

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Unaudited Financial Statements at September 30, 2006

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Supplementary Accounting Information

Unaudited Consolidated Financial Statements

For the three-month period ended September 30, 2006

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

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

Financial statements as of September 30, 2006

Fiscal year No. 63

commenced on July 1, 2006

Stated in pesos

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 (Note 1 to the parent-only Unaudited Financial Statements)

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 parent-only Unaudited 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	446,000,000	446,000,000	446,000,000

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Unaudited Consolidated Balance Sheet as of September 30, 2006

(Stated in pesos – Note 2.3 to the parent-only Unaudited Financial Statements)

	09.30.06		09.30.06
<u>ASSETS</u>		<u>LIABILITIES</u>	
<u>CURRENT ASSETS</u>		<u>CURRENT LIABILITIES</u>	
Cash and banks (Note 4 a))	155,454,452	Accounts payable	35,576,444
Short-term investments (Note 4 b))	111,758,325	Financial debts (Note 4 e))	27,800,713
Trade receivables	43,612,137	Salaries and social security payable	6,956,460
Other receivables (Note 4 c))	20,095,114	Taxes payable	16,211,525
Inventories (Note 4 d))	3,009,120	Other debts	3,501,133
Total Current Assets	333,929,148	Total Current Liabilities	90,046,275
<u>NON-CURRENT ASSETS</u>		<u>NON-CURRENT LIABILITIES</u>	
Trade receivables	133,097	Accounts payable	52,595,527
Long-term investments (Note 4 b))	98,254,188	Financial debts (Note 4 e))	354,396,878
Other receivables (Note 4 c))	28,239,174	Taxes payable	64,537,978
Inventories (Note 4 d))	9,575,863	Total Non-current Liabilities	471,530,383
Fixed assets	752,096,211	Total Liabilities	561,576,658
Other assets	193,897,276		
Subtotal Non-current Assets	1,082,195,809	<u>MINORITY INTEREST</u>	311,434,436
Goodwill	(54,027,417)	<u>SHAREHOLDERS' EQUITY</u>	489,086,446
Total Non-current Assets	1,028,168,392	Total Liabilities, Minority interest and Shareholders' Equity	1,362,097,540
Total Assets	1,362,097,540		

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

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Unaudited Consolidated Statement of Income

For the three-month period

ended September 30, 2006

(Stated in pesos – Note 2.3 to the parent-only Unaudited Financial Statements)

	09.30.06
Holding results	(73,372)
Gross loss	(73,372)
Selling expenses	(402,885)
Administrative expenses	(2,389,009)
Subtotal	(2,791,894)
Operating loss	(2,865,266)
Financial results generated by assets:	
Foreign currency exchange differences	455,225
Interest income	1,399,826
Subtotal	1,855,051
Financial results generated by liabilities:	
Interest on loans	(175)
Interest and index-adjustments of Municipal Contributions	(140,667)
Subtotal	(140,842)
Total financial results, net	1,714,209
Loss before income taxes	(1,151,057)
Income tax benefit	535,588
Net loss for the period	(615,469)
Net loss per share	(0.0035)

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

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Unaudited Consolidated Statement of Cash Flows

For the three-month period

ended September 30, 2006

(Stated in pesos – Note 2.3 to the parent-only Unaudited Financial Statements)

	09.30.06
CHANGES IN CASH AND CASH EQUIVALENTS	
Cash and cash equivalents at the beginning of year	8,124,703
Cash and cash equivalents at the end of period	223,622,210
Net increase in cash and cash equivalents	<u>215,497,507</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss for the period	(615,469)
Income tax	(535,588)
Adjustments to arrive at the net cash flows provided by operating activities:	
Depreciation of fixed assets	5,438
Amortization of intangible assets	2,505
Interest on and index-adjustment of taxes payable	140,667
Short-term investments holding results	567,117
Foreign currency exchange differences	(455,225)
Changes in operating assets and liabilities	
Decrease in trade receivables	93,846
Increase in other receivables	(1,618,234)
Increase in inventories	(47,023)
Increase in accounts payable	1,345,671
Increase in salaries and social security payable	31,797
Increase in taxes payable	686,216
Increase in other debts	47,001
Net cash flow used in operating activities	<u>(351,281)</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES	
Increase in investments in shares (*)	(123,686,112)
Increase in investments (Escrow)	(5,434,040)
Fixed asset acquisitions	(31,060)
Net cash flow used in investment activities	<u>(129,151,212)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Capital increase	345,000,000
Net cash flow provided by financing activities	<u>345,000,000</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>215,497,507</u>

(*) Net of \$3,328,809 of selling financing and \$38,741,340 of cash and cash equivalents arising from Transelec acquisition.

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

PAMPA HOLDING S.A.

(Formerly Frigorífico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Notes to the unaudited consolidated financial statements

For the three-month period ended September 30, 2006

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 Pronouncement No. 21 of the Argentine Federation of Professional Councils in Economic Sciences ("FACPCE"), the Company has consolidated line by line its financial statements at September 30, 2006 with those of its subsidiaries over which the Company has effective control.

Data reflecting corporate control is as follows:

	Percentage of interest held in capital stock
Company	09.30.06
Transelec	89,76

In addition, the financial statements of Transelec Argentina S.A. ("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.

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Notes to the unaudited consolidated financial statements (Contd.)

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements 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 parent-only financial statements.

NOTE 3: 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 S.A.) (“Transba”), to renegotiate existing contracts with the Government while continuing to render the service.

The meetings that began last year with representatives from the Renegotiation and Analysis of Utility Contracts Unit –UNIREN- body responsible for renegotiating and analyzing Utility Contracts reporting to the Executive Branch - continued during 2005, various proposals and counterproposals being submitted leading to agreement on the terms of the Letter of Understanding signed on February 2, 2005.

On May 17, 2005 Agreement Minutes were signed, including the terms and conditions to adjust the Concession Contract, based on the above Letter of Understanding including the adjustments resulting from the Public Hearings held on March 18, 2005.

After compliance with various proceedings, the Agreement Minutes were ratified by Decrees Nos. 1460 and 1462 of the Executive Branch on November 28, 2005.

Transener and Transba submitted their tariff proposals for the periods February 2006-January 2011 and May 2006-April 2011, 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.

