

Free translation from the original financial statements prepared in Spanish for publication in Argentina

METROGAS S.A.

**CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008**

METROGAS S.A.

**CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008**

INDEX

Limited Review Report
Unaudited Consolidated Interim Balance Sheets
Unaudited Consolidated Interim Statements of Income
Unaudited Consolidated Interim Statements of Cash Flows
Notes to Unaudited Consolidated Interim Financial Statements
Exhibits A, D, E, F, G and H
Unaudited Interim Balance Sheets
Unaudited Interim Statements of Income
Unaudited Interim Statements of Changes in Shareholders' Equity
Unaudited Interim Statements of Cash Flows
Notes to Unaudited Interim Financial Statements
Exhibits A, C, D, E, F, G and H
Summary of Activity

LIMITED REVIEW REPORT

To the Board of Directors and Shareholders of
MetroGAS S.A.

1. We have reviewed the accompanying balance sheets of MetroGAS S.A. at March 31, 2009 and 2008, and the related statements of income, of changes in shareholders' equity and of cash flows for the three-month periods then ended and the complementary Notes 1. to 15. and Exhibits A, C, D, E, F, G and H. We have also reviewed the accompanying consolidated interim financial statements of MetroGAS S.A. and its subsidiary at March 31, 2009 and 2008, which are submitted as supplementary information. These interim financial statements are the responsibility of the Company's management.
2. We conducted our review in accordance with the standards established by Technical Resolution N° 7 of the *Federación Argentina de Consejos Profesionales de Ciencias Económicas*. A review of interim financial information consists principally of applying analytical procedures and making inquiries of personnel responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is to express an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.
3. The changes in Argentine economic conditions and the amendments made by the National Government to the License under which the Company operates mentioned in Note 2. to the interim financial statements, mainly the suspension of the original regime of tariff actualization, have affected the Company's economic and financial equation. Management is in the process of renegotiating certain terms of the License with the National Government to counteract the negative impact of those circumstances. As of the date of issuance of the accompanying financial statements it is not possible to predict the outcome of such renegotiation process, nor determine its final implications on the Company's operations and results. Also, the Company has prepared its projections in order to determine the recoverable value of its non-current assets, based on forecasts of the outcome of that renegotiation process. We are not in a position to determine whether the assumptions used by management to prepare those projections will take place in the future and, consequently, whether the recoverable value of non-current assets exceeds their respective net carrying values.
4. Based on the work done, and on our examinations of the Company's financial statements for the years ended December 31, 2008 and 2007, on which we issued our report dated March 6, 2009 containing exceptions due to the circumstances mentioned in paragraph 3., we report that:
 - a) with the exception of the matters described in paragraph 3., we are not aware of any material modifications that should be made to the interim financial statements of MetroGAS S.A. as of March 31, 2009 and 2008, and the consolidated interim financial statements of MetroGAS S.A. and its subsidiary, as mentioned in paragraph 1., for them to be in conformity with accounting principles generally accepted in Argentina;

- b) the information included for comparative purposes as of December 31, 2008 arises from the audited financial statements of MetroGAS S.A. at that date.
5. The accompanying interim financial statements are presented on the basis of accounting principles generally accepted in Argentina, which differ from accounting principles generally accepted in other countries, including the United States of America.

Buenos Aires, Argentina
May 8, 2009

PRICE WATERHOUSE & CO.
S.R.L.

By _____ (Partner)
Carlos N. Martinez

METROGAS S.A.

Legal address: Gregorio Aráoz de Lamadrid 1360 - Autonomous City of Buenos Aires

**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008**

Fiscal year No. 18 commenced January 1, 2009

Principal activity: Provision of natural gas distribution services

Registration with the Public Registry of Commerce:

By-laws: December 1, 1992

Last amendment: July 29, 2005

Duration of Company: Until December 1, 2091

Parent company: Gas Argentino S.A.

Legal address: Gregorio Aráoz de Lamadrid 1360 - Autonomous City of Buenos Aires

Principal activity: Investment

Percentage of votes held by the parent company: 70%

Composition and changes in Common Stock as of March 31, 2009

Composition

Classes of shares**Subscribed,
registered
and paid-in**

Outstanding:

Thousands of Ps.

Ordinary certified shares of Ps. 1 par value and 1 vote each:

Class "A"

290,277

Class "B"

221,977

Class "C"

56,917

Common Stock as of March 31, 2009**569,171**

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008**

Changes in Common Stock

	Subscribed, registered and paid-in
	<u>Thousands of Ps.</u>
Common Stock as per charter of November 24, 1992 registered with the Public Registry of Commerce on December 1, 1992 under No. 11,670, Corporations Book 112, Volume A.	12
Common Stock increase approved by the Shareholders' Meeting held on December 28, 1992 and registered with the Public Registry of Commerce on April 19, 1993 under No. 3,030, Corporations Book 112, Volume A.	388,212
Common Stock increase approved by the Shareholders' Meeting held on June 29, 1994 and registered with the Public Registry of Commerce on September 20, 1994 under No. 9,566, Corporations Book 115, Volume A.	124,306
Capitalization of the Adjustment to Common Stock approved by the Shareholders' Meeting held on March 12, 1997 and registered with the Public Registry of Commerce on June 17, 1997 under No. 6,244, Corporations Book 121, Volume A.	<u>56,641</u>
Common Stock as of March 31, 2009	<u><u>569,171</u></u>

Free translation from the original financial statements prepared in Spanish for publication in Argentina

METROGAS S.A.

**UNAUDITED CONSOLIDATED INTERIM BALANCE SHEETS
AS OF MARCH 31, 2009 AND 2008 AND AUDITED CONSOLIDATED BALANCE
SHEET AS OF DECEMBER 31, 2008**

	March 31,	December 31,	March 31,
	2009	2008	2008
	Thousands of Ps.		
ASSETS			
CURRENT ASSETS			
Cash and deposits in banks (Note 3 a))	18,298	53,106	26,730
Investments (Note 3 b))	25,616	369	32,466
Trade receivables, net (Note 3 c))	197,669	174,162	150,885
Other receivables (Note 3 d))	15,105	14,410	9,034
Inventories, net (Note 3 e))	4,069	3,766	3,570
Total current assets	<u>260,757</u>	<u>245,813</u>	<u>222,685</u>
NON-CURRENT ASSETS			
Other receivables (Note 3 f))	216,591	191,558	165,271
Fixed assets, net (Exhibit A)	<u>1,660,430</u>	<u>1,661,201</u>	<u>1,651,758</u>
Total non-current assets	<u>1,877,021</u>	<u>1,852,759</u>	<u>1,817,029</u>
Total assets	<u><u>2,137,778</u></u>	<u><u>2,098,572</u></u>	<u><u>2,039,714</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Debts			
Accounts payable (Note 3 g))	153,942	160,321	130,099
Financial debt (Note 3 h))	20,746	2,202	20,803
Payroll and social security payable	14,125	18,310	10,708
Taxes payable (Note 3 i))	47,083	38,957	37,027
Other liabilities	6,717	6,311	7,251
Total debts	<u>242,613</u>	<u>226,101</u>	<u>205,888</u>
Provision for contingencies (Exhibit E)	<u>63,081</u>	<u>62,343</u>	<u>57,193</u>
Total current liabilities	<u>305,694</u>	<u>288,444</u>	<u>263,081</u>
NON-CURRENT LIABILITIES			
Accounts payable (Note 5)	-	-	7,602
Financial debt (Note 3 j))	874,962	813,125	746,132
Taxes payable	19,583	20,012	29,999
Total non-current liabilities	<u>894,545</u>	<u>833,137</u>	<u>783,733</u>
Total liabilities	<u>1,200,239</u>	<u>1,121,581</u>	<u>1,046,814</u>
MINORITY INTEREST	1,317	1,048	1,064
SHAREHOLDERS' EQUITY	<u>936,222</u>	<u>975,943</u>	<u>991,836</u>
Total	<u><u>2,137,778</u></u>	<u><u>2,098,572</u></u>	<u><u>2,039,714</u></u>

Notes 1 to 5 and Exhibits A, D, E, F, G and H are an integral part of these consolidated financial statements.

Juan Carlos Fronza
President

Free translation from the original financial statements prepared in Spanish for publication in Argentina

METROGAS S.A.

UNAUDITED CONSOLIDATED INTERIM STATEMENTS OF INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008

	March 31,	
	2009	2008
	Thousands of Ps., except for per share information	
Sales (Note 3 k)	201,861	187,471
Operating cost (Exhibit F)	(142,256)	(119,162)
Gross profit	59,605	68,309
Administrative expenses (Exhibit H)	(20,613)	(22,759)
Selling expenses (Exhibit H)	(21,201)	(17,890)
Operating income	17,791	27,660
Financing and holding results generated by assets		
Holding results	501	50
Discount of long term other receivables result	(1,026)	1,344
Interest on commercial operations	3,013	2,092
Interest on financial operations	322	854
Exchange gain (loss) on commercial operations	1,510	(46)
Exchange gain on financial operations	1,926	-
Financing and holding results generated by liabilities		
Interest on commercial operations	(140)	(2)
Interest on financial operations	(16,601)	(14,500)
Discount of long term financial debt result	(3,775)	(3,647)
Exchange gain (loss) on commercial operations	225	(34)
Exchange loss on financial operations	(58,752)	(11,981)
Others	(1,236)	(1,256)
Other (loss) income net	(322)	869
Minority interest	(269)	(261)
(Loss) income before income tax	(56,833)	1,142
Income tax (Note 2.5.i))	17,112	1,202
Net (loss) income for the period	(39,721)	2,344
Basic (loss) income per share (Note 2.6.)	(0.07)	0.00
Diluted (loss) income per share (Note 2.6.)	(0.07)	0.00

Notes 1 to 5 and Exhibits A, D, E, F, G and H are an integral part of these consolidated financial statements.

Juan Carlos Fronza
President

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008**

	March 31,	
	2009	2008
	Thousands of Ps.	
Cash flow from operating activities		
Net (loss) income for the period	(39,721)	2,344
Financial debt interest expense accrued during the period	16,601	14,500
Income tax accrued during the period	(17,112)	(1,202)
Adjustments to reconcile net income to net cash provided by operating activities:		
Minority interest	269	261
Depreciation of fixed assets	17,640	17,161
Net book value of fixed assets retired	169	97
Allowance for doubtful accounts	432	188
Allowance for inventory obsolescence	-	47
Allowance for disposal of fixed assets	1,416	986
Contingency provision	999	7,025
Materials consumed	747	575
Exchange differences on financial operations	58,752	11,981
Discount of long term financial debt result	3,775	3,647
Discount of long term other receivables result	1,026	(1,344)
Changes in assets and liabilities		
Trade receivables	(23,939)	(2,150)
Other receivables	(6,747)	5,028
Inventories	(1,050)	(932)
Accounts payable	(6,379)	(7,067)
Payroll and social security payable	(4,185)	(2,785)
Taxes payable	7,705	532
Other liabilities	406	(181)
Contingency provision	(261)	(217)
Minimum notional income tax paid for the period	(2,903)	(1,855)
Net cash provided by operating activities	7,640	46,639
Cash flow used in investing activities		
Increase in fixed assets	(18,454)	(16,759)
Net cash used in investing activities	(18,454)	(16,759)
Cash flow provided by financing activities		
Loans	1,253	-
Net cash provided by financing activities	1,253	-
(Decrease) increase in cash and cash equivalents	(9,561)	29,880
Cash and cash equivalents at the beginning of the year	53,475	29,316
Cash and cash equivalents at the end of the period	43,914	59,196

Notes 1 to 5 and Exhibits A, D, E, F, G and H are an integral part of these consolidated financial statements.

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 1 - CONSOLIDATION BASES**

As a consequence of the constitution of MetroENERGÍA S.A. (“MetroENERGÍA”) on April 20, 2005, registered in the Public Registry of Commerce on May 16, 2005, a company in which MetroGAS S.A. (“MetroGAS” or the “Company”) holds 95% of the Common Stock, the Company has consolidated its balance sheets line by line as of March 31, 2009, December 31, 2008 and March 31, 2008 as well as its statements of income and cash flows for the three months ended on March 31, 2009 and 2008 with the financial statements of the controlled company, following the procedure established in the Technical Resolution No. 21 of the Argentine Federation of Professional Councils in Economic Sciences (“FACPCE”), approved by the Professional Council in Economic Sciences of the Autonomous City of Buenos Aires (“CPCECABA”).

The consolidated financial statements includes assets, liabilities and results of the following controlled company:

Issuing company	Percentage participation on	
	Capital	Votes
MetroENERGÍA S.A.	95	95

NOTE 2 - ACCOUNTING STANDARDS

Below are the most relevant accounting standards used by the Company to prepare its consolidated financial statements, which were applied consistently with those for the same period of the previous year.

2.1. Preparation and presentation of consolidated financial statements

The consolidated financial statements are stated in Argentine pesos and were prepared in accordance with accounting disclosure and valuation standards contained in the technical pronouncements issued by the FACPCE approved by the CPCECABA and in accordance with the resolutions of the National Securities Commission (“CNV”).

The consolidated interim financial statements for the three months ended March 31, 2009 and 2008 have been subject to limited reviews. Management estimates that such consolidated interim financial statements include all the necessary adjustments to fairly present the results of each period. The results for the three months ended March 31, 2009 and 2008 do not necessarily reflect the proportion of the Company’s results for the full years.

2.2. Accounting estimates

The preparation of consolidated financial statements at a given date requires that management make estimates and evaluations affecting the amount of assets and liabilities recorded and contingent assets and liabilities disclosed at the date of issue of the consolidated financial statements, as well as income and expenses recorded during the period. Management makes estimates to calculate, at a given moment, for example, the allowance for doubtful accounts, depreciation, the recoverable value of assets, the income tax charge and the contingency provision. Actual future results might differ from estimates and evaluations made at the date of preparation of these consolidated financial statements.

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 2 - ACCOUNTING STANDARDS (Contd.)****2.3. Recognition of the effects of inflation**

The consolidated financial statements have been prepared in constant currency, reflecting the overall effects of inflation through August 31, 1995. Between that date and December 31, 2001, restatement of the consolidated financial statements was discontinued due to the existence of a period of monetary stability. Between January 1, 2002 and March 1, 2003, the effects of inflation were recognized to reflect the inflation recorded during that period. As from that date, restatement of consolidated financial statements has been discontinued.

This criterion is not in accordance with prevailing professional accounting standards, under which consolidated financial statements must be restated until September 30, 2003. The effect of the mentioned professional accounting standards deviation is not significant over the consolidated financial statements as of March 31, 2009 and 2008.

The rate used for restatement of items was the internal wholesale price index (“IPM”) published by the National Institute of Statistic and Census.

2.4. Comparative information

Balances as of March 31 and December 31, 2008 and results for the three months ended March 31, 2008 disclosed in these unaudited consolidated interim financial statements for comparative purposes, arises from the financial statements as of such dates.

In accordance with professional accounting standards, the Company shows the information included in the unaudited consolidated interim balance sheet as of March 31, 2009 in comparative format with those as of March 31 and December 31, 2008, since it is engaged in seasonal activities.

2.5. Valuation criteria**a) Cash and deposits in banks**

Have been recorded at its nominal value.

b) Foreign currency assets and liabilities

Foreign currency assets and liabilities were valued at period-end exchange rates.

c) Short-term investments

National Government Bonds (“BODEN”) were valued at their market value at the end of the period.

Units in common investment funds were valued at their market value at the end of the period.

Saving accounts and time deposits were valued at their nominal value plus interest accrued at the end of the period.

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 2 - ACCOUNTING STANDARDS (Contd.)**

d) Trade receivables and accounts payable

Trade receivables and accounts payable were valued at their nominal value incorporating financial results accrued through period-end, where applicable. The values thus obtained do not significantly differ from those that would have been obtained had current accounting standards been applied, which establish that they must be valued at their spot price at the time of the transaction plus interest and implicit financial components accrued at the internal rate of return determined at each moment.

Trade receivables include accrued services pending billing at period-end.

The line headed PURE corresponds to the Program for the Rational Use of Energy, comprising the recognition of incentives and additional charges for excess consumption. The balance for this item included in trade receivables corresponds to bonuses for consumption net of additional charges for excess consumption pending billing, while the amount recorded under accounts payable corresponds to additional charges for consumption, to be deposited in the Trust Fund indicated by ENARGAS.

The line headed Transportation Trust Fund within accounts payable corresponds to the collected amounts, pending of deposit.

Additionally to his own behalf, MetroENERGÍA, trades, on behalf of producers and/or third buying parties, natural gas, receiving a fee included under the line headed Sales in the Statements of Income. Trade receivables and accounts payable generated in this way have been valued following the general criterion above mentioned.

Trade receivables are shown net of the allowance for doubtful accounts, which is based on management's collection estimates.

e) Financial debt

Financial debts resulting from the financial debt restructuring process, corresponding to Negotiable Obligations Series 1 and 2 were valued based on the amounts payables discounted using the market interest rate that reflects at the initial moment of the transaction the evaluation over the time value of the money and the specific risks of the debt.

Financial debts not included in the financial debt restructuring process, corresponding to Negotiable Obligations Series A and B were valued at nominal value plus financial results accrued at the end of the period. Values thus obtained do not significantly differ from those that would have been obtained had current accounting standards been applied, which establish that they must be valued at the sums received, net of transaction costs, plus financial results accrued at the internal rate of return estimated at that time.

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 2 - ACCOUNTING STANDARDS (Contd.)**

f) Other receivables and payables

Sundry receivables and payables were valued at their nominal value incorporating financial results accrued at period-end, except for the amounts to be recovered through tariffs included in long term Other receivables which were valued on the basis of the best possible estimation of the sums to be received discounted using the rate that reflects the time value of the money and the specific risks of the receivables; and for the deferred income tax which was valued at their nominal value.

Values thus obtained incorporating financial results accrued through period-end do not significantly differ from those that would have been obtained had current accounting standards been applied, which establish that they must be valued on the basis of the best estimation possible of the sum to receive and to pay, respectively, discounted using a rate that reflects the value time of the money and the specific risks of the transaction considered at the moment of its incorporation to the assets and liabilities, respectively.

The value registered in Other receivables does not exceed its respective recoverable value.

g) Inventories

Warehouse materials were valued at their period-end replacement cost. The value thus obtained, net of the allowance for obsolescence, is less than the respective recoverable value estimated at the end of each period.

h) Fixed assets

For assets received at the time of granting of the License, the global transfer value defined in the Transfer Agreement arising as an offsetting item of contributions made and transferred liabilities restated following the guidelines indicated in Note 2.3. to consolidated financial statements has been considered as original value of fixed assets.

Based on special work performed by independent experts, the global original value mentioned above was appropriated among the various categories of items making up that value, assigning as useful life the remaining years of service estimated by the Company on the basis of type of item, current status, and renewal and maintenance plans.

Assets incorporated to net worth after granting of the License were valued at restated acquisition cost, following the guidelines indicated in Note 2.3. to consolidated financial statements except in the case of distribution networks built by third parties (various associations and cooperatives) which, as established by ENARGAS, are valued at amounts equivalent to certain cubic meters of gas.

Fixed assets are depreciated by the straight-line method, using annual rates sufficient to extinguish their values by the end of their estimated useful lives. Depreciation was computed based on the amount of these assets adjusted for inflation following the guidelines indicated in Note 2.3..

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 2 - ACCOUNTING STANDARDS (Contd.)**

The Company capitalizes the portion of operating costs attributable to planning, execution and control of investments in fixed assets. The amounts capitalized during the three months ended March 31, 2009 and 2008 amounted to Ps. 1,122 thousand and to Ps. 548 thousand, respectively, and Ps. 3,399 thousand for the year ended December 31, 2008.

Gas in pipelines is valued at acquisition cost restated following the guidelines indicated in Note 2.3. to consolidated financial statements.

Net value of fixed assets does not exceed its economic utilization value at the end of the period.

i) Income tax

The Company and its controlled company recognized the income tax charge by the deferred tax liability method, recognizing temporary differences between accounting and tax assets and liabilities measurements.

Deferred tax asset is mainly generated by: i) tax loss carry forward, ii) the temporary differences of the allowance for doubtful accounts, iii) the accounting contingency provision and iv) the other non-current receivables discount.

Deferred tax liability is mainly generated by: i) temporary differences between the accounting valuation and the tax value of fixed assets, mainly due to different depreciation criteria and the treatment accounting of the financial results (interest and exchange differences) capitalized under those items and ii) discount of financial debt, valued at their nominal value in accordance with tax purposes.

To determine deferred assets and liabilities, the tax rate in force at the date of issuance of these consolidated financial statements has been applied to the temporary differences identified and tax loss carry forwards.

The following table shows changes and breakdown of deferred tax assets and liabilities:

Deferred assets

	Estimated loss carry forward	Trade receivables	Other liabilities	Other receivables	Other	Valuation Allowance	Total
Thousand of Ps.							
Balances as of December 31, 2008	23,279	15,709	21,704	8,478	3	(23,279)	45,894
Movements of the period	16,948	2,189	280	327	(207)	-	19,537
Balances as of March 31, 2009	40,227	17,898	21,984	8,805	(204)	(23,279)	65,431

NOTE 2 - ACCOUNTING STANDARDS (Contd.)

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008**Deferred liabilities

	Fixed assets	Financial debt	Other	Total
	Thousands of Ps.			
Balances as of December 31, 2008	(8,944)	(21,497)	341	(30,100)
Movements of the period	199	107	159	465
Balances as of March 31, 2009	(8,745)	(21,390)	500	(29,635)

Deferred income tax assets generated by the tax loss carry forward recorded by the Company amount to Ps. 40,227 thousand at the end of the period and Ps. 23,279 thousand at the beginning of the year. That tax loss carry forward can be offset against profits for future years, expiring Ps. 23,279 thousand in present year and Ps. 16,948 thousand in 2014.

The realization of deferred tax assets depends on the future generation of taxable profits in those periods in which temporary differences become deductible. To determine the realization of assets, the Company considers the projection of future taxable profits based on its best estimation.

Based on management's estimates, MetroGAS recorded a valuation allowance on deferred income tax assets generated by tax loss carry forward of Ps. 23,279 thousand at the beginning of the year and at the end of the period.

Net deferred assets at the end of this period derived from the information included in the preceding tables amount to Ps. 35,796 thousand at the end of the period and Ps. 15,794 thousand at the beginning of the year.

Below is the reconciliation between income tax credit in results and the amount resulting from the application of the corresponding tax rate to the accounting profit before income tax:

	March 31,	
	2009	2008
	Thousands of Ps.	
Income tax expense over pre-tax income	(19,892)	400
<u>Permanent differences</u>		
Restatement into constant currency	3,428	3,358
Non deductible expenses and non-computable income	(648)	(3,235)
Valuation allowance on deferred income tax assets	-	(1,725)
Total income tax credit in results	(17,112)	(1,202)

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 2 - ACCOUNTING STANDARDS (Contd.)**

Below is the reconciliation between income tax credit in results and the income tax determined for fiscal purpose:

	March 31,	
	2009	2008
	Thousands of Ps.	
Income tax determined for fiscal purpose	(14,058)	4,531
Temporary differences	(3,054)	(4,008)
Valuation allowance on deferred income tax assets	-	(1,725)
Total income tax credit in results	(17,112)	(1,202)

The Company, in accordance with the new accounting standards, has decided not to recognize the deferred tax liability caused by inflation adjustment on fixed assets to the effects of the calculation of the deferred tax. Had the deferred tax liability been recognized in this item, its value would amount to Ps. 274 million at the end of the period and Ps. 277 million, at nominal values, at the beginning of the year. The difference of Ps. 3 million would have impacted in the result of the period.

j) Minimum notional income tax

The Company calculates minimum notional income tax by applying the current 1% rate on computable assets at the end of the period. This tax complements income tax. The Company's tax obligation for each period will agree with the higher of the two taxes. If in a fiscal year, however, minimum notional income tax obligation exceeds income tax liability, the surplus will be computable as a down payment of income tax through the next ten years.

