 2005, considered its expected realization. During the period ended March 31, 2006, as a result of the relaunching of the Company's operations, the Company reassessed the recoverability of this asset and recognized a credit of \$ 462,792.

j. Shareholders' equity

The shareholders' equity accounts have been restated in constant monetary units through February 28, 2003 as mentioned in Note 2.3. Subsequent activity has been stated at nominal value.

k. Income statement accounts

The income statement accounts have been disclosed in the currency of the month in which they are incurred, except for the charges for assets consumed (fixed asset depreciation, intangible asset amortization and costs of sales), which amounts were determined on the basis of the asset values recorded, restated as mentioned in Note 2.3.

l. Revenue recognition

Revenues from land sales are recognized when the Company has transferred to the buyer the risk of ownership.

Holding results include income from the valuation of shares at year end as well as dividends paid.

PAMPA HOLDING S.A.

NOTE 3: (Contd.)

m. Earnings per share

1. Basic earnings per share

The Company has calculated basic earnings per share on the basis of the average weighted amount of outstanding shares at March 31, 2007 and 2006:

| | 03.31.07 | 03.31.06 |
|---|-----------------|-----------------|
| Net income for the period | 31,164,919 | 3,142,733 |
| Average weighted amount of outstanding shares | 799,333,333 | 6,000,000 |
| Earnings per share | 0.0390 | 0.5238 |

2. Diluted earnings per share

Furthermore, the Company has calculated diluted earnings per share on the basis of the possible diluted effect of the purchase options of shares described in Note 13.

| | 03.31.07 | 03.31.06 |
|---|-----------------|-----------------|
| Net income for the period | 31,164,919 | - |
| Average weighted amount of outstanding shares | 851,505,655 | - |
| Earnings per share | 0.0366 | - |

NOTE 4: DETAIL OF BALANCE SHEET ACCOUNTS

The main financial statement captions are broken down as follows:

Balance Sheet at March 31, 2007 and December 31, 2006

| | 03.31.07 | 12.31.06 |
|---|--------------------|-------------------|
| a) Cash and banks | | |
| Cash in local currency | 4,101 | 3,973 |
| Cash in foreign currency (Exhibit G) | 8,030 | 1,475 |
| Banks in local currency | 1,799,986 | 2,267,289 |
| Banks in foreign currency (Exhibit G) | 245,994,159 | 15,268,138 |
| Total Cash and Banks | 247,806,276 | 17,540,875 |
| b) Trade receivables | | |
| <u>Current</u> | | |
| Ordinary in foreign currency (Exhibit G) | 203,925 | 149,261 |
| Intercompany and related companies (Note 6) | 936,259 | 1,555,273 |
| Total trade receivables | 1,140,184 | 1,704,534 |
| <u>Non-Current</u> | | |
| Ordinary in foreign currency (Exhibit G) | 237,343 | 232,000 |
| Total non-current trade receivables | 237,343 | 232,000 |
| Total trade receivables | 1,377,527 | 1,936,534 |

PAMPA HOLDING S.A.

NOTE 4: (Contd.)

c) Other receivables

| | 03.31.07 | 12.31.06 |
|--|-------------------|------------------|
| <u>Current</u> | | |
| <u>Tax credits</u> | | |
| - VAT credits | 1,382,109 | 728,303 |
| - Law No. 23760 taxes | 873,494 | 110,522 |
| - Income tax withholdings | 128,918 | - |
| - Other | 74,880 | - |
| <u>Sundry</u> | | |
| - Expenses related to the issue of capital | 1,558,481 | 1,353,651 |
| - Advances to directors | 231,060 | 154,200 |
| - Expenses to be recovered - Intercompany and related companies (Note 6) | 2,187,937 | 300,941 |
| - Advances to suppliers | 64,618 | - |
| - Guarantees granted (Note 11) | 888,994 | 2,433,994 |
| - Other | 27,701 | 117,936 |
| Total current other receivables | 7,418,192 | 5,199,547 |
| <u>Non-current</u> | | |
| <u>Tax credits</u> | | |
| - Asset tax | 7,481,676 | 2,139,768 |
| - Deferred income tax asset (Note 4.j) | 6,963,275 | - |
| <u>Sundry</u> | | |
| - Expenses related to the purchase of companies | - | 119,710 |
| - Other | 48,500 | - |
| Total other receivables non-current | 14,493,451 | 2,259,478 |
| Total other receivables | 21,911,643 | 7,459,025 |

d) Inventories

| | | |
|---------------------------------------|-------------------|-------------------|
| <u>Current</u> | | |
| "Estancia Benquerencia" plots of land | 3,009,120 | 3,009,120 |
| <u>Non-current</u> | | |
| "Estancia Benquerencia" plots of land | 9,273,362 | 9,329,890 |
| Total inventories | 12,282,482 | 12,339,010 |

e) Other assets

| | | |
|-------------------------------|------------------|------------------|
| Frigorifico La Pampa building | 6,998,926 | 6,998,926 |
| Total other assets | 6,998,926 | 6,998,926 |

PAMPA HOLDING S.A.

NOTE 4: (Contd.)

f) Accounts payable

| | 03.31.07 | 12.31.06 |
|--|------------------|------------------|
| Provisions in local currency | - | 500,620 |
| Provisions in foreign currency (Exhibit G) | - | 1,049,461 |
| Provisions in local currency - Intercompany and related companies (Note 6) | 759,410 | 391,221 |
| Suppliers in local currency | 323,132 | 75,340 |
| Suppliers in foreign currency (Exhibit G) | 1,613,079 | 20,056 |
| Provision for Directors' fees | 295,569 | 202,569 |
| Advances to customers (Exhibit G) | 240,102 | 137,661 |
| Total accounts payable | 3,231,292 | 2,376,928 |

g) Taxes payable

Current

| | | |
|---|-------------------|------------------|
| Municipal Contributions (Note 11) | 6,460,452 | 6,261,011 |
| Asset tax provision | 5,285,937 | 261,281 |
| Income tax withholdings to be deposited | 120,210 | 218,880 |
| Provision on turnover tax | - | 174,827 |
| Total current taxes payable | 11,866,599 | 6,915,999 |

Non-Current

| | | |
|--|-------------------|------------------|
| Deferred income tax liabilities (Note 4.j) | - | 701,196 |
| Total non-current taxes payable | - | 701,196 |
| Total taxes payable | 11,866,599 | 7,617,195 |

h) Other debts

Non-Current

| | | |
|---|-------------------|-------------------|
| Debt for purchase of Subsidiaries (Exhibit G) | 15,394,753 | 15,095,056 |
| Purchase option of shares in Transelec (Note 8) | 35,610,264 | 33,984,899 |
| Total non-current other debts | 51,005,017 | 49,079,955 |

PAMPA HOLDING S.A.