The ENRE, through Resolution No. 51/2006, called for a Public Hearing to be held on February 23, 2006 with the purpose of discussing the tariff proposal submitted by Transener; however, this audience was suspended without any set date by the ENRE through Resolution No. 60/2006, on the grounds of the observations made by the Argentine Industrial Union (UIA) in the meeting called by the ENRE for distributor EDELAP S.A.

Because it considered that ENRE Resolution No. 60/2006 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 Resolution No. 60/2006, which has not yet been resolved by the authorities of the Secretariat of Energy.

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Notes to the unaudited consolidated financial statements (Contd.)

NOTE 3: (Contd.)

As the ENRE postponed the Comprehensive Tariff Review unilaterally, Resolutions Nos. 423 and 424/2006 were issued delaying the charges for connection, capacity and electricity transported established by Resolutions Nos. 908 and 909/2005 and other obligations established for the contract transition period in the Agreement Minutes signed with the UNIREN, ratified by Decrees Nos. 1462 and 1460/2005 of the Executive Branch, as from February 1 and May 1, 2006 until the Comprehensive Tariff Review has been concluded.

NOTE 4: DETAIL OF BALANCE SHEET ACCOUNTS

a) Cash and banks

	09.30.06
	\$
Cash on local currency	232,733
Cash in foreign currency	75,814
Banks in local currency	5,169,831
Banks in foreign currency	149,976,074
Total	<u>155,454,452</u>

b) Investments

Current

Time deposits	68,167,758
Investments in shares (see Exhibit C to the parent-only unaudited financial statements)	43,590,567
Total current	<u>111,758,325</u>

Non-current

Escrow account (see Exhibit D to the parent-only unaudited financial statements)	98,254,188
Total non-current	<u>98,254,188</u>
Total	<u>210,012,514</u>

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Notes to the unaudited consolidated financial statements (Contd.)

NOTE 4: (Contd.)

c) Other receivables

	09.30.06
Current	<u>\$</u>
Legal attachments	7,489,230
Guarantee deposits	3,099,244
Expenses to be recovered	2,555,274
Pre-paid expenses	1,709,494
Tax credits	1,866,591
Advances to suppliers	1,560,949
Other	1,814,332
Total current	<u>20,095,114</u>
Non-current	
Asset tax credit	20,007,581
Receivable from Transener's - Equity interest program personnel	5,085,716
Deferred income tax asset	2,573,521
Other	572,356
Total non-current	<u>28,239,174</u>
Total	<u><u>48,334,289</u></u>

d) Inventories

Current	
"Estancia Benquerencia" plots of land	3,009,120
Total current	<u>3,009,120</u>
Non-current	
"Estancia Benquerencia" plots of land	9,575,863
Total non-current	<u>9,575,863</u>
Total	<u><u>12,584,983</u></u>

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Notes to the unaudited consolidated financial statements (Contd.)

NOTE 4: (Contd.)

e) Financial debts – (Note 5)

	09.30.06
	<u>\$</u>
Current	
Nordic Investment Bank	315,560
Negotiable obligations at par value	2,853,234
Negotiable obligations with discounts	17,573,335
Debt pending exchange	6,362,358
Financial Leasing	861,908
Adjustment to financial debt at discounted value	<u>(165,682)</u>
Total current	<u>27,800,713</u>
Non-current	
Nordic Investment Bank	8,962,800
Debt pending exchange	2,639,952
Negotiable obligations at par value	81,039,860
Negotiable obligations with discounts	296,959,521
Adjustment to financial debt at discounted value	<u>(35,205,255)</u>
Total non-current	<u>354,396,878</u>
Total	<u>382,197,591</u>

NOTE 5: TRANSENER FINANCING STRUCTURE

1. Negotiable obligations

At September 30, 2006 the breakdown of Transener financial debt was as follows:

Series	Date of issue	Amount US\$	Agreed rate	Final maturity	Allocation of funds
Class 6 (*) (4)	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 (*) (3) (5)	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

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Notes to the unaudited consolidated financial statements (Contd.)

NOTE 5: (Contd.)

- (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%
- (3) In accordance with the terms and conditions of the debt Restructuring process carried out by Transener, Class 8 Negotiable Obligations at a par value of US\$ 6,000,000 have been settled on June 30, 2005, as a Creditor, a holder of a Loan Pending Payment, decided to exchange those negotiable obligations for a New Loan. Consequently, Class 8 Negotiable Obligations had an outstanding par value of US\$ 14,698,159 at June 30, 2005.
- (4) In accordance with the terms and conditions of the debt Restructuring process carried out by Transener, Class 6 Negotiable Obligations at a par value of US\$ 14,165,000 have been settled; consequently, Class 6 Negotiable Obligations have an outstanding par value of US\$ 45,136,841.
- (5) In accordance with the terms and conditions of the debt Restructuring process carried out by Transener, Class 8 Negotiable Obligations at a par value of US\$ 5,584,190 have been settled; consequently, Class 8 Negotiable Obligations have an outstanding par value of US\$ 9,113,969.

Class 6 and 7 Negotiable Obligations have been authorized to list for trading in a public offering in Argentina in accordance with Resolution No. 15073 dated May 19, 2005 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.

Class 8 and 9 Negotiable Obligations, however, are not authorized to list for trading in a public offering in any jurisdiction or to be listed or traded at any market.

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Notes to the unaudited consolidated financial statements (Contd.)

NOTE 5: (Contd.)

2. Past due debt pending exchange under the debt restructuring process carried out by Transener

At September 30, 2006 the following Negotiable Obligations are still outstanding:

Series	Date of issue	Outstanding remaining par value amount in US\$ not yet transferred to the trust	Agreed rate	Term	Allocation of funds
Serie 1 Class A (1)	April 13, 1998	2,760,000	8 %%	5 years	Refinancing of liabilities
Serie 1 Class B (2)	April 13, 1998	1,701,000	9 ¼%	10 years	Refinancing of liabilities
Serie Class 3		2	(*)	4 years	Investments in Physical Assets located in Argentina (Cuarta Línea Project) and paying up of Working Capital
Total		4.461.002			

(*) Until August 2000: LIBOR + 1.4%
 Until August 2001: LIBOR + 1.5%
 Remaining period: LIBOR + 1.7%

(1) Negotiable Obligations at 8.625% falling due on 2003 at a par value of US\$ 501,000 have been paid by Transener and are in the process of being settled. This value is not included in the amount reported.

(2) At November 1, 2005 Transener paid interest from October 1, 2001 to October 1, 2005, thus regularizing the these Negotiable Obligations debt service.

