



TRANSPORTADORA DE GAS DEL SUR S.A.
(a *sociedad anónima* organized and existing under the laws of Argentina)

OFFER TO PURCHASE FOR CASH

**Any and All of its Outstanding
9.625% Notes due 2020**

(CUSIP Nos. 893870AW5; P9308RAY9 / ISIN Nos. US893870AW56; USP9308RAY91 / Common Code Nos. 102792351; 102792408)

The Offer (as defined below) will expire at 8:00 a.m., New York City time, on April 26, 2018, unless extended or terminated earlier at the sole discretion of the Purchaser (such date and time, as it may be extended or terminated earlier, the “Expiration Date”). Registered holders of the 9.625% Notes due 2020 (the “Notes”) (each such holder of the Notes, a “Holder”) must validly tender their Notes, or deliver a properly completed and duly executed Notice of Guaranteed Delivery (as defined below), at or prior the Expiration Date, to be eligible to receive the Offer Consideration (as defined below). Notes tendered may be withdrawn prior to the Expiration Date, but not thereafter, except as described herein or as required by applicable law. The Offer is subject to the satisfaction of certain conditions set forth in this Offer to Purchase under the heading “Conditions to the Offer.”

The Offer

Transportadora de Gas del Sur S.A. (“TGS,” the “Company” or the “Purchaser”), a *sociedad anónima* organized and existing under the laws of Argentina, hereby offers to purchase for cash (as it may be amended or supplemented from time to time, the “Offer” or the “Offer to Purchase”) any and all of the outstanding Notes for the consideration described below, upon the terms and subject to the conditions set forth in this Offer to Purchase and in the related Letter of Transmittal (as it may be amended or supplemented from time to time, the “Letter of Transmittal”). The table below summarizes certain payment terms of the Offer:

Notes	CUSIP / ISIN / Common Code Numbers	Original Principal Amount	Outstanding Principal Amount ^{(1) (2)}	Offer Consideration ⁽³⁾⁽⁴⁾
9.625% Notes due 2020	893870AW5 / US893870AW56 / 102792351 P9308RAY9 / USP9308RAY91 / 102792408	U.S.\$255,451,506	U.S.\$191,588,630	U.S.\$1,035.34

(1) Amount calculated after giving effect to first amortization of the Notes pursuant to the terms of the Indenture (as defined below).

(2) The next scheduled amortization payment date is May 14, 2018. Holders that tender their Notes in the Offer will not receive any payment in respect of this amortization.

(3) Per U.S.\$1,000 principal amount of Notes validly tendered; consideration and accrued interest will correspond to current outstanding principal amount, as described in footnote (1) above.

(4) Holders will receive accrued interest up to but excluding the Settlement Date (as defined below).

Concurrent Bond Offering and Redemption of Untendered Notes

The Offer is not conditioned on any minimum amount of Notes being tendered. The Offer is, however, conditioned upon the completion of a concurrent issuance of new notes (the “New Notes”) by the Purchaser (the “New Notes Offering”). Upon the consummation of the Offer on the Expiration Date, the Purchaser intends (but is not obligated) to redeem any Notes remaining outstanding under the optional redemption provisions of the indenture, dated February 11, 2014, among Delaware Trust Company (successor to Law Debenture Trust Company of New York), as trustee (the “Trustee”), co registrar, principal paying agent and transfer agent, and Banco Santander Rio S.A., as registrar (the “Argentine Paying Agent”) (the “Indenture”). Neither this Offer to Purchase nor the related Letter of Transmittal constitutes a notice of redemption of the Notes or an obligation to issue a notice of redemption of the Notes.

The New Notes Offering will be exempt from the registration requirements of the U.S. Securities Act of 1933, as amended (the “Securities Act”). Any offer or sale of the New Notes in any member state of the European Economic Area which has implemented Directive 2003/71/EC (the “Prospectus Directive”) must be addressed to qualified investors (as defined in the Prospectus Directive). The New Notes are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of

Directive 2014/65/EU (“MiFID II”); or (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the “PRIIPs Regulation”) for offering, selling or distributing the New Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering, selling or distributing the New Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation. This Offer to Purchase and any amendments or supplements thereto should not be deemed to be an offer to sell or a solicitation of an offer to buy any securities of the Purchaser.

Participation in the Offer; Offer Consideration; Settlement

Any questions or requests for assistance concerning the Offer may be directed to HSBC Securities (USA) Inc., Itau BBA USA Securities, Inc., J.P. Morgan Securities LLC, and Santander Investment Securities Inc. (collectively, the “Dealer Managers”) at the addresses and telephone numbers set forth on the back cover of this Offer to Purchase. Holders and beneficial owners of the Notes may contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer. Itaú Argentina S.A. and Banco Santander Río S.A. are acting as information agents in Argentina in connection with the Offer. The contact information for the Argentine information agents appears on the back cover of this Offer. Additionally, information in connection with this Offer may also be obtained at the Company’s offices.

Subject to the satisfaction of the terms and conditions set forth in this Offer to Purchase, Holders validly tendering and not withdrawing their Notes pursuant to the Offer will be entitled to receive U.S.\$1,035.34 per U.S.\$1,000 principal amount of the Notes tendered (the “Offer Consideration”), on a date promptly following the Expiration Date (the “Settlement Date”) (which date is expected to occur within four business days of the Expiration Date, but which may change without notice). The settlement date in respect of Notes for which a properly completed and duly executed notice of guaranteed delivery (the “Notice of Guaranteed Delivery”) is delivered at or prior to the Expiration Date (to the extent that such Notes are not delivered prior to the Expiration Date) that are accepted by the Purchaser for purchase in the Offer is expected to be the fourth business day following the scheduled Expiration Date, but which may change without notice (the “Guaranteed Delivery Settlement Date”). In addition, Holders whose Notes are purchased in the Offer will receive accrued and unpaid interest in respect of their purchased Notes from the last interest payment date to, but not including, the Settlement Date. For the avoidance of doubt, accrued interest will cease to accrue on the Settlement Date for all Notes accepted in the Offer, including those tendered by guaranteed delivery procedures set forth herein.

Subject to the conditions described herein, upon such acceptance for payment, the Purchaser will pay the Offer Consideration for the Notes by the deposit of immediately available funds in U.S. dollars on the Settlement Date. Such deposit shall be made with the Information and Tender Agent (as defined below), which will act as agent for tendering Holders for the purposes of tendering Notes, receiving payment from the Purchaser and transmitting such payment to tendering Holders, or with The Depository Trust Company (“DTC”).

Global Bondholder Services Corporation is acting as the information and tender agent (the “Information and Tender Agent”) and depository (the “Depository”) for the Offer.

THIS OFFER TO PURCHASE AND THE LETTER OF TRANSMITTAL SHOULD BE READ CAREFULLY BEFORE A DECISION IS MADE WITH RESPECT TO THIS OFFER. NONE OF THE PURCHASER, THE TRUSTEE, THE ARGENTINE PAYING AGENT AND THE BANK OF NEW YORK MELLON SA/NV, AS LUXEMBURG PAYING AGENT AND TRANSFER AGENT (THE “LUXEMBOURG PAYING AGENT”) OR ANY PAYING AGENT, TRANSFER AGENT OR LISTING AGENT (COLLECTIVELY, THE “AGENTS”), THE DEALER MANAGERS OR THE INFORMATION AND TENDER AGENT MAKES ANY RECOMMENDATION AS TO WHETHER OR NOT HOLDERS SHOULD TENDER THEIR NOTES.

The Dealer Managers for the Offer are:

HSBC

Itaú BBA

J.P. Morgan

Santander

The date of this Offer to Purchase is April 19, 2018.

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TRANSPORTADORA DE GAS DEL SUR S.A.

Unless the context otherwise requires, the terms “TGS”, the “Company”, the “Purchaser,” “we”, “us” and “our” refer to Transportadora de Gas del Sur S.A. and its subsidiaries. All references in this Offer to Purchase to “U.S.\$” are to U.S. dollars.

Corporate Information

Our legal name is Transportadora de Gas del Sur S.A. We are a *sociedad anónima*, incorporated under Argentine law on December 1, 1992. Our registered offices are located at Don Bosco 3672, 5th Floor, Buenos Aires (C1206ABF), Argentina, our telephone number is (54 11) 4865-9050 and our web address is www.tgs.com.ar. The information included or referred to, on or otherwise accessible through our website is not included or incorporated by reference into this Offer to Purchase.

IMPORTANT INFORMATION REGARDING THE OFFER

The Argentine *Comisión Nacional de Valores* (the “CNV”) has not reviewed, or rendered any opinion in respect of, the information contained in this Offer to Purchase. The Offer was approved by a resolution of our board of directors dated April 13, 2018. The accuracy of all information contained in this Offer to Purchase is our sole responsibility.

This Offer to Purchase and the Letter of Transmittal contain important information. You should read this Offer to Purchase and the Letter of Transmittal in their entirety before you make any decision with respect to the Offer.

The principal purpose of the Offer is to acquire any and all of the outstanding Notes. As of the date of this Offer to Purchase, the aggregate outstanding principal amount of the Notes is U.S.\$191,588,630. The original principal amount of the Notes was U.S.\$255,451,506. On May 14, 2014, pursuant to the Indenture, 25% of the original outstanding principal amount of the notes amortized. The next scheduled amortization payment date is May 14, 2018. Holders tendering their Notes in the Offer will not receive any payment in respect of this amortization. The Offer is not conditioned on any minimum amount of Notes being tendered. Notwithstanding any other provision of the Offer, the Purchaser’s obligations to accept for payment, and to pay the Offer Consideration for the Notes validly tendered and not validly withdrawn pursuant to the Offer are subject to, and conditioned upon, the satisfaction of, or the Purchaser’s waiver of, (i) the completion of the concurrent New Notes Offering by the Purchaser on terms and conditions satisfactory to the Purchaser, yielding net cash proceeds sufficient to fund the aggregate Offer Consideration, with respect to the Notes validly tendered at or prior to the Expiration Date and accepted for Purchase by the Purchaser (the “Financing Condition”), and (ii) the other general conditions described in the section of this Offer to Purchase entitled “Conditions to the Offer.”

The conditions to the Offer are for the sole benefit of the Purchaser and may be asserted by the Purchaser, regardless of the circumstances giving rise to any such condition (including any action or inaction by the Purchaser). The Purchaser reserves the right, in its sole discretion, to waive or modify any one or more of the conditions to the Offer, in whole or in part, at any time.

Following the consummation of the Offer, the Purchaser (directly or through any of its affiliates) intends to redeem any Notes remaining outstanding. From time to time in the future, the Purchaser retains the absolute right, in its sole discretion, to acquire Notes (if any) that remain outstanding. After the Expiration Date or termination of the Offer, the Purchaser or any of its affiliates may purchase any Notes not purchased pursuant to the Offer to Purchase in privately negotiated transactions, through tender or exchange offers, through open market purchases, or by redemption, defeasance or otherwise, upon such terms and at such prices as the Purchaser or any of its affiliates may determine (or as may be provided for in the Indenture), which may be more or less than the price to be paid pursuant to the Offer and may involve cash or other consideration. Accordingly, any future purchases may be on the same terms or on terms that are more or less favorable to Holders than the terms of the Offer. Any future purchases by the Purchaser or any of its affiliates will depend on various factors existing at that time.

Tendered Notes may be validly withdrawn from the Offer at any time (i) at or prior to the earlier of (x) the Expiration Date and (y) in the event that the Offer is extended, the tenth business day after commencement of the Offer, and (ii) after the 60th business day after commencement of the Offer if for any reason the Offer has not been consummated within 60 business days after commencement. If TGS amends the Offer in a manner materially adverse to you as a tendering Holder, withdrawal rights will be extended, as we determine appropriate and in accordance with applicable law, to allow tendering Holders a reasonable opportunity to respond to such amendment. Any Notes tendered on or prior to the Expiration Date that are not validly withdrawn prior to the Expiration Date may not be withdrawn thereafter except as described herein or as required by applicable law.

In the event that the Offer is terminated, withdrawn or otherwise not consummated, the Offer Consideration will not be paid or become payable. In any such event, the Notes previously tendered pursuant to the Offer will be promptly returned to the tendering Holders without cost to the Holder or compensation of any sort, and will remain outstanding.

Upon the terms and subject to the conditions of the Offer, Holders that validly tender (and do not validly withdraw) their Notes at or prior to the Expiration Date, or who deliver to the Information and Tender Agent a properly completed and duly executed Notice of Guaranteed Delivery in accordance with the instructions described under “Procedures for Tendering Notes – Guaranteed Delivery Procedures,” will receive the Offer Consideration payable for such tendered Notes that are accepted by the Purchaser for purchase in the Offer, together with accrued and unpaid interest on such Notes; provided, without limitation that, as applicable in each case, (i) such notes are not validly withdrawn, (ii) the General Conditions (as defined herein) have been satisfied or waived, and (iii) the Purchaser has, in its sole discretion, accepted such Notes for payment pursuant to this Offer to Purchase. For the avoidance of doubt, accrued interest will cease to accrue on the Settlement Date for all Notes accepted in the Offer, including those tendered by the guaranteed delivery procedures set forth herein.

In making your decision whether to accept the Offer, you must rely on your own examination of our business and the information contained in this Offer to Purchase, including your own determination of the merits and risks involved in participating in the Offer. No U.S. federal or state securities commission or regulatory authority, nor any other authority of any other jurisdiction, has confirmed the accuracy or determined the adequacy of this Offer to Purchase. Any representation to the contrary is a criminal offense.

The Settlement Date for Notes validly tendered at or prior to the Expiration Date and accepted for purchase by the Purchaser will be the date on which the Purchaser deposits with the Information and Tender Agent or DTC the amount of cash necessary to pay the Offer Consideration plus accrued interest with respect to such Notes. The Settlement Date is expected to occur within four business days of the Expiration Date, or as soon as reasonably practical, assuming all conditions to the Offer have been satisfied or waived by Purchaser.

