



2014 First Quarter Results

29 April 2014



2014 first quarter main figures

Income statement (mill€)	Jan-Mar 2013	Jan-Mar 2014	Var%
Total Revenues	311.9	313.7	+0.6%
EBITDA	234.3	245.9	+4.9%
EBIT	152.7	162.8	+6.6%
Net Profit	95.0	99.7	+5.0%

Note: In 2014 and in accordance with IFRS 11, BBG and Altamira are consolidated by the equity method, providing only Net Profit, whereas in 2013 were proportionately consolidated.

By integrating BBG and Altamira in 2013 by the equity method the growth in the quarter of the figures listed above would be: Total Income +4.3%, +8.7% EBITDA, EBIT +10.1% and Net Profit + 5.0%

Balance (mill€)	31 Dec 2013	31 Mar 2014
Total assets	7,210.6	7,705.1
Equity	2,118.4	2,037.1
Net Debt	3,772.7	3,897.0
Liquidity	2,114	2,412

Note: In 2014 and in accordance with IFRS 11, BBG and Altamira are consolidated by the equity method, whereas in 2013 were proportionately consolidated.

By integrating BBG and Altamira in 2013 by the equity method magnitudes listed above would be: Total assets € 7,037.1 million, Equity 2,110.8 million, € 3,657 million Net Debt

The increase in net debt in the first quarter of 2014 is mainly due to the acquisition of 22.38% of TgP

Other figures(mill€)	Jan-Mar 2013	Jan-Mar 2014	Var%
Investments (Enterprise Value)	308.4	563.6	+82.7%
Investments (Equity)	299.6	399.1	+33.2%

Note: In 2014 investment figures is incorporated the investment in TgP (EV, €546.5mill, Equity, €373 mill) although there will be no contribution to the income statement until April 2014

Operative figures (GWh)	Jan-Mar 2013	Jan-Mar 2014	Var%
Transported gas demand	110,836	107,393	-3.1%

Results in line to achieve our 2014 targets

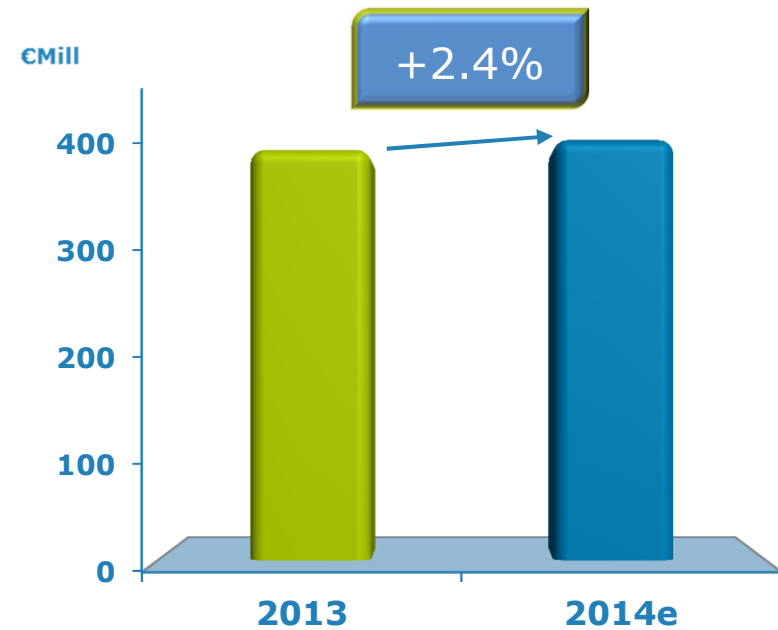
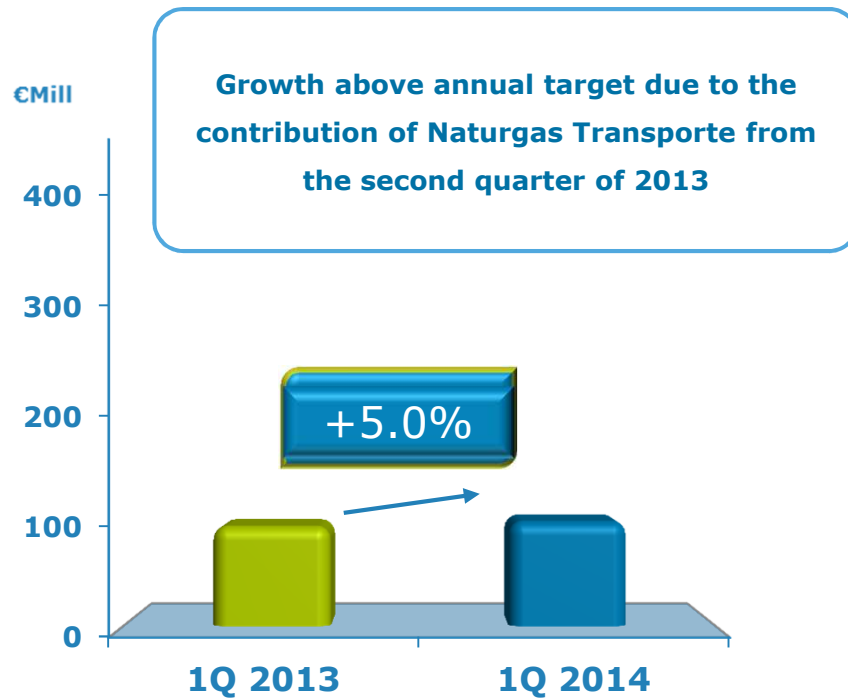