NOTE 4: (Contd.)

Statements of Income at March 31, 2007 and 2006

i) Result of investment in subsidiaries and related companies

| | 03.31.07 | 03.31.06 |
|--------------|-------------------|----------|
| Transelec | (195,418) | - |
| INNISA | 4,185,040 | - |
| INDISA | 4,592,382 | - |
| Dilurey | 1,916,281 | - |
| Powerco | 212,920 | - |
| Total | 10,711,205 | - |

j) Income tax – Deferred tax

The evolution and breakdown of deferred tax assets and liabilities are as follows:

| Items | Opening balances | Changes for the period | Closing balances |
|--|------------------|------------------------|------------------|
| Investments | (3,150,424) | (38,822) | (3,189,246) |
| Other assets | (214,575) | (4,940) | (219,515) |
| Debts | 118,759 | - | 118,759 |
| Tax loss carry-forwards | 2,545,044 | 7,708,233 | 10,253,277 |
| Total net deferred assets (liabilities) | (701,196) | 7,664,471 | 6,963,275 |

Below is a reconciliation between income tax expensed and the amount resulting from application of the tax rate on the accounting loss/gain before taxes:

| Items | 03.31.07 | 03.31.06 |
|--|------------------|------------------|
| Net income (loss) before tax | 23,500,448 | (526,897) |
| Current tax rate | 35% | 35% |
| Net loss for the period at tax rate | (8,225,157) | 184,414 |
| Permanent differences: | | |
| - Minority interest result | 3,748,922 | - |
| - Goodwill amortization investments | 12,922 | - |
| - Reserve for Directors' options | (1,029,583) | - |
| - Expenses related to capital increase | 12,454,959 | - |
| - Foreign bonds holding results | 707,347 | - |
| - Reversal of asset tax | - | 161,977 |
| - Other | (4,939) | (71,791) |
| Tax-loss carryforwards: | | |
| - Recognition of prior years' tax-loss carryforwards | - | 2,348,245 |
| - Temporary difference generated by prior period adjustments | - | 583,993 |
| Total income tax benefit for the period | 7,664,471 | 3,206,838 |

The income tax / asset tax benefit of \$ 3,206,838 at March 31, 2006 is included in the Statement of Income together with the reversal of the asset tax charge for \$462,792 (Note 3 i).

PAMPA HOLDING S.A.

NOTE 4: (Contd.)

As mentioned in Note 2.2, had the inflation adjustment of assets been recognized as a temporary difference, the deferred tax asset would have increased by \$ 1,225,604. As this deferred liability arose from the adjustment for inflation of the property originally reversed from the Company's specific activity (see Note 12), and consequently it has not been depreciated, it will be reversed at the date of its disposal.

NOTE 5: SHAREHOLDERS EQUITY

At March 31, 2007, the Company had 1,046,000,000 book-entry shares with a par value of \$ 1 each and entitled to 1 vote per share. At December 31, 2006 capital stock was made up of 446,000,000 book-entry shares with a par value of \$ 1 each and entitled to 1 vote per share.

NOTE 6: BALANCES AND TRANSACTIONS WITH SUBSIDIARIES AND RELATED COMPANIES

Operations carried out by the Company with related companies, subsidiaries and shareholders during the three-month and nine-month periods ended March 31, 2007 and 2006, respectively, and the balances of those operations at March 31, 2007 and December 31, 2006 are as follows:

| Name | Relation | Caption | Operations | | Balances | |
|-------------------------------|------------------------|--|------------|----------|------------|-----------|
| | | | 03.31.07 | 03.31.06 | 03.31.07 | 03.31.06 |
| Pampa Holding LLC | Related company | Other receivables – Expenses to be recovered | - | - | - | 123,409 |
| Dolphin Finance S.A. | Directors/Shareholders | Other receivables – Expenses to be recovered | - | - | 4,144 | 4,144 |
| Pampa Advisors S.A. | Directors/Shareholders | Other receivables – Expenses to be recovered | - | - | 29,463 | 27,249 |
| Pampa Participaciones S.A. | Directors/Shareholders | Other receivables – Expenses to be recovered | - | - | 163 | 163 |
| Grupo Dolphin S.A. | Directors/Shareholders | Other receivables – Expenses to be recovered | - | - | 1,457 | 1,457 |
| | | Accounts payable – Rental, expenses and recovery of expenses | 192,874 | (19,219) | - | (76,516) |
| Transelec S.A. | Subsidiary | Other receivables – Expenses to be recovered | - | - | 16,407 | 12,231 |
| Inversora Nihules S.A. | Subsidiary | Other receivables – Expenses to be recovered | - | - | 13,393 | 12,788 |
| Inversora Diamantes S.A. | Subsidiary | Other receivables – Expenses to be recovered | - | - | 605 | - |
| Transener S.A. | Subsidiary | Trade receivables – Advisory services rendered | 510,855 | - | 618,134 | 672,854 |
| Hidroeléctrica Nihules S.A | Subsidiary | Trade receivables – Advisory services rendered | 488,164 | - | 175,887 | 493,375 |
| Hidroeléctrica Diamante S.A. | Subsidiary | Trade receivables – Advisory services rendered | 428,370 | - | 142,238 | 389,044 |
| Central Térmica Güemes S.A. | Subsidiary | Trade receivables – Acquisition of negotiable obligations | 22,373,882 | - | 32,158,153 | - |
| Errecondo, Salaverri & Others | Directors | Trade receivables – Advisory services rendered | (434,205) | (90,800) | (759,410) | (314,705) |
| Pampa Energía S.A. | Subsidiary | Debt for capital subscription | - | - | (47,500) | - |
| | | Other receivables – Expenses to be recovered | - | - | 2,002,805 | - |
| Shareholders | Shareholders | Other receivables – Expenses to be recovered | - | - | 119,500 | 119,500 |
| | | Interest on loans | - | 65,204 | - | - |

PAMPA HOLDING S.A.

