



Conference call-Webcast 9M 2011 Results

25/October/2011



Summary



Jan-Sept 2011 Results



Reinforcing our strengths

- Regulation
- Investment Plan execution
- Core business acquisitions
- Financial Policy
- Growth and Shareholders remuneration
- Corporate Responsibility



Conclusions

Key figures



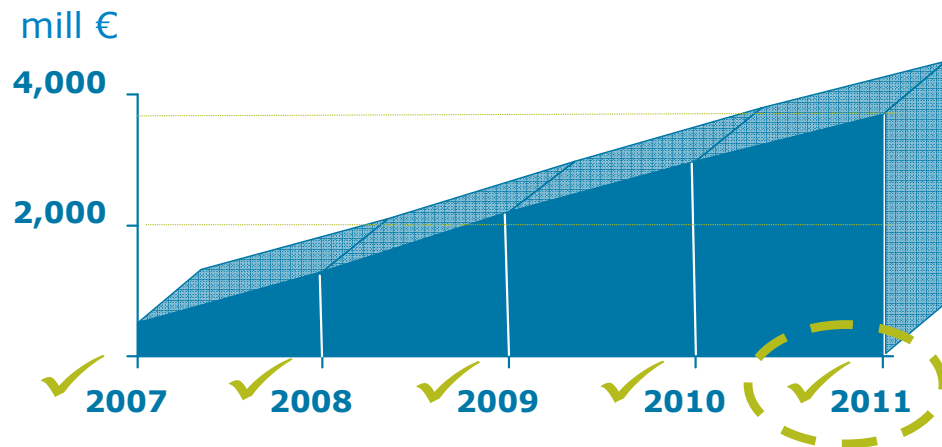
(€mill)	Jan-Sept 2010	Jan-Sept 2011	%11vs10
Regulated revenues	718.5	815.6	+13.5%
Total revenues	744.0	846.7	+13.8%
EBITDA	588.1	654.7	+11.3%
EBIT	406.3	434.6	+7.0%
Net Profit	254.9	270.8	+6.2%
Investments	559.1	534.2	
Assets put into operation	190.7	548.6	
Net debt	2,972.9	3,324.8	
Leverage	63.1%	63.9%	
Cost of debt	2.68%	2.82%	
Transported gas demand (GWh)	316,722	302,673	-4.4%

In the 9m 2011 Results, there are the following perimeter changes:

1. 40% of BBG regasification plant has been consolidated (vs 25% since april 2010 in 9m 2010)
2. The Gaviota underground storage has been integrated for the first time, with effect since Jan, 1st, 2010.
3. 40% of Altamira (Mexico) regasification plant has been consolidated proportionally in the B/S. It will be consolidated in the P&L in the 4Q 2011.

Targets met for the fifth consecutive year

Accumulated investment



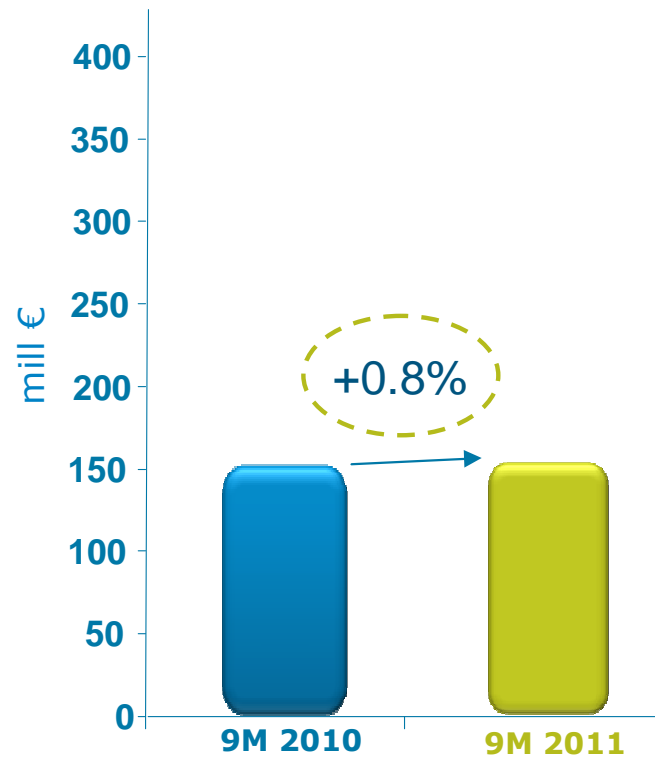
Net Profit (Var%)