The Guaranteed Delivery Settlement Date for Notes with respect to which a properly completed and duly executed Notice of Guaranteed Delivery is delivered at or prior to the Expiration Date (to the extent that such Notes are not delivered prior to the Expiration Date) and accepted for purchase by the Purchaser will be the date on which the Purchaser deposits with the Information and Tender Agent or DTC the amount of cash necessary to pay the Offer Consideration plus accrued interest with respect to such Notes. The Guaranteed Delivery Settlement Date is expected to occur four business days following the scheduled Expiration Date, assuming all conditions to the Offer have been satisfied or waived by the Purchaser, but which may change without notice.

Payment for Notes accepted for purchase in the Offer will be made by the Purchaser by deposit with the Information and Tender Agent, or, upon its instructions, with DTC, which will act as agent for the Holders for the purpose of receiving the Offer Consideration and any accrued and unpaid interest payable, and transmitting the corresponding amount to the Holders. The Purchaser intends, but is not obligated, to call the remaining Notes not tendered following the Settlement Date.

The consideration for each U.S.\$1,000 principal amount of the Notes validly tendered and accepted for purchase pursuant to the Offer will be the Offer Consideration set forth in the table on the cover page of this Offer to Purchase. Holders of Notes validly tendered or with respect to which a properly completed and duly executed Notice of Guaranteed Delivery is delivered at or prior to the Expiration Date, and accepted for purchase pursuant to the

Offer will receive the Offer Consideration for the Notes. In addition to the Offer Consideration, all Holders of the Notes accepted for purchase pursuant to the Offer will receive accrued interest.

The Purchaser reserves the right in its sole discretion and subject to applicable law, to (i) waive prior to the Expiration Date any and all conditions to the Offer; (ii) extend the Expiration Date and all Notes previously tendered pursuant to the Offer will remain subject to the Offer and may be accepted for purchase or payment, subject to the withdrawal rights of the Holders; (iii) amend the terms of the Offer in any respect; or (iv) terminate, withdraw or otherwise decide not to proceed with the Offer at any time prior to or at the Expiration Date and not accept for purchase or payment any Notes not theretofore accepted for purchase or payment. The foregoing rights are in addition to the right to delay acceptance for purchase of Notes tendered pursuant to the Offer or the payment of Notes accepted for purchase pursuant to the Offer in order to comply with any applicable law, subject to Rule 14e-1(c) under the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), which requires the Purchaser to pay the consideration offered or return the Notes deposited by or on behalf of Holders promptly after the termination or withdrawal of the Offer.

None of the Trustee, the Argentine Paying Agent, the Luxembourg Paying Agent, the Dealer Managers or the Information and Tender Agent and Depositary or any of their respective affiliates (i) assumes any responsibility for the accuracy or completeness of the information concerning TGS contained in this Offer to Purchase or for any failure by TGS to disclose events that may have occurred and may affect the significance or accuracy of such information or (ii) makes any recommendation as to whether Holders should tender or refrain from tendering all or any portion of their Notes pursuant to the Offer.

No dealer, salesperson or other person is authorized to give any information or to make any representations with respect to the matters described in this Offer to Purchase or in the related Letter of Transmittal other than those contained in this Offer to Purchase or in the related Letter of Transmittal or as is provided by the Dealer Managers in accordance with their customary practices and consistent with industry practice and applicable laws and, if given or made, such information or representation must not be relied upon as having been authorized by the Purchaser, the Trustee, the Agents, the Dealer Managers or the Information and Tender Agent.

This Offer to Purchase, the Letter of Transmittal and the related documents do not constitute an offer to buy or the solicitation of an offer to sell Notes in any jurisdiction in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of the Purchaser by the Dealer Managers or one or more registered brokers or dealers licensed under the laws of such jurisdiction. Neither the delivery of this Offer to Purchase or the Letter of Transmittal nor any purchase of Notes shall, under any circumstances, create any implication that there has been no change in the Purchaser’s or the Purchaser’s affiliates’ affairs since the date hereof, or that the information included herein is correct as of any time subsequent to the date hereof or thereof, respectively.

Except as disclosed herein, this Offer to Purchase and the Letter of Transmittal have not been filed with or reviewed by the U.S. Securities and Exchange Commission (“SEC”) or any other federal or state securities commission or regulatory authority of any country, nor has the SEC or any such commission or authority passed upon the accuracy or adequacy of this Offer to Purchase, the Letter of Transmittal or any of the other documents delivered herewith. Any representation to the contrary is unlawful and may be a criminal offense. This offer will be made to investors in Argentina using a separate Spanish language offer to purchase. The CNV will not issue an opinion with regard to the information contained in this Offer nor in the Spanish language offer to purchase.

Governing Law and Jurisdiction

This Offer to Purchase, the Offer and any purchase of Notes by the Purchaser pursuant to the Offer to Purchase, as well as any non-contractual obligation arising out of or in connection therewith, will be governed and construed in accordance with New York law.

IMPORTANT INFORMATION REGARDING TENDERING NOTES

Any Holder wishing to tender Notes pursuant to the Offer may complete and sign the Letter of Transmittal (or a facsimile thereof) in accordance with the instructions set forth therein and mail or deliver such manually signed Letter of Transmittal (or such manually signed facsimile thereof) and any other documents required, or, in the case of book-entry transfers, transmit an Agent's Message (as defined in "Procedures for Tendering Notes – Book-Entry Transfer"), together with the certificates evidencing such Notes (or confirmation of the transfer of such Notes into the account of the Information and Tender Agent with DTC pursuant to the procedures for book-entry transfer set forth herein). Beneficial owners whose Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such broker, dealer, commercial bank, trust company or other nominee if they wish to tender Notes. Beneficial owners should be aware that their broker, dealer, commercial bank, trust company or other nominee may establish its own earlier deadline for participation in the Offer. Accordingly, beneficial owners wishing to participate in the Offer should contact their broker, dealer, commercial bank, trust company or other nominee as soon as possible in order to determine the time by which such owner must take action in order to so participate. See "Procedures for Tendering Notes."

The Purchaser expects that DTC will authorize participants that hold Notes on behalf of beneficial owners of Notes through DTC to tender their Notes as if they were Holders. To effect a tender, you must use one of the two alternative procedures described below:

- at or prior to the Expiration Date, DTC participants may transmit their acceptance to DTC through the DTC Automated Tender Offer Program ("ATOP"), for which the Offer will be eligible, and follow the procedures for book-entry transfer set forth in "Procedures for Tendering Notes;" or
- if time will not permit you to complete the tender of your Notes by using the procedures described above before the Expiration Date, you may comply with the guaranteed delivery procedures described under "Procedures for Tendering Notes – Guaranteed Delivery Procedures."

It is not necessary for Holders tendering Notes using ATOP to deliver a Letter of Transmittal in relation to such tender.

A beneficial owner who holds Notes through Euroclear S.A./N.V. ("Euroclear") or Clearstream Banking, *société anonyme* ("Clearstream") and wishes to tender its Notes must arrange for a direct participant in Euroclear or Clearstream to deliver a valid electronic acceptance instruction ("Electronic Acceptance Instruction"), which includes the proper Note Instructions (as defined below), to Euroclear or Clearstream, as applicable. Only a direct participant in Euroclear or Clearstream may submit an Electronic Acceptance Instruction to Euroclear or Clearstream. See "Procedures for Tendering Notes."

You must tender your Notes in accordance with the procedures set forth in "Procedures for Tendering Notes."

Tendering Holders will not be obligated to pay brokerage fees or commissions to the Purchaser, the Dealer Managers or the Information and Tender Agent in connection with their tendering Notes pursuant to the Offer.

FORWARD-LOOKING STATEMENTS

Some of the information in this Offer to Purchase may constitute estimates and forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, as amended. These estimates and forward-looking statements can be identified by the use of forward-looking terminology such as “anticipate,” “believe,” “can,” “continue,” “estimate,” “expect,” “goal” “intend,” “may,” “plan” “potential,” “predict,” “projection,” “should,” “will,” “will likely result,” “would” or other similar words. These estimates and statements appear in a number of places in this Offer to Purchase and include statements regarding our intent, belief or current expectations, and those of our officers, with respect to (among other things) our business, financial condition and results of operations. Our estimates and forward-looking statements are based mainly on current expectations and estimates of future events and trends, which affect, or may affect, our business, financial condition and results of operations. Although we believe that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are based on information available to us as of the date of this Offer to Purchase.

These estimates and forward-looking statements speak only as of the date of this Offer to Purchase and we do not undertake any obligation to update any forward-looking statement or other information contained in this Offer to Purchase to reflect events or circumstances occurring after the date of this Offer to Purchase or to reflect the occurrence of unanticipated events. Additional factors affecting our business emerge from time to time and it is not possible for us to predict all of those factors, nor can we assess the impact of all such factors on our business, operations or financial condition, or the extent to which any factors, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. Estimates and forward-looking statements involve risks and uncertainties and do not guarantee future performance, as actual results or developments may be substantially different from the expectations described in the forward-looking statements. In light of the risks and uncertainties described above, the events referred to in the estimates and forward-looking statements included in this Offer to Purchase may or may not occur, and our business performance, financial condition and results of operations may differ materially from those expressed in our estimates and forward-looking statements, due to factors that include but are not limited to those mentioned above. Holders are warned not to place undue reliance on any estimates or forward-looking statements in making any investment decision.

ENFORCEMENT OF CIVIL LIABILITIES

The Purchaser is a *sociedad anónima* organized and existing under the laws of Argentina. All or a substantial portion of its assets are located in Argentina. All of the Purchaser's directors, executive officers and controlling persons reside in Argentina, and all or a substantial portion of the assets of the Purchaser and such persons are also located in Argentina or elsewhere outside of the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Purchaser or such persons or to enforce against the Purchaser or such persons judgments predicated upon the civil liability provisions of the federal securities laws of the United States or the laws of other jurisdictions.

We have been advised by our Argentine counsel, Salaverri, Burgio & Wetzler Malbrán, that there is doubt as to whether the courts of Argentina would enforce in all respects, to the same extent and in as timely a manner as a U.S. or other non-Argentine court, an original action predicated solely upon the civil liability provisions of the U.S. federal securities laws or other non-Argentine securities laws; and that the enforceability in Argentine courts of judgments of U.S. or other non-Argentine courts predicated upon the civil liability provisions of the U.S. federal securities laws or other non-Argentine securities laws will be subject to compliance with certain requirements under Argentine law, including that any such judgment does not violate Argentine public policy (*orden público*).

Enforcement of foreign judgments would be recognized and enforced by the courts in Argentina provided that the requirements of Argentine law are met, such as: (i) the judgment, which must be final in the jurisdiction where rendered, was issued by a court competent in accordance with Argentine principles regarding international jurisdiction and resulted from a personal action, or an *in rem* action with respect to personal property if such property was transferred to Argentine territory during or after the prosecution of the foreign action; (ii) the defendant against whom enforcement of the judgment is sought was personally served with the summons and, in accordance with due process of law, was given an opportunity to defend against such foreign action; (iii) the judgment must be valid in the jurisdiction where rendered and its authenticity must be established in accordance with the requirements of Argentine law; (iv) the judgment does not violate the principles of public policy of Argentine law; and (v) the judgment is not contrary to a prior or concurrent judgment of an Argentine court.

SUMMARY TIMETABLE

The following summary timetable is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this Offer to Purchase. Unless otherwise defined herein, capitalized terms used in this summary have the respective meanings specified elsewhere in this Offer to Purchase.

Holders should note the following times relating to the Offer

Date	Calendar Date	Event
Commencement Date	April 19, 2018.	Commencement of the Offer upon the terms and subject to the conditions set forth in this Offer to Purchase. Commencement will be announced by the issuance of a press release through a widely disseminated news or wire service and publication thereof on a Form 6-K filed with the SEC.
Expiration Date.....	8:00 a.m., New York City time, on April 26, 2018, unless extended or earlier terminated by the Purchaser in its sole discretion.	The last time and date for Holders to validly tender their Notes pursuant to the Offer, deliver a properly completed and duly executed Notice of Guaranteed Delivery.
Withdrawal Deadline	8:00 a.m., New York City time, on April 26, 2018.	The last time and date for Holders to validly withdraw tenders of Notes from the Offer, unless the Offer has been extended or the Offer has been amended in a manner materially adverse to you as a tendering Holder, or if the Offer has not been consummated within 60 business days of commencement.
Settlement Date	Promptly after the Expiration Date. The Purchaser expects that this date will be on or about May 2, 2018, four business days following the Expiration Date, unless the Offer is extended by the Purchaser in its sole discretion.	Date on which payment of the Total Consideration with respect to Notes tendered at or prior to the Expiration Date, plus accrued interest, will be made with respect to Notes validly tendered and accepted for purchase by the Purchaser.
Guaranteed Delivery Settlement Date	Expected to occur within four business days of the scheduled Expiration Date.	Date on which payment of the Purchase Price payable to Holders with respect to Notes accepted for purchase pursuant to the guaranteed delivery procedures, if any, plus accrued interest, will be made by the Purchaser. For the avoidance of doubt, accrued interest will cease to accrue on the Settlement Date for all Notes accepted in the Offer, including those tendered by the guaranteed delivery procedures set forth herein.

The Purchaser reserves the right in its sole discretion and subject to applicable law, to (i) waive prior to the Expiration Date any and all conditions to the Offer; (ii) extend the Expiration Date and all Notes previously tendered pursuant to the Offer will remain subject to the Offer and may be accepted for purchase or payment, subject to the withdrawal rights of the Holders; (iii) amend the terms of the Offer in any respect; or (iv) terminate, withdraw or otherwise decide not to proceed with the Offer at any time prior to or at the Expiration Date and not accept for purchase or payment any Notes not theretofore accepted for purchase or payment. The foregoing rights are in addition to the right to delay acceptance for purchase of Notes tendered pursuant to the Offer or the payment of Notes accepted for purchase pursuant to the Offer in order to comply with any applicable law, subject to Rule 14e-1(c) under the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), which requires the Purchaser to pay the consideration offered or return the Notes deposited by or on behalf of Holders promptly after the termination or withdrawal of the Offer.