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Notes to the unaudited consolidated financial statements (Contd.)

NOTE 5: (Contd.)

Transener and its limited subsidiaries must comply with a series of restrictions arising from current financial agreements, including:

- (i) Limitations on Indebtedness: Incurring new debts (unless Authorized Debts) for an amount in excess of US\$ 25 million and US\$ 15 million for working capital and import financing, respectively.
- (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 Capital investments in excess of certain authorized levels.
- (vi) Limitations on restricted payments.
- (vii) Making voluntary capital reductions.
- (viii) Making a change in control.

Certain executory proceedings have been filed against Transener, claiming the payment of principal and interest corresponding to negotiable obligations issued by Transener. Preliminary injunctions have been lodged in all these claims, amounting to approximately \$15.0 million at September 30, 2006 and disclosed in Other current receivables under Legal attachments. Transener has filed the corresponding pleas to protect its rights.

NOTE 6: RESTRICTIONS ON THE DISTRIBUTION OF PROFITS

In accordance with the Corporations Law, the Company's by-laws and Resolution No. 195 of the National Securities Commission, directly and indirectly controlled subsidiaries must appropriate 5 % of the net profit for the year less adjustments to prior years' results to a legal reserve until such reserve equals 20% of the Company's outstanding capital.

PAMPA HOLDING S.A.

(Formerly Frigorifico La Pampa S.A. – Note 1 to the parent-only Unaudited Financial Statements)

Notes to the unaudited consolidated financial statements (Contd.)

NOTE 7: RESTRICTED ASSETS AND LIMITATION TO THE TRANSFER OF TRANSENER AND TRANSBA SHARES

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

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 those Class “A” shares, with certain exceptions mentioned in the Concession Contract.

NOTE 8: SUBSEQUENT EVENTS - TRANSENER

On October 17, 2006, Transener’s Board of Directors approved the possibility of carrying out operations which if implemented would lead to a full or partial redemption of negotiable obligations issued in 2005 before their original maturity, and an amendment to these Negotiable Obligations Trust Agreement. Therefore, it was resolved that a Shareholders’ Meeting be called on November 15, 2006 to consider the setting up of a Negotiable Obligations Global Program for up to US\$ 300 million.

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Unaudited Parent-only Financial Statements
For the three-month period ended September 30, 2006

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Balance Sheets as of September 30, 2006 (unaudited) and June 30, 2006

(Stated in pesos – Note 2.3)

	09.30.06	06.30.06		09.30.06	06.30.06
ASSETS			LIABILITIES		
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and banks (Note 4 a))	149,566,566	3,602,456	Accounts payable (Note 4 e))	3,994,078	2,648,407
Short term investments (Exhibits C and D)	78,904,871	31,671,134	Salaries and social security payable	74,004	42,207
Trade receivables (Exhibit G)	225,017	319,645	Taxes payable	7,879,235	7,052,352
Other receivables (Note 4 b))	3,373,095	776,207	Other debts	3,501,133	125,323
Inventories (Note 4 c))	3,009,120	3,009,120	Total Current Liabilities	15,448,450	9,868,289
Total Current Assets	235,078,669	39,378,562	Total Liabilities	15,448,450	9,868,289
NON-CURRENT ASSETS					
Trade receivables (Exhibit G)	133,097	132,315			
Other receivables (Note 4 b))	5,660,075	6,103,141			
Inventories (Note 4 c))	9,575,863	9,528,840			
Long term investments (Exhibits C and D)	247,001,652	92,364,923			
Other assets (Note 4 d))	6,998,926	6,998,926			
Fixed assets (Exhibit A)	86,614	60,992			
Intangible assets (Exhibit B)	-	2,505	SHAREHOLDERS' EQUITY		
Total Non-current Assets	269,456,227	115,191,642	(per related statement)	489,086,446	144,701,915
Total Assets	504,534,896	154,570,204	Total Liabilities and Shareholders' Equity	504,534,896	154,570,204

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

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Unaudited Statements of Income

For the three-month periods ended September 30, 2006 and 2005

(Stated in pesos – Note 2.3)

	09.30.06	09.30.05
Holding results (Exhibit C)	(73,372)	-
Gross loss	(73,372)	-
Selling expenses (Exhibit H)	(402,885)	(800)
Administrative expenses (Exhibit H)	(2,389,009)	(96,727)
Subtotal	(2,791,894)	(97,527)
Reversal of other assets valuation allowance (Note 10)	-	240,745
Operating (loss) / income	(2,865,266)	143,218
Financial results generated by assets:		
Foreign currency exchange difference	455,225	-
Interest income	1,399,826	-
Subtotal	1,855,051	-
Financial results generated by liabilities:		
Interest on loans	(175)	(21,041)
Interest and index-adjustments of Municipal Contributions	(140,667)	(129,942)
Subtotal	(140,842)	(150,983)
Total financial results, net	1,714,209	(150,983)
Loss before income tax / asset tax	(1,151,057)	(7,765)
Income tax and asset tax (Note 4g))	535,588	(18,000)
Net loss for the period	(615,469)	(25,765)
Net loss per share (Note 3n))	(0.0035)	(0.0043)

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

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Unaudited Statements of Changes in Shareholders' Equity
For the three-month periods ended September 30, 2006 and 2005
(Stated in pesos – Note 2.3)

	SHAREHOLDERS' CONTRIBUTIONS			Accumulated deficit	Total at 09.30.06	Total at 09.30. 05
	Common stock	Paid-in-capital	Total			
Balances at the beginning of year	146,000,000	-	146,000,000	(1,298,085)	144,701,915	(354,587)
Prior years' adjustments (Note 2.6)	-	-	-	-	-	643,252
Adjusted balances at the beginning of year	146,000,000	-	146,000,000	(1,298,085)	144,701,915	288,665
Capital increase - Meeting held on 16.06.06 (Note 1)	300,000,000	45,000,000	345,000,000	-	345,000,000	-
Net loss for the period	-	-	-	(615,469)	(615,469)	(25,765)
Balances at 09.30.06	446,000,000	45,000,000	491,000,000	(1,913,554)	489,086,446	
Balances at 09.30.05	6,000,000	-	6,000,000	(5,737,100)		262,900

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

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Unaudited Statements of Cash Flows

For the three-month periods ended September 30, 2006 and 2005

(Stated in pesos – Note 2.3)