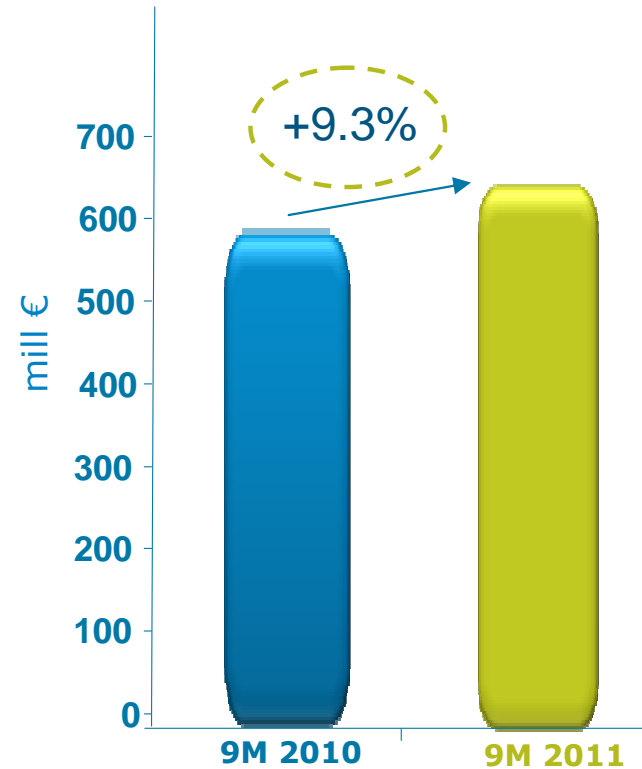
Despite the current economic situation we are on track to guarantee that the commitments undertaken by Enagas for 2011 will be met for the fifth consecutive year

Operating Efficiency

OPEX(*)



EBITDA(**)

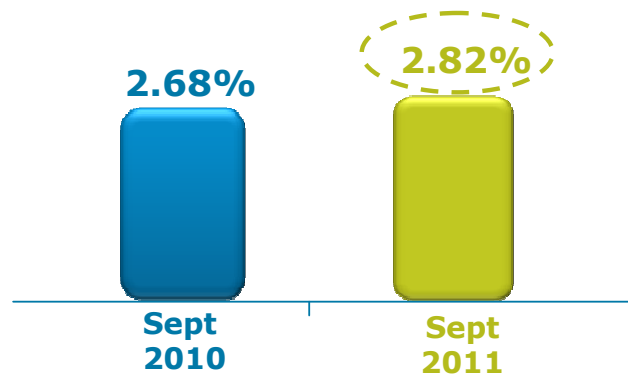


Strict Opex control

(*) Like for like Opex (without taking into consideration the Gaviota´s opex since Jan/2010)
 (**) % change in Ebitda, integrating Gaviota since Jan/2011.
 Note: 40% of Altamira has not been consolidated in the P&L