Note: In 2014 and in accordance with IFRS 11 (for which the option to apply the proportional consolidation method is eliminated for businesses that have joint control), Altamira and BBG are consolidated by the equity method, providing Net Profit only.

Net profit evolution

1Q2014

Net profit 2014e



Keeping 2.4% growth target in both net profit and dividend



January-March 2014 investments

Spain



• Spanish investments €13mill

International

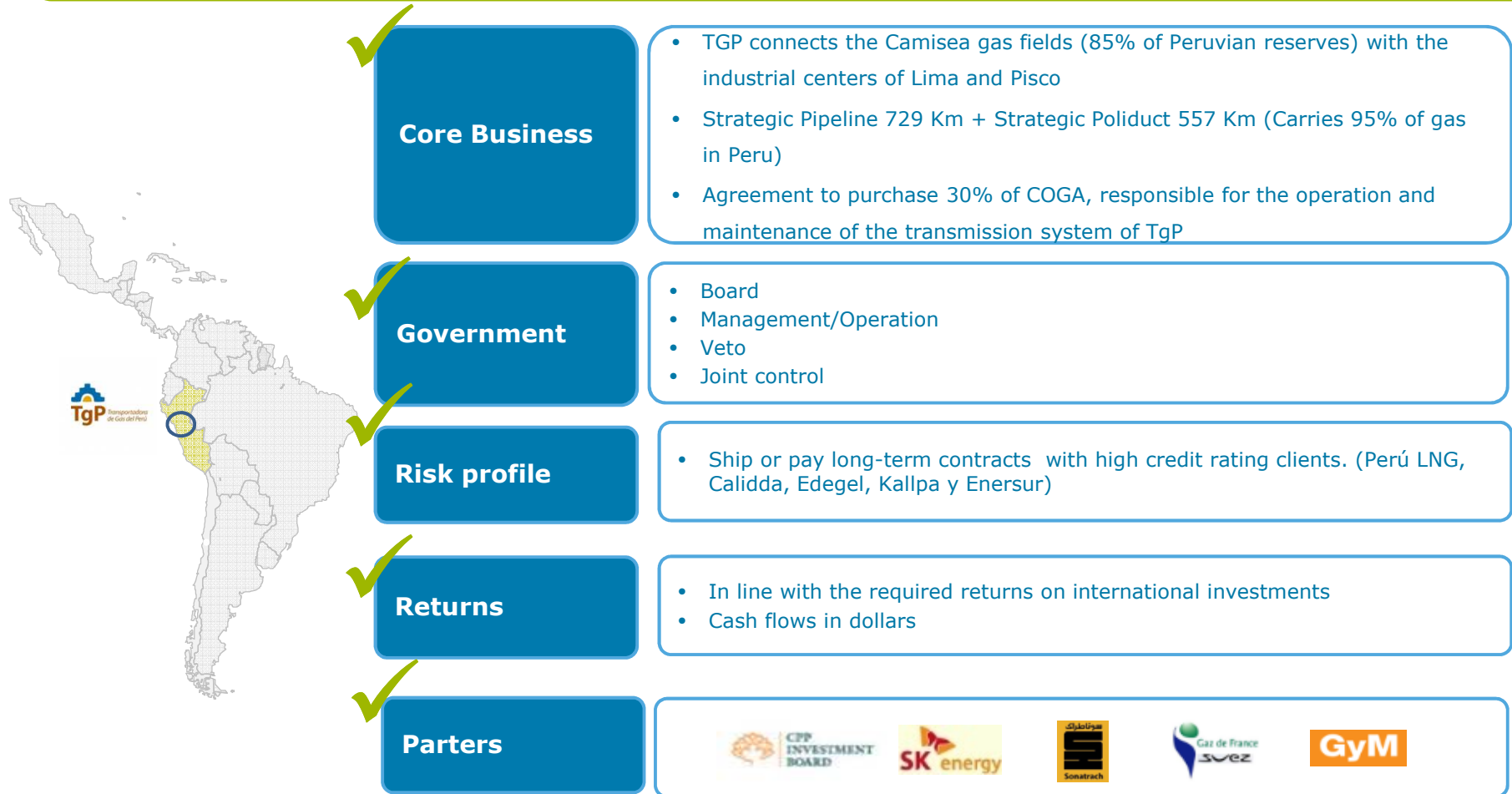


• International investments (Equity) €387mill

The acquisition of 22.38% of TgP amounting € 373M (the agreement with CPPIB contemplates the subsequent sale of 2.38% and the acquisition of 30% of COGA), along with the rest of investments of the quarter, will lead us to fulfill the CAPEX target for 2014



TgP and COGA acquisition: Fulfillment of criteria

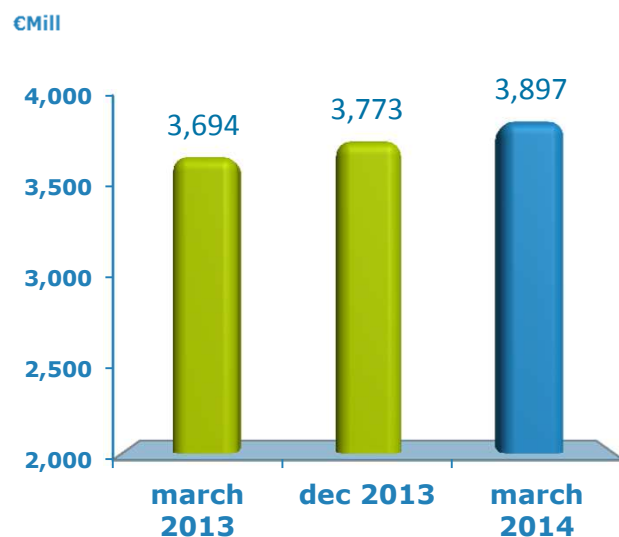


The TgP acquisition will contribute positively to Enagas P&L from April, consolidated by the equity method



