Enagás
3Q 2012 Results

23 October 2012

Key figures

(€mill)	Jan-Sept 2011	Jan-Sept 2012	%12vs11
Total revenues	846.7	868.8	+2.6%
EBITDA	654.7	683.5	+4.4%
EBIT	434.6	454.5	+4.6%
Net Profit	270.8	281.4	+3.9%
Investments	534.2	647.9	
Assets put into operation	548.6	895.3	
Net debt	3,324.8	3,417.8	
Leverage	63.9%	62.8%	
Transported gas demand (GWh)	308,165	308,474	+0.1%

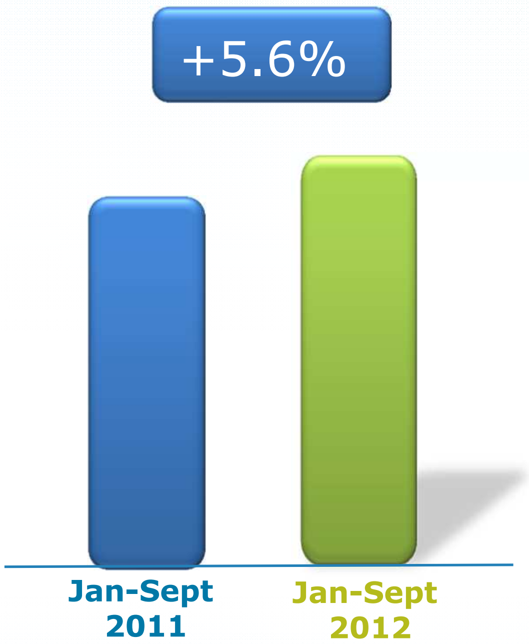
Despite the current economic situation we are on track to guarantee that our commitments will be met for the sixth consecutive year

Note: 9M2012 results include the contribution of Gaviota UGS and the proportional consolidation of 40% of Altamira Plant (Mexico) corresponding to 1H2012. In 9M2011 results the Gaviota underground storage was integrated since Jan, 1st, 2010. Additionally, 40% of Altamira (Mexico) regasification plant was consolidated proportionally in the B/S

Investments and assets put into operation in 2012 include the EV of GNL Quintero, without effect in 9M 2012 P&L. GNL Quintero will be consolidated by equity method in 4Q2012

Cost efficiency

Homogeneous
total revenues

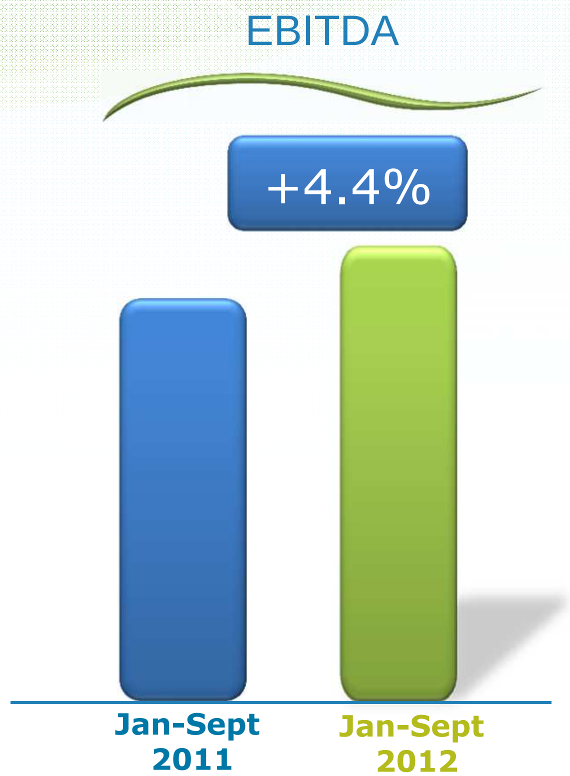


Homogeneous
Opex

Cost control continues to be key to achieve 2012 targets

Note: Like for like Opex and total revenues, without taking into consideration the Gaviota’s contribution, 40% of Altamira participation and other non-recurrent expenses

Results performance



As we announced, the comparison is more demanding due to the incorporation of 1 year and 8 months Gaviota results in 3Q2011