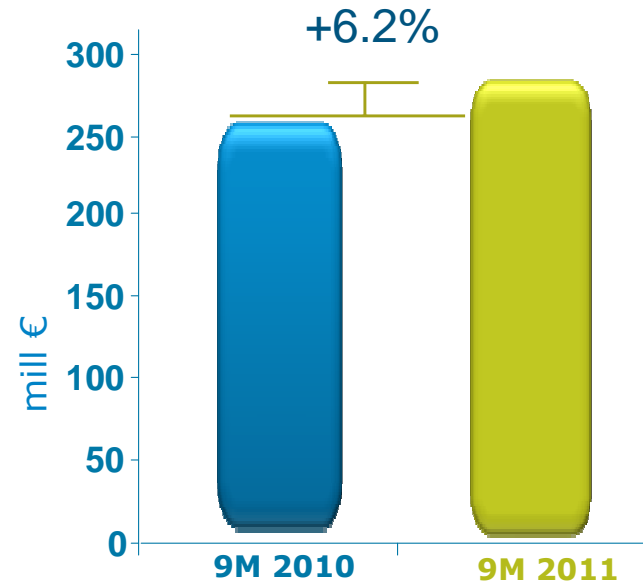
Financial cost control

Average cost of debt



Cost of debt at similar levels of 2010

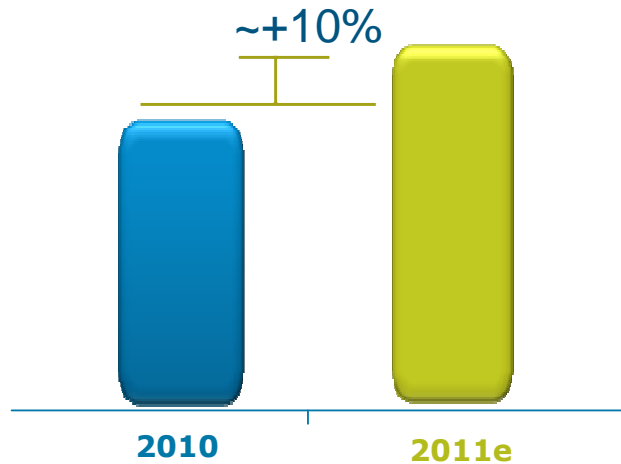
Net profit (mill€)



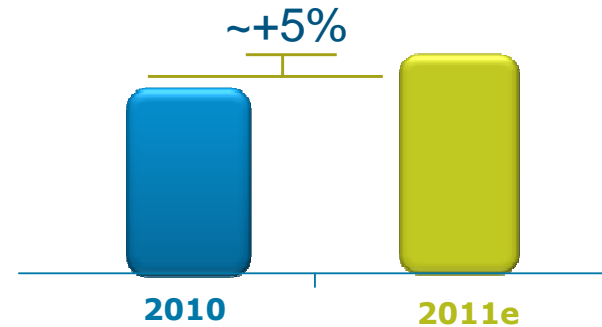
Investments, acquisitions and cost control have been the key factors for surpassing the 2011 Net Profit target

2011 Targets

EBITDA



Net Profit



Investments

€ 650 mill

Assets put into operation

€ 650 mill

Prudent and consevative 2011 Targets

9M2011 Investments



Capex



€534.2 mill

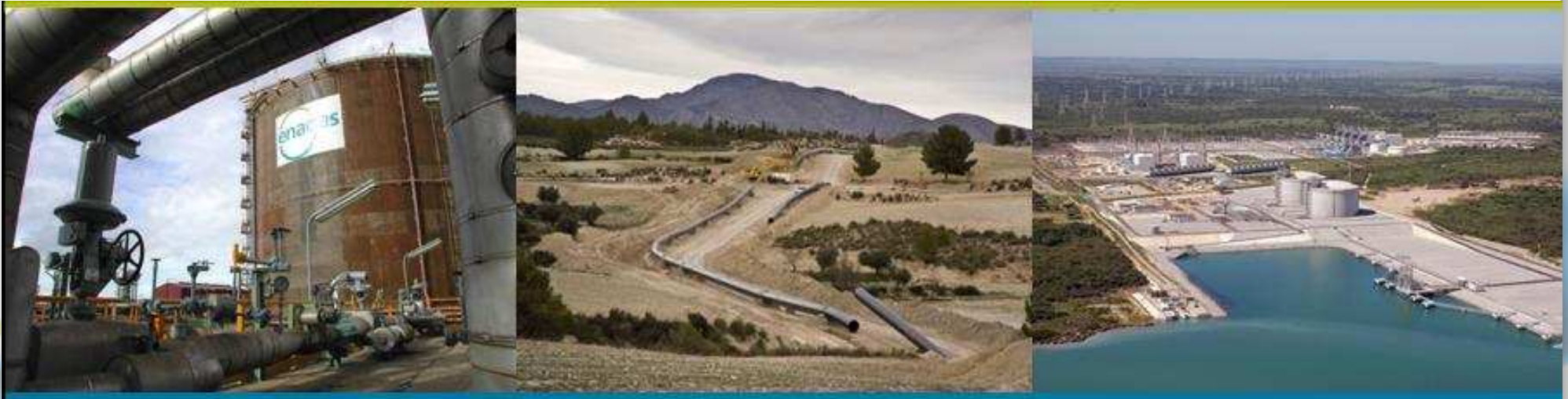
Assets put into operation



€548.6 mill

8th LNG tank Barcelona Plant
CS Villar de Arnedo
Algete-Yela Pipeline
Tivissa-Paterna Pipeline (Castellón tranche)
Gaviota Underground Storage
40% Altamira regasification Plant