The Company has recognized minimum notional income tax accrued during the period and paid in previous years as a credit, since it estimates that it could be claimed as payment on account of income tax in future years. That credit is shown under Other non-current receivables and expires between the years 2012 and 2019.

k) Severance pay

Severance payments made to employees are expensed as incurred.

l) Balances with related parties

Balances with related parties mainly generated by commercial operations and sundry services were valued based on conditions agreed between the parties.

m) Contingency provisions

Set up to cover labor or commercial contingencies and sundry risks that could give rise to liabilities to the Company. In estimating the amounts and probability of occurrence the opinion of the Company's legal counsel has been taken into account.

NOTE 2 - ACCOUNTING STANDARDS (Contd.)

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008**

Insurance coverage taken out by the Company has also been considered. At the date of issuance of these consolidated financial statements, management considers that there are no elements to determine other contingencies that could have a negative impact on the consolidated financial statements.

n) Revenue recognition

The Company recognizes sales revenue based on gas deliveries to customers, including estimated gas volumes delivered pending billing at the end of each period.

Volumes delivered were determined based on gas volumes purchased and other data.

o) Statements of income accounts

Statements of income accounts are shown at nominal value, except depreciations of fixed assets that are restated following the guidelines indicated in Note 2.3. to consolidated financial statements.

2.6. Basic and diluted (loss) income per share

Basic and diluted (loss) income per share is calculated based on weighted average shares at March 31, 2009 and 2008, respectively, amounting to 569,171,208. As the Company does not hold preferred shares or debt convertible into shares, both indicators are equivalent.

2.7. Information by segment

The Company mainly operates in providing gas distribution services and, through MetroENERGÍA, in buying and selling natural gas and/or its transportation on its own, on behalf of or associated to third parties.

Details regarding certain information classified by segment of business, in accordance with the guidelines of Technical Resolution No. 18 of the FACPCE are as follows:

Free translation from the original financial statements prepared in Spanish for publication in Argentina

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008**

	March 31,			
	2009			
	MetroGAS Distribution	MetroENERGIA Trading	Eliminations	Total
	Thousands of Ps.			
Sales	165,463	36,733	(335)	201,861
Operating income	7,775	6,950	3,066	17,791
Equity in income of controlled company	6,921	-	(6,921)	-
(Loss) income before income tax	(59,728)	8,271	(5,376)	(56,833)
Income tax	20,007	(2,895)	-	17,112
Net (loss) income for the period	(39,721)	5,376	(5,376)	(39,721)
Total assets	2,091,972	68,692	(22,886)	2,137,778
Total liabilities	1,155,750	42,351	2,138	1,200,239
Increase in fixed assets	18,454	-	-	18,454
Depreciation of fixed assets	17,640	-	-	17,640
Investment in controlled company	22,011	-	(22,011)	-

**Other significant items in Statement of Cash Flows non
generating cash movements**

Allowance for disposal of fixed assets	1,416	-	-	1,416
Contingency provision	999	-	-	999
Exchange differences on financial operations	58,752	-	-	58,752
Discount of long term financial debt result	3,775	-	-	3,775
Discount of long term other receivables result	1,026	-	-	1,026

	March 31,			
	2008			
	MetroGAS Distribution	MetroENERGIA Trading	Eliminations	Total
	Thousands of Ps.			
Sales	153,564	34,012	(105)	187,471
Operating income	18,196	8,883	581	27,660
Equity in income of controlled company	4,951	-	(4,951)	-
(Loss) income before income tax	(1,664)	8,018	(5,212)	1,142
Income tax	4,008	(2,806)	-	1,202
Net income (loss) for the period	2,344	5,212	(5,212)	2,344
Total assets	1,996,096	66,402	(22,784)	2,039,714
Total liabilities	1,004,260	45,116	(2,562)	1,046,814
Increase in fixed assets	16,759	-	-	16,759
Depreciation of fixed assets	17,161	-	-	17,161
Investment in controlled company	20,222	-	(20,222)	-

**Other significant items in Statement of Cash Flows non
generating cash movements**

Allowance for disposal of fixed assets	986	-	-	986
Contingency provision	7,025	-	-	7,025
Exchange differences on financial operations	11,981	-	-	11,981
Discount of long term financial debt result	3,647	-	-	3,647
Discount of long term other receivables result	(1,344)	-	-	(1,344)

Sales operations from MetroGAS to MetroENERGÍA were valued according to tariffs applied by MetroGAS to its commercial operations with third parties under the legislation in force.

In turn, there is a Professional Service Agreement between MetroGAS and MetroENERGÍA for the provision of administrative, accounting, tax, financial, legal and all other services related to the normal development of MetroENERGÍA's operations. This agreement was valued under reasonable market conditions for this type of services.

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 3 - ANALYSIS OF THE MAIN ACCOUNTS OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Details regarding the significant amounts included in the accompanying consolidated financial statements are as follows:

	March 31, 2009	December, 31 2008	March 31, 2008
	Thousands of Ps.		
Assets			
Current assets			
a) Cash and deposits in banks			
Cash	783	266	443
Banks	12,236	51,351	24,569
Collections to be deposited	5,279	1,489	1,718
	<u>18,298</u>	<u>53,106</u>	<u>26,730</u>
b) Investments (Exhibit D)			
Saving account deposits	37	34	25
Common investment funds	335	319	291
Government securities	14	16	27
Time deposits	25,230	-	32,123
	<u>25,616</u>	<u>369</u>	<u>32,466</u>
c) Trade receivables, net			
Trade accounts receivable	166,958	134,871	121,386
Unbilled revenues	15,832	31,070	12,267
Receivables from sales on behalf third parties	32,885	27,072	39,790
Tax on banking transactions to be recovered	4,006	4,528	4,775
Related companies (Note 5)	800	1,166	496
PURE	(8,475)	(10,640)	(7,282)
Allowance for doubtful accounts (Exhibit E)	(14,337)	(13,905)	(20,547)
	<u>197,669</u>	<u>174,162</u>	<u>150,885</u>
d) Other receivables			
Other advances	10,194	7,505	4,743
Insurance and other prepaid expenses	2,142	1,932	2,181
Receivables from taxes and social security	2,109	4,304	128
Other receivables	646	590	667
Legal guarantee deposits	11	76	1,315
Related companies (Note 5)	3	3	-
	<u>15,105</u>	<u>14,410</u>	<u>9,034</u>
e) Inventories, net			
Warehouse materials	5,776	5,476	5,207
Allowance for inventory obsolescence (Exhibit E)	(1,707)	(1,710)	(1,637)
	<u>4,069</u>	<u>3,766</u>	<u>3,570</u>
Non-current assets			
f) Other receivables			
Deferred tax assets			
Deferred income tax assets (Note 2.5 i))	35,796	15,794	10,675
Receivables for minimum notional income tax (Note 2.5.j))	78,265	75,594	67,665
	114,061	91,388	78,340
Study, revision and inspection of works in public space levy to be recovered GCABA (Note 15.3.1 to the primary financial statements)	43,932	42,432	37,284
Occupancy of public space levy to be recovered (Note 15.3.2 to the primary financial statements)	67,899	65,844	59,138
Sundry	949	1,051	1,673
Others (Fair Value Discount)	(10,250)	(9,157)	(11,164)
	<u>216,591</u>	<u>191,558</u>	<u>165,271</u>

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 3 - ANALYSIS OF THE MAIN ACCOUNTS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

	March 31, 2009	December, 31 2008	March 31, 2008
	Thousands of Ps.		
Liabilities			
Current liabilities			
g) Accounts payable			
Gas and transportation	28,817	34,294	36,645
Other purchases and services	49,737	48,273	32,836
Related companies (Note 5)	26,729	30,572	32,137
Payables from sales on behalf third parties	21,920	14,172	15,701
PURE	4,558	5,923	12,780
Transportation Trust Fund	22,181	27,087	-
	<u>153,942</u>	<u>160,321</u>	<u>130,099</u>
h) Financial debt			
Negotiable obligations (face value) (Exhibit G)	1,493	1,452	4,426
Interest and other expenses payable to foreign financial institutions (Exhibit G)	18,000	750	16,377
Bank overdraft with Argentine financial institutions	1,253	-	-
	<u>20,746</u>	<u>2,202</u>	<u>20,803</u>
i) Taxes payable			
Value added tax	9,533	4,495	7,095
Occupancy of public space levy	7,523	7,055	6,733
GCABA study, revision and inspection of works in public space levy	8,490	7,061	4,625
CNG tax	5,611	4,452	4,348
Income tax	8,616	11,068	6,277
Turnover tax	1,203	2,451	3,050
Other taxes	6,107	2,375	4,899
	<u>47,083</u>	<u>38,957</u>	<u>37,027</u>
Non-current liabilities			
j) Financial debt (Note 9 to the primary financial statements)			
Negotiable obligations (face value) (Exhibit G)	936,075	874,543	818,358
Negotiable obligations (fair value discount)	(61,113)	(61,418)	(72,226)
	<u>874,962</u>	<u>813,125</u>	<u>746,132</u>
Statements of Income			
k) Sales			
MetroGAS's gas sales	86,973		76,098
MetroENERGÍA's sales on own behalf	32,970		32,069
MetroGAS's transportation and distribution services	57,080		54,176
MetroGAS's other sales	8,153		12,066
MetroGAS's processed natural gas sales	12,922		11,119
MetroENERGÍA's selling commission	3,763		1,943
	<u>201,861</u>		<u>187,471</u>

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 4 - DUE DATES OF INVESTMENTS, RECEIVABLES AND PAYABLES**

The due dates of investments, receivables and payables are as follows:

	March 31, <u>2009</u>	December, 31 <u>2008</u>	March 31, <u>2008</u>
	Thousands of Ps.		
4.1. Investments			
- Becoming due			
under 3 months	25,281	50	32,175
- Without due date	335	319	291
Total	<u>25,616</u>	<u>369</u>	<u>32,466</u>
4.2. Receivables			
- Past due			
under 3 months	54,869	61,636	69,740
from 3 to 6 months	2,723	1,419	6,439
from 6 to 9 months	6,734	5,656	4,530
from 9 to 12 months	863	1,023	605
from 1 to 2 years	5,686	6,909	7,212
more than 2 years	8,670	7,196	14,088
Sub-total	<u>79,545</u>	<u>83,839</u>	<u>102,614</u>
- Without due date	<u>583</u>	<u>630</u>	<u>1,804</u>
- Becoming due			
under 3 months	141,728	111,010	69,047
from 3 to 6 months	2,344	3,474	2,848
from 6 to 9 months	1,647	2,046	2,196
from 9 to 12 months	1,264	1,478	1,957
from 1 to 2 years	82,160	80,286	18,834
more than 2 years	134,431	111,272	146,437
Sub-total	<u>363,574</u>	<u>309,566</u>	<u>241,319</u>
Allowance for doubtful accounts	<u>(14,337)</u>	<u>(13,905)</u>	<u>(20,547)</u>
Total	<u>429,365</u>	<u>380,130</u>	<u>325,190</u>

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 4 - DUE DATES OF INVESTMENTS, RECEIVABLES AND PAYABLES (Contd.)**

	March 31, <u>2009</u>	December, 31 <u>2008</u>	March 31, <u>2008</u>
	Thousands of \$		
4.3. Payables			
- Past due			
under 3 months	8,567	11,983	12,882
from 3 to 6 months	39	48	2,487
from 6 to 9 months	2	555	2,697
from 9 to 12 months	557	605	645
from 1 to 2 years	597	2,172	1
more than 2 years	6,765	3,272	9,563
Sub-total	<u>16,527</u>	<u>18,635</u>	<u>28,275</u>
- Without due date	<u>5,617</u>	<u>5,454</u>	<u>4,389</u>
- Becoming due			
under 3 months	192,824	174,513	144,657
from 3 to 6 months	10,600	12,424	13,759
from 6 to 9 months	11,089	10,600	9,332
from 9 to 12 months	5,956	4,475	5,476
from 1 to 2 years	51,226	28,841	23,638
more than 2 years	843,319	804,296	760,095
Sub-total	<u>1,115,014</u>	<u>1,035,149</u>	<u>956,957</u>
Total	<u><u>1,137,158</u></u>	<u><u>1,059,238</u></u>	<u><u>989,621</u></u>

Investments bearing interest according to the following detail: 1) "BODEN" at an annual rate of 4.00% as of March 31, 2009 and 2008 and as of December 31, 2008; 2) common investment funds with an average annual yield of 12.80% and 12.58% as of March 31, 2009 and 2008 and of 11.50% as of December 31, 2008 and 3) time deposits at an annual average rate in pesos of 11.50% and in dollars of 0.55% as of March 31, 2009 and an annual average rate in pesos of 8.50% as of March 31, 2008.

Pursuant legislation in force, in the case of invoices for services not paid when due, the Company is entitled to collect interest on overdue amounts from the due date through the date of payment. As these are overdue receivables, and following standards of prudence, the Company recognizes this income at the time of actual collection.

Payables do not accrue interest, except for the Financial debts (Note 9 to the primary financial statements) and Taxes payable in relation to the Occupancy of public space levy and Study, revision and inspection of works in public spaces levy payment facilitation plans (Note 15.3 to the primary financial statements).

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 5 - TRANSACTIONS AND BALANCES WITH RELATED COMPANIES**

Gas Argentino S.A. (“Gas Argentino”), as owner of 70% of the Company’s Common Stock, is the controlling shareholder of MetroGAS.

MetroGAS carries out certain transactions with the shareholders of Gas Argentino or their affiliates. As of March 31, 2009, the shareholders of Gas Argentino are BG Inversiones Argentinas S.A. (“BG”) (54.67%) and YPF Inversora Energética S.A. (“YPF”) (45.33%).

These consolidated financial statements include the following transactions and balances with related companies:

- Gas supply, sales and services contracts with companies directly and indirectly related to YPF.
- Management fees accrued pursuant to the Technical Assistance Agreement with BG International Limited.
- Fees accrued under the terms of a Personnel Supply Agreement with BG Argentina S.A..

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 5 - TRANSACTIONS AND BALANCES WITH RELATED COMPANIES (Contd.)**

Significant transactions with related companies are as follows:

	March 31,									
	2009					2008				
	Thousands of Ps.									
	Gas & transportation sales	Commission by operations on behalf third parties	Gas & transportation purchases	Fees for professional services	Gas & transportation sales	Commission by operations on behalf third parties	Gas & transportation purchases	Technical operator's fees	Fees for professional services	
Controlling company										
Gas Argentino S.A.	-	-	-	-	-	-	-	-	-	-
Related parties:										
BG Argentina S.A.	-	-	-	1,024	-	-	-	-	-	849
BG International Limited	-	-	-	-	-	-	-	2,159	-	-
YPF S.A.	4	136	10,913	-	2	219	8,447	-	-	-
Operadora de Estaciones de Servicios S.A.	591	-	-	-	322	-	-	-	-	-
Astra Evangelista S.A.	8	-	-	-	3	-	-	-	-	-
Board of directors and management:	-	-	-	-	-	-	-	-	-	-
	603	136	10,913	1,024	327	219	8,447	2,159	849	

METROGAS S.A.**NOTES TO UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 5 - TRANSACTIONS AND BALANCES WITH RELATED COMPANIES (Contd.)**

The outstanding balances as of March 31, 2009, December 31, 2008 and March 31, 2008 from transactions with related companies are as follows:

	March 31,			December 31,			March 31,			
	2009			2008			2008			
	Trade receivables	Other receivables	Accounts payable	Trade receivables	Other receivables	Accounts payable	Trade receivables	Other receivables	Accounts payable	
	Current	Current	Current	Current	Current	Current	Current	Current	Current Non Current	
Thousands of Ps.										
Controlling company:										
Gas Argentino S.A.	-	-	-	-	-	-	-	-	-	-
Significant influence:										
YPF Inversora Energética S.A.	-	-	-	-	-	-	-	-	-	-
Other related parties:										
BG Argentina S.A.	-	3	552	-	3	180	-	3	489	-
BG International Limited	-	-	12,153	-	-	14,483	-	5	14,964	7,602
YPF S.A.	146	-	14,024	585	-	15,486	412	-	16,684	-
Operadora de Estaciones de Servicios S.A.	654	-	-	581	-	-	81	-	-	-
Astra Evangelista S.A.	-	-	-	-	-	423	3	(8)	-	-
Board of directors and management:	-	-	-	-	-	-	-	-	-	-
	800	3	26,729	1,166	3	30,572	496	-	32,137	7,602

METROGAS S.A.

**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS OF MARCH 31, 2009 AND 2008
AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2008
FIXED ASSETS**

MAIN ACCOUNT	ORIGINAL VALUE					DEPRECIATION					NET BOOK VALUE 03-31-09
	AT BEGINNING OF YEAR	INCREASE	TRANSFERS	RETIREMENTS	AT END OF PERIOD	ACCUMULATED AT BEGINNING OF YEAR	RETIREMENT	FOR THE PERIOD		ACCUMULATED AT END OF PERIOD	
								ANNUAL RATE (1)	AMOUNT (2)		
Thousands of Ps.											
Land	17,501	-	-	-	17,501	-	-	-	-	-	17,501
Building and civil constructions	75,602	-	-	-	75,602	22,887	-	2.0%	351	23,238	52,364
High pressure mains	273,030	-	4,000	(4)	277,026	165,765	(2)	2.22% to 10%	2,540	168,303	108,723
Medium and low pressure mains	1,602,778	-	15,306	(663)	1,617,421	476,414	(533)	1.19% to 10%	9,323	485,204	1,132,217
Pressure regulating stations	59,681	-	208	-	59,889	33,823	-	4% to 12.5%	485	34,308	25,581
Consumption measurement installations	336,050	-	5,503	(28)	341,525	126,890	(11)	2.85% to 5%	3,125	130,004	211,521
Other technical installations	46,938	-	1,397	-	48,335	38,616	-	6.67%	698	39,314	9,021
Machinery, equipment and tools	27,044	-	172	-	27,216	25,282	-	6.67% to 20%	88	25,370	1,846
Computer and telecommunications equipment	157,312	-	85	-	157,397	147,906	-	5% to 50%	641	148,547	8,850
Vehicles	9,196	-	1,565	-	10,761	7,992	-	10% to 20%	120	8,112	2,649
Furniture and fixtures	5,456	-	1	-	5,457	5,433	-	10% to 20%	2	5,435	22
Materials	9,330	4,569	(3,115)	(51)	10,733	-	-	-	-	-	10,733
Gas in pipelines	214	-	-	-	214	-	-	-	-	-	214
Work in progress	57,584	13,854	(25,972)	-	45,466	-	-	-	-	-	45,466
Advances to fixed assets suppliers	1,032	31	(124)	-	939	-	-	-	-	-	939
Subtotal	2,678,748	18,454	(974)	(746)	2,695,482	1,051,008	(546)	-	17,373	1,067,835	1,627,647
Distribution network extensions constructed by third parties	59,742	-	980	-	60,722	11,907	-	1.82% to 2.38%	297	12,204	48,518
Offsetting item for distribution network extensions	(5,323)	-	(6)	-	(5,329)	(408)	-	2% to 2.38%	(30)	(438)	(4,891)
Allowance for obsolescence of materials (Exhibit E)	(609)	-	-	14	(595)	-	-	-	-	-	(595)
Allowance for disposal of fixed assets (Exhibit E)	(8,850)	(1,416)	-	17	(10,249)	-	-	-	-	-	(10,249)
Total as of March 31, 2009	2,723,708	17,038	-	(715)	2,740,031	1,062,507	(546)	-	17,640	1,079,601	1,660,430
Total as of December 31, 2008	2,654,322	78,367	-	(8,981)	2,723,708	1,001,049	(7,710)	-	69,168	1,062,507	1,661,201
Total as of March 31, 2008	2,654,322	15,743	-	(818)	2,669,247	1,001,049	(721)	-	17,161	1,017,489	1,651,758

Notes:

(1) The depreciation rates are variable and based on the useful lives assigned to the assets at the Takeover Date. The useful lives were estimated according to the type, current condition and renewal and maintenance programs of assets.

(2) Depreciation of fixed assets has been included in Exhibit H.

Juan Carlos Fronza
President

METROGAS S.A.

**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS OF MARCH 31, 2009 AND 2008
AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2008
CURRENT INVESTMENTS**

ISSUER	FACE VALUE	QUANTITY	LISTED PRICE AS OF 03-31-09	FACE VALUE PLUS ACCRUED INTEREST	BOOK VALUE AS OF 03-31-09	BOOK VALUE AS OF 12-31-08	BOOK VALUE AS OF 03-31-08
		Thousands	Ps.	Thousands of Ps.			
CURRENT INVESTMENTS							
Government Securities							
National Government bonds (BODEN 2012)	1.4	16	0.8832	14	14	16	27
Units of common investment funds							
RJ Delta Ahorro - Clase B	-	233.7	1.431929	335	335	319	291
Bank deposits							
Saving account	37	1	37	37	37	34	25
Time deposits	25,230	-	-	25,230	25,230	-	32,123
Total				25,616	25,616	369	32,466

Juan Carlos Fronza
President

METROGAS S.A.

**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS OF MARCH 31, 2009 AND 2008
AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2008
ALLOWANCES**

MAIN ACCOUNT	03-31-09			12-31-08	03-31-08	
	BALANCE AT BEGINNING OF YEAR	INCREASE	DECREASE	BALANCE AT END OF PERIOD	BALANCE AT END OF PERIOD	
	Thousands of Ps.					
Deducted from assets						
For doubtful accounts	13,905	432 (1)	-	14,337	13,905	20,547
For obsolescence of materials						
Inventories	1,710	-	(3)	1,707	1,710	1,637
Fixed assets	609	-	(14)	595	609	612
For disposal of fixed assets	8,850	1,416 (2)	(17)	10,249	8,850	10,570
Valuation allowance on deferred income tax assets	23,279	-	-	23,279	23,279	28,132
Total	48,353	1,848	(34)	50,167	48,353	61,498
Included in liabilities						
For contingencies						
Executive proceedings	9,883	2,464	(196)	12,151	9,883	8,511
Turnover tax GCABA	5,740	220	-	5,960	5,740	5,194
Rates and charges	20,192	263	-	20,455	20,192	19,391
Income tax - Doubtful accounts deduction	6,224	(3,659)	-	2,500	6,224	5,968
Fines GCBA	-	412	(65)	412	-	-
Others	20,304	1,299	-	21,603	20,304	18,129
Total contingencies	62,343	999 (3)	(261)	63,081	62,343	57,193

Notes:

(1) The charge in results is disclosed in Exhibit H.

(2) Charged in results in the line Operating expenses - Others of Exhibit H

(3) Charged in results in the line Contingencies reserve of Exhibit H.

Juan Carlos Fronza
President

METROGAS S.A.