NOTE 7: RESTRICTIONS ON THE DISTRIBUTION OF PROFITS

In accordance with Law No. 25063, dividends distributed in cash or in kind, in excess of accumulated tax profits at the end of the year immediately before the date of payment or distribution, will be subject to a 35% income tax withholding in a single and final payment. The balance of accumulated accounting profits at December 31, 1997, less dividends paid plus tax profits calculated as from January 1, 1998 are considered accumulated tax profits for the purposes of this tax.

In accordance with the Corporations Law, 5 % of the net profit arising from the financial statements for the year must be appropriated to a legal reserve until such reserve equals 20% of the Company's outstanding capital, after the rebuilding of the Legal Reserve used by the Company for the absorption of accumulated losses for \$624,383 as per the Shareholders' Meeting decision of October 16, 1998. See Note 14.

NOTE 8: PURCHASE AND SALE OPTIONS OF TRANSELEC SHARES

On September 21, 2006 the Company acquired from Dolphin Oportunity LLC, a related party, 89.76% of the shares in Transelec, a company holding 50% of the shares in Citelec, for US\$ 48,465,000. Citelec is the controlling company of Transener, holding 52.65% of the shares.

On September 15, 2006 a merger and granting of Transelec shares purchase and sale options commitment was signed between the Company and Transelec minority shareholders for the remaining 10.24% of the Transelec. The Company has recognized the obligation resulting from the sale option granted as non-current liabilities under "Other Debts" in these financial statements, which has been valued in accordance with the contractual terms.

Therefore, these financial statements reflect the economic impact of the purchase of all outstanding shares in Transelec.

NOTE 9: ACQUISITION OF CENTRAL TERMICA GUEMES

On January 4, 2007, the purchase of the shares in Dilurey and Powerco under the sale agreements originally signed with the sellers became effective.

PAMPA HOLDING S.A.

NOTE 9: (Contd.)

Consequently, the Company holds (i) shares representative of 100% of Dilurey capital stock (which holds 90% of Powerco capital stock) and (ii) shares representative of 8% of Powerco capital stock, holding 60% of Central Térmica Güemes S.A. ("CTG").

Furthermore, the Company signed a share purchase and sale commitment representative of 2% of the remaining shares in Powerco, recognizing the resulting contractual obligation as a current liability under "Other current debts".

These transactions enabled the Company to obtain indirect control of CTG, holding 60% of the capital and votes.

The purchase of the above shares led the Company to make an investment of \$51,099,208 for all items and to incur a debt of US\$360,000.

Therefore, these financial statements reflect the economic impact of the purchase of all outstanding shares in Powerco.

Notwithstanding the above, the transaction is subject to the authorization of the National Commission for the Defense of Competition, requested from that body in January 2007.

NOTE 10: AGREEMENT FOR PURCHASE OF LOMA LA LATA

On December 4, 2006 the Company agreed with Sociedad Argentina de Electricidad S.A. ("SADESA"), a company that had acquired with Merrill Lynch, Pierce, Fenner & Smith Inc. equity interest in Central Puerto S.A. ("Central Puerto"), the purchase of 100% of the assets making up the Loma La Lata thermoelectric plant for a total of US\$ 60,000,000. That agreement included the labor agreements entered into with Central Puerto personnel engaged in the administration, operation and maintenance of Loma La Lata; the agreements for its operation; all designs, lists of suppliers and materials, plans, terms, quotations, drafts of contracts and any other information or documentation prepared by Central Puerto or at its request in relation to the closing of the open cycle of Loma La Lata; and all the assets related to the operation of Loma La Lata.

With this agreement, on December 4 the Company granted SADESA a purchase option over its shares in Central Puerto, representing 8.66% of the capital and votes at the closing date of these financial statements, which could be exercised on December 4, 2007, enabling the Company to sell those shares on the Buenos Aires Stock Exchange at any time through that date.

At the date of issue of these financial statements, the closing of the operation is subject to compliance with certain conditions precedent, including approval by Central Puerto Ordinary Shareholders' Meeting and compliance with applicable regulations.

On January 4, 2007, Pampa Energía S.A. was constituted, in which the Company holds 95% of the shares. Dilurey holds the remaining shares. The company was constituted to concentrate the operation of the assets making up "Loma de la Lata" electricity generation plant in PESA, thus enabling the achievement of efficiency arising from the specialization.

PAMPA HOLDING S.A.

NOTE 11: MUNICIPAL CONTRIBUTIONS

In January 1997, the government of the Autonomous City of Buenos Aires ("GCBA") assessed the tax value of the building located on Avenida Pedro de Mendoza, at \$ 10,756,624. Based on this valuation, the bimonthly installments of the municipal contributions were determined at \$ 38,670.

On September 5, 2003 the Company filed a claim: i) challenging the tax value assessed, ii) requesting that this valuation be declared null and void and iii) requesting that a new valuation of the building be assessed by a court of law and applied retroactively to October 30, 2001, date on which the tax value assessed was challenged before the administrative authorities.

At the date of issue of these financial statements, after presenting the corresponding arguments, the Company requested that a ruling be issued on this file.

Although the Company and its legal counsel understand that a favorable outcome is highly likely, mainly on the grounds of the results of the expert's opinion submitted to the court, no assurance can be provided that this will eventually occur.

On December 11, 2006, the Company set up a guarantee deposit for \$ 888,994 at Court 12, Clerkship 24 of the Court of Appeals on Administrative and Tax Litigation Matters of the Autonomous City of Buenos Aires.

At the closing date of these financial statements, the Company has recognized under current liabilities an outstanding debt of \$ 6,121,141 plus \$ 339,311 for court costs. The effects of the claim filed will be recognized in the financial statements when a final decision is reached.

Considering that until December 31, 2005 the Company recorded a debt with the GCBA for the amount it estimated to pay in the event of a decision favorable to the authorities, at June 30, 2006 the Company has recognized the increase in liabilities as an adjustment to the results for the year and as a prior year adjustment, according to the following detail:

| | |
|--|--------------|
| Fiscal year ended June 30, 2005 and prior years: | \$ 2,526,926 |
| Fiscal year ended June 30, 2006: | \$ 620,306 |

NOTE 12: REVERSAL OF FRIGORIFICO LA PAMPA BUILDING VALUATION ALLOWANCE AND DEPRECIATION EXPENSE

As mentioned in Note 3.e, at June 30, 2003 the Company recognized a valuation allowance over the Frigorifico La Pampa building for a total amount of \$ 3,225,000.