Capex & Assets put into operation

Capex 9M 2012

€647.9M

18% higher than the annual target of €550 mill

Assets put into operation 9M 2012

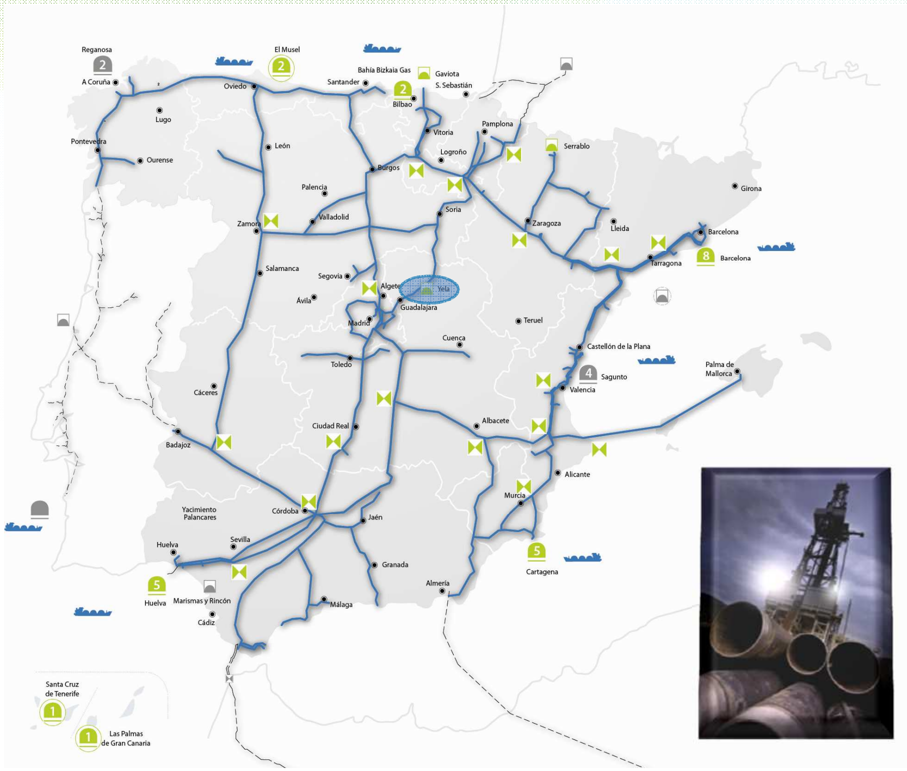
€895.3M

20% higher than the annual target of €750 mill

Investments and core business acquisitions, organic investment expected for 2012, 2013 and 2014, and the possible core business acquisitions under study, confirms the 2010-2014 investment plan by ± 10%

Note: Investments and assets put into operation in 2012 include the EV of GNL Quintero, without effect in 9M 2012 P&L. GNL Quintero will be consolidated by equity method in 4Q2012

Yela underground gas storage



- **1998/2004**: Study of the structure using seismic and other exploratory surveys
- **2007**: Enagas obtains the operating concession and recognition for public use for the Yela storage capacity
- **2008**: Environmental impact statement obtained
- **2009**: Government authorisation obtained and work starts
- **2012**: Storage facility starts operating

Investment	€223mill
Operating capacity	1,050 Mm^3
Capacity injection/extraction	10/15 m^3(n)/día

Essential to ensure the safety of the Spanish energy system

Note: The investment figure doesn't include the cushion gas

2012 Targets

EBITDA	+8%
Net profit	Flat
Dividend	+8%
Pay-Out	70%

Growth in EBITDA at the end of this fiscal year will be lower than the target set by:

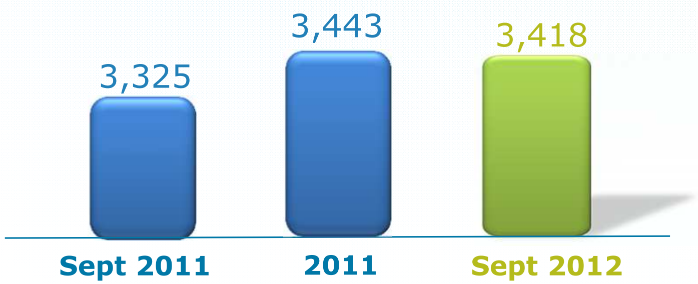
- **Delay in the integration of acquisitions in progress, which final permits are expected to get in Q1 2013**
- **Difference in the consolidation methods planned, following the new accounting IFRS (equity method vs. Proportional)**

Operating and financial cost control, and the integration by the equity method of GNL Quintero reaffirm our targets of flat growth in Net Profit and +8% in dividend