SUMMARY

The following summary is provided solely for the convenience of Holders. This summary is not intended to be complete and is qualified in its entirety by reference to the full text and more specific details contained elsewhere in this Offer to Purchase, the Letter of Transmittal and any amendments or supplements hereto or thereto. Holders are urged to read this Offer to Purchase and the Letter of Transmittal in their entirety. Each of the capitalized terms used but not defined in this summary has the meaning set forth elsewhere in this Offer to Purchase.

If you have questions, please call the Information and Tender Agent or the Dealer Managers at their respective telephone numbers on the back cover of this Offer.

The Purchaser	Transportadora de Gas del Sur S.A., a <i>sociedad anónima</i> organized and existing under the laws of the Argentina.
Notes	9.625% Notes due 2020 (CUSIP Nos. 893870AW5; P9308RAY9 / ISIN Nos. US893870AW56; USP9308RAY91 / Common Code Nos. 102792351; 102792408).
Principal Amount Outstanding	<p>As of the date hereof, the aggregate principal amount of the outstanding Notes is U.S.\$191,588,630.</p> <p>The original principal amount of the Notes was U.S.\$255,451,506. On May 14, 2014, pursuant to the Indenture, 25% of the original outstanding principal amount of the notes amortized. The next scheduled amortization payment date is May 14, 2018. Holders that tender their Notes in the Offer will not receive any payment in respect of the May 14, 2018 amortization.</p>
The Offer	TGS is offering to purchase for cash, upon the terms and subject to the conditions set forth in this Offer and in the Letter of Transmittal, any and all of the outstanding Notes validly tendered (and not validly withdrawn) and accepted for purchase by TGS. See “Principal Terms of the Offer.”
Purpose of the Offer	The principal purpose of the Offer is to acquire any and all of the Notes.
Withdrawal Deadline	Tendered Notes may be validly withdrawn from the Offer at any time (i) at or prior to the earlier of (x) the Expiration Date (8:00 a.m., New York City time on April 26, 2018, unless extended by the Purchaser in its sole discretion) and (y) in the event that the Offer is extended, the tenth business day after commencement of the Offer, and (ii) after the 60th business day after commencement of the Offer if for any reason the Offer has not been consummated within 60th business days after commencement. To validly withdraw Notes from the Offer, Holders must deliver a written or facsimile notice of withdrawal and revocation, with the required information (as set forth below under “Withdrawal of Tenders”) within the times stipulated in the preceding sentence.
Expiration Date	8:00 a.m., New York City time on April 26, 2018, unless extended or earlier terminated by TGS in its sole discretion (which is the time by which Holders must tender their Notes in order to be eligible to receive the Offer Consideration). TGS retains the right to extend the Expiration Date for any reason. Holders that tender their Notes after the Expiration Date will not be eligible to receive the Offer

Consideration.

Settlement Date	<p>The Purchaser expects that payment for all Notes validly tendered prior to the Expiration Date and accepted by the Purchaser will be made on the Settlement Date, which is expected to occur within four business days of the scheduled Expiration Date.</p> <p>Under no circumstances will interest be paid by the Purchaser on any cash to be paid to Holders by reason of any delay in making payment of funds on the Settlement Date, other than a delay caused by the Purchaser's failure to deposit the relevant funds on the Settlement Date.</p>
Guaranteed Delivery Settlement Date	<p>The settlement date in respect of Notes with respect to which a properly completed and duly executed Notice of Guaranteed Delivery is delivered at or prior to the Expiration Date (to the extent that such Notes are not delivered prior to the Expiration Date) and accepted for purchase by the Purchaser will be on the Guaranteed Delivery Settlement Date, which is expected to be the four business day following the scheduled Expiration Date, but which may change without notice.</p>
Offer Consideration	<p>Holders that validly tender their Notes at or prior to the Expiration Date, or that deliver a properly completed and duly executed Notice of Guaranteed Delivery at or prior to the Expiration Date, will receive the Offer Consideration.</p> <p>The Offer Consideration for the Notes shall be U.S.\$1,035.34 per U.S.\$1,000 principal amount of Notes, plus accrued interest, payable on the Settlement Date or the Guaranteed Delivery Settlement Date, as applicable</p> <p>The Offer Consideration takes into account a weighted average that assumes that 33.3% of the outstanding principal amount to be redeemed of each of the Notes would be redeemed at a price equal to 100%, of the principal amount of the Notes to be redeemed, pursuant to the "amortization payment" provisions of the Indenture and terms of the Notes, and 66.7% of the outstanding principal amount to be redeemed of the Notes would be redeemed at the optional redemption price of 104.813% pursuant to the provisions of the relevant Indenture and terms of the Notes.</p>
Minimum Denomination	<p>Notes may be tendered and will be accepted for payment only in original denominations of U.S.\$1,000 and any integral multiples of U.S.\$1.00 in excess thereof. No alternative, conditional, irregular or contingent tenders will be accepted. Holders that tender less than all of their Notes must continue to hold Notes in the original authorized denominations.</p>
Accrued Interest.....	<p>The Offer Consideration for the Notes will be paid together with accrued and unpaid interest from and including the last interest payment date for the Notes to, but not including, the applicable Settlement Date, including those tendered by the Guaranteed Delivery Procedures set forth herein.</p>

Extension, Amendment and/or Termination of the Offer	<p>The Offer will expire on the Expiration Date, subject to the absolute right of the Purchaser, in its sole discretion (subject only to applicable law), to extend, re-open and/or amend the Offer at any time. The Purchaser has the right to terminate or withdraw the Offer at its sole discretion if a condition to its obligation to accept Notes for purchase, or for payment, is not satisfied or waived at or prior to any applicable date.</p> <p>Any amendment to the terms of the Offer will apply to all Notes tendered pursuant to the Offer. See “Conditions to the Offer – Expiration Dates; Terminations; Amendments.”</p>
Certain Consequences to Holders not Tendering	<p>Consummation of the Offer will have adverse consequences for Holders of Notes that elect not to tender Notes in the Offer. For example, the trading market for the Notes not tendered in response to the Offer will be more limited.</p>
Untendered or Unpurchased Notes; Redemption	<p>Notes not purchased pursuant to the Offer will remain outstanding immediately after the completion of the Offer. In addition, if the Offer is consummated, the aggregate principal amount of the Notes that is outstanding will be reduced. This reduction may adversely affect the liquidity and market price for any Notes that remain outstanding after consummation of the Offer.</p> <p>Following the consummation of the Offer, the Purchaser (directly or through any of its affiliates) intends to redeem any Notes remaining outstanding. Accordingly, any future purchases may be on the same terms or on terms that are more or less favorable to Holders than the terms of the Offer. Any future purchases by the Purchaser or any of its affiliates will depend on various factors existing at that time. Neither this Offer to Purchase nor the related Letter of Transmittal constitutes a notice of redemption of the Notes or an obligation to issue a notice of redemption of the Notes.</p> <p>See “Certain Significant Consequences Regarding the Offer.”</p>
Conditions to the Offer	<p>The Offer is not conditioned on a minimum principal amount of Notes being tendered. Notwithstanding any other provision of the Offer, the Purchaser’s obligations to accept for payment, and to pay the Offer Consideration for the Notes validly tendered and not validly withdrawn pursuant to the Offer are subject to, and conditioned upon, the satisfaction of, or the Purchaser’s waiver of, (i) satisfaction of the Financing Condition, and (ii) the other general conditions described in the section of this Offer to Purchase entitled “Conditions to the Offer.”</p> <p>The conditions to the Offer are for the sole benefit of the Purchaser and may be asserted by the Purchaser, regardless of the circumstances giving rise to any such condition (including any action or inaction by the Purchaser). The Purchaser reserves the right, in its sole discretion, to waive or modify any one or more of the conditions to the Offer, in whole or in part, at any time.</p> <p>If the Purchaser decides to accept valid tenders of Notes pursuant to the Offer, the Purchaser will accept for purchase all of the Notes that are validly tendered and there will be no proration of any such</p>

	tender of Notes for purchase. Notes that are not successfully tendered for purchase pursuant to the Offer will remain outstanding.
Financing Condition	Successful completion of the concurrent New Notes Offering by the Purchaser on terms and conditions satisfactory to the Purchaser, yielding net cash proceeds sufficient to fund the aggregate Offer Consideration, with respect to the Notes validly tendered at or prior to the Expiration Date and accepted for purchase by the Purchaser (regardless of the actual amount of Notes tendered).
No Recommendation	<p>None of the Purchaser, the Trustee, the Agents, the Dealer Managers or the Information and Tender Agent is making any recommendations to the Holders as to whether or not to tender all or any portion of Notes. Holders must decide whether to tender Notes, and if tendering, the amount of Notes to tender.</p> <p>No dealer, salesperson or other person is authorized to give any information or to make any representations with respect to the matters described in this Offer to Purchase or in the related Letter of Transmittal other than those contained in this Offer to Purchase or in the related Letter of Transmittal or as is provided by the Dealer Managers in accordance with their customary practices and consistent with industry practice and applicable laws and, if given or made, such information or representation must not be relied upon as having been authorized by the Purchaser, the Trustee, the Agents, the Dealer Managers or the Information and Tender Agent.</p>
How to Tender Notes.....	See “Procedures for Tendering Notes.” For further information, Holders should contact the Information and Tender Agent or the Dealer Managers or consult their broker, dealer, or other similar nominee for assistance.
Guaranteed Delivery Procedures	If time will not permit you to validly tender your Notes at or prior to the Expiration Date as described in “Procedures for Tendering Notes,” you may tender your Notes by complying with the guaranteed delivery procedures described under “Procedures for Tendering Notes – Guaranteed Delivery Procedures.”
Settlement of Accepted Notes	On the Settlement Date or the Guaranteed Delivery Settlement Date, as applicable, subject to the terms of the Offer and upon satisfaction or waiver of the conditions to the Offer, we will (i) accept for purchase Notes validly tendered, and (ii) promptly pay the Offer Consideration, plus accrued interest, with respect to Notes that are validly tendered at or prior to the Expiration Date or with respect to which a properly completed and duly executed Notice of Guaranteed Delivery is delivered at or prior to the Expiration Date, as applicable, and accepted for purchase. For the avoidance of doubt, accrued interest will cease to accrue on the Settlement Date for all Notes accepted in the Offer, including those tendered by the guaranteed delivery procedures set forth herein.
New Notes Offering.....	This Offer is being made concurrently with the New Notes Offering. The New Notes Offering will be exempt from the registration requirements of the Securities Act. This Offer is not an offer to sell or a solicitation of an offer to buy the New Notes.

Taxation.....	For a summary of certain Argentine and U.S. tax considerations relating to the Offer, see “Taxation.”
Dealer Managers	HSBC Securities (USA) Inc., Itau BBA USA Securities, Inc., J.P. Morgan Securities LLC and Santander Investment Securities Inc.
Information and Tender Agent and Depositary, Argentine Information Agent.....	Global Bondholder Services Corporation is serving as Information and Tender Agent in connection with the Offer. Itaú Argentina S.A. and Banco Santander Río S.A. are acting as information agents in Argentina in connection with the Offer.
Additional Documentation; Further Information; Assistance	Questions may be directed to the Dealer Managers or the Information and Tender Agent, and in Argentina, to the Argentine Information Agent, and additional copies of this Offer and the Letter of Transmittal may be obtained by contacting the Information and Tender Agent. Contact information for the Information and Tender Agent, the Argentine Information Agent and the Dealer Managers appears on the back cover of this Offer to Purchase. Additionally, information in connection with this Offer may also be obtained at the Company’s offices located at the address set forth under “Corporate Information.”

AVAILABLE INFORMATION

We file or furnish reports, including annual reports on Form 20-F and reports on Form 6-K, and other information with the SEC pursuant to the rules and regulations of the SEC that apply to foreign private issuers. You may read and copy any materials filed with the SEC at its Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Any filings we make electronically will be available to the public over the Internet at the SEC's website at www.sec.gov. We are not, however, incorporating by reference in this Offer to Purchase any reports, information or materials filed with the SEC or any other material from our website or any other source. The reference above to websites is an inactive textual reference to the uniform resource locator and is for your reference only.

MARKET FOR NOTES

The Notes are listed on the Official List of the Luxembourg Stock Exchange and on the Bolsas y Mercados Argentinos S.A., and are traded on the Luxembourg Stock Exchange's Euro MTF Market and on the Mercado Abierto Electrónico S.A. To the extent that Notes are traded, prices of such Notes may fluctuate greatly depending on the trading volume and the balance between buy and sell orders. Quotations for securities that are not widely traded may differ from actual trading prices and should be viewed as approximations. Holders are urged to obtain current information with respect to the market price for the Notes.

The Purchaser expects to cancel Notes purchased pursuant to the Offer. Accordingly, the tender of Notes pursuant to the Offer and any cancellation of the Notes by the Purchaser will reduce the aggregate principal amount of Notes that otherwise might trade in the public market, which could adversely affect the liquidity and market value of the remaining Notes not tendered or accepted pursuant to the Offer. The Purchaser intends to redeem any Notes remaining outstanding under the optional redemption provisions of the Indenture.

PURPOSE OF THE OFFER AND SOURCE OF FUNDS

The purpose of the Offer is to acquire for cash any and all of the outstanding Notes. As of the date of this Offer to Purchase, the aggregate outstanding principal amount of the Notes is U.S.\$191,588,630. The original principal amount of the Notes was U.S.\$255,451,506. On May 14, 2014, pursuant to the Indenture, 25% of the original outstanding principal amount of the notes amortized. The next scheduled amortization payment date is May 14, 2018. Holders that tender their Notes in the Offer will not receive any payment in respect of the May 14, 2018 amortization.

The Purchaser intends to fund the Offer with proceeds from the New Notes Offering.

PRINCIPAL TERMS OF THE OFFER

This Offer to Purchase contains important information that should be read carefully before any decision is made with respect to the Offer.