**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008
OPERATING COST**

MAIN ACCOUNT	03-31-09	03-31-08
	Thousands of Ps.	
Stock at the beginning of the year		
Natural gas	-	-
Processed natural gas	-	-
	<hr/>	<hr/>
	-	-
<i>Plus</i>		
Purchases		
Natural gas	53,783	44,080
Processed natural gas	-	-
	<hr/>	<hr/>
	53,783	44,080
Transportation of natural gas	51,556	49,183
Transportation of processed natural gas	495	494
	<hr/>	<hr/>
	52,051	49,677
Operating Expenses (Exhibit H)		
Natural gas	36,413	25,395
Processed natural gas	9	10
	<hr/>	<hr/>
	36,422	25,405
<i>Less</i>		
Stock at the end of the period		
Natural gas	-	-
Processed natural gas	-	-
	<hr/>	<hr/>
	-	-
Operating Cost	142,256	119,162
Natural gas	141,752	118,658
Processed natural gas	504	504

METROGAS S.A.
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS OF MARCH 31, 2009 AND 2008
AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2008
FOREIGN CURRENCY ASSETS AND LIABILITIES

MAIN ACCOUNT	03-31-09			12-31-08		03-31-08	
	FOREIGN CURRENCY AND AMOUNT	EXCHANGE RATE	BOOK VALUE	FOREIGN CURRENCY AND AMOUNT	BOOK VALUE	FOREIGN CURRENCY AND AMOUNT	BOOK VALUE
	Thousands		Thousands of Ps.	Thousands	Thousands of Ps.	Thousands	Thousands of Ps.
ASSETS							
CURRENT ASSETS							
Cash and banks							
Cash	U S S 32	3.6800	118	31	107	7	21
	L B E 4	5.2650	21	4	21	5	28
	E u r o s 3	4.8742	15	3	15	2	11
	R e a l 3	1.5400	5	4	6	4	7
	C a n a d i a n d o l l a r s 1	2.9067	3	1	4	1	4
	R u s s i a n r u b l o 7	0.1349	1	9	1	7	1
Banks	U S S 269	3.6800	990	6,875	23,463	405	1,267
Investments							
National Government bonds	U S S 10	3.6800	37	10	34	8	25
Time deposits	U S S 6,582	3.6800	24,222	-	-	-	-
Trade receivables	U S S 11,517	3.6800	42,383	7,948	27,127	9,327	29,175
Other receivables	U S S 240	3.6800	883	344	1,173	243	760
Total Current Assets			68,678		51,951		31,299
TOTAL ASSETS			68,678		51,951		31,299
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable	U S S 5,490	3.7200	20,423	5,747	19,846	7,172	22,722
	E u r o s 142	4.9275	700	3	14	3	15
	L B E -	5.3296	-	7	36	-	-
Financial debts							
Negotiable obligations (face value)	U S S -	3.7200	-	-	-	80	254
	E u r o s 303	4.9275	1,493	303	1,452	833	4,172
Interest and other expenses payable to foreign financial institutions	U S S 4,318	3.7200	16,063	23	80	4,346	13,768
	E u r o s 393	4.9275	1,937	140	670	521	2,609
Total Current Liabilities			40,616		22,098		43,540
NON-CURRENT LIABILITIES							
Financial debts							
Negotiable obligations (face value)	U S S 217,100	3.7200	807,613	217,100	749,648	217,100	687,774
	E u r o s 26,070	4.9275	128,462	26,070	124,895	26,070	130,584
Total Non-Current Liabilities			936,075		874,543		818,358
TOTAL LIABILITIES			976,691		896,641		861,898

U S S : United States Dollars
L B E : Pounds Sterling

Juan Carlos Fronza
President

METROGAS S.A.

**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008
EXPENSES INCURRED**

MAIN ACCOUNT	03-31-09						03-31-08
	FIXED ASSETS EXPENSES	OPERATING EXPENSES		ADMINISTRATIVE EXPENSES	SELLING EXPENSES	TOTAL	TOTAL
		GAS SALES	PROCESSED NATURAL GAS				
	Thousands of Ps.						
Payroll and other employees benefits	800	7,232	-	7,253	6,446	21,731	18,841
Social security contributions	322	2,221	-	1,939	2,051	6,533	4,968
Directors' and members of Surveillance committee fee	-	-	-	242	-	242	181
Fees for professional services	-	53	-	1,459	54	1,566	1,422
Technical operator's fees	-	-	-	-	-	-	2,159
Sundry materials	-	722	-	-	-	722	976
Fees for sundry services	-	3,084	-	564	2,331	5,979	3,594
Postage, telephone and fax	-	107	-	224	1,678	2,009	1,547
Leases	-	25	-	506	279	810	843
Transportation and freight charges	-	-	-	126	-	126	140
Office materials	-	98	-	326	25	449	312
Travelling expenses	-	64	-	87	13	164	162
Insurance premium	-	-	-	738	-	738	500
Fixed assets maintenance	-	4,390	-	2,648	2	7,040	4,781
Fixed assets depreciation	-	16,680	-	960	-	17,640	17,161
Taxes, rates and contributions	-	316	9	2,434	6,610	9,369	9,126
Publicity	-	-	-	-	243	243	118
Doubtful accounts	-	-	-	-	432	432	188
Bank expenses and commissions	-	-	-	22	1,013	1,035	1,044
Contingencies reserve	-	-	-	999	-	999	6,882
Others	-	1,421	-	86	24	1,531	(8,343)
Total as of March 31, 2009	1,122	36,413	9	20,613	21,201	79,358	66,602
Total as of March 31, 2008	548	25,395	10	22,759	17,890	66,602	

Juan Carlos Fronza
President

METROGAS S.A.**UNAUDITED INTERIM BALANCE SHEETS AS OF MARCH 31, 2009 AND 2008
AND AUDITED BALANCE SHEET AS OF DECEMBER 31, 2008**

	March 31, 2009	December 31, 2008	March 31, 2008
	Thousands of Ps.		
ASSETS			
CURRENT ASSETS			
Cash and deposits in banks (Note 4 a))	14,347	48,294	23,745
Investments (Note 4 b))	25,281	50	32,175
Trade receivables, net (Note 4 c))	136,504	130,326	89,025
Other receivables (Note 4 d))	13,631	10,710	11,362
Inventories, net (Note 4 e))	4,069	3,766	3,570
Total current assets	193,832	193,146	159,877
NON-CURRENT ASSETS			
Other receivables (Note 4 f))	215,699	190,681	164,239
Investments (Exhibit C)	22,011	15,090	20,222
Fixed assets, net (Exhibit A)	1,660,430	1,661,201	1,651,758
Total non-current assets	1,898,140	1,866,972	1,836,219
Total assets	2,091,972	2,060,118	1,996,096
LIABILITIES			
CURRENT LIABILITIES			
Debts			
Accounts payable (Note 4 g))	118,089	129,465	95,462
Financial debt (Note 4 h))	19,493	2,202	20,803
Payroll and social security payable	14,011	18,199	10,656
Taxes payable (Note 4 i))	42,097	32,518	33,374
Other liabilities	6,717	6,311	5,256
Total debts	200,407	188,695	165,551
Provision for contingencies (Exhibit E)	63,081	62,343	57,193
Total current liabilities	263,488	251,038	222,744
NON-CURRENT LIABILITIES			
Accounts payable (Note 6)	-	-	7,602
Financial debt (Note 4 j))	874,962	813,125	746,132
Taxes payable	17,300	20,012	27,782
Total non-current liabilities	892,262	833,137	781,516
Total liabilities	1,155,750	1,084,175	1,004,260
SHAREHOLDERS' EQUITY (as per related statements)	936,222	975,943	991,836
Total	2,091,972	2,060,118	1,996,096

Notes 1 to 15 and Exhibits A, C, D, E, F, G and H are an integral part of these financial statements.

Juan Carlos Fronza
President

METROGAS S.A.**UNAUDITED INTERIM STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008**

	March 31,	
	2009	2008
	Thousands of Ps., except for per share information	
Sales (Note 4 k))	165,463	153,564
Operating cost (Exhibit F)	(117,464)	(96,018)
Gross profit	47,999	57,546
Administrative expenses (Exhibit H)	(20,569)	(22,728)
Selling expenses (Exhibit H)	(19,655)	(16,622)
Operating income	7,775	18,196
Equity in income of controlled company	6,921	4,951
Financing and holding results generated by assets		
Holding results	87	41
Discount of long term other receivables result	(1,026)	1,344
Interest on commercial operations	2,994	2,082
Interest on financial operations	280	814
Exchange gain	1,925	14
Financing and holding results generated by liabilities		
Interest on commercial operations	(140)	(2)
Interest on financial operations	(16,601)	(14,500)
Discount of long term financial debt result	(3,775)	(3,647)
Exchange loss on comercial operations	(232)	(12)
Exchange loss on financial operations	(58,752)	(11,981)
Others	(322)	(418)
Other income net	1,138	1,454
Loss before income tax	(59,728)	(1,664)
Income tax (Note 3.5.j))	20,007	4,008
Net (loss) income for the period	(39,721)	2,344
Basic (loss) income per share (Note 3.6.)	(0.07)	0.00
Diluted (loss) income per share (Note 3.6.)	(0.07)	0.00

Notes 1 to 15 and Exhibits A, C, D, E, F, G and H are an integral part of these financial statements.

Juan Carlos Fronza
President

METROGAS S.A.**UNAUDITED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008**

MAIN ACCOUNTS	SHAREHOLDERS' CONTRIBUTIONS			LEGAL RESERVE	UNAPPROPRIATED RETAINED EARNINGS (ACCUMULATED DEFICIT)	TOTAL SHAREHOLDERS' EQUITY
	COMMON STOCK	ADJUSTMENT TO COMMON STOCK	TOTAL			
	SHARES OUTSTANDING					
	Thousands of Ps.					
Balance as of December 31, 2007	569,171	684,769	1,253,940	45,376	(309,824)	989,492
Net income for the three months ended March 31, 2008	-	-	-	-	2,344	2,344
Balance as of March 31, 2008	569,171	684,769	1,253,940	45,376	(307,480)	991,836
Net income for the nine months ended December 31, 2008	-	-	-	-	(15,893)	(15,893)
Balance as of December 31, 2008	569,171	684,769	1,253,940	45,376	(323,373)	975,943
Net loss for the three months ended March 31, 2009	-	-	-	-	(39,721)	(39,721)
Balance as of March 31, 2009	569,171	684,769	1,253,940	45,376	(363,094)	936,222

Notes 1 to 15 and Exhibits A, C, D, E, F, G and H are an integral part of these financial statements.

Juan Carlos Fronza
President

METROGAS S.A.**UNAUDITED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008**

	March 31,	
	2009	2008
	Thousands of Ps.	
Cash flow from operating activities		
Net (loss) income for the period	(39,721)	2,344
Financial debt interest expense accrued during the period	16,601	14,500
Income tax accrued during the period	(20,007)	(4,008)
Adjustments to reconcile net income to net cash provided by operating activities:		
Equity in income of controlled company	(6,921)	(4,951)
Depreciation of fixed assets	17,640	17,161
Net book value of fixed assets retired	169	97
Allowance for doubtful accounts	432	188
Allowance for inventory obsolescence	-	47
Allowance for disposal of fixed assets	1,416	986
Contingency provision	999	7,025
Materials consumed	747	575
Exchange differences on financial operations	58,752	11,981
Discount of long term financial debt result	3,775	3,647
Discount of long term other receivables result	1,026	(1,344)
Changes in assets and liabilities		
Trade receivables	(6,610)	12,040
Other receivables	(8,958)	(115)
Inventories	(1,050)	(932)
Accounts payable	(11,376)	(9,409)
Payroll and social security payable	(4,188)	(2,773)
Taxes payable	9,601	1,726
Other liabilities	406	(180)
Contingency provision	(261)	(217)
Minimum notional income tax paid for the period	(2,734)	(1,855)
Net cash provided by operating activities	<u>9,738</u>	<u>46,533</u>
Cash flow used in investing activities		
Increase in fixed assets	<u>(18,454)</u>	<u>(16,759)</u>
Net cash used in investing activities	<u>(18,454)</u>	<u>(16,759)</u>
Cash used in financing activities		
Net cash used in financing activities	<u>-</u>	<u>-</u>
(Decrease) Increase in cash and cash equivalents	(8,716)	29,774
Cash and cash equivalents at the beginning of the year	<u>48,344</u>	<u>26,146</u>
Cash and cash equivalents at the end of the period	<u><u>39,628</u></u>	<u><u>55,920</u></u>

Notes 1 to 15 and Exhibits A, C, D, E, F, G and H are an integral part of these financial statements.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 1 - THE COMPANY'S BUSINESS**

MetroGAS S.A. (the "Company" or "MetroGAS"), a gas distribution company, was incorporated on November 24, 1992 and began operations on December 29, 1992, when the privatization of Gas del Estado S.E. ("GdE") (an Argentine Government-owned enterprise) was completed.

Through Executive Decree No. 2,459/92 dated December 21, 1992, the Argentine Government granted MetroGAS an exclusive license to provide the public service of natural gas distribution in the area of the Federal Capital and southern and eastern Greater Buenos Aires, by operating the assets allocated to the Company by GdE for a 35-year period from the Takeover Date (December 28, 1992). This period can be extended for an additional 10-year period under certain conditions.

MetroGAS' controlling shareholder is Gas Argentino S.A. ("Gas Argentino") who holds 70% of the Common Stock of the Company. The 20%, which was originally owned by the National Government, was offered in public offering as described in Note 10 and the remaining 10% is under the Employee Stock Ownership Plan ("Programa de Propiedad Participada" or "PPP") (Note 13).

As further described in Note 2, Note 8 and Note 14, the conditions under which the Company develops its activity and its regulatory framework have been significantly modified.

NOTE 2 - EMERGENCY LAW - IMPACTS ON THE COMPANY'S BUSINESS

Since December 2001 the Government adopted a number of measures in order to face up to the crisis the country was undergoing, which implied a deep change in the economic model effective so far.

The most important mentioned measures were: (i) the implementation of a floating rate of exchange that resulted in a significant devaluation during the first months of 2002, (ii) the pesification of certain assets and liabilities in foreign currency deposited in the country, and (iii) the pesification of public services prices and tariffs.

As part of the mentioned measures, on January 9, 2002, was enacted Law No. 25,561 Public Emergency Law ("Emergency Law"), rule that was complemented with other Laws, decrees and regulations issued by different Government organism. This group of rules have implied for MetroGAS a substantial change in terms of the License and its relation with the National Government, modifying the program of tariff reward accorded in the Law No. 24,076 (or "Gas Act") and its complementary regulations.

The Emergency Law authorized the Government to renegotiate public utility licenses taking into account the following: (a) the impact of the tariffs on the competitiveness of the economy, (b) the quality of services and the contractually required investment programs, (c) the interest of users as well as service access conditions, (d) the safety of the systems involved, and (e) the company profitability. The evolution of tariff renegotiation with the Government is described in Note 8.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 3 - ACCOUNTING STANDARDS**

Below are the most relevant accounting standards used by the Company to prepare its financial statements, which were applied consistently with those for the same period of the previous year.

3.1. Preparation and presentation of financial statements

The financial statements are stated in Argentine pesos and were prepared in accordance with accounting disclosure and valuation standards contained in the technical pronouncements issued by the FACPCE approved by the CPCECABA and in accordance with the resolutions issued by the CNV.

The interim financial statements for the three months ended March 31, 2009 and 2008 have been subject to limited reviews. Management estimates that such interim financial statements include all the necessary adjustments to fairly present the results of each period. The results for the three months ended March 31, 2009 and 2008 do not necessarily reflect the proportion of the Company's results for the full years.

3.2. Accounting estimates

The preparation of financial statements at a given date requires that management make estimates and evaluations affecting the amount of assets and liabilities recorded and contingent assets and liabilities disclosed at the date of issue of the financial statements, as well as income and expenses recorded during the period. Management makes estimates to calculate, at a given moment, for example, the allowance for doubtful accounts, depreciation, the recoverable value of assets, the income tax charge and contingency provision. Actual future results might differ from estimates and evaluations made at the date of preparation of these financial statements.

3.3. Recognition of the effects of inflation

The financial statements have been prepared in constant currency, reflecting the overall effects of inflation through August 31, 1995. Between that date and December 31, 2001, restatement of the financial statements was discontinued due to the existence of a period of monetary stability. Between January 1, 2002 and March 1, 2003, the effects of inflation were recognized to reflect the inflation recorded during that period. As from that date, restatement of financial statements has been discontinued.

This criterion is not in accordance with prevailing professional accounting standards, under which financial statements must be restated until September 30, 2003. The effect of the mentioned professional accounting standards deviation is not significant over the financial statements as of March 31, 2009 and 2008.

The rate used for restatement of items was the IPM published by the National Institute of Statistic and Census.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 3 - ACCOUNTING STANDARDS (Contd.)**

3.4. Comparative information

Balances as of December 31 and March 31, 2008 and results for the three months ended March 31, 2008 disclosed in these financial statements for comparative purposes, arises from the financial statements as of such dates.

In accordance with professional accounting standards, the Company shows the information included in the unaudited interim balance sheet as of March 31, 2009 in comparative format with that as of December 31 and March 31, 2008, since it is engaged in seasonal activities.

3.5. Valuation criteria

a) Cash and deposits in banks

Have been recorded at its nominal value.

b) Foreign currency assets and liabilities

Foreign currency assets and liabilities were valued at period-end exchange rates.

c) Short-term investments

National Government Bonds ("BODEN") were valued at their market value at the end of the period.

Saving accounts deposits and time deposits were valued at their nominal value plus interest accrued at the end of the period.

d) Trade receivables and accounts payable

Trade receivables and accounts payable were valued at their nominal value incorporating financial results accrued through period-end, where applicable. The values thus obtained do not significantly differ from those that would have been obtained had current accounting standards been applied, which establish that they must be valued at their spot price at the time of the transaction plus interest and implicit financial components accrued at the internal rate of return determined at each moment.

Trade receivables include accrued services pending billing at period-end.

The line headed PURE corresponds to the Program for the Rational Use of Energy, comprising the recognition of incentives and additional charges for excess consumption. The balance for this item included in trade receivables corresponds to bonuses for consumption net of additional charges for excess consumption pending billing, while the amount recorded under accounts payable corresponds to additional charges for consumption, to be deposited in the Trust Fund indicated by ENARGAS.

The line headed Transportation Trust Fund within accounts payable corresponds to the collected amounts, pending of deposit.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 3 - ACCOUNTING STANDARDS (Contd.)**

Trade receivables are shown net of the allowance for doubtful accounts, which is based on management's collection estimates.

e) Financial debt

Financial debts resulting from the financial debt restructuring process, corresponding to Negotiable Obligations Series 1 and 2 were valued based on the amounts payables discounted using the market interest rate that reflects at the initial moment of the transaction the evaluation over the time value of the money and the specific risks of the debt.

Financial debts not included in the financial debt restructuring process, corresponding to Negotiable Obligations Series A and B were valued at nominal value plus financial results accrued at the end of the period. Values thus obtained do not significantly differ from those that would have been obtained had current accounting standards been applied, which establish that they must be valued at the sums received, net of transaction costs, plus financial results accrued at the internal rate of return estimated at that time.

f) Other receivables and payables

Sundry receivables and payables were valued at their nominal value incorporating financial results accrued through period-end, except for the amounts to be recovered through tariffs included in long term Other receivables which were valued on the basis of the best possible estimation of the sums to be received discounted using the rate that reflects the time value of the money and the specific risks of the receivables; and for the deferred income tax which was valued at their nominal value.

Values thus obtained incorporating financial results accrued through period-end do not significantly differ from those that would have been obtained had current accounting standards been applied, which establish that they must be valued on the basis of the best estimation possible of the sum to receive and to pay, respectively, discounted using a rate that reflects the value time of the money and the specific risks of the transaction considered at the moment of its incorporation to the assets and liabilities, respectively.

The value registered in Other receivables does not exceed its respective recoverable value.

g) Inventories

Warehouse materials were valued at their period-end replacement cost. The value thus obtained, net of the allowance for obsolescence, is less than the respective recoverable value estimated at the end of each period.

h) Non-current investments

The permanent investment in the controlled company MetroENERGÍA has been valued according to the equity method based on the financial statements as of March 31, 2009, December 31, 2008 and March 31, 2008 issued by the company.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 3 - ACCOUNTING STANDARDS (Contd.)**

The accounting standards used by MetroENERGÍA for preparing its financial statements are the same used by MetroGAS.

The value thus obtained is less than the respective recoverable value estimated at the end of the period.

i) Fixed assets

For assets received at the time of granting of the License, the global transfer value defined in the Transfer Agreement arising as an offsetting item of contributions made and transferred liabilities restated following the guidelines indicated in Note 3.3. has been considered as original value of fixed assets.

Based on special work performed by independent experts, the global original value mentioned above was appropriated among the various categories of items making up that value, assigning as useful life the remaining years of service estimated by the Company on the basis of type of item, current status, and renewal and maintenance plans.

Assets incorporated to net worth after granting of the License were valued at restated acquisition cost, following the guidelines indicated in Note 3.3., except in the case of distribution networks built by third parties (various associations and cooperatives) which, as established by ENARGAS, are valued at amounts equivalent to certain cubic meters of gas.

Fixed assets are depreciated by the straight-line method, using annual rates sufficient to extinguish their values by the end of their estimated useful lives. Depreciation was computed based on the amount of these assets adjusted for inflation following the guidelines indicated in Note 3.3..

The Company capitalizes the portion of operating costs attributable to planning, execution and control of investments in fixed assets. The amounts capitalized during the three months ended March 31, 2009 and 2008 amounted to Ps. 1,122 thousand and to Ps. 548 thousand, respectively, and to Ps. 3,399 thousand for the year ended December 31, 2008.

Gas in pipelines is valued at acquisition cost restated following the guidelines indicated in Note 3.3..

Net value of fixed assets does not exceed its economic utilization value at the end of the period.

j) Income tax

The Company recognized the income tax charge by the deferred tax liability method, recognizing temporary differences between accounting and tax assets and liabilities measurements.

Deferred tax asset is mainly generated by: i) tax loss carry forward, ii) the temporary differences of the allowance for doubtful accounts, iii) the accounting contingency provision and iv) the other non-current receivables discount.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 3 - ACCOUNTING STANDARDS (Contd.)**

Deferred tax liability is mainly generated by: i) temporary differences between the accounting valuation and the tax value of fixed assets, mainly due to different depreciation criteria and the treatment of financial results (interest and exchange differences) capitalized under those items and ii) discount of financial debt, valued at their nominal value accordingly tax purposes.

To determine deferred assets and liabilities, the tax rate in force at the date of issuance of these financial statements has been applied to the temporary differences identified and tax loss carry forwards.

The following table shows changes and breakdown of deferred tax assets and liabilities:

Deferred assets

	Estimated loss carry forward	Trade receivables	Other liabilities	Other receivables	Other	Valuation allowance	Total
Thousand of Ps.							
Balances as of December 31, 2008	23,279	15,366	21,704	8,478	1	(23,279)	45,549
Movements of the period	16,948	2,189	280	327	(202)	-	19,542
Balances as of March 31, 2009	40,227	17,555	21,984	8,805	(201)	(23,279)	65,091

Deferred liabilities

	Fixed assets	Financial debt	Other	Total
Thousands of Ps.				
Balances as of December 31, 2007	(8,944)	(21,497)	341	(30,100)
Movements of the period	199	107	159	465
Balances as of March 31, 2009	(8,745)	(21,390)	500	(29,635)

Deferred income tax assets generated by the tax loss carry forward recorded by the Company amount to Ps. 40,227 thousand at the end of the period and Ps. 23,279 thousand at the beginning of the year. That tax loss carry forward can be offset against profits for future periods, expiring in the current year Ps. 23,279 thousand and Ps. 16,948 thousand in 2014.