	09.30.06	09.30.05
CHANGES IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at the beginning of year	8,124,703	5,026
Cash and cash equivalents at the end of period	184,880,870	5,224
Net increase in cash and cash equivalents	176,756,167	198
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	(615,469)	(25,765)
Income tax and asset tax	(535,588)	18,000
Adjustments to arrive at the net cash flows provided by operating activities:		
Depreciation of fixed assets	5,438	-
Amortization of intangible assets	2,505	800
Reversal of other assets valuation allowance	-	(240,745)
Interest on and index-adjustment of taxes payable	140,667	129,942
Interest on loans	-	21,041
Short-term investments holding results	567,117	-
Foreign currency exchange difference	(455,225)	-
Changes in operating assets and liabilities		
Decrease in trade receivables	93,846	-
Increase in other receivables	(1,618,234)	(63,946)
Increase in inventories	(47,023)	-
Increase in accounts payable	1,345,671	-
Increase in salaries and social security payable	31,797	-
Increase in taxes payable	686,216	136,870
Increase / (decrease) in other debts	47,001	(4,000)
Net cash flow (used in) / provided by operating activities	(351,281)	198
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Increase in investments in shares (*)	(162,427,452)	-
Increase in investments (Escrow)	(5,434,040)	-
Fixed asset acquisitions	(31,060)	-
Net cash flow used in investment activities	(167,892,552)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital increase	345,000,000	-
Net cash flow provided by financing activities	345,000,000	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	176,756,167	198

(*) Net of \$3,328,809 of seller financing

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

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

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements

For the three-month periods ended September 30, 2006 and 2005

(Stated in pesos – Note 2.3. unless otherwise stated)

NOTE 1: AMENDMENTS TO COMPANY'S BY-LAWS AND CAPITAL INCREASE

As a result of the transfer of the Company's majority shareholding and in order to adapt its corporate purpose to the new activities it has started, the General Extraordinary Meeting of Shareholders held on January 24, 2006 approved the amendments to the corporate By-laws, which were registered on June 26, 2006. In addition, new amendments were introduced in the General Extraordinary Meeting of Shareholders held on June 16, 2006. These were the main amendments approved:

Name: The new name of the Company will be Pampa Holding S.A.

Corporate purpose: The Company will be exclusively engaged in investments in undertakings and companies of any nature on its own behalf, or on behalf of third parties or of third parties' associates, in Argentina and abroad in accordance with the limits established by current laws and regulations; it may set up or participate in the setting up of companies or acquire or hold equity interest in existing companies or companies to be set up in Argentina or abroad; participate in joint ventures, corporation groups, consortiums, make capital contributions for operations carried out or to be carried out in the future. The Company may also acquire, develop and sell any type of assets for investment purposes, encumber them and grant or hold them on concession or lease.

Control body: The replacement of the Surveillance Committee with a Committee of Syndics has been resolved as well as the setting up of an Audit Committee.

Options: It was resolved to include in the corporate By-laws the possibility of the Company issuing stock options or options over securities convertible into shares, as established by Decree 677/2001.

Increase in the number of directors: it was resolved that the Board will be composed of at least three members and not more than nine members.

Capital increase: A capital increase for up to \$ 140,000,000 was approved, increasing capital stock to \$ 146,000,000, which has been fully subscribed and paid up.

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.

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements (Contd.)

NOTE 1: (Contd.)

The General Extraordinary Meeting of Shareholders of October 11, 2006 approved the change to the Company's closing date from June 30 to December 31 of each year.

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 financial statements for the three-month periods ended September 30, 2006 and 2005 have not been audited. The Company's management estimates that they include all the necessary adjustments to present fairly the results for each period. The results for the three-month periods ended September 30, 2006 and 2005 are not necessarily indicative of the Company's results for the full year.

2.2. New accounting standards

On August 10, 2005, CPCECABA Resolution CD No. 93/2005 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.

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 g).

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements (Contd.)

NOTE 2: (Contd.)

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

2.5. Comparative information

The statements of income, changes in shareholders' equity and cash flows for the three-month period ended September 30, 2005 originally issued by the Company, which are presented on these financial statements for comparative purposes, were restated to consider the the adjustments mentioned in Notes 9 and 10.

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements (Contd.)

NOTE 2: (Contd.)

2.6. 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 valuation allowance (Note 10)	3,170,178
Municipal contributions (Note 9)	(2,526,926)
Total	643,252

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

a. Cash and banks

Available cash has been computed at nominal value.

b. Investments

- Short-term

These investments have been stated at their respective fair value.

- Long-term

Time deposits were valued at placement value plus accrued interest.

The acquisition of Transelec shares has been accounted for following the purchase method of accounting based on the financial statements of that Company at September 30, 2006 (see Note 7). The difference between the fair value of net assets acquired and the acquisition cost resulted on a negative goodwill, which will be amortized on a regular basis throughout a period equal to the weighted average remaining useful life of Transelec's assets subject to depreciation and amortization.

c. Inventories

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

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements (Contd.)

NOTE 3: (Contd.)

c. Inventories (Contd.)

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 the estimated date of sale and the time at which the related receivable is expected to be collected.

d. Other assets

The Frigorifico La Pampa building no longer in use since the beginning of 2003, has been valued at acquisition cost adjusted for inflation as mentioned in Note 2.3 net of accumulated depreciation until that time.

During the fiscal year ended June 30, 2003 the Company recognized a valuation 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 valuation allowance in subsequent periods; no allowance having been recorded at September 30, 2006 (See Note 10).

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.

e. Fixed assets

Fixed assets have been valued at acquisition cost adjusted for inflation as mentioned in Note 2.3, net of accumulated depreciation and valuation allowance, where applicable.

Depreciation charges are computed under the straight-line method over the estimated useful lives assigned to the assets.

The breakdown of this caption is detailed in Exhibit A.

Aggregate asset value does not exceed their recoverable value.

f. Intangible assets

Intangible assets corresponding to brands have been valued at cost adjusted for inflation as mentioned in Note 2.3, less accumulated amortization, as disclosed in Exhibit B.

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements (Contd.)

NOTE 3: (Contd.)

g. Monetary assets and liabilities

Monetary assets and liabilities are stated at nominal value, plus or less the related financial results.

h. Foreign currency assets and liabilities

Foreign currency assets and liabilities have been valued at period-end exchange rate.

i. 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 or settled, considering the regulations in effect at the time of the issuance of these financial statements.