General

Subject to the satisfaction or waiver of the conditions to the Offer, the Purchaser offers to purchase for cash any and all of the outstanding Notes, upon the terms and subject to the conditions set forth in this Offer to Purchase and in the related Letter of Transmittal. In its sole discretion, the Purchaser may determine if the conditions to the Offer have been satisfied, or may waive the conditions to the Offer, for the purchase of the Notes.

Holders that validly tender (and do not validly withdraw) their Notes or that deliver a properly completed and duly executed Notice of Guaranteed Delivery at or prior to the Expiration Date, if such Notes are accepted for payment pursuant to the Offer, will receive the Offer Consideration in the amount of U.S.\$1,035.34 per U.S.\$1,000 principal amount of Notes tendered, plus accrued interest, payable on the Settlement Date or the Guaranteed Delivery Settlement Date, as applicable.

The Offer Consideration takes into account a weighted average that assumes that 33.3% of the outstanding principal amount to be redeemed of each of the Notes would be redeemed at a price equal to 100%, of the principal amount of the Notes to be redeemed, pursuant to the “amortization payment” provisions of the Indenture and terms of the Notes, and 66.7% of the outstanding principal amount to be redeemed of the Notes would be redeemed at the optional redemption price of 104.813% pursuant to the provisions of the relevant Indenture and terms of the Notes.

The Settlement Date in respect of any Notes that are validly tendered at or prior to the Expiration Date and accepted by the Purchaser for purchase in the Offer is expected to occur within four business days following the scheduled Expiration Date. The Guaranteed Delivery Settlement Date in respect of any Notes with respect to which a properly completed and duly executed Notice of Guaranteed Delivery is delivered at or prior to the Expiration Date (to the extent that such Notes are not delivered prior to the Expiration Date) and accepted for purchase by the Purchaser is expected to be the fourth business day following the scheduled Expiration Date, but which may change without notice.

The Purchaser will be deemed to have accepted validly tendered Notes in the Offer when, as and if the Purchaser has given oral or written notice thereof to the Information and Tender Agent.

Holders that validly tender Notes and whose Notes are accepted for purchase or payment will receive accrued interest up to, but not including, the Settlement Date. For the avoidance of doubt, accrued interest will cease to accrue on the Settlement Date for all Notes accepted in the Offer, including those tendered by the guaranteed delivery procedures set forth herein.

To the extent permitted by applicable law, the Purchaser reserves the right to extend, delay, accept or amend the Offer. The Purchaser has the right to terminate or withdraw the Offer at its sole discretion if a condition to its obligation to accept Notes for purchase, or for payment, is not satisfied or waived at or prior to any applicable date. To the extent permitted by applicable law, the Purchaser may waive any or all of the conditions to the Offer.

Notes may be tendered and will be accepted for payment only in original denominations of U.S.\$1,000 and any integral multiple of U.S.\$1.00 in excess thereof. No alternative, conditional, irregular or contingent tenders will be accepted. Holders that tender less than all of their Notes must continue to hold Notes in the original authorized denominations. Holders that do not tender all of their Notes should ensure that they retain a principal amount of Notes amounting to at least the authorized minimum denomination equal to U.S.\$1,000 principal amount. Payment of cash consideration to tendering Holders will be paid by the Purchaser directly to DTC for further credit to the cash accounts of such tendering Holders. In the event the Purchaser increases the consideration offered for Notes in the Offer, such amended consideration will be paid with regard to all Notes accepted by the Purchaser in the Offer, including those accepted before the announcement of any such increase.

Holders that tender in the Offer will not be required to pay brokerage commissions to the Purchaser, the Dealer Managers or the Information and Tender Agent or fees or, subject to the instructions of the relevant clearing

systems, other transfer taxes with respect to the tender of Notes pursuant to the Offer (except as set forth below). If Notes are held through a nominee, Holders should contact such nominee to determine whether any transaction costs are applicable.

No appraisal rights are available to Holders in connection with the Offer.

Transfer Taxes

The Purchaser will pay or cause to be paid all transfer taxes with respect to the purchase of any Notes unless the box titled “Special Payment Instructions” or the box titled “Special Delivery Instructions” on the Letter of Transmittal has been completed, as described in the Instructions thereto. If payment is to be made to, or if Notes not tendered or purchased are to be registered in the name of or delivered to, any persons other than the registered owners, or if tendered Notes are registered in the name of any persons other than the persons signing the Letter of Transmittal, the amount of any transfer taxes (whether imposed on the registered Holder or such other person) payable on account of the transfer to such other person will be deducted from the payment unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted.

Representations, Warranties and Covenants of Holders of Notes

Upon tendering Notes, each tendering Holder or the beneficial owner of Notes on behalf of which the Holder has consented will be deemed to acknowledge, represent, warrant and agree that:

- it has received and reviewed the Offer to Purchase and the Letter of Transmittal;
- it is the Beneficial Owner (as defined below) of, or a duly authorized representative of one or more Beneficial Owners of, the Notes tendered in connection with the Offer, and it has the full power and authority to tender such Notes and to make the representations, warranties and agreements in this Offer to Purchase and the Letter of Transmittal on behalf of each such account;
- it understands that a tender of Notes pursuant to any of the procedures set forth in the Offer to Purchase and the Letter of Transmittal will constitute its acceptance of the terms and conditions of the Offer;
- it understands that the Purchaser’s acceptance for purchase of Notes tendered pursuant to any of the procedures described in this Offer to Purchase will constitute a binding agreement between such Holder and the Purchaser enforceable in accordance with the terms and subject to the conditions of the Offer;
- the Notes being tendered thereby were owned as of the date of tender, free and clear of any liens, charges, claims, encumbrances, interests and restrictions of any kind and the Purchaser will acquire good, indefeasible and unencumbered title to those Notes, free and clear of all liens, restrictions of any kind, charges, interests and encumbrances and not subject to any adverse claim or right;
- it waives any and all other rights with respect to the Notes (including, without limitation, the Holder’s waiver of any existing or past defaults and their consequences in respect of the Notes and the Indenture);
- it will not sell, pledge, hypothecate or otherwise encumber or transfer any Notes tendered in connection with the Offer from the date of tender, and any purported sale, pledge, hypothecation or other encumbrance or transfer will be void and of no effect;
- it is not a person to whom it is unlawful to make an invitation to participate in, or solicit a tender pursuant to, the Offer under applicable securities laws;
- in evaluating the Offer and in making its decision whether to participate in the Offer by tendering its Notes, the Holder has made its own independent appraisal of the matters referred to in the Offer to Purchase and it is not relying on any statement, representation or warranty, express or implied, made to it by the Purchaser, the Dealer Managers, the Information and Tender Agent, other than those contained in the Offer to Purchase, as amended or supplemented through the Expiration Date;

- it has such knowledge and experience in financial and business matters, that it is capable of evaluating the merits and risks of participating in the Offer and that it, and any accounts for which it is acting, are each able to bear the economic risks of its, or their, investment;
- it releases and discharges the Purchaser from any and all claims the Holder may have now, or may have in the future, arising out of, or related to, the Notes, including, without limitation, any claims that the Holder is entitled to receive additional principal or interest payments with respect to the Notes or to participate in any redemption, discharge or defeasance of the Notes;
- upon the Purchaser's request or the request of the Information and Tender Agent, as applicable, it agrees to execute and deliver any additional documents necessary or desirable to complete the sale, assignment and transfer of the Notes tendered;
- it irrevocably constitutes and appoints the Information and Tender Agent as the true and lawful agent and attorney-in-fact of the Holder with respect to any tendered Notes, with full power of substitution and re-substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (i) deliver certificates representing such Notes, or transfer ownership of such Notes, on the account books maintained by DTC, together, in any such case, with all accompanying evidences of transfer and authenticity, to the Purchaser, (ii) present such Notes for transfer on the relevant security register, and (iii) receive all benefits or otherwise exercise all rights of beneficial ownership of such Notes (except that the Information and Tender Agent will have no right to, or control over, funds from the Purchaser, except as agent for the undersigned, for the Offer Consideration and accrued interest, for any tendered Notes that are purchased by the Purchaser), all in accordance with the terms and subject to the conditions of the Offer;
- all authority conferred or agreed to be conferred in connection with its tender of the Notes and every other obligation in connection therewith shall be binding upon its successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity;
- it will indemnify the Purchaser, each of the Dealer Managers, the Information and Tender Agent, the Agents and the Trustee against all and any losses, costs, claims, liabilities, expenses, charges, actions or demands which any of them may incur or which may be made against any of them as a result of any such Holder's breach of any of the terms of, or any of the acknowledgements, representations, warranties or undertakings given pursuant to, the tenders;
- except as set forth herein, no information has been provided to it by the Purchaser with regard to the tax consequences for Holders of the purchase of Notes by the Purchaser pursuant to the Offer and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Offer and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Purchaser in respect of such taxes and payments; and
- it acknowledges that the Purchaser, the Dealer Managers and others will rely upon the truth and the accuracy of the foregoing acknowledgements, representations and agreements.

The representations, warranties and agreements of a Holder tendering Notes shall be deemed to be repeated and reconfirmed on and as of the Expiration Date and the Settlement Date. "Beneficial Owner" of any of the Notes means any holder that exercises investment discretion with respect to such Notes.

Acceptance for Payment and Payment for Notes

Upon the terms of the Offer to Purchase and subject to the satisfaction or waiver of the General Conditions, the Purchaser will accept the Notes validly tendered (and not validly withdrawn) pursuant to the Offer. Subject to rules promulgated under the Exchange Act, the Purchaser expressly reserves the right to delay acceptance of any of the Notes or to terminate the Offer and not accept for purchase or payment any Notes not theretofore accepted if any of the conditions set forth under the heading "Conditions to the Offer" are not satisfied or waived by the Purchaser. The Purchaser will pay

the Offer Consideration pursuant to the Offer promptly after the acceptance for purchase or payment of Notes validly tendered (and not validly withdrawn). In all cases, the Purchaser will purchase Notes accepted for purchase pursuant to the Offer at or prior to the Expiration Date only after timely receipt by the Information and Tender Agent of (a) a Letter of Transmittal and Notice of Guaranteed Delivery or (b) either (i) confirmation of satisfaction of DTC's ATOP procedures set forth under "Procedures for Tendering Notes," or (ii) timely confirmation of the submission of valid Electronic Acceptance Instructions pursuant to the procedures of Euroclear or Clearstream set forth under "Procedures for Tendering Notes," and any other documents required thereby.

For purposes of the Offer, the Purchaser will be deemed to have accepted validly tendered (and not validly withdrawn) Notes when, as and if the Purchaser gives oral or written notice thereof to the Information and Tender Agent. Payment for Notes accepted for purchase pursuant to the Offer at or prior to the Expiration Date will be made by the Purchaser depositing such payment with DTC, which will act as agent for the tendering Holders for the purpose of receiving the Offer Consideration (and accrued and unpaid interest up to but not including the Settlement Date), and transmitting such Offer Consideration (plus accrued and unpaid interest up to but not including the Settlement Date), to such Holders. Under no circumstances will any additional amount be paid by the Purchaser, the Dealer Managers or the Information and Tender Agent, as applicable, by reason of any delay in making such payment.

If, for any reason whatsoever, acceptance for purchase or payment of any Notes tendered pursuant to the Offer is delayed, or the Purchaser is unable to accept for purchase the Notes tendered pursuant to the Offer, then, without prejudice to the Purchaser's rights set forth herein, the Information and Tender Agent may nevertheless, on behalf of the Purchaser, and subject to rules promulgated under the Exchange Act, retain previously tendered Notes, and such Notes may not be withdrawn except to the extent that the Holder of such Notes is entitled to withdrawal rights as described herein. See "Withdrawal of Tenders."

If any tendered Notes are not accepted for purchase or payment because of an invalid tender or the occurrence or non-occurrence of certain other events set forth herein or otherwise, then Notes tendered by book-entry transfer pursuant to the procedures of DTC's ATOP or Notes tendered pursuant to the procedures of Euroclear or Clearstream, will be credited to the account maintained at the relevant clearing system from which such Notes were delivered promptly after the Expiration Date or the termination of the Offer.

No alternative, conditional, irregular or contingent tenders of Notes will be accepted. A tendering Holder, by electronically transmitting its acceptance through ATOP or an Electronic Acceptance Instruction, as applicable, waives all rights to receive notice of acceptance of such Holder's Notes for purchase or payment.

Holders whose Notes are tendered and accepted for purchase pursuant to the Offer will be entitled to accrued and unpaid interest on their Notes up to, but not including, the Settlement Date.

PROCEDURES FOR TENDERING NOTES

A defective tender of Notes will not entitle the Holder thereof to the Offer Consideration unless the relevant defect is waived by the Purchaser. Any beneficial owner whose Notes are registered in the name of a custodian or held through DTC and who wishes to tender its Notes should contact such custodian promptly and instruct such custodian to tender its Notes on such beneficial owner's behalf.

The tender by a Holder of Notes (and subsequent acceptance of such tender by the Purchaser) pursuant to one of the procedures set forth below will constitute a binding agreement between such Holder and the Purchaser in accordance with the terms and subject to the conditions set forth in this Offer to Purchase and in the Letter of Transmittal.

The method of delivery of Notes and Letters of Transmittal, any required signature guarantee and all other required documents, including delivery through DTC and any acceptance of an Agent's Message (as defined below) transmitted through ATOP or electronic acceptance transmitted through any clearing system, is at the election and risk of the person tendering Notes and delivering Letters of Transmittal and, except as otherwise provided in the Letter of Transmittal, delivery will be deemed made only when actually received by the Information and Tender Agent. If delivery is by mail, it is suggested that the Holder use properly insured, registered mail with return receipt requested and that the mailing be made sufficiently in advance of the Expiration Date, to permit delivery to the Information and Tender Agent at or prior to such date. If Notes are delivered via ATOP or electronic acceptance through any clearing system there is no need to deliver a Letter of Transmittal.