The realization of deferred tax assets depends on the future generation of taxable profits in those years in which temporary differences become deductible. To determine the realization of assets, the Company considers the projection of future taxable profits based on its best estimation.

Based on management's estimates, MetroGAS recorded a valuation allowance on deferred income tax assets generated by tax loss carry forward amounting to Ps. 23,279 thousand at the end of the period and at the beginning of the year.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 3 - ACCOUNTING STANDARDS (Contd.)**

Net deferred assets at the end of the period derived from the information included in the preceding tables amount to Ps. 35,456 thousand at the end of the period and Ps. 15,449 thousand at the beginning of the year.

Below is the reconciliation between income tax credit in results and the amount resulting from the application of the corresponding tax rate to the accounting profit before income tax:

	March 31,	
	2009	2008
	Thousands of Ps.	
Income tax expense over pre-tax income	(20,905)	(582)
<u>Permanent differences</u>		
Restatement into constant currency	3,428	3,358
Non deductible expenses and non-computable income	(2,530)	(5,059)
Valuation allowance on deferred income tax assets	-	(1,725)
Total income tax credit in results	<u>(20,007)</u>	<u>(4,008)</u>

Below is the reconciliation between income tax credit in results and the income tax determined for fiscal purpose:

	March 31,	
	2009	2008
	Thousands of Ps.	
Income tax determined for fiscal purpose	(16,948)	1,725
Temporary differences	(3,059)	(4,008)
Valuation allowance on deferred income tax assets	-	(1,725)
Total income tax credit in results	<u>(20,007)</u>	<u>(4,008)</u>

The Company, in accordance with the new accounting standards, has decided not to recognize the deferred tax liability caused by inflation adjustment on fixed assets to the effects of the calculation of the deferred tax. Had the deferred tax liabilities been recognized in this item, this value would amount to Ps. 274 million at end of the period and Ps. 277 million, at nominal values, at the beginning of the year. The difference of Ps. 3 million would have impacted in the result of the period.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 3 - ACCOUNTING STANDARDS (Contd.)**

k) Minimum notional income tax

The Company calculates minimum notional income tax by applying the current 1% rate on computable assets at the end of the period. This tax complements income tax. The Company's tax obligation for each year will agree with the higher of the two taxes. If in a fiscal year, however, minimum notional income tax obligation exceeds income tax liability, the surplus will be computable as a down payment of income tax through the next ten years.

The Company has recognized minimum notional income tax accrued during the period and paid in previous years as a credit, since it estimates that it could be claimed as payment on account of income tax in future years. That credit is shown under Other non-current receivables and expires between the years 2012 and 2019.

l) Severance pay

Severance payments made to employees are expensed as incurred.

m) Balances with related parties

Balances with related parties mainly generated by commercial operations and sundry services were valued based on conditions agreed between the parties.

n) Contingency provision

Set up to cover labor or commercial contingencies and sundry risks that could give rise to liabilities to the Company. In estimating the amounts and probability of occurrence the opinion of the Company's legal counsel has been taken into account.

Insurance coverage taken out by the Company has also been considered. At the date of issuance of these financial statements, management considers that there are no elements to determine other contingencies that could have a negative impact on the financial statements.

o) Shareholders' equity accounts

Movements in shareholders' equity accounts were restated following the guidelines detailed in Note 3.3..

The "Common Stock" account has been stated at historical nominal value. The difference between the amount stated in uniform currency and historical nominal value was shown in the "Adjustment to Common Stock" account making up the shareholders' equity.

p) Revenue recognition

The Company recognizes sales revenue based on gas deliveries to customers, including estimated gas volumes delivered pending billing at the end of each period.

Volumes delivered were determined based on gas volumes purchased and other data.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 3 - ACCOUNTING STANDARDS (Contd.)**

q) Statements of income accounts

Statements of income accounts are shown at nominal value, except depreciation of fixed assets that are restated following the guidelines indicated in Note 3.3..

3.6. Basic and diluted (loss) income per share

Basic and diluted (loss) income per share is calculated based on weighted average shares at March 31, 2009 and 2008, respectively, amounting to 569,171,208. As the Company does not hold preferred shares or debt convertible into shares, both indicators are equivalent.

3.7. Information by segment

The Company mainly operates in providing gas distribution services and, through MetroENERGÍA, in buying and selling natural gas and/or its transportation on its own, on behalf of or associated to third parties.

Details regarding certain information classified by segment of business, in accordance with the guidelines of Technical Resolution No. 18 of the FACPCE are disclosed in Note 2.7 to the consolidated financial statement.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 4 - ANALYSIS OF THE MAIN ACCOUNTS OF THE FINANCIAL STATEMENTS**

Details regarding the significant amounts included in the accompanying financial statements are as follows:

	March 31, 2009	December 31, 2008	March 31, 2008
	Thousands of Ps.		
Assets			
Current assets			
a) Cash and deposits in banks			
Cash	773	256	434
Banks	8,295	46,549	21,593
Collections to be deposited	5,279	1,489	1,718
	<u>14,347</u>	<u>48,294</u>	<u>23,745</u>
b) Investments (Exhibit D)			
Saving account deposits	37	34	25
Government securities	14	16	27
Time deposits	25,230	-	32,123
	<u>25,281</u>	<u>50</u>	<u>32,175</u>
c) Trade receivables, net			
Trade accounts receivable	145,411	125,850	105,948
Unbilled revenues	8,096	22,260	4,942
Tax on banking transactions to be recovered	4,006	4,528	4,775
Related companies (Note 6)	890	1,320	189
PURE	(8,475)	(10,640)	(7,282)
Allowance for doubtful accounts (Exhibit E)	(13,424)	(12,992)	(19,547)
	<u>136,504</u>	<u>130,326</u>	<u>89,025</u>
d) Other receivables			
Other advances	10,190	7,503	4,743
Insurance and other prepaid expenses	2,142	1,932	2,181
Other receivables	646	590	667
Related companies (Note 6)	642	609	2,456
Legal guarantee deposits	11	76	1,315
	<u>13,631</u>	<u>10,710</u>	<u>11,362</u>
e) Inventories, net			
Warehouse materials	5,776	5,476	5,207
Allowance for inventory obsolescence (Exhibit E)	(1,707)	(1,710)	(1,637)
	<u>4,069</u>	<u>3,766</u>	<u>3,570</u>
Non-current assets			
f) Other receivables			
Deferred tax assets			
Deferred income tax assets (Note 3.5 j))	35,456	15,449	10,158
Receivables for minimum notional income tax (Note 3.5.k))	78,265	75,594	67,665
	<u>113,721</u>	<u>91,043</u>	<u>77,823</u>
Study, revision and inspection of works in public space levy to be recovered GCABA (Note 15.3.1)	43,932	42,432	37,284
Occupancy of public space levy to be recovered (Note 15.3.2)	67,899	65,844	59,138
Sundry	397	519	1,158
Others (Fair Value Discount)	(10,250)	(9,157)	(11,164)
	<u>215,699</u>	<u>190,681</u>	<u>164,239</u>

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 4 - ANALYSIS OF THE MAIN ACCOUNTS OF THE FINANCIAL
STATEMENTS (Contd.)**

	March 31, 2009	December 31, 2008	March 31, 2008
	Thousands of Ps.		
Liabilities			
Current liabilities			
g) Accounts payable			
Gas and transportation	24,990	24,903	28,817
Other purchases and services	49,183	47,671	32,771
Related companies (Note 6)	17,177	23,881	21,094
PURE	4,558	5,923	12,780
Transportation Trust Fund	22,181	27,087	-
	<u>118,089</u>	<u>129,465</u>	<u>95,462</u>
h) Financial debt (Note 9)			
Negotiable obligations (face value) (Exhibit G)	1,493	1,452	4,426
	18,000	750	16,377
Interest and other expenses payable to foreign financial institutions (Exhibit G)	<u>19,493</u>	<u>2,202</u>	<u>20,803</u>
i) Taxes payable			
Value added tax	9,533	4,495	6,062
Occupancy of public space levy	7,523	7,055	6,733
GCABA study, revision and inspection of works in public space levy	8,490	7,061	4,625
CNG tax	5,611	4,452	4,348
Income tax	3,636	4,707	4,189
Gross receipts tax	1,203	2,373	2,522
Other taxes	6,101	2,375	4,895
	<u>42,097</u>	<u>32,518</u>	<u>33,374</u>
Non-current liabilities			
j) Financial debt (Note 9)			
Negotiable obligations (face value) (Exhibit G)	936,075	874,543	818,358
Negotiable obligations (fair value discount)	(61,113)	(61,418)	(72,226)
	<u>874,962</u>	<u>813,125</u>	<u>746,132</u>
Statements of income			
k) Sales			
Gas sales	86,973		76,098
Transportation and distribution services	57,080		54,176
Other sales	8,488		12,171
Processed natural gas sales	12,922		11,119
	<u>165,463</u>		<u>153,564</u>

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 5 - DUE DATES OF INVESTMENTS, RECEIVABLES AND PAYABLES**

The due dates of investments, receivables and payables are as follows:

	<u>March 31,</u> <u>2009</u>	<u>December 31,</u> <u>2008</u>	<u>March 31,</u> <u>2008</u>
	<u>Thousands of Ps.</u>		
5.1. Investments			
- Becoming due			
under 3 months	25,281	50	32,175
- Without due date	22,011	15,090	20,222
Total	<u>47,292</u>	<u>15,140</u>	<u>52,397</u>
5.2. Receivables			
- Past due			
under 3 months	43,922	52,919	44,424
from 3 to 6 months	1,173	497	3,744
from 6 to 9 months	6,202	5,073	2,261
from 9 to 12 months	437	725	543
from 1 to 2 years	4,694	6,056	5,793
more than 2 years	8,557	7,084	14,088
Sub-total	<u>64,985</u>	<u>72,354</u>	<u>70,853</u>
- Without due date	<u>583</u>	<u>630</u>	<u>1,804</u>
- Becoming due			
under 3 months	92,885	74,221	40,552
from 3 to 6 months	2,300	3,382	2,675
from 6 to 9 months	1,595	2,008	2,127
from 9 to 12 months	1,211	1,433	1,923
from 1 to 2 years	81,626	79,775	18,189
more than 2 years	134,073	110,906	146,050
Sub-total	<u>313,690</u>	<u>271,725</u>	<u>211,516</u>
Allowance for doubtful accounts	<u>(13,424)</u>	<u>(12,992)</u>	<u>(19,547)</u>
Total	<u>365,834</u>	<u>331,717</u>	<u>264,626</u>

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 5 - DUE DATES OF INVESTMENTS, RECEIVABLES AND PAYABLES
(Contd.)**

	<u>March 31,</u> <u>2009</u>	<u>December 31,</u> <u>2008</u>	<u>March 31,</u> <u>2008</u>
	Thousands of Ps.		
5.3. Payables			
- Past due			
under 3 months	2,497	2,391	3,408
from 3 to 6 months	39	48	1,760
from 6 to 9 months	2	555	2,044
from 9 to 12 months	557	605	645
from 1 to 2 years	597	2,172	1
more than 2 years	<u>6,765</u>	<u>3,272</u>	<u>9,563</u>
Sub-total	<u>10,457</u>	<u>9,043</u>	<u>17,421</u>
- Without due date	<u>5,617</u>	<u>5,454</u>	<u>4,389</u>
- Becoming due			
under 3 months	156,746	153,083	117,357
from 3 to 6 months	10,600	6,063	11,614
from 6 to 9 months	11,064	10,600	9,312
from 9 to 12 months	5,923	4,452	5,458
from 1 to 2 years	48,943	28,841	21,421
more than 2 years	<u>843,319</u>	<u>804,296</u>	<u>760,095</u>
Sub-total	<u>1,076,595</u>	<u>1,007,335</u>	<u>925,257</u>
Total	<u><u>1,092,669</u></u>	<u><u>1,021,832</u></u>	<u><u>947,067</u></u>

Investments bearing interest according to the following detail: 1) "BODEN" at an annual rate of 4.00% as of March 31, 2009, December 31, 2008 and March 31, 2008 2) time deposits at an annual average rate in pesos of 11.50% and in dollars of 0.55% as of March 31, 2009 and an annual average rate in pesos of 8.50% as of March 31, 2008.

Pursuant legislation in force, in the case of invoices for services not paid when due, the Company is entitled to collect interest on overdue amounts from the due date through the date of payment. As these are overdue receivables, and following standards of prudence, the Company recognizes this income at the time of actual collection.

Payables do not accrue interest, except for the Financial debt (Note 9) and Taxes payable in relation to the Occupancy of public space levy and Study, revision and inspection of works in public spaces levy payment facilitation plans (Note 15.3).

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 6 - TRANSACTIONS AND BALANCES WITH RELATED COMPANIES**

Gas Argentino S.A. (“Gas Argentino”), as owner of 70% of the Company’s Common Stock, is the controlling shareholder of MetroGAS.

MetroGAS carries out certain transactions with the shareholders of Gas Argentino or their affiliates. As of March 31, 2009, the shareholders of Gas Argentino are BG Inversiones Argentinas S.A. (“BG”) (54.67%) and YPF Inversora Energética S.A. (“YPF”) (45.33%).

MetroGAS holds 95% of the Common Stock of MetroENERGÍA and is therefore the controlling shareholder. The remaining shareholders are BG Argentina S.A. and YPF Inversora Energética S.A., holding 2.73% and 2.27% of MetroENERGÍA Common Stock respectively. MetroGAS renders certain services to MetroENERGÍA.

These financial statements include the following transactions and balances with related companies:

- Gas supply, sales and services contracts with companies directly and indirectly related to YPF.
- Management fees accrued pursuant to the Technical Assistance Agreement with BG International Limited.
- Fees accrued under the terms of a Personnel Supply Agreement with BG Argentina S.A..
- Rendering of services and gas and transportation sales to MetroENERGÍA.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 6 - TRANSACTIONS AND BALANCES WITH RELATED COMPANIES (Contd.)**

Significant transactions with related companies are as follows:

	March 31,								
	2009				2008				
	Gas & transportation sales	Other income net	Gas purchases	Fees for professional services	Gas & transportation sales	Other income net	Gas purchases	Technical operator's fees	Fees for professional services
	Thousands of Ps.								
Controlling company									
Gas Argentino	-	-	-	-	-	-	-	-	-
Controlled company:									
MetroENERGÍA	335	1,252	-	-	105	581	-	-	-
Other related parties:									
BG Argentina S.A.	-	-	-	1,024	-	-	-	-	849
BG International Limited	-	-	-	-	-	-	-	2,159	-
YPF S.A.	4	-	10,913	-	2	-	8,447	-	-
Operadora de Estaciones de Servicios S.A.	591	-	-	-	322	-	-	-	-
Astra Evangelista S.A.	8	-	-	-	3	-	-	-	-
Board of directors and management:	-	-	-	-	-	-	-	-	-
	938	1,252	10,913	1,024	432	581	8,447	2,159	849

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 6 - TRANSACTIONS AND BALANCES WITH RELATED COMPANIES (Contd.)**

The outstanding balances as of March 31, 2009, December 31, 2008 and March 31, 2008 from transactions with related companies are as follows:

	March 31,			December 31,			March 31,				
	2009			2008			2008				
	Thousands of Ps.										
	Trade receivables	Other receivables	Accounts payable	Trade receivables	Other receivables	Accounts payable	Trade receivables	Other receivables	Accounts payable		Others payable
	Current	Current	Current	Current	Current	Current	Current	Current	Current	Non- current	Current
Controlling company:											
Gas Argentino	-	-	-	-	-	-	-	-	-	-	-
Controlled company:											
MetroENERGÍA	236	639	-	736	606	-	105	2,456	-	-	1
Other related parties:											
BG Argentina S.A.	-	3	552	-	3	180	-	3	489	-	-
BG International Limited	-	-	12,153	-	-	14,483	-	5	14,964	7,602	-
Operadora de Estaciones de Servicios S.A.	654	-	-	581	-	-	81	-	-	-	-
YPF S.A.	-	-	4,472	3	-	8,795	-	-	5,641	-	-
Astra Evangelista S.A.	-	-	-	-	-	423	3	(8)	-	-	-
Board of directors and management:	-	-	-	-	-	-	-	-	-	-	-
	890	642	17,177	1,320	609	23,881	189	2,456	21,094	7,602	1

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 7 - RESTRICTED ASSETS**

A substantial portion of the assets transferred to MetroGAS by GdE has been defined in the License as “Essential Assets” for the performance of licensed service. The Company is obliged to segregate and maintain them, together with any future improvements, in accordance with certain standards defined in the License.

The Company must not, for any reason, dispose of, encumber, lease, sublease or loan Essential Assets for purposes other than providing licensed service without prior authorization from the ENARGAS. Any extensions and improvements that the Company may make to the gas distribution system after the Takeover Date may only be encumbered to collateralize loans maturing after a year of one year and used to finance new extensions of and improvements to the distribution network.

Upon expiration of the License, the Company will be obliged to transfer to the Government, or its designee, the Essential Assets listed in the updated inventory as of the expiration date, free of any debt, encumbrance or attachment.

As a general rule, upon expiration of the License, the Company will be entitled to collect the lesser of the following two amounts:

- a) The value of the Company’s property, plant and equipment determined on the basis of the price paid by Gas Argentino, and the original cost of subsequent investments carried in US Dollars and adjusted by the Producer Price Index (“PPI”), net of the accumulated depreciation.
- b) The proceeds of a new competitive bidding, net of costs and taxes paid by the successful bidder (Note 8.1.).

NOTE 8 - REGULATORY FRAMEWORK

The natural gas distribution system is regulated by the Gas Act, which, together with Executive Order No. 1,738/92, other regulatory decrees, the specific bidding rules (“Pliego”), the Transfer Agreement and the License establishes the Regulatory Framework for the Company’s business.

The License, the Transfer Agreement and regulations promulgated pursuant to the Gas Act contain requirements regarding quality of service, capital expenditures, restrictions on transfer and encumbrance of assets, restrictions on cross ownership among gas production, transportation and distribution companies and restrictions on transfers of Common Stock of MetroGAS.

The Gas Act and the License establish ENARGAS as the regulatory entity to administer and enforce the Gas Act and applicable regulations. ENARGAS’ jurisdiction extends to transportation, marketing, storage and distribution of natural gas. Its mandate, as stated in the Gas Act, includes the protection of consumers, the fostering of competition in the supply of and demand for gas, and the encouragement of long-term investment in the gas industry.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 8 - REGULATORY FRAMEWORK (Contd.)**

Tariffs for gas distribution services were established in the License and are regulated by the ENARGAS.

8.1. Distribution License

Upon expiration of the original 35-year term, MetroGAS may apply to ENARGAS for a renewal of the License for an additional ten-year term. ENARGAS is required at that time to evaluate the Company's performance and make a recommendation to the Government. MetroGAS would be entitled to such ten-year extension of its License unless ENARGAS can prove that MetroGAS is not in substantial compliance with all its obligations stated in the Gas Act and its regulations and in the License.

At the end of the 35-year or 45-year term, as the case may be, the Gas Act requires that a new competitive bidding be held for the License, in which MetroGAS would have the option, if it has complied with its obligations, to match the best bid offered to the Government by any third party.

As a general rule, upon termination of the License, MetroGAS will be entitled to receive the lower of the value of specified assets of MetroGAS or the proceeds paid by the successful bidder in a new competitive bidding process (Note 7).

MetroGAS has various obligations under the Gas Act, including the obligation to comply with all reasonable requests for service within its service area. A request for service is not considered reasonable if it would be uneconomic for a distribution company to undertake the requested extension of service. MetroGAS also has the obligation to operate and maintain its facilities in a safe manner. Such obligation may require certain investments for the replacement or improvement of facilities as set forth in the License.

The License details further obligations of MetroGAS, which include the obligation to provide distribution service, to maintain continuous service, to operate the system in a prudent manner, to maintain the distribution network, to carry out mandatory investment program, to keep certain accounting records and to provide periodic reports to ENARGAS.

The License may be revoked by the Argentine Government upon the recommendation of ENARGAS under the following circumstances:

- Serious and repeated failure by the Company to meet its obligations.
- Total or partial interruption of not interruptible service for reasons attributable to the Company of duration in excess of the periods stipulated in the License within a calendar year.
- Sale, assignment or transfer of the Company's essential assets or encumbrances thereon without ENARGAS' prior authorization, unless such encumbrances serve to finance extensions and improvements to the gas pipeline system.
- Bankruptcy, dissolution or liquidation of the Company.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 8 - REGULATORY FRAMEWORK (Contd.)**

- Ceasing and abandoning the provision of the licensed service, attempting to assign or unilaterally transfer the License in full or in part (without ENARGAS' prior authorization) or giving up the License, other than as permitted therein.
- Transfer of the technical assistance agreement mentioned above or delegation of the functions granted in that agreement without ENARGAS' prior authorization.

The License stipulates that the Company cannot assume the debts of Gas Argentino or grant loans to encumber assets, to secure debt of, or grant any other benefit to creditors of, Gas Argentino.

8.2. US PPI semi-annual adjustment

ENARGAS through Resolution No. 1,477 adjusted MetroGAS' tariffs as from January 1, 2000 without including adjustments to reflect changes in the US PPI, which would have resulted in a 3.78% increase in the transportation and distribution components of the tariffs as of that date. This was due to the fact that in negotiations with ENARGAS and the Government, the distribution and transportation companies agreed to defer the collection of the amounts related to the US PPI adjustment corresponding to the year 2000. Moreover, ENARGAS established, through the same resolution, the methodology to recover the accrued revenues corresponding to the application of the US PPI adjustment to the first semester of 2000 during the ten months beginning July 1, 2000.

On July 17, 2000, the gas distribution and transportation companies, ENARGAS and the Government agreed to pass through to the tariffs, as from July 1, 2000: a) the US PPI adjustment deferred for the first six months of 2000; and b) an increase in the tariffs to reflect the US PPI increase (3.78%). Additionally, they agreed to defer the billing of the amounts related to the US PPI adjustments corresponding to the period from July 1, 2000 through September 30, 2002. The deferred amounts were guaranteed by the Government and therefore the corresponding accrued revenues would be recovered through the tariffs as from July 1, 2002 to June 30, 2004.

On August 4, 2000, Executive Order No. 669 was issued by the Government, confirming the terms of this agreement.

With reference to proceedings brought by the Ombudsman, on August 29, 2000 MetroGAS was notified of a court order, suspending Decree No. 669, referring mainly to the unconstitutionality of the tariff adjustment according to a mechanism of indexation based on a foreign index within the applicability of the Convertibility Law. Accordingly, ENARGAS informed the Company that the tariffs should be reduced to exclude the US PPI adjustment. MetroGAS, as well as most gas distribution and transportation companies, appealed this ruling and the corresponding ENARGAS resolution.

Additionally, ENARGAS and the Government also appealed the court order. On October 5, 2001 the Chamber of Appeals rejected this appeal. The Government and several gas companies have appealed the decision before the Supreme Court of Justice of Argentina. It is not possible to predict when the Court will rule on this matter. The resolution of the main issue of the debate is still pending. Notice has been served upon the various licensees to participate in that matter.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 8 - REGULATORY FRAMEWORK (Contd.)**

As a result of the measures adopted, mentioned in Note 2, the National Government issued the Emergency Law, which, among other provisions, and specifically as regards contracts for public works and services, made clauses providing for adjustments in dollars or other foreign currency ineffective, as well as indexation clauses based on the price indexes of other countries and any other indexation mechanisms, in addition to fixing a one peso to one dollar rate for tariffs and ordering renegotiations of utility contracts, passing US PPI on to tariffs, as rightfully claimed by the Company, becomes impracticable. Both a transfer to the tariffs of the US PPI as well as the possibility of recovery through the National Government, which endorsed the related credits, are contingent on future events that are beyond the Company's control.