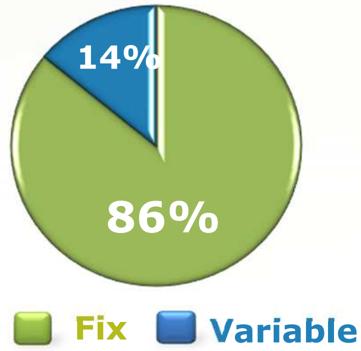
Enagás will present an update of the Strategic Plan in February 2013 coinciding with 2012 Results

Financial structure and liquidity

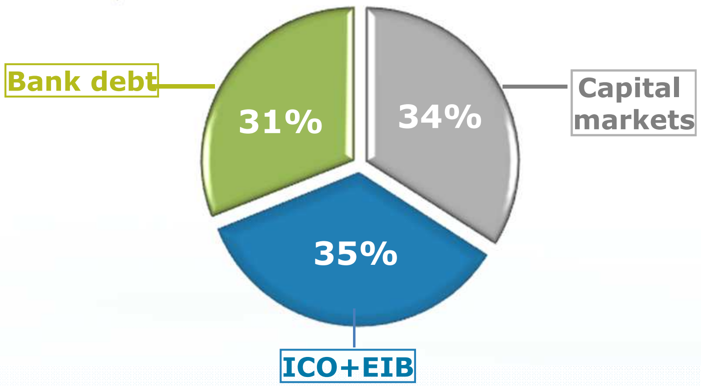
Net Debt (mill€) 30 Sept



Debt structure



Types of debt



Liquidity

~ €2,600 mill

Note: Charts of debt structure, types of debt and liquidity, include the two bond issued in September-October

Financial highlights 9M 2012

Bond issues	€500 mill	€250 mill (TAP)
Issuer	Enagás Financiaciones S.A.U	
Guarantors	Enagás Transporte S.A.U/ Enagás S.A	
Maturity Date	05/ October/2017	
Amount	€500 mill	€250mill
Annual coupon	4.25%	
Real cost for Enagas	4.295%	3.615%

Renewals and refinancing Jan-Sept

~ €1,165 mill

+

New facilities Jan-Sept

~ €1,440 mill

Adequate financial resources to execute the 2010-2014 Investment Plan and carry out with calm the future refinancing

Note: Figures include the two bond issued in September-October

Government measures until Sept 2012

Gas sector

Adjustments set in the Royal Decree 13/2012 of March 30th and in the Ministerial Order IET 849/2012 of April 26th: Change in the amortization period for new UGS and the freezing of the Musel regasification plant (receiving the financial remuneration for the invested capex)

Freezing of the start-up of new infrastructure, except those related to international connections

On average, fees have increased in 2012 by 8%

On track to eliminate the temporary gas tariff deficit and reinforce the long term regulatory stability

Fiscal measures

Accelerated amortization removal

No retroactive effect and with very small impact in the 2012 P&L by a slight increase in financial expenses

For the years 2013 and 2014, the Strategic Plan did not include the effect of accelerated amortization

Reduction to 70% of the deductibility of depreciation (Draft bill announced in the Ministers Cabinet 27 Sept 2012)

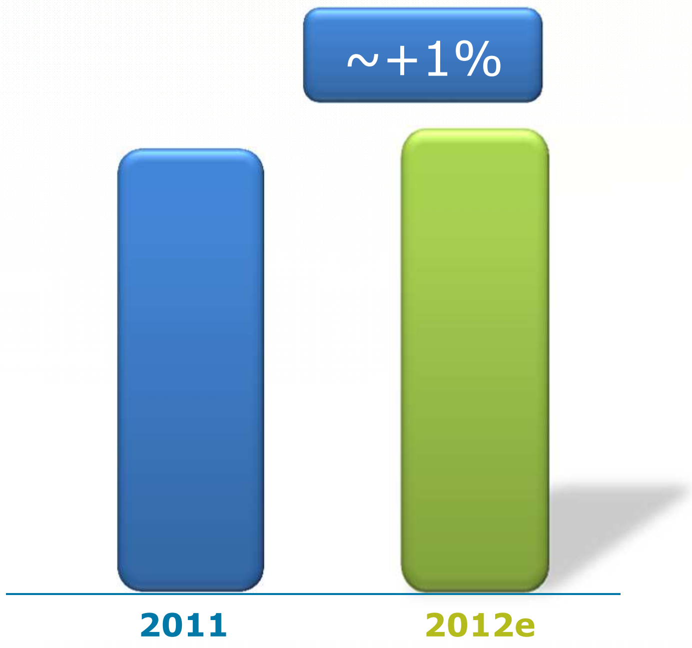
Limited impact in 2013 and 2014 due to apply very conservative criteria in amortization, fully in line with the regulatory depreciation of the assets