Any beneficial owner whose Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender such Notes should contact its nominee promptly and instruct such nominee to tender Notes on such beneficial owner's behalf. If such beneficial owner wishes to tender such Notes itself, such beneficial owner must, prior to completing and executing the Letter of Transmittal and delivering such Notes, make appropriate arrangements to register ownership of the Notes in such beneficial owner's name. The transfer of record ownership may take considerable time.

Only registered Holders of Notes are authorized to tender their Notes pursuant to the Offer. Accordingly, to properly tender Notes or cause Notes to be tendered, the following procedures must be followed:

Tender of Notes Held through DTC

The Offer is eligible for ATOP. Accordingly, DTC participants may electronically transmit their acceptance of the Offer without tendering the related Notes by causing DTC to transfer their Notes. DTC will then send an Agent's Message to the Information and Tender Agent.

The term "Agent's Message" means a message transmitted by DTC, received by the Information and Tender Agent, and forming part of the Book-Entry Confirmation (as defined below), which states that DTC has received an express acknowledgment from the DTC participant tendering Notes which are the subject of such Book-Entry Confirmation and that such DTC participant has received and agrees to be bound by the terms of the Offer as set forth in this Offer to Purchase and that the Purchaser may enforce such agreement against such participant. Holders desiring to tender their Notes at or prior to the Expiration Date should note that they must allow sufficient time for completion of the ATOP procedures during the normal business hours of DTC on such respective date. Tenders not received by the Information and Tender Agent at or prior to the Expiration Date will be disregarded and of no effect.

No Letter of Transmittal needs to be executed in relation to the Offer for Notes tendered through DTC; however, Holders will be bound by the terms of the Letter of Transmittal. The valid electronic tender of Notes in accordance with DTC's ATOP procedures shall constitute a tender of Notes pursuant to the Offer.

THE METHOD OF DELIVERY OF NOTES IS AT THE ELECTION AND RISK OF THE HOLDER TENDERING NOTES. DELIVERY OF THE NOTES WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE TENDER AGENT. NO ALTERNATIVE, CONDITIONAL, IRREGULAR OR CONTINGENT TENDERS OF NOTES WILL BE ACCEPTED.

Book-Entry Transfer

The Information and Tender Agent will establish and maintain one or more accounts with respect to the Notes at DTC promptly after the date of this Offer to Purchase (to the extent such arrangements have not been made previously by the Information and Tender Agent), and any financial institution that is a participant in DTC and whose name appears on a security position listing as the owner of the Notes may make book-entry delivery of Notes by causing DTC to transfer such Notes into the Information and Tender Agent's account in accordance with DTC's procedures for such transfer. The confirmation of a book-entry transfer of Notes into the Information and Tender Agent's account at DTC as described above is referred to herein as a "Book-Entry Confirmation." Delivery of documents to DTC in accordance with such DTC procedures does not constitute delivery to the Information and Tender Agent.

Tender of Notes through Euroclear or Clearstream

To tender Notes held through Euroclear or Clearstream, a Holder who is not a direct participant in Euroclear or Clearstream must arrange for a direct participant to deliver its Electronic Acceptance Instruction, which includes its Note Instructions (as defined below), to Euroclear or Clearstream in accordance with the deadlines specified by Euroclear or Clearstream at or prior to the Expiration Date. Only a direct participant in Euroclear or Clearstream may submit an Electronic Acceptance Instruction to Euroclear or Clearstream.

The term "Note Instructions" means, with respect to Notes held through Euroclear or Clearstream, irrevocable instructions to: (i) block any attempt to transfer a Holder's Notes at or prior to the Settlement Date; and (ii) debit the Holder's account on the Settlement Date, in respect of all of the Notes that have been tendered by the Holder, or in respect of such lesser portion of the Holder's Notes as are accepted by the Purchaser, upon receipt of an instruction from the Information and Tender Agent, subject in each case to the automatic withdrawal of the irrevocable instruction in the event that the Offer is terminated by the Purchaser at or prior to the Expiration Date, as notified to Euroclear or Clearstream by the Information and Tender Agent. Note Instructions can be delivered only by direct participants in Euroclear and Clearstream.

A Holder's Electronic Acceptance Instruction, which includes its Note Instructions, must be delivered and received by Euroclear or Clearstream in accordance with the procedures established by them and at or prior to the deadlines established by each of those clearing systems. Holders are responsible for informing themselves of these deadlines and for arranging the due and timely delivery of Note Instructions to Euroclear or Clearstream.

Beneficial owners that hold Notes through a custodian may not submit an Electronic Acceptance Instruction directly. Such Holders should contact their relevant custodians to submit an Electronic Acceptance Instruction on their behalf.

No Letter of Transmittal needs to be executed in relation to the Offer for Notes tendered through Euroclear or Clearstream; however, Holders will be bound by the terms of the Letter of Transmittal. The valid submission of an Electronic Acceptance Instruction on or before the Expiration Date shall constitute a tender of Notes pursuant to the Offer.

Submitting the Letter of Transmittal

To participate in the Offer, a Holder may, in addition to tendering its Notes, submit a properly completed and executed Letter of Transmittal to the Information and Tender Agent. The method of delivery of the Letter of Transmittal to the Information and Tender Agent is at the risk of the Holder. Holders should use a mail, overnight or hand delivery service, properly insured.

The submission of a Letter of Transmittal by a Holder will constitute an acceptance of the Offer as well as a binding agreement between that Holder and the Purchaser upon the terms and subject to the Conditions to the Offer described herein and in the Letter of Transmittal. The acceptance of the Offer by a Holder will constitute the agreement by that Holder to deliver good and marketable title to the relevant Notes, free and clear of any and all liens, restrictions, charges, pledges, security interests, encumbrances or rights of any kind of third parties.

If a Holder holds global notes, such Holder is responsible for making itself aware of any and all procedures and deadlines established by DTC, the clearing system, and any banks, brokers and custodians, in order for a Letter of Transmittal to be received by the Information and Tender Agent on or prior to the applicable deadlines. The additional time required for the submission of a valid Letter of Transmittal should be taken into account by such holder when tendering its global notes. None of the Purchaser, the Dealer Managers or the Information and Tender Agent assumes any responsibility for any failure to deliver a Letter of Transmittal in time.

Neither the Dealer Managers nor the Information and Tender Agent will be responsible for communication of Letters of Transmittal by: (i) Holders to DTC, Euroclear or Clearstream, through which they hold Notes, or (ii) Holders, DTC, Euroclear or Clearstream, to the Information and Tender Agent. All tendering Holders, by execution of the Letter of Transmittal, waive any right to receive any notice of the acceptance of their Notes for purchase.

Guaranteed Delivery Procedures

If you are a holder of Notes and desire to tender your Notes, and (1) these Notes are not immediately available, (2) time will not permit your Notes or other required documents to reach the Information and Tender Agent before the Expiration Date or (3) the procedures for book-entry transfer cannot be completed on a timely basis, you may still tender your Notes in this Offer if:

- (a) you tender through a member firm of a registered national securities exchange or of FINRA, a commercial bank or trust company having an office or correspondent in the United States, or an eligible guarantor institution within the meaning of Rule 17Ad-15 under the Exchange Act;
- (b) before the Expiration Date, the Information and Tender Agent receives a properly completed and duly executed Letter of Transmittal (or facsimile thereof), with any required signature guarantee, or an Agent's Message in lieu of the Letter of Transmittal, a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form provided by us, with your name and address as holder of the Notes and the amount of Notes tendered, stating that the tender is being made by that letter and notice and guaranteeing that by 5:00 p.m. on the second business day after the scheduled Expiration Date, the certificates for all the Notes tendered, in proper form for transfer, or a book-entry confirmation with an agent's message, as the case may be, and any other documents required by the Letter of Transmittal will be deposited by the eligible institution with the Information and Tender Agent; and
- (c) the certificates for all your tendered Notes in proper form for transfer or a book-entry confirmation as the case may be, and all other documents required by the Letter of Transmittal are received by the Information and Tender Agent by 5:00 p.m. on the second business day after the scheduled Expiration Date.

If DTC's ATOP is used, the DTC participant need not complete and physically deliver the Notice of Guaranteed Delivery. However, each Holder will be bound by the terms of the Offer. Guaranteed deliveries may be submitted only in principal amounts equal to minimum original denominations of U.S.\$1,000 and integral multiples of U.S.\$1.00 in excess thereof.

FOR THE AVOIDANCE OF DOUBT, THE DELIVERY OF NOTES TENDERED BY GUARANTEED DELIVERY PROCEDURES MUST BE MADE NO LATER THAN 5:00 P.M. ON THE SECOND BUSINESS DAY AFTER THE SCHEDULED EXPIRATION DATE; PROVIDED THAT ACCRUED INTEREST WILL CEASE TO ACCRUE ON THE SETTLEMENT DATE FOR ALL NOTES ACCEPTED IN THE OFFER, INCLUDING THOSE TENDERED BY THE GUARANTEED DELIVERY PROCEDURES SET FORTH ABOVE AND UNDER NO CIRCUMSTANCES WILL ADDITIONAL INTEREST OR ADDITIONAL CONSIDERATION BE PAID AFTER THE SETTLEMENT DATE BY REASON OF ANY DELAY ON THE PART OF THE GUARANTEED DELIVERY PROCEDURES.

Defective or Rejected Tenders or Deliveries

All questions regarding the validity, form and eligibility, including time of receipt or revision, of any tender of Notes or Letter of Transmittal will be determined by the Purchaser in its sole discretion, which determination will be final and binding. None of the Purchaser, the Dealer Managers or the Information and Tender Agent will be under

any duty to give notice to any tendering Holder of any irregularities in the tender of Notes or the delivery of the Letter of Transmittal, nor will any of such parties incur any liability for the failure to give such notice.

No alternative, conditional, irregular or contingent Letter of Transmittal will be accepted. The Purchaser reserves the absolute right to reject any and all Letters of Transmittal determined by the Purchaser not to be in proper form or not to be timely or properly submitted or any Letter of Transmittal the acceptance of which would be, in the Purchaser's opinion, unlawful. The Purchaser also reserves the right to waive, in its sole discretion, any defects, irregularities or conditions with respect to any particular tender of Notes or Letter of Transmittal, whether or not waived with respect to other Letters of Transmittal. The Purchaser's interpretation of the terms and conditions of the Offer (including the instructions in the Letter of Transmittal) will be final and binding. Unless waived, any defects or irregularities in connection with the tender of any Notes or submission of any Letter of Transmittal must be cured within such time as the Purchaser may determine.

Although the Purchaser intends to notify the relevant Holders of defects or irregularities with respect to any tender of Notes or Letter of Transmittal, none of the Purchaser, the Dealer Managers, the Information and Tender Agent, the Trustee, the Agents, or any other person will be under any duty to give such notification or shall incur any liability for failure to give any such notification. No Letter of Transmittal will be deemed to have been submitted until any such defects or irregularities have been cured or waived.

Other Matters

Notwithstanding any other provision hereof, payment for Notes accepted for purchase pursuant to the Offer will in all cases be made only after timely receipt by the Information and Tender Agent of (a) a Letter of Transmittal and Notice of Guaranteed Delivery or (b) (i) in the case of a tender through DTC, a timely Book-Entry Confirmation with respect to such Notes, or in the case of a tender through ATOP, an Agent's Message, or (ii) in the case of a tender through Euroclear or Clearstream, an Electronic Acceptance Instruction, which includes its Note Instructions. Under no circumstances will interest be paid on the Offer Consideration as a result of any delay in making such payments.

Tenders of Notes pursuant to any of the procedures described above and acceptance thereof by the Purchaser will constitute a binding agreement between the Purchaser and the tendering Holder of such Notes, upon the terms and subject to the conditions of the Offer.

The Holder will, upon request, execute and deliver any additional documents deemed by the Information and Tender Agent and the Purchaser to be necessary or desirable to complete the sale, assignment and transfer of the Notes tendered pursuant to the Offer.

All questions as to the form of all documents and the validity (including time of receipt) and acceptance of all tenders of Notes will be determined by the Purchaser, in its sole discretion, the determination of which shall be final and binding. The Purchaser reserves the absolute right, in its sole discretion, to reject any or all tenders of Notes that are not in proper form or the acceptance of which, in the Purchaser's opinion, would be unlawful. The Purchaser also reserves the right to waive any defects, irregularities or conditions of tender as to particular Notes, whether or not similar defects or irregularities are waived in the case of other Holders. A waiver of any defect or irregularity with respect to the tender of one Note shall not constitute a waiver of the same or any other defect or irregularity with respect to the tender of any other Note.

The Purchaser's interpretation of the terms and conditions of the Offer will be final and binding.

Any defect or irregularity in connection with tenders of Notes must be cured within such time as the Purchaser determines, unless waived by the Purchaser. Tenders of Notes shall not be deemed to have been made until all defects and irregularities have been waived by the Purchaser or cured. A defective tender of Notes (which defect is not waived by the Purchaser) will not constitute a valid tender of Notes. None of the Purchaser, the Information and Tender Agent, the Agents, the Trustee, the Dealer Managers or any other person will be under any duty to give notice of any defects or irregularities in tenders of Notes, nor will they incur any liability to Holders for failure to give any such notice.

WITHDRAWAL OF TENDERS

Tendered Notes may be validly withdrawn from the Offer at any time (i) at or prior to the earlier of (x) the Expiration Date and (y) in the event that the Offer is extended, the tenth business day after commencement of the Offer, and (ii) after the 60th business day after commencement of the Offer if for any reason the Offer has not been consummated within 60 business days after commencement. If we amend the Offer in a manner materially adverse to you as a tendering Holder, withdrawal rights will be extended, as we determine appropriate and in accordance with applicable law, to allow tendering Holders a reasonable opportunity to respond to such amendment. If we terminate the Offer, the Notes tendered pursuant to the Offer will be promptly returned to the Holder thereof without cost to such Holder, and will remain outstanding.