In view of the above mentioned scenario, the net effect of income accrued during 2001 and 2000 in connection with the deferral of US PPI adjustments has been reversed in the financial statements as of December 31, 2001 in the "Extraordinary Loss" item.

The reversal should not be understood as a waiver of rights arising out of the Regulatory Framework that governs the Company's activities or as an abandonment of any of the actions filed by the Company so far.

On February 1, 2002, ENARGAS, according to the Emergency Law, approved tariffs without including the US PPI adjustment. Consequently, MetroGAS has filed an administrative action, claiming the PPI adjustment for the years 2000 and 2001, which resolution as of the date of issuance of these financial statements is pending.

8.3. Tariff renegotiation

On February 12, 2002, the Government issued Executive Order No. 293, which entrusted the Economy Ministry ("EM") with the renegotiation of public utility licenses and created a Committee for the Renegotiation of Contracts for Public Works and Services ("CRC").

On July 3, 2003, by means of Executive Order No. 311/03, the "Unit for the Renegotiation and Analysis of Utility Contracts" ("UNIREN") was created, aiming at giving advice during the renegotiation process of public works and services contracts and developing a regulatory framework common to all public services. The UNIREN continues the renegotiation process developed by the previous CRC.

During 2002 and 2003, although MetroGAS strictly complied with the submittance of all information required, although the very reports made by the CRC and the UNIREN stated that the gas sector posed no difficulties as to the execution of license contracts and the compliance of conditions and obligations committed, and although licensees, among them MetroGAS, complied with the necessary conditions to continue with the process of renegotiation, it was not possible to go beyond Phase II (submittance of information) of such process.

A temporary tariff increase established by the PEN through Executive Orders No. 2,437/02 and No. 146/03 was not even implemented due to different legal proceedings.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 8 - REGULATORY FRAMEWORK (Contd.)**

Although there was an exchange of proposals between the parties and the National Government the process is still delayed and from 2004 to 2007 it was not possible to achieve an agreement.

The Emergency Law, which was originally to be due in December 2003, was extended consecutively by the approval of different laws, up to December 31, 2009. As a consequence, the renegotiation terms for licenses and concessions of utility services were also extended.

In order to achieve an agreement, several draft proposals were exchanged with the UNIREN during 2008, but unfortunately, as of the date of issuance of this financial statements, there was no consensus to achieve an agreement that may satisfy both the interests of the National Government and the ones of the Company and its shareholders.

However, in the framework of the license renegotiation process, on September 2008, the UNIREN sent an alternative proposal to MetroGAS which involves the celebration of a Temporary Agreement, which establishes a Transitional Tariff Regime as from September 1°, 2008, with a readequacy of prices and tariffs including price variation of gas, transportation and distribution services. The resulting increase in distribution tariffs must be deposited by MetroGAS in a specific trust fund created to carry out infrastructure works in the licensee area.

The Temporary Agreement establishes general guidelines for final tariff increases on average invoices, including adjustments of gas prices at well head and adjustments of transportation and distribution services, and it is complemented with ENARGAS Resolution No. I/409, which sets up a segmentation of residential customers according to their annual consumption, and Resolution No. 1,070/08 from the ES, which includes the Complementary Agreement signed with gas producers through which gas prices at well head are established as from September 2008 until December 2009 for each customer category according their annual consumption.

The Temporary Agreement stipulates that residential customers with consumption up to 800 CM/year will have no increase in tariffs (62% of the customers and 25% of volumes of MetroGAS' residential customers). Tariff increases will be applied to charges per unit of consumption and reserve capacity charge but will not be applied neither to fixed charges nor minimum charges. The increase will be higher for higher level of consumption, and daily differences accumulated for gas purchases of previous periods will be eliminated. Likewise, the rates and charges that the Company is authorized to charge are adjusted by 25 % .

On April 14, 2009 Decree No. 234/2009 was published in the Official Bulletin, which confirms the Temporary Agreement. As of the date of issuance of these financial statements, the ENARGAS has not yet issued the Resolution containing tariff charts with increases in transportation and distribution services. As a consequence, the Company has not registered the effects of the mentioned Temporary Agreement and is looking forward to the issuance of the respective ENARGAS Resolution.

It is important to point out that tariffs for distribution services have not been increased since 1999, which has caused unbalances between MetroGAS' income and expenses. If the issuance of the tariff charts continues delayed, the economic and financial condition of the Company will continue to deteriorate.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 8 - REGULATORY FRAMEWORK (Contd.)**

8.4. Changes in Regulation

8.4.1 Unbundling of natural gas

In mid-February 2004 the Executive Power issued two Executive Orders which provisions have influence on the Company's operating activities and its economic and financial performance. Executive Order No. 180/04 established an investment scheme for basic gas infrastructure works and created an Electronic Gas Market ("EGM") to coordinate transactions associated to gas purchase at the Spot market and to secondary gas transportation and distribution markets. Executive Order No. 181/04 enabled the energy authorities to enter into agreements with gas producers to determine an adjustment in the price of gas purchased by gas distributors and the implementation of applicable mechanisms to users who purchase their own gas directly as distributors would no longer be able to supply them. Furthermore, the Order divided "residential" customers in three categories according to consumption.

Later on a set of resolutions and provisions was issued to regulate the above mentioned executive orders. The main provisions refer to: i) suspension of the exportation of surpluses of natural gas useful for internal supply, ii) development of a Rationalization Program for the Exportation of Natural Gas and Use of Transportation Capacity, iii) ratification of the Agreement for the Implementation of the Schedule for the Normalization of Gas Prices at Points of Entry into the Transportation System, through which the Company has restructured all of its natural gas purchase contracts, iv) prizes for reduced consumption below defined thresholds and the application of additional charges to certain customers that exceed them, established by the Program for the Rational Use of Energy ("PURE"), suspended from September to April of each year, v) creation and constitution of a Trust System through a Trust Fund, vi) approval of a useful cut-off mechanism to ensure supply to non interruptible customers and vii) approval of the Implementation Agreement of the Electronic Gas Market between the Buenos Aires Stock Exchange and the Energy Secretariat through which EGM started functioning.

Dated on December 22, 2005, the Energy Secretariat ("ES") passed Resolution No. 2,020/05. Such resolution established a schedule to start purchasing natural gas in a direct way for General Service "P" customers and CNG stations. This process was called "gas unbundling".

The schedule stipulated that: a) users with annual equal or over 30,000m³/month and up to 150,000m³/month had to purchase gas in a direct way as from January 1, 2006, b) users with annual consumptions equal or over 15,000m³/month and under 30,000m³/month had to purchase gas in a direct way as from March 1, 2006, c) users with annual consumptions over 9,000m³/month and under 15,000m³/month do not have a specified date yet for the purchase of gas in a direct way and d) as regards CNG stations, they had to purchase gas in a direct way as from March 1, 2006 (extended until April 1, 2006 through Resolution No. 275/06).

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 8 - REGULATORY FRAMEWORK (Contd.)**

Moreover, such Resolution excluded non-profit civil associations, labor unions, trade associations or mutual benefit associations, health institutions and private or public educational institutions from the spectrum of customers that as from the stated dates have to acquire natural gas directly from producers and/or marketers.

Additionally, Resolution No. 2,020/05 established a set of restrictions for representing CNG stations in the purchase of natural gas, in order to limit possible vertical associations among people from the gas industry and stipulated a Mechanism for Assigning Natural Gas to CNG stations, through which, CNG stations get natural gas by means of an offer and demand system within the EGM.

In this context, the process of conforming MetroENERGÍA as a natural gas trading company was finished during 2005, in order to keep the biggest number of customers as possible and count on a proper tool in accordance with the new scenario where the Company has to perform.

Dated February 28, 2006, the Energy Secretariat issued Resolution No. 275/06, which modifies Resolution No. 2,020/05. These modifications are related to: (i) the extension, up to April 1, 2006, for CNG stations to purchase gas in a direct way, (ii) the limitation, up to April 30, 2007, of the effective date of CNG bargain and sale contracts to be signed as from April 1, 2006, (iii) the obligation, of the gas distributing service companies to represent CNG stations regarding their natural gas purchases, just for the first time that realize the procedure established for CNG purchase in the EGM. This obligation applicable to gas distribution companies was extended to any purchase made under such procedure.

On March 14, 2006 the National Government signed an agreement with natural gas producers and CNG stations to freeze prices for CNG was in force until December 31, 2007.

The procedures established for CNG to acquire natural gas directly from gas producers, with the volumes of gas established by the EGM, are carried out periodically. The most recent was celebrated in April 2009.

On September 22, 2006 Energy Secretariat issued Resolution No. 1,329/06, by which the following aspects of the industry were regulated: (i) specifies the different concepts that conform natural gas global volumes that producers commit to inject into the transportation system, (ii) sets a priority regime regarding nominations and natural gas nominations' confirmation to be complied with by producers and transportation companies, contemplating a penalty for non-fulfillment of their duties, (iii) categorizes as uninterruptible the "initial minimum reserve" of CNG stations operating in February 2004, (iv) incorporates a mechanism through which natural gas distribution companies will have to register unbalanced volumes resulting from the consumption of CNG stations that are below the distribution companies' nominations; being those unbalanced volumes then invoiced by the corresponding producers to the distribution companies at CNG price, or else compensated between them in the sphere of bargain and sale agreements that they may have in force, and (v) enables natural gas distribution companies to use specific natural gas volumes included in natural gas bargain and sale agreements that users enter into in a direct way with producers, under certain conditions.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 8 - REGULATORY FRAMEWORK (Contd.)****8.4.2 Complementary Agreement with Natural Gas Producers**

Resolution No. 1,070/2008 by the ES was published on October 1st, 2008 approving the “Complementary Agreement with Natural Gas Producers” subscribed on September 19, 2008 aimed at restructuring gas prices at well head, segmenting natural gas residential demand, and establishing natural gas producers’ contribution to the Trust Fund created by Law No. 26,020 to finance the sale of LPG cylinders for residential use at differential prices.

In accordance with the Complementary Agreement approved by the ES Resolution No. 1,070/2008 , the ENARGAS Resolution No. I/409/2008, published on September 19, 2008, established the segmentation of the category of residential customers “R” in 8 subcategories according to their consumption levels and based on such segmentation an increase on the value of natural gas at the point of entry into the transportation system was stipulated ; such increase did not apply to the first three residential subcategories and sub-distributors.

As in virtue of the Complementary Agreement approved by ES Resolution No. 1,070/2008 increases on the price of natural gas had to be fairly allocated on the different components of the users final tariff so as to guarantee that the distributors’ equation is kept unaltered after this raise, the ENARGAS made the necessary tariff adjustments, issuing as regards the Company the ENARGAS Resolution No. I/446/2008 by means of which it approved a new tariff scheme reflecting the mentioned increases in force as from September 1, 2008 (as from October 1 , 2008 for NCG increases) without considering in this tariff scheme the readjustment of the distribution tariff.

Afterwards, on December 23, 2008, ES Resolution No. 1,417/2008 was Published by means of which and based on the Complementary Agreement approved by ES Resolution No. 1,070/2008 , the ES fixed new natural gas prices at the point of entry into the transportation system. As a result of this the ENARGAS issued Resolution No. I/566/2008, published on the same day approving the new tariff scheme to be applied reflecting those new increased prices for natural gas.

8.4.3 Total Energy Plans and Gas Plus

The National Government implemented the Total Energy Plan in 2007 and kept it in force during 2008; the said plan aimed at guaranteeing the supply of energetic resources, of both liquid and gas fuels, and at encouraging the replacement of natural gas and/or electrical energy consumption for the use of alternative fuels. As a matter of fact, Resolution No. 459/2007 by the MPFIPyS (Ministry of Federal Planning , Public Investment and Services) created the above mentioned Total Energy Plan, then ruled , enlarged and extended while in force by Provision No. 74/2007 from the Secretariat of Interior Commerce (“SCI”), Resolution No. 54/2007 from the Secretariat of Coordination and Management Control (SSCCG), Resolution MPFIPyS No. 121/2008, SSCCG Provision No. 30/2008 and Provision SSCCG No. 287/2008. The Total Energy Plan includes a propane-air provision plan under the responsibility of ENARSA , who shall be in charge or shall get third parties to be in charge of designing, constructing, receiving, transporting, operating, maintaining and administering a system to deliver propane-air to be injected into the medium pressure natural gas distribution network in the Province of Buenos Aires . In connection to this last matter, ENARGAS Resolution No. I/259/2008 was published on May 14 , 2008 by means of which new specifications were set for natural gas as regards

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 8 - REGULATORY FRAMEWORK (Contd.)**

transportation and distribution systems, annulling ENARGAS Resolution No. 622/1998 which previously ruled that matter.

Through ES Resolution No. 24/2008, modified by Resolution ES No. 1,031/2008, the government launched in 2008 a program called “Gas Plus” to encourage production of natural gas in virtue of which every new gas volume produced under the said program shall not be considered part of the volumes included in the 2007-2011 Agreement nor it shall be under its price conditions, however, it can not be exported and its price has to cover associated costs and generate a reasonable profitability .

8.4.4 Trust Funds

Regarding the so called “specific charges” for financing extension works of the natural gas transportation system that natural gas distribution companies charge their industrial customers and thermoelectric generators (and CNG stations , only in the case of trust charges I) on behalf and order of Nación Fideicomisos S.A, according to the provisions that created and ruled them (among others, Law No. 26,095, PEN Executive Order No. 180/2004 and No. 1,216/2006, MPFIPyS Resolutions No.185/2004, No. 2008/2006 and No. 409/2007, No. 161/2008, ENARGAS Resolution No. 3,689/2007 and ENARGAS Notes No. 6,398 /2007, No. 4,381/2007, No. 808/2007, No. 1,989/2005 and No. 3,937/2005), there are cases in which MetroGAS’ customers who, being compelled to pay such charges have resorted to justice in order to determine such charge as unconstitutional and ask for a non-innovative precautionary measure until reaching a solution. In some cases, justice has effectively granted the requested precautionary measures, compelling MetroGAS not to invoice or collect such charges. MetroGAS has been complying with this measure up to this date. In other cases, the said precautionary measures were judicially revoked at subsequent proceedings and as of the date of these financial statements MetroGAS is waiting for instructions from Nación Fideicomisos S.A. concerning the way to collect outstanding debts from industries compelled to pay the specific charges at issue for unpaid capital and accrued interests during the period when those precautionary measures were in force.

Moreover, Executive Order No. 2,067/2008, Published on December 3, 2008, established the creation of a Fund Trust to take care of natural gas imports and every necessary measure to complete the natural gas injection required to meet all national needs, while MPFIPyS Resolution No. 1,451/2008 published on December 23, 2008, ruled the activities of the said Trust Fund stating the creation of the corresponding trust system, and ENARGAS Resolution No. I/563/2008, also published on December 23, 2008, stipulated the implementation , as from November 1, 2008, of the corresponding tariff charges for financing the trust fund at issue being those charges payable by residential customers with annual consumptions over 1,000 m3.

8.4.5 Consumers Protection and Defense Law

Law No. 26,361 was published on April 7, 2008; it modified the Consumers Protection and Defense Law and generated a number of changes that impacted on the Company’s daily operations. In fact, this law, once supplementary of the specific legislation applicable to this matter, as a result of this modification was integrated to the whole normative framework, besides setting, the principle of “application of the most beneficial legislation for the user or

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008**

consumer”. As a result there was (i) decentralization of the jurisdiction delegating to municipalities the application of the regulation and the examination of all local procedures
NOTE 8 - REGULATORY FRAMEWORK (Contd.)

started as a consequence of the claims received for alleged infringement of the law, (ii) expansion of the concept of consumer including those who do not take part in the consumption chain but use the service (as an end user) as a consequence of that, (iii) the stipulation of an obligation to accept the service supply cut through the same way in which the supply was requested, (iv) stating the definition of “direct damage”, by means of which the enforcement authority can determine the existence of a detriment or damage of the consumer’s right, being the consumer subject to pecuniary compensation (the limit amount for such compensation for damages is equivalent to 5 basic family shopping baskets published by the National Institute of Statistics and Census), (v) the creation of the “punitive damage” institute by which, in case the service supply company does not fulfill its duties , there could be a civil fine in favor of the damaged parties depending on the seriousness of the matter and other circumstances of the case, and , finally, (vi) a modification of the interest rate applicable for estimating the delay in payment as it was decided to compulsory apply the passive rate instead of the active one as it was previously done.

8.4.6 Municipal Rates

During 2008 some municipalities from the Province of Buenos Aires continued with their claims in order to collect municipal levies for various concepts, verifying in many situations the inexistence of specific services and/or excessive heavy charges. The regulatory framework in force and duly applicable to the distribution of natural gas contemplates the reallocation on tariffs of all new taxes or levies or rate increases, as well as, under certain conditions, the free use of public space concerning the laying of natural gas pipelines. Notwithstanding this, and without detriment to the many requests presented by MetroGAS, and the right it possesses, as of the date of issuance of these financial statements the ENARGAS has not authorized any reallocation on tariffs of payments made to the different municipalities, not only from the province of Buenos Aires but also from the Autonomous City of Buenos Aires, regarding these concepts.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 9 - FINANCIAL DEBT**

The following table sets forth the conditions of the Company's Financial Debt as of March 31, 2009 and 2008:

	March 31,					
	2009			2008		
	Thousands of Ps.	Interest Rate	Maturity	Thousands of Ps.	Interest Rate	Maturity
Negotiable Obligations (1)						
Series A	-	-	-	254	9.875%	04/01/2003
Series B	1,493	7.375%	09/27/2002	4,172	7.375%	09/27/2002
Interest payable	18,000	-	-	16,377	-	-
Current financial debt	19,493			20,803		
Negotiable Obligations (2)						
Series 1	784,345	8% (3)	12/31/2014 (6)	667,959	8% (3)	12/31/2014 (6)
Series 2 Class A	23,268	5% (4)	12/31/2014 (7)	19,815	4% (4)	12/31/2014 (7)
Series 2 Class B	128,462	3.8% (5)	12/31/2014 (7)	130,584	2.8% (5)	12/31/2014 (7)
Actual value discount	(61,113)	-		(72,226)	-	
Non current financial debt	874,962			746,132		

- (1) Correspond to the Global Program for issuing unsecured non-convertible Negotiable Bonds, approved by the Extraordinary Shareholders' Meeting held on December 22, 1998.
- (2) Correspond to the Global Program mentioned in point (1) extended for 5 years by the Extraordinary Shareholders' Meeting held on October 15, 2004.
- (3) Interest rates for this series are 8% for the years 2006-2010 and 9% subsequently.
- (4) Interest rates for this series are 3% for the year 2006, 4% for the years 2007-2008, 5% for the years 2009-2010, 7% for the years 2011-2012 and 8% subsequently.
- (5) Interest rates for this series are 1.8% for the year 2006, 2.8% for the years 2007-2008, 3.8% for the years 2009-2010, 5.8% for the years 2011-2012 and 6.8% for the years 2013-2014.
- (6) The amortization schedule for the principal amount of this series is the following: 5% on June 30 and December 31, 2010, 10% each subsequent June 30, and December 31 until December 31, 2012 and 12.5% each subsequent June 30 and December 31 until December 31, 2014.
- (7) The amortization schedule for the principal amount of this series is the following: 16-2/3% on June 30 and December 31, 2012, 16-2/3% each subsequent June 30 and December 31 until December 31, 2014.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 9 - FINANCIAL DEBT (Contd.)**

On March 25, 2002, MetroGAS announced the suspension of principal and interest payments on all of its financial indebtedness due to the fact that the Emergency Law, together with implementing regulations, altered fundamental parameters of the Company's license, including the suspension of the tariff adjustment formula and the redenomination of the tariff into pesos, and also the announcement of the devaluation of the peso.

On November 9, 2005, the Company announced the commencement of a solicitation of consents to restructure its unsecured financial indebtedness pursuant to an APE under Argentine law.

On May 12, 2006, the Company concluded the financial debt restructuring process, performing the effective exchange of the bonds. Consequently, it issued in exchange for its Existing Debt Series 1 Notes amounting to US\$ 236,285,638 in principal amount, Series 2 Notes Class A amounting to US\$ 6,254,764 in principal amount and Series 2 Class B amounting to Euros 26,070,450 in principal amount. Additionally the Company made payments amounting to US\$105,608,445, for cash options received along with US\$ 19,090,494 and Euros 469,268 to pay accrued interest on Series 1 notes and Series 2 notes through December 30, 2005.

The offering of the Series 1 and 2 was made in full compliance with the Fund Allocation Plan. The funds obtained were allocated to the refinancing of short-term indebtedness.

MetroGAS, and its subsidiaries, must comply with a series of restrictions under the Company's new debt obligations, which, among others, include the following:

- **Mandatory redemption with excess cash:** the company will apply an amount of excess cash (not allocated for Restricted Payments) (i) to redeem (ratably among the holders of the Series 1 Notes) any Outstanding Series 1 Notes through note prepayments and (ii) after all Outstanding Series 1 Notes have been paid in full, to redeem (ratably among the holders of the Series 2 Notes) any Outstanding Series 2 Notes through note prepayments, in each case to the extent the Company not used such amount of net available excess cash to make market purchase transactions.
- **Limitations on indebtedness:** the Company will not be able to incur in additional indebtedness, except in certain specific instances, and not to exceed US\$ 20 million.
- **Limitations on investments:** until the Company had redeemed, repaid or purchased at least US\$ 75 million principal amount of the Series 1 Notes, MetroGAS will make no Investments other than Permitted Investments. Furthermore, deductible capital expenditures, for the excess cash computation, will not excess US\$ 15 million by each computation year.
- **Limitations on restricted payments:** until the Company had redeemed, repaid or purchased at least US\$ 75 million principal amount of the Series 1 Notes, restricted payments (including dividends) will be subject to the company's indebtedness ratio.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 9 - FINANCIAL DEBT (Contd.)**

- Limitations on the sale of assets: the Company will not make any asset sale unless the following conditions are met: a) the asset sale is at the fair market value, b) at least 75% of the value under consideration is in the form of cash or Cash Equivalents and, c) such asset sale does not materially and adversely affect the Company's ability to meet these obligations.
- Limitation on transactions with controlling company, controlled company or under common control.

Pursuant to the excess cash provision mentioned on the first bullet, the Company calculated the respective amount for the period began on April 1st and finished on September 30, 2008 and for the period began on October 1st, 2007 and finished on March 31, 2008, from which no excess cash was computed as a result. Moreover, all of the mentioned restrictions has been complied by the Company, including the payment obligations acquired under the actual global program of Negotiable bonds.

As from the time that new Series were issued up to March 31, 2009, the Company carried out market purchases amounting to accumulative principal amount of the Series 1 Notes of US\$ 25.4 million. The Company did not carry out market purchases in the three months ended March 31, 2009 and 2008.

NOTE 10 - COMMON STOCK

As of March 31, 2009, the Company's Common Stock totaled Ps. 569,171 thousand, all of which is fully subscribed, paid-in and registered.