Small impact on results and estimates of the Company

2012 Natural gas demand

2012 Conventional gas demand forecast

2012 transported gas demand forecast

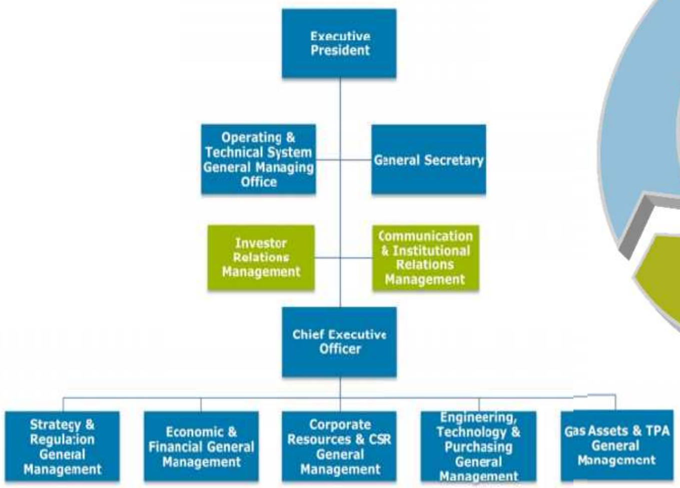


2012 natural gas demand forecast is fully aligned with the estimate made by the regulator for calculating access fees

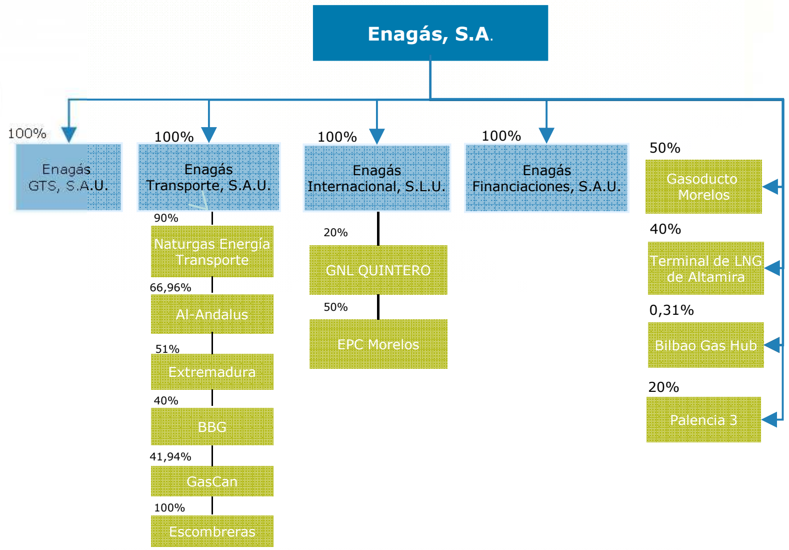
Note: Total transported gas demand includes I.C. Exportations, GME to REN transfers, and ship loading

Organizational and shareholder structure

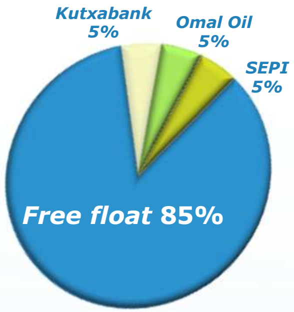
Strengthening the organizational structure to adapt to the best practices of Corporate Governance



New holding structure and accreditation by the CNE and the European Union as TSO



Changes in shareholder structure



Naturgas y EPC Morelos: Pending closing.
Gasoducto Morelos, Altamira; Bilbao Gas Hub y Palencia 3- Pending transfer to International Enagás, SLU

Conclusions

- **Despite the current economic situation we are on track to guarantee that our commitments will be met for the sixth consecutive year**
- **Capex and assets put into operation at 30 Sept 2012 are 18% and 20% higher than the annual targets of €550 mill and €750 mill respectively**
- **After the two last bond issues (€750 mill), Enagás has adequate financial resources to execute the 2010-2014 Investment Plan and carry out with calm the future refinancing**
- **Government adjustments, and the increased tolls (+8% in 2012), are on the right track to eliminate the temporary gas tariff deficit and reinforce the long term regulatory stability**
- **In 3Q Enagás culminates its process of hive-downs at subsidiaries and accreditation by the CNE regulator and the European Union as an independent gas transmission network manager, adapting the Company's organisational structure and the Board of Directors in response to more stringent Good Governance recommendations**

Conference call-Webcast

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