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

j. Asset tax

The Company is subject to the asset tax at the statutory rate of 1% over its computable assets at the end of the period. This tax is supplementary to 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 credit 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, considering its expected realization. During the fiscal year ended June 30, 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.

k. Shareholders' equity

The shareholders' equity accounts have been adjusted for inflation as mentioned in Note 2.3. Subsequent activity has been stated at nominal value.

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements (Contd.)

NOTE 3: (Contd.)

I. Results for the period

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.

m. 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.

n. Earnings per share

The Company calculates basic earnings per share on the basis of the average weighted amount of outstanding shares, including shares and irrevocable contributions received at September 30, 2006 and 2005.

NOTE 4: DETAIL OF BALANCE SHEET ACCOUNTS

The main financial statement captions are broken down as follows:

a. Cash and banks

	<u>09.30.06</u>	<u>06.30.06</u>
Cash in local currency	5,126	1,187
Cash in foreign currency (Exhibit G)	3,064	-
Banks in local currency	1,135,539	2,926,147
Banks in foreign currency (Exhibit G)	<u>148,422,837</u>	<u>675,122</u>
Total cash and banks	<u>149,566,566</u>	<u>3,602,456</u>

b. Other receivables

	<u>09.30.06</u>	<u>06.30.06</u>
Current		
<u>Tax credits</u>		
- Value added tax credits	677,900	511,321
- Real estate tax prepayment	25,226	52,112
- Expenses to be recovered	2,399,968	-
- Advances to directors	63,000	-
- Expenses to be recovered – Subsidiaries and related companies (Note 6)	155,306	174,072
- Other	<u>51,695</u>	<u>38,702</u>
Total other current receivables	<u>3,373,095</u>	<u>776,207</u>

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements (Contd.)

NOTE 4: (Contd.)

b. Other receivables (Contd.)

	09.30.06	06.30.06
<u>Non-current</u>		
<u>Tax credits</u>		
- Deferred income tax asset (Note 4.g)	2,573,521	2,037,933
- Asset tax credit	2,514,198	1,737,057
- Expenses related to the issue of capital	-	1,874,621
- Expenses related to the purchase of INNISA and INDISA	415,856	296,030
- Expenses to be recovered – Subsidiaries and related companies (Note 6)	119,500	119,500
- Other	37,000	38,000
Total other non-current receivables	5,660,075	6,103,141
Total other receivables	9,033,170	6,879,348

c. Inventories

<u>Current</u>		
“Estancia Benquerencia” plots of land	3,009,120	3,009,120
<u>Non-current</u>		
“Estancia Benquerencia” plots of land	9,575,863	9,528,840
Total inventories	12,584,983	12,537,960

d. Other assets

<u>Non-current</u>		
Frigorifico La Pampa building	6,998,926	6,998,926
Total other assets	6,998,926	6,998,926

e. Accounts payable

Suppliers in foreign currency (Exhibit G)	956,178	-
Provisions in foreign currency (Exhibit G)	283,110	1,261,000
Provisions in local currency	1,059,700	134,672
Suppliers	257,672	366,595
Provisions in local currency - Sundry	1,437,418	868,059
Other	-	18,081
Total accounts payable	3,994,078	2,648,407

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements (Contd.)

NOTE 4: (Contd.)

f. Taxes payable

	09.30.06	06.30.06
<u>Current</u>		
Municipal Contributions (Note 9)	6,052,825	5,835,767
Asset tax provision	1,770,109	1,103,571
Provision for turnover tax	42,759	42,759
Personal assets tax	-	39,940
Income tax withholdings	13,542	17,184
Sundry	-	13,131
Total taxes payable	7,879,235	7,052,352

g. 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
Short-term investments	(1,184,427)	258,779	(925,648)
Other assets	(212,038)	-	(212,038)
Accounts payable	112,222	6,537	118,759
Tax loss carry-forwards	3,322,176	270,272	3,592,448
Total net deferred assets	2,037,933	535,588	2,573,521

Income tax benefit for the three-month periods ended September 30, 2006 and 2005 differs from the amount computed by applying the Company's statutory income tax rate to pre tax loss as a result of the following:

Items	09.30.06	09.30.05
Loss before taxes	(1,151,056)	(7,765)
Current tax rate	35%	35%
Net income for the period at tax rate	402,870	2,718
Permanent differences:		
- Earned dividends	149,519	
- Other	(16,801)	(2,718)
Total income tax for the period	535,588	-

At September 30, 2005 the \$ 18,000 recognized under "Income Tax / Asset Tax" in the Statement of income corresponds to asset tax.

As mentioned in Note 2.2, had the inflation adjustment of assets been recognized as a temporary difference, the deferred tax asset would have decreased by \$ 1,225,604.

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements (Contd.)

NOTE 5: SHAREHOLDERS' EQUITY

At September 30, 2006, the Company had 446,000,000 authorized and outstanding shares of common stock with a par value of \$ 1 each and entitled to 1 vote per share.

NOTE 6: BALANCES AND TRANSACTIONS WITH RELATED COMPANIES

Balances at September 30 and June 30, 2006 and operations with related companies, subsidiaries and shareholders for the three-month periods ended September 30, 2006 and 2005 are as follows:

Name	Relation	Caption	Disbursements for the periods ended		Receivables (Debts) for the period / year ended	
			09.30.06	09.30.05	09.30.06	06.30.06
Pampa Holding LLC	Related company	Other receivables – Expenses to be recovered	-	-	123,409	123,409
Dolphin Finance S.A.	Directors/Shareholders	Other receivables – Expenses to be recovered	-	-	4,144	25,086
Dolphin Finance S.A.	Directors/Shareholders	Other debts	-	-	-	(21,000)
Pampa Advisors S.A.	Directors/Shareholders	Other receivables – Expenses to be recovered	-	-	26,132	25,414
Pampa Participaciones S.A.	Directors/Shareholders	Other receivables – Expenses to be recovered	-	-	163	163
Grupo Dolphin S.A.	Directors/Shareholders	Other receivables - Accounts payable – Provisions / rental expenses and general expenses	24,700	-	1,458 (23,243)	(134,672) -
Personnel	Employees	Other receivables – Advances to personnel	-	-	400	400
Shareholders	Shareholders	Other receivables – Expenses to be recovered	-	-	119,500	119,500
Shareholders	Shareholders	Interest on loans	-	21,041	-	-

During the year, the Company acquired 89.76% shareholding in Transelec (see Note 7) from a related company named Dolphin Opportunity LLC.