Class of Shares	Thousands of Ps.
Ordinary certified shares of Ps. 1 par value and 1 vote each:	
Class "A"	290,277
Class "B"	221,977
Class "C"	56,917
Common Stock as of March 31, 2009	569,171

The Shareholders at the Extraordinary Shareholders' Meeting held on March 12, 1997 approved the most recent capital increase resulting in total Common Stock of Ps. 569,171 thousand. This increase was authorized by the CNV on April 8, 1997 and by the Buenos Aires Stock Exchange on April 10, 1997 and was registered with the Public Registry of Commerce on June 17, 1997 under No. 6,244, Corporations Book 121, Volume A.

Gas Argentino owns 70% of the Company's Common Stock, 20% of the Company's Common Stock was distributed in an initial public offering as specified below and 10% of the Company's Common Stock is hold by the Employee Stock Ownership Plan (Programa de Propiedad Participada or "PPP") (Note 13).

In accordance with the Transfer Agreement, the Government sold through an initial public offering the 20% of the Company's Common Stock it held, represented by 102,506,059 Class "B" Shares. At the date of these financial statements this Common Stock is property of private investors.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 10 - COMMON STOCK (Contd.)**

On November 2, 1994, the CNV, pursuant to Resolution No. 10,706, authorized to public offering all the Company's outstanding shares at such date. The Class "B" Shares offered in the United States are represented by American Depositary Shares ("ADSs") and were registered with the SEC. The Class "B" Shares and the ADSs were approved for listing on the BCBA and the New York Stock Exchange ("NYSE"), respectively.

The Company is required to keep in effect the authorization to offer the Company's Common Stock to the public and the authorization for the shares to be listed on the Argentine Republic's authorized securities markets for a minimum period of fifteen years as of the respective dates on which such authorizations were granted.

After the first five years following the transfer date, any decrease, redemption or distribution of the Company's shareholders' equity will require prior authorization by ENARGAS.

NOTE 11 - RESTRICTIONS ON THE DISTRIBUTION OF PROFITS

In accordance with the Argentine Corporations Law, the Company's by-laws and Resolution No. 434/03 of the CNV, 5% of the Company's net income for the year plus (less) prior year adjustments must be transferred to the Company's Legal Reserve, until it reaches 20% of the subscribed capital including the adjustments to Common Stock.

Dividend distribution in cash will depend on the Company's indebtedness ratio until the Company has redeemed, repaid or purchased at least US\$ 75 million principal amount of the Series 1 Notes.

NOTE 12 - LIMITATION ON THE TRANSFERABILITY OF GAS ARGENTINO SHARES

The Pliego stipulates that Gas Argentino, as controlling shareholder of MetroGAS, may sell part of its shares in the Company, provided it retains 51% of MetroGAS' equity.

In addition, the Company's by-laws provide that ENARGAS' approval must be obtained prior to the transfer of the Class "A" shares (representing 51% of Common Stock). The Pliego states that such prior approval will be granted three years after the Takeover Date provided that:

- The sale covers 51% of MetroGAS' Common Stock or, if the proposed transaction is not a sale, it will result in the acquisition of at least 51% of MetroGAS' equity by another company,
- The applicant provides evidence that the transaction will not affect the operating quality of the licensed service, and
- The existing technical operator, or a new technical operator approved by ENARGAS, retains at least 15% of the new owner's shares and the technical assistance contract remains in force.

Shareholders of Gas Argentino are subject to the same restrictions as those set forth in the preceding paragraph.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 12 - LIMITATION ON THE TRANSFERABILITY OF GAS ARGENTINO
SHARES (Contd.)**

Dated December 7, 2005, Gas Argentino entered into an agreement to restructure its financial debt with all of its creditors, funds administered by Ashmore ("Ashmore Funds") and by Marathon ("Marathon Funds"), by means of which Gas Argentino will cancel all of its liabilities related to such debt in exchange for issuing and/or transferring, by the current shareholders of Gas Argentino, Common Stock of the said company representing 30% of its Common Stock post-issuing to Ashmore Funds and transferring 3.65% and 15.35% of MetroGAS' Common Stock, owned by Gas Argentino, to Ashmore Funds and Marathon Funds, respectively. Such agreement was, among other conditions, subject to the approval of the ENARGAS and of the Secretariat of Interior Commerce with prior agreement of the National Antitrust Committee (Comisión Nacional para la Defensa de la Competencia - "CNDC"). Through Resolution No 1/097 dated September 14, 2007, the ENARGAS approved the transference of shares, remaining pending the agreement of the CNDC and the approval of the Secretariat of Interior Commerce.

On May 15, 2008, Gas Argentino received a letter from Marathon Funds stating their willingness to terminate the restructuring agreement dated December 7, 2005. Marathon exercised the power as set forth in said agreement, which stated that any holder of the Gas Argentino's financial indebtedness would be able to terminate the agreement if corresponding approvals were not obtained. Consequently, Gas Argentino has to begin a new restructuring process with his creditors.

NOTE 13 - EMPLOYEE STOCK OWNERSHIP PLAN

Executive Decree No. 1,189/92 of the Government, which provided for the creation of the Company, establishes that 10% of the Common Stock represented by Class "C" shares is to be included in the PPP, as required under Chapter III of Law No. 23,696. The transfer of the Class "C" Shares was approved on February 16, 1994 by Executive Order No. 265/94. The Class "C" shares are held by a trustee for the benefit of GdE employees transferred to MetroGAS who remained employed by MetroGAS on July 31, 1993 and who elected to participate in the PPP.

In addition, the Company's by-laws provide for the issuance of profit sharing bonuses as defined in Article 230 of Law No. 19,550 in favor of all regular employees so as to distribute 0.5% of the net income of each year among the beneficiaries of this program. The accrued amounts will be deductible as expense in the income statements of each year, since inappropriate retained earnings exist.

Participants in the PPP purchased their shares from the Government for Ps. 1.10 per share, either by paying cash for them or by applying dividends on such shares and 50% of their profit sharing bonus to the purchase price. The trustee will retain custody of the Class "C" shares until they are fully paid.

Once the Class "C" shares are fully paid, they may be converted at the request of the holders thereof into freely transferable Class "B" shares. The decision to convert Class "C" Shares to Class "B" Shares must be taken by the Class "C" shareholders, acting as a single class. While the PPP is in effect, neither the by-laws of the Company nor the proportions of the various shareholdings may be changed until the requirements set forth in the PPP are fully complied with.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 13 - EMPLOYEE STOCK OWNERSHIP PLAN (Contd.)**

On March 6, 2008, the Board of Directors of MetroGAS approved Class "C" shares conversion to Class "B" shares, requested by the PPP Executive Committee on March 3, 2008.

On May 21, 2008, MetroGAS received a letter from the CNV notifying that share conversion will remain subject to the presentation of the Resolution of National Government approving the fully payment of the outstanding balance of the acquisition price of the Class "C" shares. The mentioned fully payment was approved by the ME through Resolution of National Government No. 252, on August 22, 2008.

On December 30, 2008, the PPP Executive Committee requested MetroGAS to suspend the conversion procedure presented before the CNV and the BCBA until further notices.

NOTE 14 - LONG-TERM CONTRACTS

In order to assure itself of sufficient gas supply and transportation capacity to enable it to provide the licensed service, MetroGAS entered into long-term contracts for the purchase of gas and gas transportation services.

14.1. Gas supply

In order to meet gas supply requirements, the Company operates with the following suppliers: YPF, Total Austral, Wintershall Energía, Pan American Energy and other producers in Tierra del Fuego, Neuquén and Santa Cruz.

The Emergency Law contained provisions governing contracts between private parties existing as of its effective date, which provide for conversion into pesos of all obligations at an exchange rate of Ps. 1 per US\$ 1.

At the time the Emergency Law became effective, the Company was party to a number of such contracts, the most material of which were for the purchase of natural gas, essential to serve Company's customers. Under the provisions established in the Agreement for the Implementation of the Schedule for the Normalization of Gas Prices, and the renegotiations of most of the contracts with the Company's gas suppliers, and subject to the permanent compliance of the National Government with all the obligations it has assumed, gas producers whose contracts have been renegotiated have committed themselves to suspending actions and/or procedures brought against the Gas Distributors for claims resulting from the above mentioned law. As from August 1, 2007, when Resolution No. 599/2007 became effective, this suspension is considered a final waiver.

On June 14, 2007, Resolution No. 599/07 of the Energy Secretariat was published in the Official Bulletin through which was approved the proposed draft of the "Agreement with Natural Gas Producers 2007-2011", then executed by certain natural gas producers, triggering its enforceability. Basically, the Agreement 2007-2011: i) set forth the volumes to be injected in the points of entry to the transportation system by the natural gas producers for residential and commercial consumers, industries, power plants and CNG supply stations until December 31, 2011 (although with different contractual terms depending the type of consumer), (ii) indicates certain price adjustment parameters depending the type of consumer, and (iii) establishes the mechanisms of natural gas re-routing and additional injections to guarantee the supply of the

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 14 - LONG-TERM CONTRACTS (Contd.)**

domestic market in case of shortages. By virtue of said Agreement, the natural gas producers and natural gas distributors should execute gas purchase agreements including its terms and conditions. At the date of issuance of these financial statements, MetroGAS did not execute any of these agreements given the fact that it is our understanding that the offers received from the natural gas producers neither comply with the terms and conditions of the "Agreement with Natural Gas Producers 2007-2011" nor would allow MetroGAS to guarantee the supply of natural gas to its non interruptible consumers, considering the volumes included in said offers.

Contracts that originally due on December 31, 2006 were kept in the same conditions, including prices, until July 31, 2007. As from August 1, 2007, the natural gas producers are supplying natural gas to MetroGAS in the volumes set forth under the Agreement with Natural Gas Producers 2007-2011 and based on several notes issued by the Sub-secretary of fuels and EGM, as delivery arrangements considering that those contracts with gas producers do not exist.

Due to MetroGAS understanding that the volumes, basins of injection and routes of transportation foreseen in the Agreement 2007-2011 would prevent the normal supplying of the non interruptible demand, the Company has carried out presentations to the ENARGAS, the ES and the Fuel Sub secretariat tending to raise this situation and to request its remediation.

Based on these renegotiations, the gas supply contracted as of March 31, 2009 is the following:

	Daily average volumes for the years	
	2009	2010
MMCM/d (1)	0.32	0.32
MMCF/d (2)	11.17	11.17

According to the above-mentioned long-term contracts, the minimum volumes and amounts of natural gas purchases that MetroGAS is obligated to pay for regardless of whether or not they are taken ("take-or-pay amounts") are also set forth in the table below:

	Daily average volumes for the years	
	2009	2010
MMCM/d (1)	0.28	0.28
MMCF/d (2)	10.05	10.05
Amounts committed (3)	7.53	7.53

(1) Million of cubic meters per day. In order to estimate the volumes, it was considered only contracts in force and not the Energy Secretariat Resolution No. 599/07.

(2) Million of cubic feet per day.

(3) Million of pesos. We have considered prices established in the Resolution ES No. 1,417/08, considering the percentages by segments obtained from historical information of the Company.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 14 - LONG-TERM CONTRACTS (Contd.)**

The gas supply contracts also entitle MetroGAS to certain reductions of its take-or-pay amounts in the event that demand from power plants in the Company's service area falls below certain volumes of gas per day or in the event of any direct purchase of gas from a supplier or intermediaries and of transportation services for the purchased gas (which bypasses MetroGAS network). The Company considers it unlikely that its take or pay commitments for gas supplies will lead to significant liabilities for gas not taken as of March 31, 2009.

14.2. Gas transportation

MetroGAS has entered into a number of transportation contracts, with expiration dates ranging between 2009 and 2021, with Transportadora de Gas del Sur S.A. ("TGS"), Transportadora de Gas del Norte S.A. ("TGN") and other companies, which provide for firm transportation capacity of 24.6 MMCM per day, considering contracts in force as of March 31, 2009.

The estimated annual valuation of firm transportation under these contracts is, as follows:

<u>Periods</u>	<u>Contractual commitments</u> (Million of Ps.)
April-December 2009	148.47
2010	190.04
2011	184.41
2012	184.41
2013	184.41
2014	69.62
2015/21	25.50

The contracts entered into by MetroGAS with gas transportation companies could be subject to modifications due to Emergency Law provisions applicable to utility services contracts, which include natural gas transportation. As of the date of issuance of these financial statements it is not possible to assess the impact of these modifications.

14.3 Transportation and distribution commitments

The contracts entered into with power plants include clauses to cede transportation during the winter period; these clauses allow MetroGAS to restrict the transportation and distribution service for a determinate volume to supply its non-interruptible demand.

In case MetroGAS is obligated to restrict the transportation and distribution service for a higher volume than the established in each contract, mainly due to a higher firm demand, those contracts establish penalties to pay to power plants due to these restrictions.

14.4. Technical assistance agreement

Under this agreement, BG International Limited, a member of BG holding, provided technical assistance to the Company in exchange for the payment of an annual technical assistance fee equal to the greater of US\$ 3,000 thousand or 7% of the amount obtained after subtracting US\$ 3,000 thousand from the income before income tax and before financing results. The original contract was in force for a term of eight years from the Takeover Date and was renewed for an additional eight-year term beginning December 28, 2000, in the same terms and conditions of the original agreement, expiring on December 28, 2008.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 14 - LONG-TERM CONTRACTS (Contd.)**

On March 6, 2009, MetroGAS's Board of Directors decided not to renew the agreement, due to the fact that during the years in force, the Company acquired the necessary knowledge to assure the reliability, security and efficiency of the distribution services.

The accrued expenses as of March 31, 2008 resulting from this contract are disclosed in the Technical operator's fees line in Exhibit H. Transactions and balances with BG International Limited as from that date derived from this contract are described in Note 6.

NOTE 15 - FISCAL AND LEGAL MATTERS**15.1. Stamp Tax**

On October 12, 2006 MetroGAS was notified of Resolution No. 746/06, pursuant to which the Tax Bureau of the Province of Buenos Aires made a Stamp Tax assessment over different agreements.

On November 3, 2006 MetroGAS answered said assessment providing its defense. On December 5, 2006 MetroGAS was notified of Resolution No. 1,467/06, pursuant to which the Tax Bureau determined the alleged tax difference amounting to Ps. 110 thousand, plus accrued interest. On January 2, 2007 MetroGAS filed a Motion of Appeal before the Tax Court of the Province of Buenos Aires, which at the date hereof remains unsolved.

On May 18, 2007 MetroGAS took notice of a new Stamp Tax claim of the Tax Bureau against MetroGAS, through which it claims the payment of an alleged tax debt assessed as of November 30, 2006 for the amount of Ps. 236 thousand.

Pursuant to the aforementioned, MetroGAS registered an allowance for an amount of Ps. 354 thousand to cover this contingency.

15.2. Income Tax - Bad debt deduction

On November 5, 2002, the Federal Tax Authority ("AFIP") informed MetroGAS of the ex-officio ruling that disallowed bad debt deductions on the company's income tax returns for fiscal years 1996 and 1997 and established a tax adjustment for those years of Ps. 854 thousand and Ps. 1,585 thousand, respectively.

The AFIP rejected the bad debt deduction, which was determined by the Company based on the following indicators:

- Disappearance of the debtor as evidenced by the change of the name in which the relevant account was maintained.
- Removal of the meter from the location of customers, which owed MetroGAS less than Ps. 1,000.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 15 - FISCAL AND LEGAL MATTERS (Contd.)**

AFIP's main argument to challenge the deduction is based on the fact that MetroGAS should have started legal actions to collect those debts. On November 26, 2002, MetroGAS appealed the AFIP's determination to the Tax Court. Likewise, in addition to this, AFIP levied attachments on some of the company's fixed assets. As of March 31, 2009, the residual accounting value amounted to Ps. 16.1 million.

Subsequently, on December 3, 2002, Executive Order No. 2,442/02 was published, replacing Article No.136 of the income tax regulations applicable to years ended after the publication date (year 2002). One of its main objectives was to rule on the requirements that not very significant defaulted payments should meet to enable their deduction as bad debts. The following requirements are established: debts remained unpaid for at least 180 days, notice of non-payment has been served on the debtor and the debtor's service has been disconnected or terminated. Furthermore, the amount should not exceed that established by AFIP.

On March 7, 2003 General Resolution No. 1,457 of AFIP was published, establishing the amount in Ps. 1,500. And on June 18, 2004 General Resolution No. 1,693, which increased the deduction amount to Ps. 5,000, was published.

Dated February 16, 2007 Division C of the Prosecuting Court notified MetroGAS its sentence from December 7, 2006 through which this Court accepted as an indicator of the impossibility to collect the removal of gas meters from delayed customers and rejected the one connected to the disappearance of the debtor. In both cases, and considering the nature of this matter and the amounts at issue, and in face of an excusable mistake, the Prosecuting Court annulled the fine applied to MetroGAS. AFIP desisted the appealation recourse against the decision of the Prosecuting Court that reversed the AFIP's determination respect to removing of the meter from the location of customers, which owed MetroGAS less than Ps. 1,000.

The Prosecuting Court ordered D.G.I., carry out the reassessment of income taxes and compensatory interests in agreement with the criterion that it is established. On August 8, 2007 the D.G.I. notified the reassessment to MetroGAS. Such reassessment did not consider the AFIP General Instruction No. 2/07, issued on March 15, 2007, which allowed the deduction of the credits of up to Ps. 1,500, by non-competitive markets' utilities companies. MetroGAS carried our different filings before the Prosecuting Court requesting a new reassessment considering the above mentioned General Instruction.

Although up to the date of these financial statements the Prosecuting Court did not issue any decision in this regard. On March 6, 2009, the MetroGAS's Board of Directors decided to enter into a payment plan established by Law No. 26,476. Consequently, the Company registered a provision for an estimated amount of Ps. 2,500 thousand to cover the payment plan amounts.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 15 - FISCAL AND LEGAL MATTERS (Contd.)**

15.3. Study, revision and inspection of works in public spaces levy, and occupancy of public space levy

15.3.1 Study, revision and inspection of works in public spaces levy

From 2000 onwards, the Government of the Autonomous City of Buenos Aires (“GCABA”) included in its budget a study, revision and inspection of works in public spaces levy applicable (among others) to gas pipelines. The tax amounts were unilaterally increased by the GCABA, despite of MetroGAS and several other public service companies had signed an agreement with the GCABA on 1997.

On January 26, 2001, ENARGAS informed MetroGAS that, in the case of the study, revision and inspection of works in public spaces levy, the Company would have to demonstrate the impact of the changes on consumer prices, whereas, in the case of the occupancy of public space levy, MetroGAS would have to challenge the validity of the new tax, both through administrative proceedings and judicial action. ENARGAS also informed the GCABA that all changes in taxation would be dealt as a pass-through cost and would have to be absorbed by the consumers of the jurisdiction in which these changes were introduced.

As from 2001 MetroGAS has received, from the GCABA, notifications demanding the payment of the study, revision and inspection of works in public spaces levy. Metrogas presented the pertaining administrative appeal against each of the claims made by the GCABA, which were duly rejected, thus having no other administrative appeal to proceed by, legal actions were filed in order to collect the claimed amounts.

During 2007 MetroGAS has executed an agreement whit the GCABA entering into a payment plan in order to cancel the debt corresponding to the period included between February 1, 2000 and December 31, 2006.

The regulatory framework of the gas industry, specifically Art. 41 of the Law No. 24,076 and Art. 9.6.2 of Decree No. 2,255/92, define that the variations of costs originated in changes in the taxes must be reflected in the tariffs. This concept is reinforced by the Supreme Court of Justice of the Nation in cases in which the validity of the Occupancy of public space levy was contested, as it is exposed in point 15.3.2.

MetroGAS considers that an acquired right exists that recognizes the transfer to tariffs of the amounts that eventually must pay for the Study, revision and inspection of works in public spaces levy and for that reason this concept has been recorded as Other non-current credits amounting to Ps. 43,932 thousand (Note 4.f).

15.3.2 Occupancy of public space levy

15.3.2.1 Government of the Autonomous City of Buenos Aires

In 1998, the GCABA created an occupancy of public space levy, applicable (among others) to gas pipelines, which was included in the city’s annual budgets. That levy has been objected by several public service companies.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 15 - FISCAL AND LEGAL MATTERS (Contd.)**

As from 2003 the GCABA has demanded MetroGAS the payment of the occupancy of public space levy. MetroGAS duly presented hierarchical appeals before the administrative office against such demands.

On September 22, 2004 the GCABA notified MetroGAS of the rejection of those administrative appeals duly presented, therefore ending the administrative proceedings and making it possible to file legal actions to collect the requested amounts.

On February 28, 2005 it was filed before the lower court of the Government of the Autonomous City of Buenos Aires, an action under administrative law with precautionary measures against the decision taken by the GCABA on September 22, 2004.

On February 2, 2005, a note with copy to ENARGAS and UNIREN was sent to the Energy Secretariat requesting immediate treatment of the transferring of the tax to the tariff.

On April 2005, the General Department of Legal Affairs of the Ministry of Economy pronounced itself in favor of the reallocation of tariffs, sending the file to the ENARGAS so as to have a final resolution on this matter.

During 2005, after the notification of the payment received, MetroGAS has executed an agreement with the GCABA, entering into a payment plan in order to cancel the debt corresponding to the period included between January 1, 1998 and December 31, 2004. As of the date, the Company is paying the installments on a regular basis both, the payment plan and the quarterly ones.

On March 6, 2006 MetroGAS presented a note before the ENARGAS reporting its adherence to the said payment facilitation plans and requesting once again the reallocation on tariffs, this note was reaffirmed by note presented before the ENARGAS dated March 29, 2006. Dated April 28, 2006 the ENARGAS was requested a quick sentence. Dated July 11, 2006 the request for the reallocation on tariffs was repeated.

On November 28, 2006 the ENARGAS requested the submittal of all information and documentation in order to evaluate the impact, resulting from the transfer to tariffs, on customers within the Autonomous City of Buenos Aires. Dated December 1, 2006 MetroGAS presented a note before the ENARGAS with the information and documentation background attached to the file during the whole six years that those administrative proceeding took, including the one requested in the Note. On January 30, 2007 MetroGAS presented a note before the ENARGAS requesting to report if, before taking a decision and in spite of considering that the information and documentation submitted by the company at the first presentation met the stipulations imposed by the legal regulation in order to meet the requirements that would accept the right mentioned under the terms of Sect. No. 41 of the Law No. 24,076 and Sect. No. 9.6.2 of the Distribution License Basic Rules, it was necessary for that Regulatory Authority to count on information and/or proof of documents in addition to the ones already submitted by MetroGAS.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 15 - FISCAL AND LEGAL MATTERS (Contd.)**

15.3.2.2 Municipality of Esteban Echeverría

Through Resolution No. 113/05, dated February 7, 2005, the Municipality of Esteban Echeverría claimed for Ps. 6,575 thousand (incidental expenses included) concerning the right to occupancy of public spaces corresponding to the period from 2000 to 2004. Dated February 18, 2005 MetroGAS rejected the imposition of such rate on the grounds of what is stipulated by federal standards which are hierarchically superior to the ones included in Municipal ordinances.

On March 28, 2005 the Mayor notified MetroGAS that the arguments set forth by the company were rejected (Executive Order No. 465/2005). Against such Executive Order, MetroGAS filed an Appeal for Reconsideration, which was rejected on August 17, 2005, thus ending the administrative proceedings and making it possible to file legal actions to collect the requested amounts.