As a result of the increase of the fair market value of this property the Company has recovered that allowance in full at March 31, 2006. The effects of this recovery have been recorded as income for the year ended or as prior year results on the basis of appraisals of this building at each of the following dates:

| | |
|----------------------------------|--------------|
| Fiscal year ended June 30, 2004: | \$ 996,974 |
| Fiscal year ended June 30, 2005: | \$ 1,505,790 |
| Fiscal year ended June 30, 2006: | \$ 722,236 |

PAMPA HOLDING S.A.

NOTE 12: (Contd.)

Additionally, the Company continued depreciating the building though it has not been used since the fiscal year ended June 30, 2004. This recovery has been recognized as prior year results, as detailed below:

| | | |
|----------------------------------|----|---------|
| Fiscal year ended June 30, 2004: | \$ | 333,598 |
| Fiscal year ended June 30, 2005: | \$ | 333,816 |

NOTE 13: OPPORTUNITIES ASSIGNMENT AGREEMENT / PURCHASE OPTIONS

As approved by the Shareholders' Meeting on June 16, 2006, on September 27, 2006 the Company signed an Opportunities Assignment Agreement, whereby executives were committed to provide the Company with potential business opportunities encompassed by the Company's investment guidelines, exceeding US\$ 5,000,000.

In consideration, the Company granted to those executives Purchase Options for up to 20% of capital, to be exercised at the same price per ordinary share in dollars that shareholders have subscribed at each capital increase, adjusted in accordance with the purchase option agreements.

The purchase options could be exercised in equal portions as from the expiration of the term of one, two or three years, respectively as from the date of issue, and they will maintain their validity for a period of fifteen years as from their date of issue. If the purchase options are not exercised, they will expire after the term for their validity. The number of options and the exercise price are to be adjusted in accordance with the purchase option agreements.

The CNV, through Resolution No. 15447 dated August 7, 2006, approved the Purchase Option public offering representing 20% of the Company's capital stock, conditioning that authorization to certain actions that were fulfilled on October 9, 2006.

At March 31, 2007, the Company issued 111,500,000 purchase options, granting the right to subscribe an equal number of the Company's ordinary shares at an exercise price of US\$ 0.37 per share and 150,000,000 ordinary shares at an exercise price of US\$ 0.72 per share, representative of 20% of the Company's capital stock, considering the number of shares to be issued if all current purchase options are exercised. Based on the above, the purchase option for 111,500,000 shares could be exercised as from September 27, 2007, 2008 and 2009 and that for 150,000,000 shares as from February 7, 2008, 2009 and 2010.

The Company has given accounting recognition to this transaction following the guidelines established by the International Financial Reporting Standards, valuing the purchase options issued at \$35,300,000. This amount will be posted to results with a balancing entry under a Shareholders' Equity reserve during the effective term of the Opportunities Assignment Agreement, considering the conditions of the contracts signed as from their assignment. At March 31, 2007, the Shareholders' Equity reserve for this operation amounts to \$5,883,334.

PAMPA HOLDING S.A.

NOTE 13: (Contd.)

The Company has followed the Black-Scholes model to value the purchase options granted, based on a 27% annual volatility, a dividend rate of 3% and a risk-free interest rate of 4.63% in dollars. Based on the conditions prevailing at the date these contracts have been signed, no value has been placed on the adjustment clauses.

NOTE 14: **SUBSEQUENT EVENTS**

On April 9, 2007 the Executives of Grupo Dolphin S.A., who are also its Directors, informed that, subject to corporate and regulatory approvals (including, without limitation, the approval of the Shareholders' Meeting, the Board of Directors and the Company's Audit Committee), they could consider the possibility of recommending the Company making a contribution in kind, consisting in the indirect controlling equity they have in Electricidad Argentina S.A., controlling company of Empresa Distribuidora y Comercializadora Norte S.A. (EDENOR), receiving Company shares in exchange for that contribution.

On April 16, 2006, the Company's Ordinary Shareholders' Meeting resolved the following distribution of the result for the irregular fiscal year ended December 31, 2006:

| | | |
|--|-----|--------------------|
| - Reversal of legal reserve for the absorption of losses | (1) | \$ 624,383 |
| - 5% legal reserve | | \$271,746 |
| - Discretionary reserve | | \$5,163,169 |
| Retained earnings balances at December 31, 2006 | | <u>\$6,059,298</u> |

(1) They are historical amounts; therefore in the next meeting they will be reconsidered and duly restated by computing the periods in which the adjustment for inflation was effective. In addition, the deduction of 5% of income for the year ended December 31, 2006 prior to the recovery of the legal reserve set up to absorb accumulated losses will be reconsidered.

PAMPA HOLDING S.A.

Fixed assets

For the three-month period ended March 31, 2007

presented in comparative format

Amounts in pesos – Note 2.3

Exhibit A

| Principal account | Original values | | | | Depreciation | | | | Allowance for impairment | | | Net book value at 03.31.07 | Net book value at 12.31.06 |
|--------------------------|--------------------------|------------|-----------|------------|--------------------------|----------------|-----------|------------|--------------------------|-----------|------------|----------------------------|----------------------------|
| | At the beginning of year | Additions | Deletions | At the End | At the beginning of year | For the period | | At the end | At the beginning of year | Deletions | At the end | | |
| | | | | | | Additions (1) | Deletions | | | | | | |
| | | | | | | | | | | | | | |
| Software / Hardware | 59,992 | 13,741 | - | 73,733 | 12,655 | 5,810 | - | 18,465 | - | - | - | 55,268 | 47,337 |
| Furniture and fixtures | 41,343 | 4,552 | - | 45,895 | 2,558 | 1,147 | - | 3,705 | - | - | - | 42,190 | 38,785 |
| Installations | - | 2,800 | - | 2,800 | - | 24 | - | 24 | - | - | - | 2,776 | - |
| Advances to suppliers(2) | - | 37,835,739 | - | 37,835,739 | - | - | - | - | - | - | - | 37,835,739 | - |
| Total at 03.31.07 | 101,335 | 37,856,832 | - | 37,958,167 | 15,213 | 6,981 | - | 22,194 | - | - | - | 37,935,973 | |
| Total at 12.31.06 | 64,740 | 36,595 | - | 101,335 | 3,748 | 11,465 | - | 15,213 | - | - | - | | 86,122 |
| Total at 03.31.06 | 1,410,337 | 13,393 | - | 1,423,730 | 1,315,337 | 1,015 | - | 1,316,352 | 95,000 | - | 95,000 | 12,378 | |

(1) Depreciation charges for the period have been disclosed in Exhibit H.