Holders that tender Notes through DTC and wish to exercise their right of withdrawal with respect to the Offer must give a properly transmitted “Request Message” through ATOP prior to the Expiration Date or at such other permissible times as are described herein. In order to be valid, a Request Message must specify who deposited the Notes to be withdrawn (the “Depositor”), the name of the participant in DTC whose name appears on the security position listing as the owner of such Notes, if different from that of the Depositor, and a description of the Notes to be withdrawn (including the principal amount of Notes to be withdrawn). If certificates have been identified through Book-Entry Confirmation of such Notes to the Information and Tender Agent, the name of the Holder and the certificate number or numbers relating to such Notes withdrawn must also be furnished to the Information and Tender Agent as aforesaid prior to the name and number of the account at DTC to be credited with withdrawn Notes for the Notes previously transferred by book-entry.

Any Holder that has tendered Notes through Euroclear or Clearstream may withdraw such Notes prior to the Expiration Date (or at such other permissible times as are described herein) by submission of an electronic withdrawal instruction through Euroclear or Clearstream. If the Holder has requested that a custodian submit an Electronic Acceptance Instruction on its behalf and wishes to withdraw its Electronic Acceptance Instruction, the Holder should contact such custodian prior to the Expiration Date. The Holder should be aware, however, that the custodian may impose earlier deadlines for withdrawing or revising an Electronic Acceptance Instruction in accordance with its procedures.

Any permitted withdrawal of tenders of Notes may not be rescinded, and any Notes validly withdrawn will thereafter be deemed not validly tendered for purposes of the Offer; provided, however, that withdrawn Notes may be re-tendered by again following one of the appropriate procedures described herein at any time at or prior to the Expiration Date.

Any Notes validly tendered prior to the Expiration Date may not be withdrawn after such Expiration Date, except under certain limited circumstances in which the terms of the Offer are materially modified, including, without limitation, if the Purchaser reduces the amount of consideration that it is paying in respect of the Offer Consideration or as otherwise required by law.

For a withdrawal of tendered Notes to be effective, when such withdrawal is permitted under the circumstances described above, a written or facsimile transmission notice of withdrawal, or in the form of a Request Message for Notes tendered through DTC or an electronic withdrawal instruction for Notes tendered through Euroclear or Clearstream, must be received by the Information and Tender Agent during any period in which withdrawals are allowed at its address set forth on the back cover page of this Offer to Purchase. Any such notice of withdrawal must (i) specify the name of the Holder who tendered the Notes to be withdrawn, (ii) contain the aggregate principal amount represented by such Notes, and (iii) be signed by the Holder of the Notes in the same manner as the original signature on the Letter of Transmittal. If the Notes to be withdrawn have been delivered or otherwise identified to the Information and Tender Agent, a signed notice of withdrawal will be effective immediately upon written or facsimile notice of that withdrawal even if physical release is not effected.

For a withdrawal of a tender of global notes to be effective, the Information and Tender Agent must receive an ATOP withdrawal instruction with respect to any global notes tendered through the ATOP system. Holders must also withdraw their Letter of Transmittal.

Any withdrawal of a Letter of Transmittal must be effected by the same Holder or DTC participant who submitted the original Letter of Transmittal or be accompanied by evidence satisfactory to the Purchaser that the person withdrawing the Letter of Transmittal has succeeded to entire right, title and interest as the Holder of the Notes in such Notes.

Withdrawals of tenders of Notes may not be rescinded, and any Notes properly withdrawn will thereafter be deemed not validly tendered for purposes of the Offer. Upon any permitted withdrawal of tendered Notes by a Holder, such Holder will cease to be a party to the Offer and shall have no further rights or obligations under the Offer and the Purchaser shall not have any further obligation to such Holder under the terms of the Offer. Properly withdrawn Notes may, however, be resubmitted, by again following one of the appropriate procedures described in “Procedures for Tendering Notes,” at any time on or prior to the Expiration Date. Notwithstanding the foregoing, Holders will also have the right to withdraw from the Offer to the extent required under U.S. law.

All questions as to the form and validity (including time of receipt) of any tender of a Note or withdrawal of tender of a Note will be determined by the Purchaser, in its sole discretion, which determination shall be final and binding on the Holder.

If the Purchaser is delayed or unable to accept for purchase or payment the Notes pursuant to the Offer for any reason, then, without prejudice to the Purchaser’s rights hereunder, tendered Notes may be retained by the Information and Tender Agent on behalf of the Purchaser.

CONDITIONS TO THE OFFER

Subject to all applicable securities laws and the terms set forth in the Offer, the Purchaser reserves the right in its sole discretion and subject to applicable law to (i) waive prior to the Expiration Date any and all conditions to the Offer; (ii) extend the Expiration Date and all Notes previously tendered pursuant to the Offer will remain subject to the Offer and may be accepted for purchase or payment, subject to the withdrawal rights of the Holders; (iii) amend the terms of the Offer in any respect; or (iv) terminate, withdraw or otherwise decide not to proceed with the Offer at any time prior to or at the Expiration Date and not accept for purchase or payment any Notes not theretofore accepted for purchase or payment. The Purchaser has the right to terminate or withdraw the Offer at its sole discretion if a condition to its obligation to accept Notes for purchase, or for payment, is not satisfied or waived at or prior to any applicable date.

Conditions

Notwithstanding any other provision of the Offer and in addition to (and not in limitation of) the Purchaser's rights to extend and/or amend the Offer, the Purchaser shall not be required to accept for payment, purchase or pay for, and may delay the acceptance for payment of, any tendered Notes and may terminate the Offer, if the Financing Condition shall not have been satisfied or any of the General Conditions, as defined below, shall have occurred in the reasonable judgment of the Purchaser:

The "Financing Condition" means the completion of the concurrent New Notes Offering by the Purchaser on terms and conditions satisfactory to the Purchaser, yielding net cash proceeds sufficient to fund the aggregate Offer Consideration, with respect to the Notes validly tendered at or prior to the Expiration Date and accepted for Purchase by the Purchaser (regardless of the actual amount of Notes tendered).

Each of the below constitutes a "General Condition:"

- the Financing Condition shall not have been satisfied;
- there shall have been instituted, threatened or be pending any action or proceeding (or there shall have been any material adverse development to any action or proceeding currently instituted, threatened or pending) before or by any court, governmental, regulatory or administrative agency or instrumentality, or by any other person, in connection with the Offer that, in the sole judgment of the Purchaser, either (i) is, or is reasonably likely to be, materially adverse to the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of the Purchaser and any of the Purchaser's subsidiaries, taken as a whole, or (ii) would or could be expected to prohibit, prevent, restrict or delay consummation of the Offer;
- an order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been proposed, enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality that, in the sole judgment of the Purchaser, either (i) is, or is reasonably likely to be, materially adverse to the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of the Purchaser and any of the Purchaser's subsidiaries, taken as a whole, or (ii) would or could be expected to prohibit, prevent, restrict or delay consummation of the Offer;
- there shall have occurred or be likely to occur any event affecting the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of the Purchaser and any of the Purchaser's subsidiaries, taken as a whole, that, in the sole judgment of the Purchaser, would or could be expected to prohibit, prevent, restrict or delay consummation of the Offer;
- the Trustee shall have objected in any respect to, or taken action that could, in the sole judgment of the Purchaser, adversely affect the consummation of, the Offer or shall have taken any action that challenges the validity or effectiveness of the procedures used by the Purchaser in the making of the Offer or the acceptance of, or payment for, the Notes; or

- there has occurred (i) any general suspension of, or limitation on prices for, trading in securities in the United States, Argentina or Luxembourg securities or financial markets, (ii) any significant adverse change in the price of the Notes in the United States, Argentina or Luxembourg or other major securities or financial markets, (iii) a material impairment in the trading market for debt securities, (iv) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, Argentina or Luxembourg or other major financial markets, (v) any limitation (whether or not mandatory) by any government or governmental, administrative or regulatory authority or agency, domestic or foreign, or other event that, in the reasonable judgment of the Purchaser, could be expected to affect the extension of credit by banks or other lending institutions, (vi) a commencement of a war, armed hostilities, acts of terrorism or other national or international crisis directly or indirectly involving the United States, Argentina or Luxembourg or (vii) in the case of any of the foregoing existing on the date hereof, a material acceleration or worsening thereof.

The foregoing conditions are for the sole benefit of the Purchaser and may be asserted by the Purchaser regardless of the circumstances giving rise to any such condition (including any action or inaction by the Purchaser) and may be waived by the Purchaser in whole or in part, at any time and from time to time, in the sole discretion of the Purchaser. All conditions to the Offer will be either satisfied or waived by the Purchaser prior to the expiration of the Offer at the Expiration Date (as such may be extended). The failure by the Purchaser at any time to exercise any of the foregoing rights will not be deemed a waiver of any other right, and each right will be deemed an ongoing right which may be asserted at any time and from time to time. Notwithstanding any other provisions of the Offer, the Purchaser has the right, in its sole discretion, to terminate the Offer at any time.

Expiration Dates; Extensions; Terminations; Amendments

The Offer will expire on the Expiration Date. The Offer may be extended or terminated by the Purchaser in its sole discretion. The Purchaser shall notify the Information and Tender Agent of any extensions or termination by oral or written notice and shall make a public announcement thereof, each before 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date. There can be no assurance that the Purchaser will exercise its right to extend the Offer.

During any extension of the Offer, all Notes previously tendered and not validly withdrawn will remain subject to the Offer and may be accepted for purchase or payment, as applicable, at the expiration of the Offer, subject to the right, if any, of a Holder to withdraw its tender of Notes. See “Withdrawal of Tenders.”

The Purchaser reserves the right in its sole discretion and subject to applicable law, to (i) waive prior to the Expiration Date any and all conditions to the Offer; (ii) extend the Expiration Date and all Notes previously tendered pursuant to the Offer will remain subject to the Offer and may be accepted for purchase or payment, subject to the withdrawal rights of the Holders; (iii) amend the terms of the Offer in any respect; or (iv) terminate, withdraw or otherwise decide not to proceed with the Offer at any time prior to or at the Expiration Date and not accept for purchase or payment any Notes not theretofore accepted for purchase or payment. The Purchaser has the right to terminate or withdraw the Offer at its sole discretion if a condition to its obligation to accept Notes for purchase, or for payment, is not satisfied or waived at or prior to any applicable date. Except as otherwise provided herein or otherwise required by law, withdrawal rights with respect to Notes tendered pursuant to the Offer will not be extended or reinstated as a result of an extension or amendment of the Offer. See “Withdrawal of Tenders.”

If the Purchaser makes a material change in the terms of the Offer or the information concerning the Offer, the Purchaser will disseminate additional Offer materials and extend the Offer to the extent required by law and, with respect to material changes to the terms of the Offer, as described below.

Any extension, delay, termination or amendment of the Offer will be followed promptly by a public announcement thereof. Without limiting the manner in which the Purchaser may choose to make a public announcement of any extension, delay, termination or amendment of the Offer, the Purchaser shall have no obligation to publish, advertise or otherwise communicate any such public announcement, other than by the publication of a release on the website of the Luxembourg Stock Exchange, except in the case of an announcement of an extension of the Offer, in which case the Purchaser shall have no obligation to publish, advertise or otherwise

communicate such announcement other than by issuing a notice of such extension by press release or other public announcement, which notice shall be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date.

If the Purchaser makes any change to the consideration offered in the Offer, the Purchaser will extend the Expiration Date until a day not less than five business days following the date on which the change to the consideration is announced by the issuance of a press release through a widely disseminated news or wire service and will describe such change on a Form 6-K filed with the SEC. If the Purchaser makes any material change to the terms of the Offer, other than a change in consideration, the Purchaser will extend the Expiration Date until a day not less than three business days following the date on which the change is announced by the issuance of a press release through a widely disseminated news or wire service. In calculating the three or five business day periods, the day of announcement will count as one of the business days if the announcement is made prior to 10:00 a.m., New York City time on such day and the corresponding Form 6-K is filed with the SEC prior to 12:00 p.m. New York City time on such day, and the day on which extended Expiration Date occurs will count as one of the business days if the Expiration Date, as so extended, is on or after 5:00 p.m. New York City time on such day.

If the Purchaser makes a material change in the terms of the Offer, or the information concerning the Offer, or waives any condition to the Offer that results in a material change to the circumstances of the Offer, then the Purchaser will disseminate additional materials to the extent required under the Exchange Act and will extend the Offer to the extent required in order to permit Holders of Notes adequate time to consider such materials. The minimum period during which the Offer must remain open following material changes in the terms of the Offer or information concerning the Offer, other than a change in Offer Consideration, will depend upon the specific facts and circumstances, including the relative materiality of the terms or information.

CERTAIN SIGNIFICANT CONSEQUENCES REGARDING THE OFFER

You should carefully consider the following information, in addition to the other information contained in this Offer to Purchase, before deciding whether to tender your Notes in the Offer. None of the Purchaser, the Trustee, the Agents, the Dealer Managers or the Information and Tender Agent is making any recommendations to the Holders as to whether or not to tender all or any portion of Notes. Holders must decide whether to tender Notes, and if tendering, the amount of Notes to tender.

Limited Trading Market; Reduced Liquidity as a Result of the Offer

To the extent that Notes are tendered and accepted in the Offer, the limited trading market for Notes may become more limited. A bid for a debt security with a smaller outstanding principal amount available for trading (a smaller “float”) may be lower than a bid for a comparable debt security with a greater float. Therefore, the market price for Notes not tendered and accepted for purchase may be affected adversely to the extent that the number of Notes purchased pursuant to the Offer reduces the float. The reduced float may also tend to make the trading price for the Notes more volatile. Holders of unpurchased Notes may attempt to obtain quotations for the Notes from their brokers; however, there can be no assurance that any trading market will exist for the Notes following the Offer. The extent of the public market for the Notes following consummation of the Offer would depend upon, among other things, the remaining outstanding principal amount of Notes following the consummation of the Offer, the number of Holders remaining at such time and the interest in maintaining a market in the Notes on the part of securities firms. We cannot assure you that a market for any Notes that remain outstanding following the consummation of the Offer will exist or be sustained. To the extent a market continues to exist for Notes following consummation of the Offer, the Notes may trade at a discount compared to present trading prices depending on prevailing interest rates, the market for debt instruments with similar credit features, the Purchaser’s operating and financial performance and other factors.