On March 10, 2006 MetroGAS and the Municipality signed a letter of intention in order to reach an agreement regarding the indebted amounts. On March 30, 2006 the first quarter installment from 2006 was paid and as from that date all the corresponding installments were regularly paid.

In May 2006 the transfer to tariffs was requested to the ENARGAS and in July of the same year a quick response was demanded.

On June 30, 2006 a formal letter was received where the Municipality notified MetroGAS of its debt up to December 31, 2005, and offered two payment plan alternatives. Dated July 10, 2006 a copy of such letter was sent to the ENARGAS so that they could inform the course of action to be taken regarding the payment plans offered and once again the transfer to tariffs was requested.

On December 19, 2006 knowing that the Municipality was about to start legal actions to collect the indebted amount and in order to avoid any setback in the rendering of its service, MetroGAS adhered to a plan of facilities of payment that consists of paying the amounts claimed from the period 2000 to 2005 in four installments. Up to date MetroGAS finished paying the installments under said plan and is regularly paying this Municipality levy corresponding to each subsequent period.

15.3.2.3 Municipality of Almirante Brown

The Municipality of Almirante Brown claimed to MetroGAS the payment of the Right of Occupancy and Use of Public Spaces corresponding to fiscal years 2004, 2005 and 2006 considering as taxable base a deemed gas pipeline extension, which resulted higher than the actual one. MetroGAS rejected such claim and informed the actual gas pipeline extension within the jurisdiction of the Municipality for purposes of the re-assessment of the claim.

In April 2007 the Municipality and MetroGAS executed an agreement to formalize MetroGAS' entering into a payment plan which installments have been completely cancelled as of December 31, 2007 by MetroGAS. As of the date, MetroGAS is regularly paying this Municipality levy.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 15 - FISCAL AND LEGAL MATTERS (Contd.)**

15.3.2.4 Municipality of Ezeiza

On September 3, 2007 the Municipality of Ezeiza requested to MetroGAS the payment of the Occupancy of Public Space levy corresponding to periods 2000-2006.

On October 9, 2007 MetroGAS and the Municipality executed an agreement through which MetroGAS entered into a payment plan. As of the date, MetroGAS is regularly paying this Municipality levy.

15.3.2.5 Municipality of Florencio Varela

On May 29, 2008 and July 30, 2008, the Municipality of Florencio Varela claimed to MetroGAS the payment of the Right of Occupancy and Use of Public Spaces from the period January 2003 to July 2008. During August 2008, the Company and the Municipality executed an agreement through which MetroGAS cancelled its debt in an only payment in cash. As of the date, MetroGAS is regularly paying this Municipality levy.

MetroGAS has recorded these concepts under the heading Other non current receivables for Ps. 67,899 thousand (Note 4.f)) for the above mentioned rate corresponding to the Autonomous City of Buenos Aires, the Municipality of Esteban Echeverría, the Municipality of Almirante Brown, the Municipality of Ezeiza and the Municipality of Florencio Varela, as MetroGAS considers it has an acquired right to be recognised the reallocation on tariffs of paid amounts regarding the rate of Occupation of Public Spaces every time it is so stipulated by the gas industry regulatory framework. Law No. 24,076 (Sect. No. 41) and Executive Order No. 2,255/92 (Sect. No. 9.6.2) establish that variations of costs resulting from tax changes shall impact on tariffs.

This criterion is also backed up by rulings of the Nation's Supreme Court of Justice that in the cases "Gas Natural Ban c/ Municipalidad de Campana y Litoral Gas c/ Municipalidad de Villa Constitución s/ acción meramente declarativa", pronounced that Sect. No. 9.6.2 of Executive Order No. 2,255/92 established that costs variations resulting from changes in tax standards, shall be reallocated to tariffs according to what is stipulated in Sect. No. 41 of Law No. 24,076.

Pursuant to what has been expressed and according to what is stipulated by the legislation in force and the resolution issued by the Department of Legal Affairs of the Ministry of Economy, MetroGAS considers that said credit is recoverable.

15.4. Turnover tax (Province of Buenos Aires)

During 1994, the Province of Buenos Aires agreed with the Argentine Government that the Province would not impose gross revenue taxes on sales of natural gas at a rate in excess of 3.5% of the invoice prices of those sales. Notwithstanding the above, the Province imposed gross revenue taxes on sales of natural gas at a higher rate and instructed us to include gross revenue taxes at the higher rate in our invoices to our customers and to remit the taxes so collected to the Province. MetroGAS declined to follow those instructions, citing the agreement between the Province and the Argentine government described above.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 15 - FISCAL AND LEGAL MATTERS (Contd.)**

On December 22, 2005, through Resolution No. 907/05, the Revenue Department of the Province of Buenos Aires requested the payment of amounts corresponding to the period from 2001 to 2003, that would have been received from customers, if the mentioned rate increase had been applied in the invoices (actually amount approximately Ps. 10 million, including interests and fines). Such Resolution was appealed on January 16, 2006, before the Tax Court of the Province of Buenos Aires.

On September 27, 2006 the “Comisión Federal de Impuestos” (Federal Tax Commission) through its judgment No. 112/2006 ratified the criterion followed by the Company and rejected a motion of revision filed by the Province of Buenos Aires within a file that analyzes a situation identical to MetroGAS. Against such judgment, the Province of Buenos Aires filed and extraordinary motion of revision against the same Federal Tax Commission to be decided by the Federal Supreme Court of Justice. Said extraordinary motion was granted and up to date the same is pending of definitive decision by the Federal Supreme Court of Justice.

On March 3, 2008, through Resolutions No 95/08, 96/08 and 97/08, the Revenue Department of the Province of Buenos Aires requested the payment of amounts corresponding to the period from January 2004 to October 2005 of the above mentioned rate increase, and for difference in the income and expenses rate. Those amounts approximately Ps. 20 million, including interests and fines. On March 27, 2008, those resolutions were appealed before the Tax Court of the Province of Buenos Aires.

In the event that MetroGAS is finally compelled to pay for such amounts, it will request a reallocation of such rate increase to the tariffs paid by customers in compliance with the terms of the License.

As of March 31, 2009, the Company registered an allowance of Ps. 5,960 thousand for the contingency related to the difference on the determination of the income and expenses rate.

15.5. Rates and charges

Through resolution No. 2,778/03, the ENARGAS stated that MetroGAS had collected excessive rates and charges from its customers amounting to Ps. 3.8 million and stipulated a fine for Ps. 0.5 million. The Company duly filed an appeal for reconsideration with a subsidy appeal against the mentioned Resolution and against the interest rate applied on the fine. As of March 31, 2009 the total amount demanded by the ENARGAS amounted to Ps. 20,455 thousand, including interests and fines, which has been recorded as a provision.

15.6. Fines Government of the City of Buenos Aires – Works in public roadway.

On January 25, 2008, through Law No. 2,634, and its Regulation Decree No. 238/2008 published on March 28, 2008, the new regime of openings and/or breaks in public roadway of the City of Buenos Aires was created and regulated, which specifies charges to pay for works in public spaces and establishes that closing works have to be made by GCBA, previous payment from the authorized companies to make openings.

METROGAS S.A.**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****NOTE 15 - FISCAL AND LEGAL MATTERS (Contd.)**

The GCBA's Control of Special Misdemeanours Agency sanctioned MetroGAS in several causes. As of March 31, 2009, the Company is discharging the notified infractions, and requesting the pass to the contravencional justice to made the corresponding defenses, in order to obtain the declaration of the law unconstitutionality, and consequently the irrationality of the fines. Although the procedures mentioned above, the Company has registered an allowance of Ps. 412 thousand related to this concept.

15.7. Others

At the date of issuance of these financial statements, there are disagreements between the Company and the regulatory authorities as to the interpretation of various legal matters. In management's opinion, the final resolution of these disagreements will not have material impact on the Company's financial statements as of March 31, 2009.

Juan Carlos Fronza
President

METROGAS S.A.**EXHIBIT A**

**UNAUDITED INTERIM FINANCIAL STATEMENTS AS OF MARCH 31, 2009 AND 2008
AND AUDITED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2008
FIXED ASSETS**

MAIN ACCOUNT	ORIGINAL VALUE					DEPRECIATION					NET BOOK VALUE 03-31-09
	AT BEGINNING OF YEAR	INCREASE	TRANSFERS	RETIREMENTS	AT END OF PERIOD	ACCUMULATED AT BEGINNING OF YEAR	RETIREMENT	FOR THE PERIOD		ACCUMULATED AT END OF PERIOD	
								ANNUAL RATE (1)	AMOUNT (2)		
Thousands of Ps.											
Land	17,501	-	-	-	17,501	-	-	-	-	-	17,501
Building and civil constructions	75,602	-	-	-	75,602	22,887	-	2%	351	23,238	52,364
High pressure mains	273,030	-	4,000	(4)	277,026	165,765	(2)	2.22% to 10%	2,540	168,303	108,723
Medium and low pressure mains	1,602,778	-	15,306	(663)	1,617,421	476,414	(533)	1.19% to 10%	9,323	485,204	1,132,217
Pressure regulating stations	59,681	-	208	-	59,889	33,823	-	4% to 12.5%	485	34,308	25,581
Consumption measurement installations	336,050	-	5,503	(28)	341,525	126,890	(11)	2.85% to 5%	3,125	130,004	211,521
Other technical installations	46,938	-	1,397	-	48,335	38,616	-	6.67%	698	39,314	9,021
Machinery, equipment and tools	27,044	-	172	-	27,216	25,282	-	6.67% to 20%	88	25,370	1,846
Computer and telecommunications equipment	157,312	-	85	-	157,397	147,906	-	5% to 50%	641	148,547	8,850
Vehicles	9,196	-	1,565	-	10,761	7,992	-	10% to 20%	120	8,112	2,649
Furniture and fixtures	5,456	-	1	-	5,457	5,433	-	10% to 20%	2	5,435	22
Materials	9,330	4,569	(3,115)	(51)	10,733	-	-	-	-	-	10,733
Gas in pipelines	214	-	-	-	214	-	-	-	-	-	214
Work in progress	57,584	13,854	(25,972)	-	45,466	-	-	-	-	-	45,466
Advances to fixed assets suppliers	1,032	31	(124)	-	939	-	-	-	-	-	939
Subtotal	2,678,748	18,454	(974)	(746)	2,695,482	1,051,008	(546)	-	17,373	1,067,835	1,627,647
Distribution network extensions constructed by third parties	59,742	-	980	-	60,722	11,907	-	1.82% to 2.38%	297	12,204	48,518
Offsetting item for distribution network extensions	(5,323)	-	(6)	-	(5,329)	(408)	-	2% to 2.38%	(30)	(438)	(4,891)
Allowance for obsolescence of materials (Exhibit E)	(609)	-	-	14	(595)	-	-	-	-	-	(595)
Allowance for disposal of fixed assets (Exhibit E)	(8,850)	(1,416)	-	17	(10,249)	-	-	-	-	-	(10,249)
Total as of March 31, 2009	2,723,708	17,038	-	(715)	2,740,031	1,062,507	(546)	-	17,640	1,079,601	1,660,430
Total as of December 31, 2008	2,654,322	78,367	-	(8,981)	2,723,708	1,001,049	(7,710)	-	69,168	1,062,507	1,661,201
Total as of March 31, 2008	2,654,322	15,743	-	(818)	2,669,247	1,001,049	(721)	-	17,161	1,017,489	1,651,758

Notes:

(1) The depreciation rates are variable and based on the useful lives assigned to the assets at the Takeover Date. The useful lives were estimated according to the type, current condition and renewal and maintenance programs of assets.

(2) Depreciation of fixed assets has been included in Exhibit H.

Juan Carlos Fronza
President

METROGAS S.A.**EXHIBIT C**

**UNAUDITED INTERIM FINANCIAL STATEMENTS AS OF MARCH 31, 2009 AND 2008
AND AUDITED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2008
NON-CURRENT INVESTMENTS**

ISSUER	TYPE OF SECURITY	FACE VALUE	QUANTITY	COST VALUE	EQUITY VALUE	BOOK VALUE AS OF 03-31-09	BOOK VALUE AS OF 12-31-08	BOOK VALUE AS OF 03-31-08	ISSUER INFORMATION								
									LAST FINANCIAL STATEMENTS ISSUED								
									MAIN BUSINESS	DATE	COMMON STOCK	RESULT FOR THE PERIOD	SHAREHOLDER'S EQUITY	PERCENTAGE OF COMMON STOCK			
															Ps.	Thousands	Thousands of Ps.
NON CURRENT INVESTMENTS																	
Companies art.33 - Law No. 19,550																	
MetroENERGÍA S.A.	Ordinary	1	219	219	22,011	22,011 (1)	15,090 (1)	20,222	BUY AND SELL NATURAL GAS AND /OR ITS TRANSPORTATION	03-31-09	230	5,376	26,341	95			
Total					22,011	22,011	15,090	20,222			230	5,376	26,341				

(1) Interest in MetroENERGÍA's equity, net of not-transcended to third parties intragroup results.

Juan Carlos Fronza
President

METROGAS S.A.**EXHIBIT D**

**UNAUDITED INTERIM FINANCIAL STATEMENTS AS OF MARCH 31, 2009 AND 2008
AND AUDITED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2008
CURRENT INVESTMENTS**

ISSUER	FACE VALUE	QUANTITY	LISTED PRICE AS OF 03-31-09	FACE VALUE PLUS ACCRUED INTEREST	BOOK VALUE AS OF 03-31-09	BOOK VALUE AS OF 12-31-08	BOOK VALUE AS OF 03-31-08
		Thousands					
CURRENT INVESTMENTS							
Government Securities							
National Government bonds (BODEN 2012)	1.4	16	0.8832	14	14	16	27
Bank deposits							
Saving account	37	1	37	37	37	34	25
Time deposits	25,230	-	-	25,230	25,230	-	32,123
Total				25,281	25,281	50	32,175

Juan Carlos Fronza
President

METROGAS S.A.**EXHIBIT E**

**UNAUDITED INTERIM FINANCIAL STATEMENTS AS OF MARCH 31, 2009 AND 2008
AND AUDITED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2008
ALLOWANCES**

MAIN ACCOUNT	03-31-09			12-31-08	03-31-08	
	BALANCE AT BEGINNING OF YEAR	INCREASE	DECREASE	BALANCE AT END OF PERIOD	BALANCE AT END OF YEAR	BALANCE AT END OF PERIOD
	Thousands of Ps.					
Deducted from assets						
For doubtful accounts (Note 4.c))	12,992	432 (1)	-	13,424	12,992	19,547
For obsolescence of materials						
Inventories (Note 4.e))	1,710	-	(3)	1,707	1,710	1,637
Fixed assets	609	-	(14)	595	609	612
For disposal of fixed assets	8,850	1,416 (2)	(17)	10,249	8,850	10,570
Valuation allowance on deferred income tax assets	23,279	-	-	23,279	23,279	28,132
Total	47,440	1,848	(34)	49,254	47,440	60,498
Included in liabilities						
For contingencies						
Executive proceedings	9,883	2,464	(196)	12,151	9,883	8,511
Turnover tax GCABA (Note 15.4)	5,740	220	-	5,960	5,740	5,194
Rates and charges (Note 15.5)	20,192	263	-	20,455	20,192	19,391
Income tax - Allowance for doubtful accounts (Note 15.2)	6,224	(3,659)	(65)	2,500	6,224	5,968
Fines GCBA (Note 15.6)	-	412	-	412	-	-
Others	20,304	1,299	-	21,603	20,304	18,129
Total contingencies	62,343	999 (3)	(261)	63,081	62,343	57,193

Notes:

(1) The charge in results is disclosed in Exhibit H.

(2) Charged in results in the line Operating expenses - Others of Exhibit H

(3) Charged in results in the line Contingencies reserve of Exhibit H.

Juan Carlos Fronza
President

METROGAS S.A.**EXHIBIT F**

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008
OPERATING COST**

MAIN ACCOUNT	03-31-09	03-31-08
	Thousands of Ps.	
Stock at the beginning of the year		
Natural gas	-	-
Processed natural gas	-	-
	<u>-</u>	<u>-</u>
<i>Plus</i>		
Purchases		
Natural gas	29,030	20,945
Processed natural gas	-	-
	<u>29,030</u>	<u>20,945</u>
Transportation of natural gas	51,517	49,174
Transportation of processed natural gas	495	494
	<u>52,012</u>	<u>49,668</u>
Operating Expenses (Exhibit H)		
Natural gas	36,413	25,395
Processed natural gas	9	10
	<u>36,422</u>	<u>25,405</u>
<i>Less</i>		
Stock at the end of the period		
Natural gas	-	-
Processed natural gas	-	-
	<u>-</u>	<u>-</u>
Operating Cost	117,464	96,018
Natural gas	116,960	95,514
Processed natural gas	504	504

Juan Carlos Fronza
President

METROGAS S.A.**EXHIBIT G**

**UNAUDITED INTERIM FINANCIAL STATEMENTS AS OF MARCH 31, 2009 AND 2008
AND AUDITED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2008
FOREIGN CURRENCY ASSETS AND LIABILITIES**

MAIN ACCOUNT	03-31-09			12-31-08		03-31-08	
	FOREIGN CURRENCY AND AMOUNT	EXCHANGE RATE	BOOK VALUE	FOREIGN CURRENCY AND AMOUNT	BOOK VALUE	FOREIGN CURRENCY AND AMOUNT	BOOK VALUE
	Thousands		Thousands of Ps.	Thousands	Thousands of Ps.	Thousands	Thousands of Ps.
ASSETS							
CURRENT ASSETS							
Cash and banks							
Cash	U S \$ 30	3.6800	110	29	100	5	15
	L B E 4	5.2650	21	4	21	5	28
	E u r o s 3	4.8742	15	3	15	2	11
	R e a l 3	1.5400	5	4	6	4	7
	C a n a d i a n 1	2.9067	3	1	4	1	4
	d o l l a r s						
	R u s s i a n 8	0.1349	1	9	1	7	1
	r u b l o						
Banks	U S \$ 269	3.6800	990	6,875	23,463	405	1,267
Investments							
Saving account	U S \$ 10	3.6800	37	10	34	8	25
Time deposits	U S \$ 7,143	3.6800	24,222	-	-	-	-
Other receivables	U S \$ 240	3.6800	883	344	1,173	243	760
TOTAL ASSETS			26,287		24,817		2,118
			26,287		24,817		2,118
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable	U S \$ 1,611	3.7200	5,993	1,602	5,533	957	3,033
	E u r o s 142	4.9275	700	3	14	3	15
	L B E -	5.3296	-	7	36	-	-
Financial debts							
Negotiable obligations (face value)	U S \$ -	3.7200	-	-	-	80	254
	E u r o s 303	4.9275	1,493	303	1,452	833	4,172
Interest and other expenses payable	U S \$ 4,318	3.7200	16,063	23	80	4,346	13,768
to foreign financial institutions	E u r o s 393	4.9275	1,937	140	670	521	2,609
Total Current Liabilities			26,186		7,785		23,851
NON-CURRENT LIABILITIES							
Financial debts							
Negotiable obligations (face value)	U S \$ 217,100	3.7200	807,613	217,100	749,648	217,100	687,774
	E u r o s 26,070	4.9275	128,462	26,070	124,895	26,070	130,584
Total Non-Current Liabilities			936,075		874,543		818,358
TOTAL LIABILITIES			962,261		882,328		842,209

U S \$: United States Dollars
L B E : Pounds Sterling

Juan Carlos Fronza
President

METROGAS S.A.**EXHIBIT H**

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008
EXPENSES INCURRED**

MAIN ACCOUNT	03-31-09						03-31-08
	FIXED ASSETS EXPENSES	OPERATING EXPENSES		ADMINISTRATIVE EXPENSES	SELLING EXPENSES	TOTAL	TOTAL
		GAS SALES	PROCESSED NATURAL GAS				
	Thousands of Ps.						
Payroll and other employees benefits	800	7,232	-	7,253	6,282	21,567	18,714
Social security contributions	322	2,221	-	1,939	2,024	6,506	4,947
Directors' and members of Surveillance committee fee	-	-	-	242	-	242	181
Fees for professional services	-	53	-	1,450	28	1,531	1,387
Technical operator's fees	-	-	-	-	-	-	2,159
Sundry materials	-	722	-	-	-	722	976
Fees for sundry services	-	3,084	-	564	2,331	5,979	3,594
Postage, telephone and fax	-	107	-	224	1,678	2,009	1,547
Leases	-	25	-	506	279	810	843
Transportation and freight charges	-	-	-	110	-	110	136
Office materials	-	98	-	324	25	447	303
Travelling expenses	-	64	-	87	10	161	161
Insurance premium	-	-	-	738	-	738	500
Fixed assets maintenance	-	4,390	-	2,648	2	7,040	4,781
Fixed assets depreciation	-	16,680	-	960	-	17,640	17,161
Taxes, rates and contributions	-	316	9	2,428	5,337	8,090	8,059
Publicity	-	-	-	-	208	208	110
Doubtful accounts	-	-	-	-	432	432	188
Bank expenses and commissions	-	-	-	15	1,005	1,020	1,027
Contingencies reserve	-	-	-	999	-	999	6,882
Others	-	1,421	-	82	14	1,517	(8,353)
Total as of March 31, 2009	1,122	36,413	9	20,569	19,655	77,768	65,303
Total as of March 31, 2008	548	25,395	10	22,728	16,622	65,303	

Juan Carlos Fronza
President

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****SUMMARY OF ACTIVITY REQUIRED BY RESOLUTION No. 368/01 ISSUED BY THE
NATIONAL SECURITIES COMMISSION****Basis of Presentation**

The consolidated financial statements are stated in Argentine pesos and were prepared in accordance with accounting disclosure and valuation standards contained in the technical pronouncements issued by the Argentine Federation of Professional Councils in Economic Sciences ("FACPCE") approved by the Professional Council in Economic Sciences of the Autonomous City of Buenos Aires ("CPCECABA") and in accordance with the resolutions of the National Securities Commission ("CNV").

The consolidated financial statements have been prepared in constant currency, reflecting the overall effects of inflation through August 31, 1995. Between that date and December 31, 2001, restatement of the financial statements was discontinued due to the existence of a period of monetary stability. Between January 1, 2002 and March 1, 2003, the effects of inflation were recognized to reflect the inflation recorded during that period. As from that date, restatement of consolidated financial statements has been discontinued. The rate used for restatement of items was the internal wholesale price index published by the National Institute of Statistic and Census.

The Company has consolidated line by line its balance sheet as of March 31, 2009, December 31, 2008 and March 31, 2008, as well as its statements of income and cash flow for the three months ended March 31, 2009 and 2008, with the financial statements of its controlled company ("MetroENERGÍA") in compliance with Technical Resolution No. 21 issued by FACPCE, approved by the CPCECABA.

The Argentine Economic Scenario and its impact on the Company

As from the passing of the Emergency Law and its subsequent decrees, MetroGAS' activity has been significantly affected. Among the measures adopted the most important are the devaluation registered during the first months of year 2002, the pesification of certain assets and liabilities in foreign currency deposited in the country, the consequent increase in internal prices and the pesification of prices and tariffs of public services.

Moreover, the provisions of the Emergency Law modified standards of the Regulatory Framework applicable to the transportation and distribution of natural gas, mainly those which establish that the tariffs are calculated in U.S. dollars and stated in pesos and that are adjustable according to international indexes.

These situations have been considered by the Company's Management when calculating significant accounting estimates included in these consolidated financial statements, including those related to the recoverable value of non current assets. For that purpose, the Company's Management periodically elaborates economic-financial projections from alternative scenarios based on macroeconomic, financial, market and regulatory assumptions.