Financial structure and liquidity

Net Debt



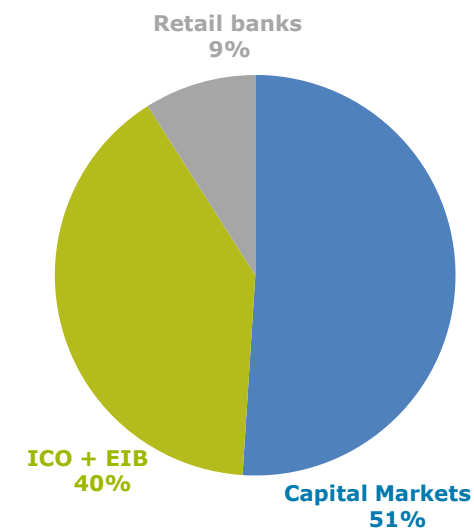
Note: Net debt proforma € 3,585.9 million in March 2013 and in December 2013: € 3,657 million

Leverage & Liquidity

	March 2013	March 2014
Net Debt/EBITDA (Last 12 months)	3.9x(*)	3.8x
Net cost of debt	2.9%	3.2%
Leverage ratio	63.6%	65.7%
Liquidity	€2,410 mill	€2,412 mill
Available lines	€916 mill	€1,768mill
Cash	€1,494 mill	€644 mill

(*) Net debt / EBITDA 2013 proforma (without BBG and Altamira) is 3.9 x

Type of debt



Increase in net debt due to TgP acquisition

Main financial operations

Bond issue

Issuer:	Enagás Financiaciones, S.A.U.
Guarantor:	Enagás, S.A.
Tenor:	8 years
Maturity:	11/04/2022
Issue amount:	€ 750 mill
Annual coupon:	2.5%
Yield:	2.54%

- The success of the placement, in both term and a historically low cost of funding, contributes to further improve the sound financial position of the company.