Redemption

From time to time in the future, the Purchaser retains the absolute right, in its sole discretion, to acquire Notes (if any) that remain outstanding. Following the consummation of the Offer, the Purchaser (directly or through any of its affiliates) intends to redeem any Notes remaining outstanding. After the Expiration Date or termination of the Offer, the Purchaser or any of its affiliates may purchase any Notes not purchased pursuant to the Offer to Purchase in privately negotiated transactions, through tender or exchange offers, through open market purchases, or by redemption, defeasance or otherwise, upon such terms and at such prices as the Purchaser or any of its affiliates may determine (or as may be provided for in the Indenture), which may be more or less than the price to be paid pursuant to the Offer and may involve cash or other consideration. Accordingly, any future purchases may be on the same terms or on terms that are more or less favorable to Holders than the terms of the Offer. Any future purchases by the Purchaser or any of its affiliates will depend on various factors existing at that time.

Neither this Offer to Purchase nor the related Letter of Transmittal constitutes a notice of redemption of the Notes or an obligation to issue a notice of redemption of the Notes.

Conditions to the Closing of the Offer

The closing of the Offer is subject to the satisfaction or waiver by TGS of several conditions. See “Principal Terms of the Offer” and “Conditions to the Offer.” There can be no assurance that such conditions will be satisfied or waived and thus no assurance that the Offer will be closed or that any failure to close the Offer will not have a negative effect on the market price and liquidity of the Notes.

The Offer is not conditioned on a minimum principal amount of Notes being tendered. Notwithstanding any other provision of the Offer, the Purchaser’s obligations to accept for payment, and to pay the Offer Consideration for the Notes validly tendered and not validly withdrawn pursuant to the Offer are subject to, and conditioned upon, the satisfaction of, or the Purchaser’s waiver of, (i) the satisfaction of the Financing Condition, and (ii) the General Conditions, each as described in the section of this Offer to Purchase entitled “Conditions to the Offer.”

The conditions to the Offer are for the sole benefit of the Purchaser and may be asserted by the Purchaser, regardless of the circumstances giving rise to any such condition (including any action or inaction by the Purchaser).

The Purchaser reserves the right, in its sole discretion, to waive or modify any one or more of the conditions to the Offer, in whole or in part, at any time.

Withdrawal Rights

There is a limited ability to withdraw tendered Notes. Tendered Notes may be validly withdrawn from the Offer at any time (i) at or prior to the earlier of (x) the Expiration Date and (y) in the event that the Offer is extended, the tenth business day after commencement of the Offer, and (ii) after the 60th business day after commencement of the Offer if for any reason the Offer has not been consummated within 60 business days after commencement. If we amend the Offer in a manner materially adverse to you as a tendering Holder, withdrawal rights will be extended, as we determine appropriate and in accordance with applicable law, to allow tendering Holders a reasonable opportunity to respond to such amendment. If we terminate the Offer, the Notes tendered pursuant to the Offer will be promptly returned to the Holder thereof without cost to such Holder, and will remain outstanding. See “Withdrawal of Tenders.”

Acceptance of Notes Tendered

If the Purchaser decides to accept valid tenders of Notes pursuant to the Offer, the Purchaser will accept for purchase all of the Notes that are validly tendered and there will be no proration of any such tender of Notes for purchase. Notes that are not successfully tendered for purchase pursuant to the Offer will remain outstanding. See “Principal Terms of the Offer – Acceptance for Payment and Payment for Notes.”

TAXATION

Certain Argentine Tax Consequences

The following discussion summarizes certain aspects of Argentine income and other tax considerations that may be relevant to you with respect to the Offer. This summary is based on Argentine laws, rules and regulations now in effect, all of which may be subject to any subsequent change, possibly on a retroactive basis, in Argentine law and regulations that may come into effect after such date. This summary does not describe all the tax considerations that may be relevant to you or your situation, particularly if you are subject to special tax rules. You should consult your tax adviser about the tax consequences of accepting the Offer for your Notes, including the relevance to your particular situation of the considerations discussed below, as well as of state, local or other tax laws.

Income Tax

Capital Gains

(i) Argentine individuals

Law N° 27,430, published in the Official Gazette on December 29, 2017 (“Tax Reform”), modifies certain aspects of the tax treatment applicable to interest and capital gains arising from the sale and dispositions of the Notes. Several issues of the Tax Reform are pending regulation.

From the fiscal years starting January 1, 2018 onwards, certain securities that were exempted from taxes (e.g. certain interest and capital gains related to negotiable obligations) are now subject to tax.

Interests and capital gains derived from the sale or other kind of disposition of publicly offered notes, such as the Notes, obtained by Argentine resident individuals and undivided estates located in Argentina, will be subject to income tax at a rate of (a) 5% in the case of peso-denominated securities without a revaluation clause and (b) 15% in the case of peso-denominated securities with a revaluation clause or dollar-denominated securities. You should note that the Notes are dollar-denominated securities.

The gross profit for the sale of notes by Argentine resident individuals and undivided estates located in Argentina will be calculated deducting the cost of acquisition from the transfer price. If securities are denominated in Pesos and an adjustment clause is fixed or are issued in foreign currency, updates and exchange differences are not considered as part of the gross profit.

In case of Notes purchased before the entry into force of the Tax Reform, the cost of acquisition would be the higher between the last acquisition cost and the market value as of December 31, 2017.

(ii) Argentine companies

Argentine companies, enterprises and other entities subject to the rules of tax adjustment for inflation of the Argentine Income Tax Law are subject to income tax arising from the sale or other kind of dispositions regarding Negotiable Obligations at the rate of 30%.

(iii) Non-Argentine residents

Pursuant to the Tax Reform, the income arising from interest payments and the sale or disposition of the Notes remains exempt from Argentine income tax to Non-Argentine residents: (i) individuals, (ii) undivided states and (iii) entities, *provided* that the Notes were issued in accordance with the Argentine Negotiable Obligations Law No 23,576, as amended by Argentine Law No. 23,962 (the “Negotiable Obligations Law”), and qualify for tax exempt treatment under Section 36 (“Section 36”) of such law, pursuant to section 20 subsection w) of Law No. 20,628 and Decree 649/1997 (as from time to time amended, the “Income Tax Law”). Such exemption shall apply to the extent

that Holders of the Notes are not residents of countries deemed as “non-cooperative” as will be explained below or that the funds used for the acquisition of the Notes do not come from such jurisdictions.

Income arising from interest payments and the sale or disposition of the Notes paid by TGS to non-Argentine resident individuals and foreign entities that do not have a permanent establishment in Argentina will be exempt from Argentine income tax, provided that TGS has complied with Section 36.

TGS believes it has complied with the conditions established by Section 36 of the Negotiable Obligations Law, described below, in all material respects and therefore interest payments and capital gains to non-Argentine residents in connection with the Notes will not be subject to Argentine income tax.

The required conditions of Section 36 are:

- (1) the Notes are placed through a public offering authorized by the CNV;
- (2) the proceeds from the issuance of such notes are applied either to (a) investments in physical assets located in Argentina, (b) integration of working capital to be used in Argentina, (c) refinancing of liabilities or (d) capital contributions to controlled companies and related companies for the purposes specified in (a), (b) or (c) of this clause; and
- (3) the issuer provides evidence to the CNV, in the time and manner prescribed by regulations, that the proceeds of the issue have been used for the purposes described in paragraph (ii) above.

If the Argentine tax authorities were to find that the Purchaser did not comply with Section 36 of the Negotiable Obligations Law, notwithstanding the penalties applicable under the Procedural Tax Law, all tax benefits applicable in the Negotiable Obligations Law to TGS would no longer apply and TGS would be required to pay the taxes that would have corresponded to the Holders. Section 38 of the Negotiable Obligations Law provides that issuers shall be solely responsible for such payments. The Argentine tax authorities would apply the 35% maximum rate established by Section 90 of the Income Tax Law.

To the extent the Notes have complied with Section 36, the results derived from the tender of the Notes in the Offer should be treated as capital gains and therefore, exempt or, as provided for in the preceding paragraph, subject to tax.

Interest

- (i) Argentine individuals

Interest payments under the Notes paid by TGS to Argentine resident individuals and undivided estates located in Argentina will be subject to income tax at a rate of (a) 5% in the case of peso-denominated securities without a revaluation clause and (b) 15% in the case of peso-denominated securities with a revaluation clause or dollar-denominated securities. You should note that the Notes are dollar-denominated securities.

- (ii) Argentine companies

Interest payments under the Notes paid by the Purchaser to Argentine companies will be subject to income tax at the corporate rate of 30%.

- (iii) Non-Argentine Residents

The Purchaser believes that all the conditions of Section 36 are fully complied in all material respects and therefore all payments made by the Purchaser to non-Argentine residents in connection with the Offer will not be subject to the Argentine income tax.

Non-cooperative jurisdictions

Non-cooperative jurisdictions are those countries or jurisdictions that do not have in force an agreement with the Argentine government for the exchange of information on tax matters or a treaty to avoid international double taxation with a broad clause for the exchange of information. Likewise, those countries that, having an agreement of this type in force, do not effectively comply with the exchange of information will be considered non-cooperative. The aforementioned treaties and agreements must comply with international standards of transparency and exchange of information on fiscal matters to which the Argentine Republic has committed itself. After the Tax Reform the white list system in force was replaced by a black list system. In this system, the Executive Power would have to prepare and update a list of the countries considered as non-cooperative based on the aforementioned criteria.

Value Added Tax

To the extent the Notes satisfy Section 36, all transactions and financial operations related to sale or transfer of the Notes will be exempted from the value added tax.

Tax on Debits and Credits on Banking Accounts

Law No. 25,413 (the “Competitiveness Law”), as amended and regulated by Law No. 25,453, establishes, with certain exceptions, a tax levied on debits and credits on checking bank accounts maintained at financial institutions located in Argentina and on other transactions that are used as substitute for the use of checking bank accounts.

The general tax rate is 0.6% for each debit and credit. In certain cases an increased rate of 1.2% and a reduced rate of 0.075% may apply.

To the extent that Holders receive payments by utilizing local bank checking accounts, such tax may apply.

Pursuant to Decree No. 534/2004 established that as of May 1, 2004, 34% of the tax paid on credits levied with the 0.6% tax rate and 17% of the tax paid on transactions levied with the 1.2% tax rate will be considered as a payment on account of income tax and Tax on Presumed Minimum Income. Any unutilized portion of such 34% or 17%, as applicable, can be carried-forward to subsequent fiscal periods.

Debits and credits in banking accounts in accordance with Communication “A” 3250 of the Central Bank used by foreign entities for financial investments in Argentina are exempt from this tax.

Pursuant to Law No. 27,432, dated December 29, 2017, this tax will be applied until December 31, 2022. Moreover, according to this law, the Argentine executive branch may provide that the percentage of this tax that on the effective date of this law (i.e., December 30, 2017) is not computable as payment on account of income tax will be progressively reduced by up to twenty percent (20%) per year starting on January 1, 2018, and by 2022 will be calculated as a payment on account of income tax.

Turnover Tax

Holders regularly engaged in activities in Argentina, or presumed to be engaged in activities, in any jurisdiction where they receive revenues from interest arising from holding notes, such as the Notes, or from their sale or conveyance, could be subject to the turnover tax at rates that vary according to the specific laws of each Argentine province, unless an exemption applies.

Section 180(1) of the Tax Code of the City of Buenos Aires establishes that the income resulting from any transaction in respect of notes issued pursuant to the Negotiable Obligations Law is exempted from the turnover tax to the extent the exemption for income tax purposes is applicable.

Section 207 (c) of the Tax Code of the Province of Buenos Aires establishes that income resulting from any transaction on notes issued pursuant to the Negotiable Obligations Law is exempted from the turnover tax to the extent the exemption for income tax purposes is applicable.

In the Province of Córdoba any transaction in respect of notes issued pursuant to the Negotiable Obligations Law, such as the Notes, are not exempted from the turnover tax.

The exemption does not apply to brokers and financial intermediaries.

Stamp Tax

Section 475 (53) of the Tax Code of the City of Buenos Aires exempts from stamp tax all acts, contracts and operations related with the issuance, subscription, placement and transfer of notes issued pursuant to, and in accordance with, the Negotiable Obligations Law.

Also, Section 475 (59) of the Tax Code of the City of Buenos Aires provides that acts, contracts and operations related to issuance of securities placed by means of public offering under the Capital Markets Law by companies authorized by the CNV are exempt from stamp tax. This exemption is not applicable if the authorization to place the securities by means of a public offering is not filed within 90 calendar days from the execution of any such act, contracts and operations and/or if the placement of the securities is not performed within 180 calendar days from the authorization to place such securities by public offering.

The Tax Code of the City of Buenos Aires has an exemption for agreements related to the negotiation of shares and other securities that are authorized by the CNV. This exemption is not applicable if the authorization to place the security by public offering is not filed within 90 calendar days from the execution of any such act, contracts operations and/or if the placement of the securities is not performed within 180 calendar days from the authorization to place such securities by public offering.

Article 297, section 46 of the Tax Code of the Province of Buenos Aires exempts from stamp tax all acts, contracts and operations related with the issuance, subscription, placement and transfer of notes issued in accordance with the Negotiable Obligations Law.

Also article 297, section 45, paragraph a of the Tax Code of the Province of Buenos Aires provides that are exempted from Stamp Tax acts, contracts and operations related to issuance of debt securities placed by means of public offering under the Capital Markets Law by companies authorized by the CNV. This exemption is not applicable if the authorization to place the security by public offering is not filed within 90 calendar days from the execution of any such act, contracts and operations and/or if the placement of the securities is not performed within 180 calendar days from the authorization to place such securities by public offering. The Tax Code of the Province of Buenos Aires has an exemption for agreements related to the negotiation of shares and other securities that are authorized by the CNV.