(2) Advances for the purchase of turbines and engines to increase the electricity generation capacity of the subsidiaries.

PAMPA HOLDING S.A.

Intangible assets

For the three-month period ended March 31, 2007

presented in comparative format

Amounts in pesos – Note 2.3

Exhibit B

| Item | Original value | | | Amortization | | | Net book value at 03.31.07 | Net book value at 12.31.06 |
|--------------------------|----------------|-----------|----------------|----------------|--------------------|----------------|----------------------------|----------------------------|
| | Opening values | Additions | Closing values | Opening values | For the period (1) | Closing values | | |
| Brands | 24,335 | - | 24,335 | 24,335 | - | 24,335 | - | - |
| Total at 03.31.07 | 24,335 | - | 24,335 | 24,335 | - | 24,335 | - | - |
| Total at 03.31.06 | 24,335 | - | 24,335 | 19,429 | 1,801 | 21,230 | 3,105 | |

(1) Amortization charges for the year have been disclosed in Exhibit H.

PAMPA HOLDING S.A.

EXHIBIT C

Investments in shares and government and private securities

For the three-month period ended March 31, 2007

presented in comparative format

Amounts in pesos – Note 2.3

| DENOMINATION AND ISSUER | Characteristics of the securities | | | | 03.31.07 | | | | | | | | |
|------------------------------------|-----------------------------------|------------|-----------|-------|----------------------|--------------------------------|-------------------|------------|-----------------|----------|-----------------------------|--------------|--------------|
| | Type | Face value | Amount | % (1) | Valuation | | | | Results | | | Total at | |
| | | | | | Net realizable value | Value at the beginning of year | Value recorded at | | Holding results | | Dividends/ accrued interest | Total at | |
| | | | | | | | 03.31.07 | 12.31.06 | Not realized | Realized | | 03.31.07 (2) | 03.31.06 (2) |
| Short-term investments | | | | | | | | | | | | | |
| <u>In local currency</u> | | | | | | | | | | | | | |
| Listed shares | | | | | | | | | | | | | |
| - Cerámica San Lorenzo I.C.S.A. | Ordinary | 1 | 8,196,069 | 11.5 | 26,122,891 | 24,711,618 | 26,122,891 | 24,711,618 | 1,386,063 | - | - | 1,386,063 | 270,217 |
| - Distribuidora de Gas Cuyana S.A. | Ordinary | 1 | - | - | - | - | - | - | - | - | - | - | 9,866 |
| - Central Puerto S.A. | Ordinary | 1 | 7,667,005 | 8.7 | 19,396,578 | 21,382,055 | 19,396,578 | 21,382,055 | (1,985,477) | - | - | (1,985,477) | (90,682) |
| - Endesa Costanera S.A. | Ordinary | 1 | 1,957,090 | 0.9 | 6,627,586 | 4,699,299 | 6,627,586 | 4,699,299 | (372,711) | - | - | (372,711) | - |
| Total | | | | | 52,147,055 | 50,792,972 | 52,147,055 | 50,792,972 | (972,125) | - | - | (972,125) | 189,401 |

(1) Percentage of participation in the capital stock of the issuer.

(2) Disclosed under "Holding Results of shares, securities and mutual fund" in the Statement of Income.

PAMPA HOLDING S.A.

Exhibit C

Investments in other companies At March 31, 2007 and December 31, 2006

| Denomination and characteristics of the securities | Type | Face value | Amount | Value recorded at 03.31.07 | Value recorded at 12.31.06 | Information on the issuer | | | | | |
|--|----------|------------------|------------|----------------------------|----------------------------|---------------------------|----------------------|---------------|-----------------------|----------------------|-------------------------------------|
| | | | | | | Main activity | Financial statements | Capital stock | Result for the period | Shareholders' equity | % of participation on capital stock |
| | | \$ | | \$ | \$ | | | \$ | \$ | \$ | |
| LONG-TERM INVESTMENTS | | | | | | | | | | | |
| Intercompany | | | | | | | | | | | |
| Subsidiaries: | | | | | | | | | | | |
| Transelec Argentina S.A. | Ordinary | 1 | 68,400,462 | 204,964,044 | 205,159,462 | Inversora | 31/03/07 | 76,207,725 | (1,390,383) | 284,181,400 | 89.76 ⁽¹⁾ |
| | Goodwill | | | (19,855,535) | (21,735,914) | | | | | | |
| Inversora Nihules S.A. | Ordinary | 1 | 45,651,344 | 102,739,889 | 98,554,849 | Inversora | 31/03/07 | 50,572,000 | 4,310,159 | 136,558,042 | 90.27 |
| | Goodwill | | | (724,367) | (735,036) | | | | | | |
| Inversora Diamante S.A. | Ordinary | 1 | 38,462,840 | 74,278,573 | 69,686,191 | Inversora | 31/03/07 | 41,990,000 | 4,566,300 | 112,945,061 | 91.60 |
| | Goodwill | | | 10,556,054 | 10,707,585 | | | | | | |
| Dilurey S.A. | Ordinary | 1 ⁽³⁾ | 875,000 | 44,118,582 | - | Inversora | 31/03/07 | 875,000 | 1,916,281 | 44,119,145 | 100.00 |
| | Goodwill | | | 4,664,054 | - | | | | | | |
| Pampa Energía S.A. | Ordinary | 1 | 47,500 | 47,500 | - | Inversora | 31/03/07 | 50,000 | | | 95.00 |
| | Goodwill | | | | | | | | | | |
| Related companies: | | | | | | | | | | | |
| Powerco S.A. | Ordinary | 1 | 10,000,000 | 4,902,127 | - | Inversora | 31/03/07 | 10,000,000 | 2,129,201 | 49,021,272 | 8.00 ⁽²⁾ |
| | Goodwill | | | 582,414 | - | | | | | | |
| Total | | | | 426,273,335 | 361,637,137 | | | | | | |

(1) See note 8

(2) See Note 9

(3) Uruguayan pesos

PAMPA HOLDING S.A.