NOTE 7: ACQUISITION OF TRANSELEC

On September 15, 2006 the Company acquired 89.76% of the shares of Transelec, a company holding 50% of the shares of Citelec, for US\$ 48,465,000; thus the Company now controls 50% of Citelec.

Citelec is the controlling company of 52.65% of Transener, a company incorporated in May 1993 as a result of the privatization of the high-voltage electricity transmission system.

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements (Contd.)

NOTE 7: (Contd.)

Transener S.A. is the leading company in extra-high voltage electricity transmission utility services in Argentina and owns the extra-high voltage electricity transmission national network, consisting of almost 9,300 kilometers of transmission lines plus approximately 5,500 kilometers of lines of its subsidiary network, Transba; therefore it operates 95% of the high-voltage lines in Argentina, with annual revenues of over Ps. 370 million.

On September 15, 2006 a merger and granting of purchase and sale options commitment was signed between the Company and Transelec minority shareholders for the remaining 10.24% of the Company.

NOTE 8: **ACQUISITION OF NIHUILES AND DIAMANTE**

In May 2006, an agreement for the purchase of shares was entered into with Electricité de France Internacional S.A. (“EDFI”) for US\$ 35,500,000 for the purchase of (i) 64.88% of Inversora Nihules S.A., owner of 51% of Hidroeléctrica Nihules S.A. (“Nihules”), and (ii) 56% of Inversora Diamante S.A., owner of 59% of Hidroeléctrica Diamante S.A. (“Diamante”). Nihules and Diamante are two hydroelectric plants which hold a concession until 2024. This acquisition was made jointly by Stein Ferroaleaciones S.A. (“Stein”), in which the Company and Stein hold 85% and 15%, respectively. The agreement considers a floating purchase price determined as the excess of cash and cash equivalents at the date of the effective transfer over the amount of \$ 5 million.

In June 2006, the Company independently made two offers in relation to the above hydroelectric plants; (i) an offer to Banco de Galicia y Buenos Aires S.A. (“Banco Galicia”) for US\$ 9,300,000 net of the dividends corresponding to year ending December 31, 2005, which are pending payment at the date of the offer, to purchase its shares representative of 12.5% and 12.5% of Inversora Nihules S.A. and Inversora Diamante S.A., respectively, and (ii) an offer to Nucleamiento Inversor S.A. (“NISA”) for US\$ 15,700,000 to purchase its shares representative of 22.6% and 31.5% of Inversora Nihules S.A. and Inversora Diamante S.A., respectively. The agreement signed with NISA has a clause on variable price similar to that agreed by the Company and Stein with EDFI.

The Company and Stein deposited US\$ 30,175,000 and US\$ 5,325,000, respectively in an escrow account at the Deutsche Bank Trust Company Americas to secure the price of the agreement for the purchase of shares entered into with EDFI (see Note 7) in May 2006. This escrow account generated US\$ 597,740 in interest at September 30, 2006.

As a result of the acquisitions proposed to Banco Galicia and NISA on July 3, 2006, the Company deposited US\$ 318,000 and US\$ 682,000 in favor of Banco Galicia and NISA, respectively in an escrow account at the Deutsche Bank Trust Company Americas. These escrow accounts generated US\$ 3,650 and US\$ 7,828, respectively in interest at September 30, 2006.

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements (Contd.)

NOTE 8: (Contd.)

Based on the percentage of participation in those accounts, the Company has booked \$ 1,107,733 for interest and the current quarter.

The Company pledged in favor of Banco de Galicia 2,814,535 shares representative of 3.18% of the capital stock of Central Puerto S.A. to secure the obligation under the purchase offer made to Banco Galicia.

In addition, the Company pledged in favor of NISA 6,036,205 shares representative of 6.82% of the capital stock of Central Puerto S.A. to secure the obligation under the purchase offer made to it.

In this quarter, 466,052 shares in Central Puerto S.A. were sold, the net proceeds of which were \$ 1,142,063, deposited in a Special Current Account at the Banco de Galicia y Buenos Aires S.A.

NOTE 9: **MUNICIPAL CONTRIBUTIONS**

In January 1997, the Mayor of the Autonomous City of Buenos Aires (“GCBA”) assessed the tax value of the Frigorifico La Pampa building 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 the issuance of these financial statements, the records of the case were at the trial stage, an expert’s opinion having been issued determining the tax value at \$ 4,600,000.

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.

At June 30, 2006, the Company has recognized under current liabilities an outstanding debt of \$ 5,713,514 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.

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the financial statements (Contd.)

NOTE 9: (Contd.)

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 favorable decision, 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

The effect of those adjustments on the results for the three-month period ended September 30, 2005, presented in comparative format, amounts to \$ 206,768.

NOTE 10: REVERSAL OF FRIGORIFICO LA PAMPA BUILDING VALUATION ALLOWANCE AND DEPRECIATION EXPENSE

As mentioned in Note 3.d, 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 June 30, 2006 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

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

The effect of those adjustments on the results for the three-month period ended September 30, 2005, presented in comparative format, amounts to \$ 354,745.

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements (Contd.)

NOTE 11: PURCHASE OPTIONS

As approved by the Shareholders' Meeting on June 16, 2006, on September 27, 2006 the Company signed an Assignment of Opportunities Agreement, whereby executives are 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 CNV, through Resolution No. 15447 dated August 7, 2006, approved the Purchase Option public offering representing 20% of the Company's capital stock, limiting that authorization to certain acts fulfilled on October 9, 2006.

NOTE 12: SUBSEQUENT EVENTS

On October 18, 2006, the purchase of the shares in Inversora Nihuiles S.A. and Inversora Diamante S.A. under the sale agreements originally signed with EDFI, Banco Galicia and NISA became effective.

Consequently, as from that date the Company holds (i) shares representative of 90.27% of the shares in Inversora Nihuiles S.A. and (ii) shares representative of 91.6% of the shares in Inversora Diamante S.A. The remaining shares in Inversora Nihuiles S.A. and Inversora Diamante S.A. are held by Ultracore Energy S.A. (an affiliate of Stein Ferroaleaciones S.A.).