In the Province of Córdoba, under Section 258, subsection 27 of the Tax Code, all acts, contracts and operations related to the issuance, underwriting, placement or transfer of securities issued pursuant to Law 23.962 and the Negotiable Obligations Law, are exempt from stamp tax. This exemption extends to all kinds of personal or real guarantees in favor of investors or third parties that guarantee the issuance, whether prior to, during or subsequent to such issuance. Additionally, capital increases will also be exempt from stamp tax to the extent such capital increases correspond to the conversion of securities issued pursuant to the Negotiable Obligations Law to shares.

If any transfer of Notes is executed by means of a written agreement and that document is executed in certain Argentine provinces, such document could be subject to stamp tax.

Considering the autonomous authority vested in each provincial jurisdiction in connection with tax matters, any potential effects derived from the Offer must be analysed, in addition to the tax treatment established by the other provincial jurisdictions.

Court Tax

In the event that it becomes necessary to institute enforcement proceedings in relation to the Notes in Argentina, a Court Tax (currently at a rate of 3%) will be imposed on the amount of any claim brought before the Argentine courts sitting in the City of Buenos Aires.

Provincial Collection of Credits in Bank Accounts

Various provincial governments (for example, Corrientes, Córdoba, Tucumán, Buenos Aires and Salta, among others, as well as the City of Buenos Aires) have established tax regimes with respect to gross revenue that may be applied to claims arising in accounts held with financial institutions, regardless of their jurisdiction or the type of financial institution. These tax regimes apply to certain taxpayers that are subject to the taxing authority of each province. Taxes range in amounts, and may reach 5%.

Holders should corroborate the existence of any exclusion to these regimes in accordance with the jurisdiction involved.

U.S. Federal Income Tax Consequences

The following discussion is a summary of U.S. federal income tax considerations generally applicable to a holder of Notes that tenders Notes pursuant to the Offer. This discussion does not purport to be a complete analysis of all the potential tax considerations relating to the tender of Notes pursuant to the Offer. This summary is based upon the Code, existing, temporary and proposed U.S. Treasury regulations promulgated thereunder, and rulings and administrative and judicial decisions as of the date hereof, all of which are subject to change or differing interpretations, possibly on a retroactive basis. There can be no assurances that the U.S. Internal Revenue Service (the “IRS”), will not challenge one or more of the tax consequences described in this discussion, and we have not obtained, nor do we intend to obtain, a ruling from the IRS with respect to the U.S. federal income tax consequences of tendering Notes pursuant to the Offer.

This summary addresses only holders of Notes that hold the Notes as capital assets for U.S. federal income tax purposes (generally, property held for investment). This discussion does not address the tax considerations arising under the laws of any foreign, state, local or other jurisdiction or any tax consequences arising under other U.S. federal tax laws (such as the federal estate and gift taxes, the alternative minimum tax or the Medicare tax on net investment income). In addition, this discussion does not address all tax considerations that may be important to a particular holder in light of the holder’s circumstances, or to certain categories of investors that may be subject to special rules (such as dealers in securities or currencies; traders in securities that have elected the mark-to-market method of accounting for their securities; persons holding Notes as part of a hedge, straddle, conversion or other “synthetic security” or integrated transaction; financial institutions; insurance companies; regulated investment companies; real estate investment trusts; entities that are tax-exempt for U.S. federal income tax purposes; U.S. Holders (as defined below) whose functional currency is not the U.S. dollar; and certain U.S. expatriates).

For purposes of this summary, the term “U.S. Holder” means a beneficial owner of a Note who or that is for U.S. federal income tax purposes: (1) an individual who is a citizen or resident of the United States; (2) a corporation, or other entity taxable as a corporation, that is created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (3) an estate, the income of which is subject to U.S. federal income tax regardless of its source or (4) a trust, if (i) a court within the United States can exercise primary supervision over the administration of the trust and one or more U.S. persons has authority to control all substantial decisions of the trust or (ii) the trust has a valid election in place to be treated as a U.S. person. For purposes of this summary, the term “Non-U.S. Holder” means a beneficial owner of a Note other than a U.S. Holder or an entity or arrangement treated as a partnership for U.S. federal income tax purposes.

If a partnership or any other entity or arrangement treated as a partnership for U.S. federal income tax purposes holds Notes, the U.S. federal income tax treatment of a partner in the partnership generally will depend on the status of the partner and the activities of the partnership. Partnerships and partners in partnerships holding Notes should consult their own tax advisors regarding the U.S. federal, state, local and foreign tax consequences to them of the Offer.

All holders should consult their own tax advisors concerning the U.S. federal, state, local and foreign tax consequences to them of the Offer in light of their particular circumstances.

U.S. Holders

The receipt of cash for Notes by a U.S. Holder pursuant to the Offer will be a taxable transaction for U.S. federal income tax purposes. A U.S. Holder generally will recognize gain or loss, if any, in an amount equal to the difference between (i) the amount of the cash received by such U.S. Holder in respect of its tendered Notes (other than amounts received in respect of accrued but unpaid interest that was not previously included in income, which amounts will be includable in a U.S. Holder's gross income as ordinary interest income) and (ii) the U.S. Holder's adjusted tax basis in its tendered Notes at the time of disposition. A U.S. Holder's adjusted tax basis in a Note generally will equal the U.S. Holder's initial cost of the Note, increased by the amount of any market discount (as described below) previously included in income by such U.S. Holder, and decreased by any prepayments on the Note other than payments of "qualified stated interest" and by the amount of any bond premium previously amortized by such U.S. Holder. Subject to the market discount rules discussed below, such gain or loss generally will be capital gain or loss and will be long term capital gain or loss if such U.S. Holder has held such Notes for more than one year at the time of disposition. A reduced tax rate on long-term capital gain may apply to individuals and other non-corporate U.S. Holders. The deductibility of capital losses is subject to certain limitations.

An exception to the capital gain treatment described above may apply to a U.S. Holder that purchased the Notes with "market discount." Subject to a statutory *de minimis* exception, the Notes have market discount if they were purchased at an amount (not including any amounts attributable to accrued but unpaid interest) less than their stated redemption price at maturity, which is their stated principal amount. In general, unless the U.S. Holder has elected to include market discount in income currently as it accrues, any gain recognized by a U.S. Holder on the sale of Notes having market discount (in excess of a *de minimis* amount) will be treated as ordinary income to the extent of the lesser of (i) the gain recognized or (ii) the portion of the market discount that has accrued (on a straight-line basis or, at the election of the U.S. Holder, on a constant-yield basis) but has not yet been taken into income while such Notes were held by the U.S. Holder. If a U.S. Holder has elected to include the accrued market discount in income currently, no additional market discount needs to be taken into account with respect to the sale of a Note pursuant to the Offer. Gain in excess of such accrued market discount will be subject to the capital gains rules described above.

Non-U.S. Holders

Subject to the discussion of backup withholding below, a beneficial owner of Notes that is a Non-U.S. Holder will not be subject to U.S. federal income tax or withholding tax on proceeds from the Offer, including amounts attributable to accrued but unpaid interest or accrued market discount provided (i) the gain or interest income is not effectively connected with the conduct by the Non-U.S. Holder of a trade or business in the United States and (ii) in the case of a gain realized by an individual holder, the holder is not present in the United States for 183 days or more in the taxable year of the Offer and certain conditions are met.

Information Reporting and Backup Withholding

In general, a U.S. Holder may be subject to information reporting and backup withholding, with respect to the receipt of the cash paid in exchange for the Notes (including payments in respect of accrued but unpaid interest) pursuant to the Offer. To avoid backup withholding, a U.S. Holder will need to (i) provide a correct taxpayer identification number, and certain other information, and certify that it is not subject to backup withholding, or (ii) otherwise establish an exemption. A U.S. Holder can satisfy these requirements by properly completing and submitting the IRS Form W-9. A Non-U.S. Holder can generally satisfy these requirements and avoid information reporting and backup withholding by providing appropriate documentation establishing its status as a Non-U.S. Holder (generally, an IRS Form W-8BEN, Form W-BEN-E or other applicable IRS Form W-8).

Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules will be creditable against the holder's U.S. federal income tax liability, and may entitle the holder to a refund, provided that the requisite information is properly and timely provided to the IRS. All holders should consult their tax advisors regarding the application of the backup withholding and information reporting rules to them.

This discussion is provided for general information only and does not constitute tax or legal advice to any Holder of the Notes. Holders should consult their own tax advisors concerning the U.S. federal income tax consequences of the Offer in light of their particular circumstances and any consequences arising under other U.S. federal tax laws (including estate and gift tax laws) and the laws of any state, local or foreign taxing jurisdiction.

DEALER MANAGERS; INFORMATION AND TENDER AGENT AND DEPOSITARY

In connection with the Offer, TGS has retained HSBC Securities (USA) Inc., Itau BBA USA Securities, Inc., J.P. Morgan Securities LLC, and Santander Investment Securities Inc. to act on its behalf as dealer managers, and has retained Global Bondholder Services Corporation to act as information and tender agent and depositary, each of which will receive customary fees for its services. TGS has agreed to reimburse each Dealer Manager and the Information and Tender Agent and Depositary for its respective out-of-pocket expenses and to indemnify it against certain liabilities, including liabilities under federal securities laws. Additionally, Itaú Argentina S.A. and Banco Santander Río S.A. are acting as information agents in Argentina in connection with the Offer.

At any time, the Dealer Managers may trade the Notes for their own account or for the accounts of customers and, accordingly, may hold a long or short position in the Notes. In addition, the Dealer Managers may contact Holders regarding the Offer and may request brokers, dealers, commercial banks, trust companies and other nominees to forward this Offer to Purchase and related materials to beneficial owners of Notes.

All correspondence in connection with the Offer should be sent or delivered by each Holder or a beneficial owner's broker, dealer, commercial bank, trust company or other nominee to the Information and Tender Agent at its address or facsimile number set forth on the back cover of this Offer to Purchase. Any Holder or beneficial owner that has questions concerning tender procedures should contact the Information and Tender Agent at the telephone number set forth on the back cover of this Offer to Purchase.

The Dealer Managers and their affiliates have from time to time provided certain commercial banking, financial advisory and investment banking services to TGS and its affiliates for which they have received customary fees. In the ordinary course of their businesses, the Dealer Managers or their affiliates may at any time hold long or short positions, and may trade for their own account or the accounts of customers, in the debt or equity securities of TGS and its subsidiaries, including the Notes and, to the extent that the Dealer Managers or their affiliates own Notes during the Offer, they may tender such Notes pursuant to the terms of the Offer. The Dealer Managers and their affiliates may from time to time in the future engage in future transactions with TGS and its affiliates and provide services to TGS and its affiliates in the ordinary course of their respective businesses.

None of the Purchaser, the Trustee, the Agents, the Dealer Managers or the Information and Tender Agent is making any recommendations to the Holders as to whether or not to tender all or any portion of Notes. Holders must decide whether to tender Notes, and if tendering, the amount of Notes to tender.

None of the Trustee, the Argentine Paying Agent, the Luxembourg Paying Agent, the Dealer Managers or the Information and Tender Agent and Depositary or any of their respective affiliates (i) assumes any responsibility for the accuracy or completeness of the information concerning TGS contained in this Offer to Purchase or for any failure by TGS to disclose events that may have occurred and may affect the significance or accuracy of such information or (ii) makes any recommendation as to whether Holders should tender or refrain from tendering all or any portion of their Notes pursuant to the Offer.

MISCELLANEOUS

No person has been authorized to give any information or make any representations with respect to this Offer to Purchase other than those contained herein or in the Letter of Transmittal. We take no responsibility for, and can provide no assurance as to the reliability of, any different or additional information that others may give you. The offers made in this Offer to Purchase are made as of the date on the cover page of this Offer to Purchase. The delivery of this Offer to Purchase and the Letter of Transmittal shall not, under any circumstances, create any implication that the information contained herein is correct as of a later date.

Recipients of this Offer to Purchase and the Letter of Transmittal should not construe the contents hereof or thereof as legal, business or tax advice. Each recipient should make its own decisions and consult its own attorney, business advisor and tax advisor as to legal, business, tax and related matters concerning the Offer.

The Depositary for the Offer is:

Global Bondholder Services Corporation

By facsimile:
(For Eligible Institutions only):
(212) 430-3775

Confirmation:
(212) 430-3774

By Mail, Overnight Courier or By Hand:
Attention: Corporate Actions
65 Broadway, Suite 404
New York, New York 10006

Any questions regarding procedures for tendering Notes or requests for additional copies of this Offer to Purchase, the Letter of Transmittal or other materials should be directed to the Information and Tender Agent at the telephone numbers and address listed below.

Global Bondholder Services Corporation

65 Broadway, Suite 404
New York, New York 10006

Banks and brokers call: (212) 430-3774
All others call toll free: (866)-470-4300

Any questions regarding the terms of this Offer should be directed to the Dealer Managers.

The Dealer Managers for the Offer are:

HSBC Securities (USA) Inc.	Itau BBA USA Securities, Inc.	J.P. Morgan Securities LLC	Santander Investment Securities Inc.
452 Fifth Avenue New York, New York 10018 Attn: Liability Management Group Tel. (collect): (212) 525-5552 Tel. (toll free): 1- 888-HSBC-4LM	767 Fifth Avenue New York, New York 10053 Attn: Syndicate Desk Tel. (toll free): 1-888-770-4828	383 Madison Avenue New York, New York 10179 Attn: Latin America Debt Capital Markets Tel. (collect): 1-212-834-7279 Tel. (toll free): 1-866-846-2874	45 East 53rd Street New York, New York 10022 Attn: Liability Management Group Tel. (collect): 1-212-940-1442 Tel. (toll free): 1-855-404-3636

In Argentina, any questions regarding the terms of this Offer should be directed to the Argentine Information Agents:

Itaú Argentina S.A.

Tucumán 1, floor 15°
(C1049 AAA) City of Buenos Aires, Argentina
Attn: Francisco J. Cornejo
Tel.: +(54 11) 5273-3505

Banco Santander Río S.A.

Bartolomé Mitre 480, floor 14°
(C1036 AAH) City of Buenos Aires, Argentina
Attn: Debt Capital Markets Argentina
Tel.: +(54 11) 4341-2778