Other investments

At March 31, 2007 and December 31, 2006

Amounts in pesos – Note 2.3

Exhibit D

| Type of investment | Value recorded at 03.31.07 | Value recorded at 12.31.06 |
|---|----------------------------|----------------------------|
| <u>Short-term investments</u> | | |
| <u>In local currency</u> | | |
| Time deposits (1) | 268,622,673 | 20,198,363 |
| Mutual Investment Funds | 108,308,018 | 3,085,791 |
| <u>In foreign currency (Exhibit G)</u> | | |
| Government and private securities: | | |
| - Bonds of the Government of Chile | 181,539,342 | 31,855,518 |
| - Chile Negotiable Obligations | 76,788,292 | 26,634,243 |
| - Argentina Negotiable Obligations (2) | 32,158,153 | 10,224,233 |
| - Bonds of the Government of Austria | 416,881,784 | 8,751,625 |
| TOTAL CURRENT INVESTMENTS | 1,084,298,262 | 100,749,773 |

(1) Principal of \$ 267.7 million falling due between April and May 2007 at an average nominal rate of 8.39% p.a.

(2) Corresponding to Central Térmica Güemes S.A. (controlled by Pampa Holding as from January 4, 2007)

PAMPA HOLDING S.A.

Cost of Sales

For the three-month period ended March 31, 2007

presented in comparative format

Amounts in pesos – Note 2.3

Exhibit F

| | 03.31.07 | 03.31.06 |
|--------------------------------------|-----------------|-----------------|
| Inventories at the beginning of year | 12,339,010 | - |
| Purchases for the period | - | 13,265,366 |
| Inventories at the end of period | (12,282,482) | (13,089,483) |
| Cost of sales | 56,528 | 175,883 |

PAMPA HOLDING S.A.

Foreign currency assets and liabilities

At March 31, 2007 and December 31, 2006

Amounts in pesos – Note 2.3

Exhibit G

| Items | Type | Amount in foreign currency | Exchange rate (1) | Total at 03.31.07 \$ | Total at 12.31.06 \$ |
|---------------------------------------|------|-------------------------------|-------------------------|----------------------------|----------------------------|
| <u>ASSETS</u> | | | | | |
| <u>CURRENT ASSETS</u> | | | | | |
| Cash and banks: | | | | | |
| Cash | US\$ | 2,624 | 3.0600 | 8,030 | 1,475 |
| Banks | US\$ | 80,329,378 | 3.0600 | 245,807,897 | 15,268,138 |
| Banks | EUR | 45,524 | 4.0915 | 186,262 | - |
| Investments: | | | | | |
| Government and private securities | US\$ | 108,939,252 | 3.060 | 333,354,111 | 77,465,619 |
| Government and private securities | EUR | 91,412,308 | 4.0915 | 374,013,460 | - |
| Trade receivables: | | | | | |
| Ordinary | US\$ | 66,642 | 3.060 | 203,925 | 149,261 |
| Total Current Assets | | | | 953,573,685 | 92,884,493 |
| <u>NON-CURRENT ASSETS</u> | | | | | |
| Trade receivables: | | | | | |
| Ordinary | US\$ | 77,563 | 3.060 | 237,343 | 232,000 |
| Total Non-Current Assets | | | | 237,343 | 232,000 |
| TOTAL ASSETS | | | | 953,811,028 | 93,116,493 |
| <u>LIABILITIES</u> | | | | | |
| <u>CURRENT LIABILITIES</u> | | | | | |
| Accounts Payable: | | | | | |
| Advances to customers | US\$ | 77,452 | 3.1000 | 240,102 | - |
| Suppliers | US\$ | 520,348 | 3.1000 | 1,613,079 | 20,056 |
| Accrual | US\$ | - | | - | 1,049,461 |
| Other debts: | | | | | |
| Debt for purchase of subsidiaries | US\$ | 360,000 | 3.1000 | 1,116,000 | - |
| Total Current Liabilities | | | | 2,969,181 | 1,069,517 |
| <u>NON-CURRENT LIABILITIES</u> | | | | | |
| Other debts: | | | | | |
| Debt for purchase of subsidiaries | US\$ | 4,966,049 | 3.1000 | 15,394,753 | 15,095,056 |
| Total Non-Current Liabilities | | | | 15,394,753 | 15,095,056 |
| TOTAL LIABILITIES | | | | 18,363,934 | 16,164,573 |

(1) Banco Nación exchange rate in force at 03.30.07 for US dollars.

US\$: US dollars

EUR: Euros

PAMPA HOLDING S.A.

Information required by section 64 subsect. b) of Law No. 19550

For the three-month period ended March 31, 2007

presented in comparative format

Amounts in pesos – Note 2.3

Exhibit H

| Items | Expenses | | Total at 03.31.07 | Total at 03.31.06 |
|--|------------------|----------------|----------------------|----------------------|
| | Administrative | Selling | | |
| Fees and compensation for services | 736,536 | 9,200 | 745,736 | 547,211 |
| Taxes, rates and utilities | - | 100,327 | 100,327 | 265,081 |
| Salaries and social security contributions | 104,752 | 90,815 | 195,567 | 380,282 |
| Services to personnel | 17,821 | - | 17,821 | 1,430 |
| Advertising and promotions | - | 76,171 | 76,171 | 37,798 |
| Rental expenses | 185,851 | 95,342 | 281,193 | 137,369 |
| Directors' salaries | 1,064,921 | - | 1,064,921 | - |
| Reserve for Directors options | 2,941,667 | - | 2,941,667 | - |
| Repair and maintenance | 5,029 | - | 5,029 | 108,414 |
| Subscriptions and Official Bodies Publications | 117,960 | - | 117,960 | 14,748 |
| General expenses | 32,838 | 2,920 | 35,758 | 26,621 |
| Surveillance services | - | 16,312 | 16,312 | 32,348 |
| Transport and per diem | 243,449 | 600 | 244,049 | 44,371 |
| Computer expenses | 23,285 | - | 23,285 | 7,507 |
| Electricity and telephone | 29,001 | - | 29,001 | 4,127 |
| Stationery and photocopies | 16,625 | - | 16,625 | 6,335 |
| Insurance | - | 3,872 | 3,872 | 5,515 |
| Depreciation of fixed assets | 6,981 | - | 6,981 | 1,015 |
| Amortization of intangible assets | - | - | - | 1,801 |
| Total at 03.31.07 | 5,526,716 | 395,559 | 5,922,275 | |
| Total at 03.31.06 | 1,590,409 | 31,564 | | 1,621,973 |

PAMPA HOLDING S.A.