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****SUMMARY OF ACTIVITY REQUIRED BY RESOLUTION No. 368/01 ISSUED BY THE
NATIONAL SECURITIES COMMISSION (Contd.)**

As a consequence of the situations described above, such projections have considered modifications to the tariffs and adjustments to the operative costs of the Company in order to restore its economic-financial equation. Actual future results could differ from those estimates.

In Notes 2, 8 and 14 to primary financial statements, there is a detailed description of the economic context, the impacts of the Emergency Law and its ruling decrees and the uncertainties generated about the future results of the Company.

General Considerations

MetroGAS' sales and earnings are highly sensitive to weather conditions in Argentina. Demand for natural gas and, consequently, MetroGAS' sales and earnings, are significantly higher during the winter months (May to September), due to larger gas volumes sold and the tariff mix affecting revenues and gross profit.

According to changes in regulations (see Note 8.4.1 to the primary financial statements) the Board of Directors of MetroGAS decided to constitute MetroENERGÍA S.A. ("MetroENERGÍA"), on April 20, 2005; MetroGAS holds 95 % of the Common Stock and whose purpose is to buy and sell natural gas and/or its transportation on its own, on behalf of or associated to third parties.

On March 21, 2006 the ENARGAS by means of Resolution No. 3,462 approved, on a temporary basis, the tariff chart applicable as from July 1st, 2005 and until August 31, 2008.

The above mentioned tariff charts contain the values of the price of gas at wellhead that results from the Agreement for the implementation of the schedule for the normalization of gas prices at points of entry into the transportation system, signed between the Energy Secretariat and natural gas producers.

In the framework of the license renegotiation process, on September 2008, the UNIREN sent an alternative proposal to MetroGAS which involves the celebration of a Temporary Agreement, which establishes a Transitional Tariff Regime as from September 1st, 2008, with a readequacy of prices and tariffs including price variation of gas, transportation and distribution services.

The resulting increase in distribution tariffs must be deposited by MetroGAS in a specific trust fund created to carry out infrastructure works in the licensee area.

The Temporary Agreement establishes general guidelines for final tariff increases on average invoices, including adjustments of gas prices at well head and adjustments of transportation and distribution services, and it is complemented with ENARGAS Resolution No. I/409, which sets up a segmentation of residential customers according to their annual consumption, and Resolution No.1,070 from the ES, which includes the Complementary Agreement signed with gas producers through which gas prices at well head are established as from September 2008 until December 2009 for each customer category according their annual consumption.

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****SUMMARY OF ACTIVITY REQUIRED BY RESOLUTION No. 368/01 ISSUED BY THE
NATIONAL SECURITIES COMMISSION (Contd.)**

On October 10, 2008, MetroGAS was notified of Resolution No. I/446 from ENARGAS that contains new tariffs for its customers, to be applied since September 1st, 2008, except GNC, which will be applied since October 1st, 2008. On December 23, 2008, MetroGAS was notified of Resolution No. I/556, which includes the new tariff charts to be applied since November 1st, 2008. It is important to mention that the tariff charts do not include the readequacy of the distribution services tariffs mentioned previously (see Note 8.4.2 to the primary financial statements).

On April 14, 2009 Decree No. 234/2009 was published in the Official Bulletin, which confirms the Temporary Agreement As of the date of issuance of these financial statements, the ENARGAS has not yet issued the Resolution containing tariff charts with increases in transportation and distribution services. As a consequence, the Company has not registered the effects of the mentioned Temporary Agreement and is looking forward to the issuance of the respective ENARGAS Resolution.

It is important to point out that tariffs for distribution services have not been increased since 1999, which has caused unbalances between MetroGAS' income and expenses. If the issuance of the tariff charts continues delayed, the economic and financial condition of the Company will continue to deteriorate.

Analysis of Operations for the three months ended March 31, 2009 and 2008

The Company's sales increased by 7.7% during the three months ended March 31, 2009, and operating cost increased by 19.4% compared to the previous period, thus producing a decrease in gross profit of Ps. 8,704 thousand, amounting to Ps. 59,605 thousand during the three months ended March 31, 2009 compared to Ps. 68,309 thousand in the same period of the previous year.

During the three months ended March 31, 2009 an operating income of Ps. 17,791 thousand was recorded compared to Ps. 27,660 thousand recorded in the same period of the previous year.

During the three months ended March 31, 2009 a financial and holding loss of Ps. 74,033 thousand was recorded compared to a loss of Ps. 27,126 thousand recorded in the same period of the previous year.

The Company's net loss for the three months ended March 31, 2009 amounted to Ps. 39,721 thousand compared to a gain of Ps. 2,344 thousand recorded in the same period of the previous year.

Operating results and financial position**Sales**

The Company's consolidated sales during the three months ended March 31, 2009 increased by 7.7%, amounting to Ps. 201,861 thousand compared to Ps. 187,471 thousand in the same period of the previous year.

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****SUMMARY OF ACTIVITY REQUIRED BY RESOLUTION No. 368/01 ISSUED BY THE
NATIONAL SECURITIES COMMISSION (Contd.)**

Sales increase during the three months ended March 31, 2009 was mainly originated by MetroGAS's sales to residential customers, which increased by 18.8% from Ps. 60,477 thousand during the three months ended March 31, 2008 to Ps. 71,860 thousand in the same period of the present year. This increase, as mentioned above, is mainly due to an increase by 6.3% in gas volumes delivered, an increase in Company's customers and an increase in gas component tariff.

MetroGAS's sales with gas to industrial, commercial and governmental customers decreased by 3.3% from Ps. 15,621 thousand during the three months ended March 31, 2008 to Ps. 15,113 thousand in the same period of the present year, with a decrease of 5.8% in gas volumes delivered, partially offset by an increase in the last quarter of 2008 of the gas component tariff.

Sales of transportation and distribution services to power plants increased by 20.5% from Ps. 28,056 thousand during the three months ended March 31, 2008 to Ps. 33,794 thousand the same period of the present year, mainly due to an increase the average price and of an increase of 5.5% in gas volumes delivered.

On the other hand, sales of transportation and distribution service to industrial, commercial and governmental customers decreased 12.1% from Ps. 16,058 thousand during the three months ended March 31, 2008, to Ps. 14,119 thousand in the same period of the present year, due to the decrease of 18.6% in gas volumes delivered.

Sale of transportation and distribution service to CNG decreased by 8.9% from Ps. 10,062 thousand during the three months ended March 31, 2008 to Ps. 9,167 thousand during the same period of 2009, mainly due to the decrease of 7.6% in gas volumes delivered.

Sale of processed natural gas increase by 16.2% from Ps. 11,119 thousand recorded during the three months ended March 31, 2008, to Ps. 12,922 thousand during the same period of 2009 mainly due to the increase in the average price.

MetroENERGÍA's sales on its own behalf increased by 2.8% from Ps. 32,069 thousand during the three months ended March 31, 2008 to Ps. 32,970 thousand during the same period of 2009, mainly as a consequence of a increase in the average price partially offset by a decrease in volumes traded on its own behalf.

Commission for operations on behalf of third parties carried out by MetroENERGÍA, increased from Ps. 1,943 thousand during the three months ended March 31, 2008 to Ps. 3,763 thousand during the same period of 2009, mainly as a consequence of the increase in volumes traded on behalf of third parties.

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****SUMMARY OF ACTIVITY REQUIRED BY RESOLUTION No. 368/01 ISSUED BY THE
NATIONAL SECURITIES COMMISSION (Contd.)**

The following chart shows the consolidated Company's sales by customer category for the three months ended March 31, 2009 and 2008, expressed in thousands of pesos:

	For the three months ended March 31, 2009	% of Sales	For the three months ended March 31, 2008	% of Sales
MetroGAS				
Gas sales:				
Residential	71,860	35.6	60,477	32.3
Industrial, Commercial and Governmental	15,113	7.5	15,621	8.3
Subtotal	<u>86,973</u>	<u>43.1</u>	<u>76,098</u>	<u>40.6</u>
Transportation and Distribution Services				
Power Plants	33,794	16.7	28,056	15.0
Industrial, Commercial and Governmental	14,119	7.0	16,058	8.6
Compressed Natural Gas	9,167	4.5	10,062	5.4
Subtotal	<u>57,080</u>	<u>28.2</u>	<u>54,176</u>	<u>29.0</u>
Processed Natural Gas	12,922	6.5	11,119	5.9
Other Gas Sales and Transportation and Distribution Services	8,153	4.0	12,066	6.4
MetroENERGÍA				
Sales on own behalf	32,970	16.3	32,069	17.1
Selling commission	3,763	1.9	1,943	1.0
Total of Sales	<u>201,861</u>	<u>100.0</u>	<u>187,471</u>	<u>100.0</u>

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****SUMMARY OF ACTIVITY REQUIRED BY RESOLUTION No. 368/01 ISSUED BY THE
NATIONAL SECURITIES COMMISSION (Contd.)**

The following chart shows the Company's natural gas sales and transportation and distribution services by customer category for the three months ended March 31, 2009 and 2008, expressed in million of cubic meters:

	For the three months ended March 31, 2009	% of Sales	For the three months ended March 31, 2008	% of Sales
Gas sales:				
Residential	194.3	8.7	182.8	8.3
Industrial, Commercial and Governmental	81.6	3.6	86.6	3.9
Subtotal	275.9	12.3	269.4	12.2
Transportation and Distribution Services				
Power Plants	1,450.5	64.8	1,374.9	62.1
Industrial, Commercial and Governmental	191.6	8.6	235.4	10.6
Compressed Natural Gas	129.4	5.8	140.0	6.3
Subtotal	1,771.5	79.2	1,750.3	79.0
Processed Natural Gas	33.2	1.5	43.3	2.0
Other Gas Sales and Transportation and Distribution Services	156.3	7.0	150.2	6.8
Total delivered volume by MetroGAS	2,236.9	100.0	2,213.2	100.0
Total delivered volume by MetroENERGÍA on own behalf	118.1	100.0	139.1	100.0

Operating costs

Operating costs totaled Ps. 142,256 thousand during the three months ended March 31, 2009 generating a 19.4% increase compared to Ps. 119,162 thousand recorded in the same period of the previous year. This variation was mainly due to the increase in gas purchase and transportation costs, the reversal of penalties with power plants recorded in the first quarter of 2008 corresponding to 2007 winter period, and the increase in payroll and social contributions, partially offset by the decrease in technical operator's fees.

Gas purchases of natural gas increased by 22.0% from Ps. 44,080 thousand during the three months ended March 31, 2008 to Ps. 53,783 thousand during the same period of 2009, mainly due to an increase in gas prices at well head. During the three months ended March 31, 2009, 346.4 million of cubic meters were acquired by MetroGAS and 118.1 million of cubic meters were acquired by MetroENERGÍA representing a decrease of 4.4% compared to the gas volumes

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****SUMMARY OF ACTIVITY REQUIRED BY RESOLUTION No. 368/01 ISSUED BY THE
NATIONAL SECURITIES COMMISSION (Contd.)**

purchased in the same period of the previous year. This variation was mainly due to the decrease in the volume delivered to MetroENERGÍA's customers on its own behalf.

Gas transportation costs increase by 4.8% during the three months ended March 31, 2009 compared to the same period of the previous year, due to the increase of interruptible transportation costs.

During the three months ended March 31, 2009 and 2008, the Company capitalized Ps. 1,122 thousand and Ps. 548 thousand, respectively, corresponding to the portion of operating costs attributable to the planning, execution and control of investments in fixed assets.

The following chart shows the Company's operating costs by type of expense for the three months ended March 31, 2009 and 2008, expressed in thousands of pesos:

	<u>For the three months ended March 31, 2009</u>	<u>% of Total Operating Costs</u>	<u>For the three months ended March 31, 2008</u>	<u>% of Total Operating Costs</u>
Gas purchases of natural gas and processed natural gas	53,783	37.8	44,080	37.0
Gas transportation	52,051	36.6	49,677	41.7
Depreciation of fixed assets	16,680	11.7	16,249	13.6
Payroll and social contributions	10,575	7.4	8,451	7.1
Fixed assets maintenance	4,390	3.1	3,835	3.2
Technical operator's fees	-	-	2,159	1.8
Sundry materials	722	0.5	976	0.8
Fees for sundry services	3,084	2.2	1,947	1.6
Other operating expenses	2,093	1.5	(7,664)	(6.3)
Capitalization of operating costs in fixed assets	(1,122)	(0.8)	(548)	(0.5)
Total	<u>142,256</u>	<u>100.0</u>	<u>119,162</u>	<u>100.0</u>

Administrative expenses

Administrative expenses decreased 9.4% from Ps. 22,759 thousand during the three months ended March 31, 2008 to Ps. 20,613 thousand during the same period of the present year. This decrease was mainly due to lower charges of the contingency provision partially offset by the increase in system maintenance expenses and payroll and social contributions.

Selling expenses

Selling expenses increased 18.5% from Ps. 17,890 thousand during the three months ended March 31, 2008 to Ps. 21,201 thousand during the same period of the present year, mainly due to the increase in payroll and social contributions and fees for sundry services.

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****SUMMARY OF ACTIVITY REQUIRED BY RESOLUTION No. 368/01 ISSUED BY THE
NATIONAL SECURITIES COMMISSION (Contd.)****Financing and holding results**

During the three months ended March 31, 2009 a financial and holding loss of Ps. 74,033 thousand was recorded compared to a loss of Ps. 27,126 thousand recorded in the same period of the previous year. Such variation in financial and holding results was mainly due to the exchange loss registered in the three months ended March 31, 2009, as a consequence of the increase in the exchange rate over financial debts.

Other income (loss) net

Other income (loss) net, for the three months ended March 31, 2009 totaled a loss of Ps. 322 thousand compared to a gain of Ps. 869 thousand recorded in the same period of the previous year, mainly due to a decrease in penalties billed to contractors.

Income tax

During the three months ended March 31, 2009, the Company registered a gain amounted to Ps. 17,112 thousand for income tax compared to a gain of Ps. 1,202 thousand registered in the same period of the previous year. Such variation was mainly due to the Metrogas's tax loss carry-forward registered in the three months period of the present year.

Net cash flows provided by operating activities

Net cash flows provided by operating activities were Ps. 7,640 thousand during the three months ended March 31, 2009 compared to Ps. 46,639 thousand during the same period of the previous year. Such variation was mainly due to the increase in cash flows required by working capital during the present period and the decrease in the operating income.

Net cash flows used in investing activities

Net cash flows used in investing activities totaled Ps. 18,454 thousand during the three months ended March 31, 2009, due to higher fixed assets additions, compared to Ps. 16,759 thousand used during the same period of the previous year.

Net cash flows provided by financing activities

During the three months ended March 31, 2009, Ps. 1,253 thousand were provided by financing activities, while there were neither uses nor provision of cash flows in the same period of the previous year. The increase in net cash flows provided by financing activities is mainly due to MetroENERGÍA's bank overdraft with Argentine financial entities.

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****SUMMARY OF ACTIVITY REQUIRED BY RESOLUTION No. 368/01 ISSUED BY THE
NATIONAL SECURITIES COMMISSION (Contd.)****Liquidity and capital resources****Financing**

As of March 31, 2009, the total indebtedness of the Company was Ps. 895,708 thousand.

At the Extraordinary Shareholders' Meeting held on December 22, 1998 the Shareholders approved the creation of a Global Program for issuing unsecured non-convertible Negotiable Bonds, for an amount of up to US\$ 600 million (or the equivalent in other currencies or currency combinations) over a five-year term as from the date of authorization of the Program by the CNV. On October 15, 2004, Extraordinary Shareholders Meeting approved the five years extension of the Global program, that was authorized by CNV on March 31, 2005.

Under the mentioned Global Program, the following Negotiable Obligations were placed and issued (i) Series A, on March 27, 2000, by the amount of US\$ 100 million, maturing in 2003, bearing interest at the rate of 9.875% per annum, (ii) Series B, on September 27, 2000, by the amount of Euros 110 million maturing in 2002, bearing interest at the rate of 7.375% per annum and (iii) Series C, on May 7, 2001, by the amount of US\$ 130 million, maturing in May 2004 and bearing interest at LIBOR plus a margin ranging from 2.625% to 3.25%.

On March 25, 2002, MetroGAS announced the suspension of principal and interest payments on all of its financial indebtedness due to the fact that the Emergency Law, together with implementing regulations, altered fundamental parameters of the Company's license, including the suspension of the tariff adjustment formula and the redenomination of the tariff into pesos, and also the announcement of the devaluation of the peso.

On November 9, 2005, the Company announced the commencement of a solicitation of consents to restructure its unsecured financial indebtedness pursuant to an APE under Argentine law.

On May 12, 2006, the Company concluded the financial debt restructuring process, performing the effective exchange of the bonds. Consequently, it issued in exchange for its Existing Debt Series 1 Notes amounting to US\$ 236,285,638 in principal amount, Series 2 Notes Class A amounting to US\$ 6,254,764 in principal amount and Series 2 Class B amounting to Euros 26,070,450 in principal amount. Additionally the Company made payments amounting to US\$ 105,608,445 for the cash options received, along with US\$ 19,090,494 and Euros 469,268 to pay accrued interest on Series 1 notes and Series 2 notes through December 30, 2005.

The offering of the Series 1 and 2 was made in full compliance with the Fund Allocation Plan. The funds obtained were allocated to the refinancing of short-term indebtedness.

MetroGAS, and its subsidiaries, must comply with a series of restrictions under the Company's new debt obligations (Note 9 to the primary financial statements).

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****SUMMARY OF ACTIVITY REQUIRED BY RESOLUTION No. 368/01 ISSUED BY THE
NATIONAL SECURITIES COMMISSION (Contd.)****Comparative consolidated balance sheets**

In order to appraise the development of the Company's activities, the chart below sets forth comparative consolidated balance sheet information from the Company's unaudited consolidated interim financial statements as of March 31, 2009, 2008, 2007 and 2006 (due to the incorporation of the controlled company MetroENERGÍA S.A., registered in the Public Registry of Commerce on May 16, 2005) and the Company's unaudited interim financial statements as of March 31, 2005.

	03.31.09	03.31.08	03.31.07	03.31.06	03.31.05
	Thousand of Ps.				
Current assets	260,757	222,685	273,621	736,458	497,820
Non-current assets	1,877,021	1,817,029	1,800,954	1,925,115	1,937,395
Total assets	<u>2,137,778</u>	<u>2,039,714</u>	<u>2,074,575</u>	<u>2,661,573</u>	<u>2,435,215</u>
Current liabilities	305,694	263,081	353,368	1,959,286	1,739,587
Non-current liabilities	894,545	783,733	753,107	45,605	13,466
Total liabilities	<u>1,200,239</u>	<u>1,046,814</u>	<u>1,106,475</u>	<u>2,004,891</u>	<u>1,753,053</u>
Minority interest	1,317	1,064	663	185	-
Shareholders' equity	936,222	991,836	967,437	656,497	682,162
Total	<u>2,137,778</u>	<u>2,039,714</u>	<u>2,074,575</u>	<u>2,661,573</u>	<u>2,435,215</u>

Comparative consolidated statements of income

The chart below contains a summary of the unaudited consolidated interim statements of income for the three months ended March 31, 2009, 2008, 2007 and 2006, and the unaudited interim statement of income for the three months ended March 31, 2005 of MetroGAS.

	03.31.09	03.31.08	03.31.07	03.31.06	03.31.05
	Thousand of Ps.				
Gross profit	59,605	68,309	54,242	60,371	33,607
Administrative and selling expenses	(41,814)	(40,649)	(32,932)	(30,605)	(25,661)
Operating income	17,791	27,660	21,310	29,766	7,946
Financial and holding results	(74,033)	(27,126)	(29,513)	(54,934)	20,033
Other (loss) income, net	(322)	869	2,788	1,597	1,442
Minority interest	(269)	(261)	(205)	(93)	-
(Loss) income before income tax	(56,833)	1,142	(5,620)	(23,664)	29,421
Income tax	17,112	1,202	(648)	(991)	-
Net (loss) income	<u>(39,721)</u>	<u>2,344</u>	<u>(6,268)</u>	<u>(24,655)</u>	<u>29,421</u>

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****SUMMARY OF ACTIVITY REQUIRED BY RESOLUTION No. 368/01 ISSUED BY THE
NATIONAL SECURITIES COMMISSION (Contd.)****Comparative statistical data**

The chart below shows a summary of operating data for the three months ended March 31, 2009, 2008, 2007, 2006 and 2005.

	03.31.09	03.31.08	03.31.07	03.31.06	03.31.05
	Million of CM				
Gas purchased by MetroGAS	346.4	347.0	328.1	743.5	1,102.2
Gas contracted by third parties	2,076.6	2,043.2	2,079.9	1,410.2	1,239.5
	<u>2,423.0</u>	<u>2,390.2</u>	<u>2,408.0</u>	<u>2,153.7</u>	<u>2,341.7</u>
Volume of gas withheld:					
-Transportation	(139.2)	(129.6)	(138.4)	(130.3)	(155.1)
-Loss in distribution	(45.3)	(45.1)	(45.1)	(48.5)	(51.2)
-Transportation and processing gas production	(1.7)	(2.2)	(3.0)	(2.5)	(0.6)
Volume of gas delivered by MetroGAS	<u>2,236.8</u>	<u>2,213.3</u>	<u>2,221.5</u>	<u>1,972.4</u>	<u>2,134.8</u>
Volume of gas purchased and delivered by MetroENERGÍA	<u>118.1</u>	<u>139.1</u>	<u>315.0</u>	<u>214.1</u>	<u>-</u>

Comparative ratios

The chart below contains certain financial ratios as ended March 31, 2009, 2008, 2007, 2006 and 2005.

	03.31.09	03.31.08	03.31.07	03.31.06	03.31.05
Liquidity	0.85	0.85	0.77	0.38	0.29
Solvency	0.78	0.95	0.87	0.33	0.39
Immobilization	0.88	0.89	0.87	0.72	0.80

METROGAS S.A.**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF MARCH 31, 2009 AND 2008****SUMMARY OF ACTIVITY REQUIRED BY RESOLUTION No. 368/01 ISSUED BY THE
NATIONAL SECURITIES COMMISSION (Contd.)****Other information**

The chart below contains information regarding the price per share of the Company's common shares and its ADSs:

		Share Price on the Buenos Aires Stock Exchange (1)	ADSs Price on the New York Stock Exchange (1)
		Ps.	US\$
March	2005	1.35	4.52
March	2006	1.27	4.06
March	2007	1.32	4.42
January	2008	1.20	3.68
February	2008	1.26	3.88
March	2008	1.25	3.90
April	2008	1.18	3.56
May	2008	1.23	3.67
June	2008	1.18	3.91
July	2008	1.25	4.23
August	2008	1.11	3.60
September	2008	1.15	3.82
October	2008	0.52	1.40
November	2008	0.52	1.46
December	2008	0.54	0.95
January	2009	0.52	1.35
February	2009	0.50	1.30
March	2009	0.50	1.52

(1) Prices on the last business day of the month.

Outlook

Based on the economic context and the provisions issued by the National Government, which include the modification of MetroGAS' Regulatory Framework, the Company will continue concentrating its efforts towards ensuring business continuity, maintaining the quality of gas supplies and meeting the Basic License Rules. Finally, and depending on the outcome of the renegotiation of the License define its future strategy.

Autonomous City of Buenos Aires, May 8, 2009.

Juan Carlos Fronza
President