- Issuance ratings: S&P: BBB (stable outlook) / Fitch: A- (stable outlook)
- The issue, guaranteed by Enagas SA, has corporate ratings, due to the breakdown of structural subordination, once the restructuring of the Group's debt by concentrating it Enagas SA was completed.

- The offer had a great reception, more than 360 orders that oversubscribed the offer more than 6 times (> 4,600 €).

- 86 % of the issue was placed among international investors.

Cross Currency Swap

Amount EUR	€ 400 mill
Amount USD	\$ 550 mill
Yield USD	3.84%

With this issuance Enagas has eliminated the refinancing risk in 2015 and has extended the average maturity of the debt



First quarter gas demand

National demand

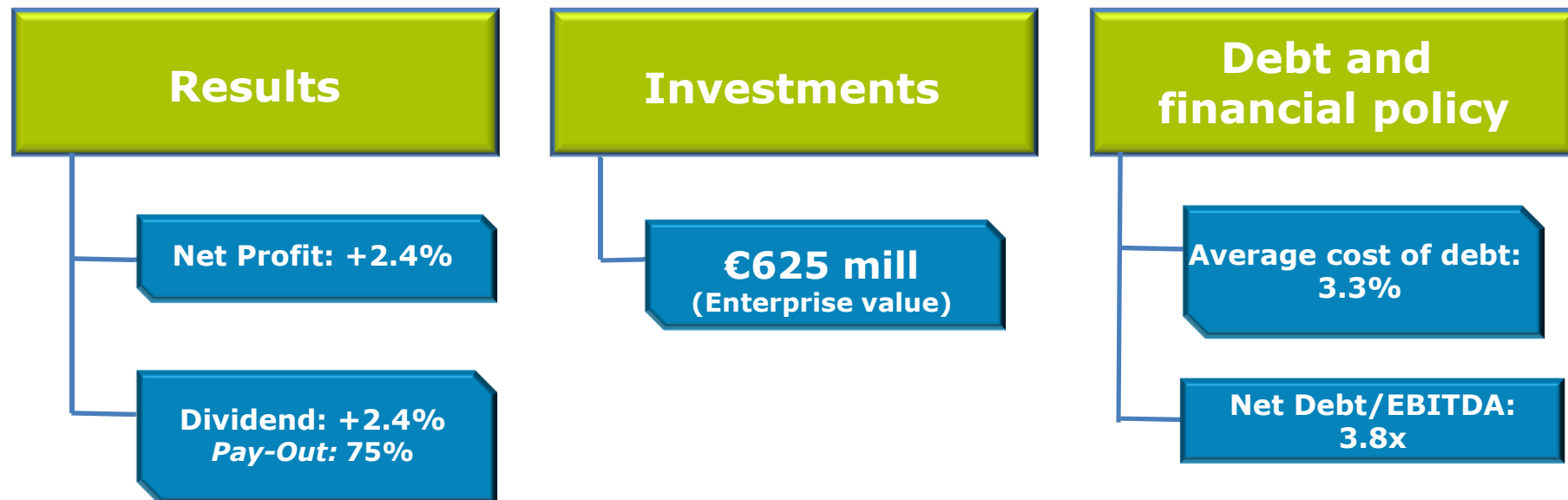
<i>Conventional</i>	77 TWh	-9.1% vs 1Q2013
<i>Electricity sector</i>	10 TWh	-26.5% vs 1Q2013
TOTAL	88 TWh	-11.5% vs 2013

Transit through the Gas System

<i>Exports</i>	2 TWh	+ 37.3% vs 1Q2013
<i>LNG Ship loading</i>	10 TWh	+181.5% vs 1Q2013
<i>Portugal Transit</i>	7 TWh	+15.2% vs 1Q2013
TOTAL	19 TWh	+71.7% vs 2013

Transported gas demand 107 TWh -3.1% vs 1T 2013

2014 targets



Conclusions

- ▶ 2.4% growth target in both net profit and dividend for 2014.
- ▶ The acquisition of 22.38% of TgP amounting € 373M (agreement with CPPIB contemplates the subsequent sale of 2.38% and the acquisition of 30% of COGA), along with the rest of investments of the quarter, lead us to fulfill the CAPEX target for 2014.
- ▶ Enagas placed in the markets a bond issue of 750 million euros with a maturity of 8 years and an annual coupon of 2.50%. Enagás performed this operation taking advantage of the window of opportunity in the market, eliminating the risk of refinancing in 2015 and extending the average maturity of debt.
- ▶ Ongoing dialogue with the regulator, waiting for the review of regulated activities in the gas sector.





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