Breakdown of receivables and debts according to due dates and interest rates accrued

At March 31, 2007 and December 31, 2006

Amounts in pesos – Note 2.3

Exhibit I

| | 03.31.07 | | | | | | 12.31.06 | | | | | |
|----------------------------|-----------------------------|-----------------------------|----------------------------|---|---------------------|--------------------|-----------------------------|-----------------------------|----------------------------|--|-------------------------|--------------------|
| | Trade receivables (1) | Other receivables (2) | Accounts payable (2) | Salaries and social security payable (2) | Tax payables (3) | Other debts (4) | Trade receivables (1) | Other receivables (2) | Accounts payable (2) | Salaries and social security payable (2) | Taxes payable (3) | Other debts (4) |
| No stated due date | - | 16,934,215 | - | - | 339,311 | - | - | 3,757,455 | - | - | 1,094,903 | - |
| Past due | - | - | - | - | 6,121,141 | - | - | - | - | - | 6,261,011 | - |
| Falling due | | | | | | | | | | | | |
| Up to three months | 1,103,663 | 4,866,643 | 3,231,292 | 127,724 | 120,210 | 47,500 | 1,563,491 | 3,436,845 | 2,174,359 | 365,331 | - | 100,000 |
| From three to six months | 32,574 | 88,628 | - | - | 5,285,937 | - | 133,249 | 264,725 | 202,569 | - | 261,281 | - |
| From six to nine months | 1,974 | 22,157 | - | 90,703 | - | 1,116,000 | 2,013 | - | - | - | - | - |
| From nine to twelve months | 1,974 | - | - | - | - | - | 5,781 | - | - | - | - | - |
| More than 1 year | 237,343 | - | - | - | - | 51,005,017 | 232,000 | - | - | - | - | 49,079,955 |
| Total falling due | 1,377,528 | 4,977,428 | 3,231,292 | 218,427 | 5,406,147 | 52,168,517 | 1,936,534 | 3,701,570 | 2,376,928 | 365,331 | 261,281 | 49,179,955 |
| Total with due date | 1,377,528 | 4,977,428 | 3,231,292 | 218,427 | 11,527,288 | 52,168,517 | 1,936,534 | 3,701,570 | 2,376,928 | 365,331 | 6,522,292 | 49,179,955 |
| Total | 1,377,528 | 21,911,643 | 3,231,292 | 218,427 | 11,866,599 | 52,168,517 | 1,936,534 | 7,459,025 | 2,376,928 | 365,331 | 7,617,195 | 49,179,955 |

(1) \$ 441,268 at March 31, 2007 and \$ 381,261 at December 31, 2006 accrue a nominal rate of 7% p.a.

(2) Non-interest bearing

(3) Includes index adjustment of Municipal Contributions debt

(4) \$15,394,753 at March 31, 2007 and \$ 15,095,056 at December 31, 2006 accrue a nominal rate of 3% p.a.

PAMPA HOLDING S.A.

Summary of Activities at March 31, 2007

1. Brief commentary on Company activities in the year, including references to relevant situations subsequent to the end of the year.

Capital Increase

On June 16, 2006, Pampa's Shareholders' Meeting approved a capital increase of up to 900 million shares, delegating to the Board the opportunity for and amount of each issuance.

In this context, on August 23, 2006, the Board approved the issuance of 300 million shares at a value of \$ 1.15 each, the subscription of which finished on September 28 with a \$ 345 million fund contribution to the Company.

In addition, on January 15, 2007, the Board approved the issuance of the remaining 600 million shares, for which an issuance price of \$ 2.23 per share was established through local and international offering. The subscription ended on February 22, 2007 and implied a net funds revenue of approximately \$ 1.289 billion pesos for the Company.

Central Térmica Güemes S.A.

Acquisition

On January 4, 2007, the Company obtained control of Central Térmica Güemes S.A. through the acquisition of 100% of the capital shares of Dilurey (owner of 90% of the capital of Powerco) and 8% of the capital shares of Powerco S.A. In addition, the Company entered into a call and put option agreement concerning the remaining 2% of Powerco's shares. Powerco is the majority shareholder of Central Térmica Güemes S.A., with 60% of its equity.

The acquisition of Central Térmica Güemes is strategic for Pampa Holding because, in addition to its existing production capability, it now has the possibility of expanding within the "Energía Plus" plan framework, adding an approximate 120 MW through an investment close to US\$ 100 million. For that purpose, on March 2, 2007 a Letter of Intent was executed between Pampa Holding, the Federal Planning, Public Investment and Services Ministry, the National Energy Secretariat, the Government of the Province of Salta, and Central Térmica Güemes S.A. In this Letter, the parties entered into mutual commitments regarding the development of the project for increasing the production capability of Central Térmica Güemes. The operation is subject to the authorization of the National Committee for the Defense of Competition, which was requested in January 2007.

Renegotiation of the export agreement

On February 27, 2007, Central Térmica Güemes renegotiated its agreement for the export of electric energy for up to 150 MW with CEMSA, which will be in force from May 1, 2007 to September 30, 2009. The main terms of the agreement, to be revised with CEMSA every 6 months, are the following:

- CEMSA will pay a fixed charge of US\$ 1,600,000. This amount will grant CEMSA's foreign client the following rights:
 - It will pay up to 65% of the total monthly energy consumed at the Variable Production Cost (VPC) of the hourly units supporting the agreement.
 - The remaining total monthly energy required will be paid at a rate of US\$ 42/MWh.
 - If, on any given month, the foreign client should consume less than 65% of the total monthly energy available, the difference between the amount consumed and that 65% will be accumulated and may be consumed at the VPC in the following months. These accumulated differences will expire at each half-yearly renegotiation.
- In addition, CEMSA will pay a power charge equivalent to that in force in Argentina.

On April 24, 2007, the Energy Secretariat authorized CEMSA to export energy to the National Administration of Power Plants and Electrical Transmissions (UTE) of the Republic of Uruguay for a term of 30 months beginning May 1, 2007.

PAMPA HOLDING S.A.

Advances for fixed asset purchases

On March 9 and 30, 2007, two funds advances were made to 30MAN Diesel SE and GE Power Systems for \$ 24.5 million and \$ 13.4 million respectively. These advances correspond to 25% and 15% of the total contractual price for the purchase of turbines and engines for enlarging the electricity generation capability of its controlled companies.