Full payment for the shares purchased from EDFI amounted to US\$ 36,161,032 and was made on October 18, 2006. Ultracore Energy S.A. participated in 15% of this amount.

Full payment for the shares purchased from Banco Galicia and NISA amounted to US\$ 25,304,316, of which (i) US\$ 9,300,000 corresponds to the purchase from Banco Galicia payable as follows: (a) US\$ 4,048,227 paid on October 18, 2006, (b) US\$351,773 collected from Banco Galicia for dividends corresponding to fiscal year ended December 31, 2005, and (c) US\$ 4,900,000 will be payable on June 7, 2011, and (ii) US\$ 16,004,316 corresponds to the purchase from NISA paid on October 18, 2006.

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Notes to the unaudited financial statements (Contd.)

NOTE 12: (Contd.)

As collateral for the payment of the price balance and interest due from the Company to Banco Galicia in accordance with point (i)(b) of the above paragraph, the Company has set up a senior lien in favor of Banco Galicia on the shares in Inversora Nihuiles S.A. and Inversora Diamante S.A. purchased from Banco Galicia.

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Fixed assets

For the three-month period ended September 30, 2006
compared with fiscal year ended June 30, 2006
(Stated in pesos – Note 2.3)

Exhibit A

Principal account	Original values				Depreciation				Allowance for impairment			Net book value at 09.30.06	Net book value at 06.30.06
	At the beginning of year	Additions	Deletions	At period end	At the beginning of year	For the period/year		At year end	At the beginning of year	Deletions	At year end		
						Additions (1)	Deletions						
Software / Hardware	37,400	17,968	-	55,368	3,108	4,546	-	7,654	-	-	-	47,714	34,292
Furniture and fixtures	27,340	13,092	-	40,432	640	892	-	1,532	-	-	-	38,900	26,700
Total at 09.30.06	64,740	31,060	-	95,800	3,748	5,438	-	9,186	-	-	-	86,614	
Total at 06.30.06	1,410,337	64,740	1,410,337	64,740	1,315,337	3,748	1,315,337	3,748	95,000	95,000	-		60,992

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

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Intangible assets

For the three-month period ended September 30, 2006
compared with fiscal year ended June 30, 2006
(Stated in pesos – Note 2.3)

Exhibit B

Item	Original value			Amortization			Net book value at 09.30.06	Net book value at 06.30.06
	Opening values	Additions	Closing values	Opening values	For the year (1)	Closing values		
Brands	24,335	-	24,335	21,830	2,505	24,335	-	2,505
Total at 09.30.06	24,335	-	24,335	21,830	2,505	24,335	-	
Total at 06.30.06	24,335	-	24,335	19,429	2,401	21,830		2,505

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

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

EXHIBIT C

Investment in shares

For the three-month period ended September 30, 2006
compared with fiscal year ended June 30, 2006
(Stated in pesos – Note 2.3)

DENOMINATION AND ISSUER	Characteristics of the securities				09.30.06								
	Type	Face value	Amount	%(1)	Valuation				Results				
					Net realizable value	Value at the beginning of year	Value recorded at		Holding results		Dividends	Total at	
							09.30.06	06.30.06	Not realized	Realized		09.30.06 (2)	09.30.05 (2)
Short-term investments													
- Cerámica San Lorenzo I.C.S.A.	Ordinary	1	8,188,284	11,5	22,101,811	21,916,279	22,101,811	3,831,878	185,532	-	391,723	577,255	-
- Distribuidora de Gas Cuyana S.A.	Ordinary	1	-	0,0	-	-	-	1,366,500	-	74,715	35,475	110,990	-
- Central Puerto S.A.	Ordinary	1	8,384,688	9,5	19,959,537	20,794,664	19,959,537	21,950,509	(835,127)	(8,168)	-	(843,295)	-
- Endesa Costanera S.A.	Ordinary	1	544,446	0,4	1,529,219	1,446,741	1,529,219	-	82,478	-	-	82,478	-
Total at 30.09.06					43,590,567	44,157,684	43,590,567	27,148,887	(567,117)	66,547	427,198	(73,372)	-

- (1) Percentage of participation in the capital stock of the issuer.
(2) Disclosed under "Holding Results" in the Statement of Income.

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Exhibit C

Investment in other companies
For the three-month period ended September 30, 2006
compared with fiscal year ended June 30, 2006
(Stated in pesos – Note 2.3)

DENOMINATION AND ISSUER	Type	Face value	Amount	%	Equity value	Value recorded	
						09.30.06	06.30.06
Long-term investments							
- Transelec Argentina S.A.	Preferred	1	68,400,462	89.76	257,040,917	148,747,464	-
Total at 30.09.06					257,040,917	148,747,464	-

Information on the issuer	
Main line of business:	Investment
Year end:	December 31
Financial statements used for equity value calculation:	
Period end:	09.30.06
Duration:	6 months
Scope of the review:	Limited Review
Type of report:	Without observations
Date of the auditor's report:	11.7.06
Capital stock:	76,207,725
Income for the period:	75,685,075
Shareholders' equity at period end:	286,364,568

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Other investments
Balance Sheets at September 30 (unaudited) and June 30, 2006

(Stated in pesos – Note 2.3)

Exhibit D

Type of investment	09.30.06	06.30.06
<u>Short-term investments</u>		
Time deposit (1)	35,314,304	4,522,247
<u>Total short-term investments</u>	35,314,304	4,522,247
<u>Long-term investments</u>		
Investments		
- Escrow account (Note 8 and Exhibit G) (2)	97,112,125	92,364,923
- Escrow account (Note 8) (3)	1,142,063	-
<u>Total long-term investments</u>	98,254,188	92,364,923
<u>Total investments</u>	133,568,492	96,887,170

- | | | |
|--------------|----|---|
| 1. Maturity: | \$ | 750,000 on 10.09.06 - 9.50% annual rate. |
| | \$ | 20,000,000 on 10.23.06 - 9.60% annual rate. |
| | \$ | 4,000,000 on 11.10.06 - 9.80% annual rate. |
| | \$ | 500,000 on 10.30.06 - 9.75% annual rate. |
| | \$ | 10,000,000 on 10.25.06 - 9.75% annual rate. |
| 2. Maturity: | \$ | 31,175,000 on 10.18.06 - 4.81% annual rate. |
| 3. Maturity: | \$ | 1,142,063 on 10.18.06 - 5.80% annual rate. |

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Foreign currency assets and liabilities
Balance Sheets at September 30 (unaudited) and June 30, 2006

(Stated in pesos – Note 2.3)

Exhibit G

Items	Type	Amount in foreign currency	Exchange rate \$ (1)	Total at 09.30.06 \$	Total at 06.30.06 \$
<u>ASSETS</u>					
<u>CURRENT ASSETS</u>					
Cash and banks:					
Cash	US\$	1,000	3.064	3,064	-
Banks	US\$	48,440,874	3.064	148,422,837	675,122
Trade receivables:					
Trade receivables	US\$	73,439	3.064	225,017	319,645
Total Current Assets	US\$	48,515,313		148,650,918	994,767
<u>NON-CURRENT ASSETS</u>					
Trade receivables:					
Trade receivables	US\$	43,439	3.064	133,097	132,315
Investments					
Escrow account	US\$	31,694,558	3.064	97,112,125	92,364,923
Total Non-Current Assets	US\$	31,737,997		97,245,222	92,497,238
TOTAL ASSETS		80,253,310		245,896,140	93,492,005
<u>LIABILITIES</u>					
<u>CURRENT LIABILITIES</u>					
Accounts Payable					
Suppliers	US\$	308,047	3.104	956,178	-
Accrual	US\$	91,208	3.104	283,110	1,232,100
Accrual	EUR	-	-	-	28,900
Total Current Liabilities		399,255		1,239,288	1,261,000
TOTAL LIABILITIES		399,255		1,239,288	1,261,000

(1) Banco Nación exchange rate in force at 09.29. 06 for US dollars.

US\$: US dollars

EUR: Euros

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

Expenses

For the three-month period ended September 30, 2006 and 2005
(Stated in pesos – Note 2.3)

Exhibit H

Items	Expenses		Total at 09.30.06	Total at 09.30.05
	Administrative	Selling		
Fees and compensation for services	446,096	-	446,096	24,148
Taxes, rates and utilities	370,045	25,489	395,534	58,599
Salaries and social security contributions	97,517	36,370	133,887	-
Advertising and promotions	-	100,718	100,718	-
Rental expenses	46,079	139,080	185,159	-
Directors' salaries	1,188,771	-	1,188,771	-
Repair and maintenance	10,437	66,381	76,818	80
Subscriptions and Official Bodies Publications	41,816	-	41,816	5,220
General expenses	39,341	29,294	68,635	8,134
Bank expenses	13,175	-	13,175	345
Surveillance services	22,630	-	22,630	-
Transport and per diem	74,693	3,048	77,741	36
Computer expenses	9,406	-	9,406	-
Electricity and telephone	8,655	-	8,655	-
Stationery and photocopies	9,365	-	9,365	165
Insurance	5,545	-	5,545	-
Depreciation of fixed assets	5,438	-	5,438	-
Amortization of intangible assets	-	2,505	2,505	800
Total at 09.30.06	2,389,009	402,885	2,791,894	
Total at 09.30.05	96,727	800		97,527

PAMPA HOLDING S.A.
(Formerly Frigorifico La Pampa S.A. – Note 1)

**Breakdown of receivables and debts according to due dates and interest rates accrued
as of September 30, 2006 (unaudited) and June 30, 2006**
(Stated in pesos – Note 2.3)

Exhibit I

	09.30.06						06.30.06					
	Trade receivables (1)	Other receivables (1)	Accounts payable (1)	Salaries and social security payable (1)	Tax payables (2)	Other debts (1)	Trade receivables (1)	Other receivables (1)	Accounts payable (1)	Salaries and social security payable (1)	Taxes payable (2)	Other debts (1)
No stated due date	-	8,905,249	-	37,904	339,311	-	-	6,800,534	-	23,785	320,633	-
Past due	-	-	-	-	5,713,514	-	-	-	-	-	5,515,134	-
Falling due												
Up to three months	91,920	64,921	3,994,078	36,100	1,049,269	3,501,133	187,330	50,081	2,648,407	18,422	113,014	125,323
From three to six months	-	63,000	-	-	-	-	-	28,733	-	-	1,103,571	-
From six to nine months	133,097	-	-	-	-	-	-	-	-	-	-	-
From nine to twelve months	-	-	-	-	-	-	132,315	-	-	-	-	-
One to two years	133,097	-	-	-	777,141	-	132,315	-	-	-	-	-
Total falling due	358,114	127,921	3,994,078	36,100	1,826,410	3,501,133	451,960	78,814	2,648,407	18,422	1,216,585	125,323
Total with due date	358,114	127,921	3,994,078	36,100	7,539,924	3,501,133	451,960	78,814	2,648,407	18,422	6,731,719	125,323
Total	358,114	9,033,170	3,994,078	74,004	7,879,235	3,501,133	451,960	6,879,348	2,648,407	42,207	7,052,352	125,323

(1) Non-interest bearing

(2) Includes index adjustment of Municipal Contributions debt

REVIEW OF INTERIM FINANCIAL STATEMENTS

To the Board of Directors
and Shareholders of
Pampa Holding S.A.

We have reviewed the accompanying balance sheet of Pampa Holding S.A (“Pampa”) as of September 30, 2006, and the related statements of income, of changes in shareholders’ equity and of cash flows for the nine-month period ended September 30, 2006. Additionally, we have reviewed the consolidated balance sheet of Pampa and its consolidated subsidiaries as of September 30, 2006, and the related consolidated statements of income and of cash flows for the nine-month period then ended. These interim financial statements are the responsibility of the Company’s management.

We conducted our reviews in accordance with standards generally accepted in Argentina for a review of interim financial statements. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Argentina, the objective of which is to express an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modification that should be made to the accompanying interim financial statements for them to be in conformity with generally accepted accounting principles accepted in Argentina.

We previously audited in accordance with auditing standards generally accepted in Argentina, the balance sheet as of June 30, 2006 and the related statements of income, of changes in shareholders’ equity and of cash flows for the year then ended (not presented herein), and in our report dated September 27, 2006 we expressed an unqualified opinion on those financial statements. In our opinion, the information set forth in the accompanying balance sheet as of June 30, 2006, is fairly stated in all material respects in relation to the balance sheet from which it has been derived.

Buenos Aires, Argentina
November 8, 2006

Price Waterhouse & Co S.R.L.

(Partner)

Carlos Martín Barbafina

Abelovich, Polano & Asociados

(Partner)

Marcelo H. Fuxman