Subsequent events

On April 9, 2007, the executives of Grupo Dolphin S.A., who are also members of the Company's Board of Directors, communicated that, subject to the necessary corporate and regulatory approvals, they may consider proposing to the Company a contribution in kind consisting of their indirect controlling equity in Electricidad Argentina S.A., the company that controls Empresa Distribuidora y Comercializadora Norte S.A. (EDENOR); in exchange for that contribution, they would receive Company shares.

PAMPA HOLDING S.A.

2. Summarized consolidated balance sheet figures as compared with the same period of the immediately preceding four fiscal years.

| | 03.31.07 | 03.31.06 | 03.31.05 | 03.31.04 | 03.31.03 |
|-------------------------|----------------------|-------------------|------------------|------------------|------------------|
| | \$ | \$ | \$ (1) | \$ (1) | \$ (1) |
| Current Assets | 1,618,501,488 | 19,704,609 | 204,058 | 231,322 | 304,770 |
| Non-current Assets | 1,606,880,387 | 16,790,617 | 3,197,518 | 3,537,845 | 6,932,586 |
| Total | <u>3,225,381,875</u> | <u>36,495,226</u> | <u>3,401,576</u> | <u>3,769,167</u> | <u>7,237,356</u> |
| Current Liabilities | 135,562,332 | 7,356,207 | 3,556,825 | 3,200,993 | 3,733,475 |
| Non-Current Liabilities | <u>732,965,742</u> | <u>1,807,621</u> | - | - | - |
| Subtotal | 868,528,074 | 9,163,828 | 3,556,825 | 3,200,993 | 3,733,475 |
| Minority shareholding | 533,307,157 | - | - | - | - |
| Shareholders' equity | <u>1,823,546,644</u> | <u>27,331,398</u> | <u>(155,249)</u> | <u>568,174</u> | <u>3,503,881</u> |
| Total | <u>3,225,381,875</u> | <u>36,495,226</u> | <u>3,401,576</u> | <u>3,769,167</u> | <u>7,237,356</u> |

3. Summarized consolidated income statement figures as compared with the same period of the immediately preceding four fiscal years.

| | 03.31.07 | 03.31.06 | 03.31.05 | 03.31.04 | 03.31.03 |
|---|--------------------|------------------|------------------|--------------------|--------------------|
| | \$ (2) | \$ (3) | \$ (1)/(3) | \$ (1)/(3) | \$ (1)/(3) |
| Operating results | 47,574,033 | (842,143) | (371,781) | (1,060,293) | (1,547,160) |
| Financial and holding results, net | (1,489,837) | 315,246 | (57,486) | (41,516) | 25,696 |
| Result from participation in related companies | 212,920 | - | - | - | - |
| Other net income and expenses | <u>(2,771,812)</u> | - | - | - | - |
| Subtotal | 43,525,304 | (526,897) | (429,267) | (1,101,809) | (1,521,464) |
| Extraordinary results | - | - | - | (105,219) | (5,351,932) |
| Income tax / asset tax | (3,318,138) | 3,669,630 | (41,949) | (44,650) | (51,772) |
| Minority interest | <u>(9,042,247)</u> | - | - | - | - |
| Net income (loss) for the year | <u>31,164,919</u> | <u>3,142,733</u> | <u>(471,216)</u> | <u>(1,251,678)</u> | <u>(6,925,168)</u> |

(1) Balances arising from financial statements and summaries of activities originally submitted. They do not include the adjustment to prior years' results arising from the recovery of the building impairment allowance, the reversal of depreciation charges, or the higher ABL debt.

(2) As a result of the change in the closing date mentioned in Note 2.5. to the parent-only financial statements, the amounts disclosed correspond to the three-month period ended March 31, 2007.

(3) The amounts disclosed correspond to the nine-month periods ended in each date; therefore they cannot be compared to the amounts disclosed at March 31, 2007.

PAMPA HOLDING S.A.

Summary of Activities at March 31, 2007 (Contd.)

4. Statistics compared with the same period of the immediately preceding four fiscal years.

| | 03.31.07 | 03.31.06 | 03.31.05 | 03.31.04 | 03.31.03 |
|--|----------|----------|----------|----------|-----------|
| | \$ | \$ | \$ | \$ (1) | \$ (1) |
| Drums (fruit juice) | - | - | - | - | 6,088 |
| Beef (Kilograms) | - | - | - | - | 1,518,616 |
| Sundry products (chilled products – Kilograms) | - | - | - | - | 225,158 |
| Estancia Benquerencia (Areas of land) | 97 | 104 | - | - | - |

5. Ratios compared with the same period of the immediately preceding four fiscal years.

| | 03.31.07 | 03.31.06 | 03.31.05 | 03.31.04 | 03.31.03 |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|
| | \$ | \$ | \$ (1) | \$ (1) | \$ (1) |
| Liquidity | | | | | |
| Current Assets | 1,618,501,488 | 315,504,572 | 39,378,562 | 132,584 | 284,711 |
| Current Liabilities | 135,562,332 | 102,417,511 | 9,868,289 | 4,779,690 | 3,424,562 |
| Ratio | 11.94 | 3.08 | 3.99 | 0.03 | 0.08 |
| Creditworthiness | | | | | |
| Shareholders' equity | 1,823,546,644 | 500,000,965 | 144,701,915 | 288,665 | 315,967 |
| Total liabilities | 868,528,074 | 707,353,072 | 9,868,289 | 6,125,515 | 3,424,562 |
| Rate | 2.10 | 0.71 | 14.66 | 0.05 | 0.09 |
| Immobilization of capital | | | | | |
| Current Assets | 1,606,880,387 | 1,382,559,783 | 115,191,642 | 6,281,596 | 3,455,818 |
| Total Assets | 3,225,381,875 | 1,698,064,355 | 154,570,204 | 6,414,180 | 3,740,529 |
| Ratio | 0.50 | 0.81 | 0.75 | 0.98 | 0.92 |
| Yield | | | | | |
| Result for the period | 31,164,919 | 3,142,733 | (471,216) | (1,251,678) | (6,925,168) |
| Average shareholders' equity | 1,161,773,805 | 13,810,032 | 235,608 | 1,194,013 | 6,966,465 |
| Ratio | 0.027 | 0.23 | (2.00) | (1.05) | (0.99) |

(1) Balances arising from financial statements and summaries of activities originally submitted. They do not include the adjustment to prior years' results arising from the recovery of the building impairment allowance, the reversal of depreciation charges, or the higher ABL debt.

PAMPA HOLDING S.A.

6. Brief commentary on the outlook for the coming period.

See comments in Point 1.