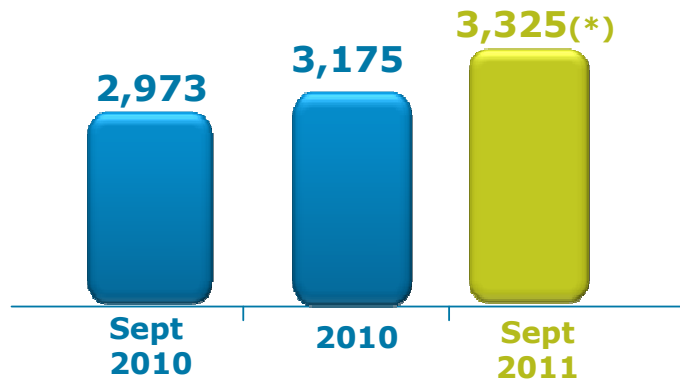
2011 Investment Targets



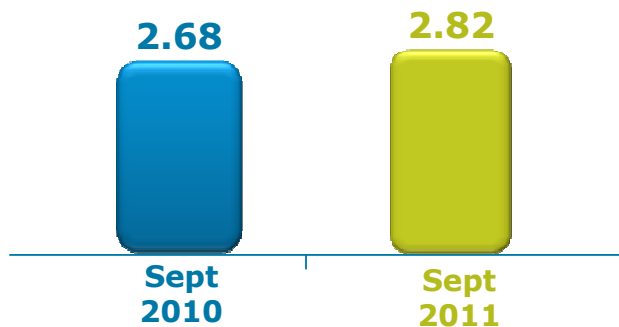
On the right track to surpass the year targets due to the investments, assets put into operation until September and the Altamira acquisition

Financial structure and liquidity

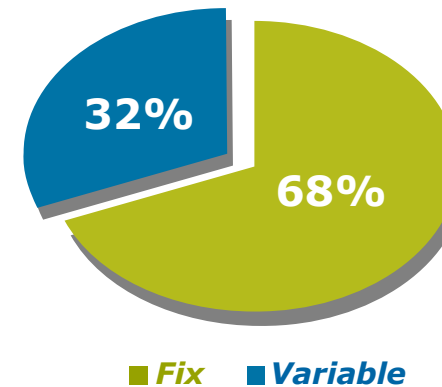
Net Debt (mill €)



Average cost of debt (%)



Debt structure



Liquidity 09/30/11

€ 2,073 mill

(*) Net Debt includes €86 mill of Altamira LNG CV Company

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Regulation



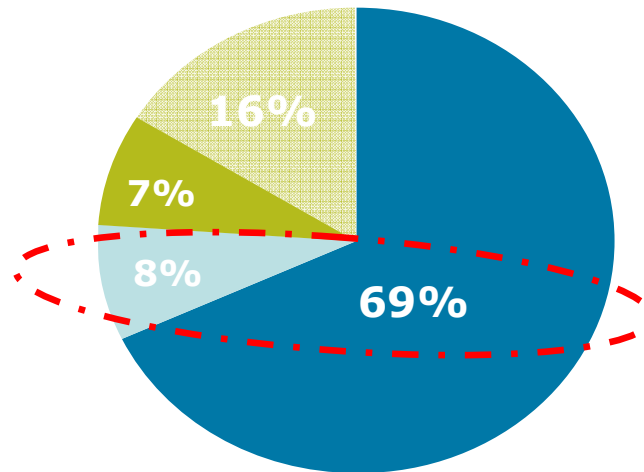
Liberalized Gas Sector, with high competition and good service quality

Gas prices fixed in international markets

Activities with reasonable returns and similar to our european comparables

2010-2014 Investments

Permits Capex plan 2010-2014

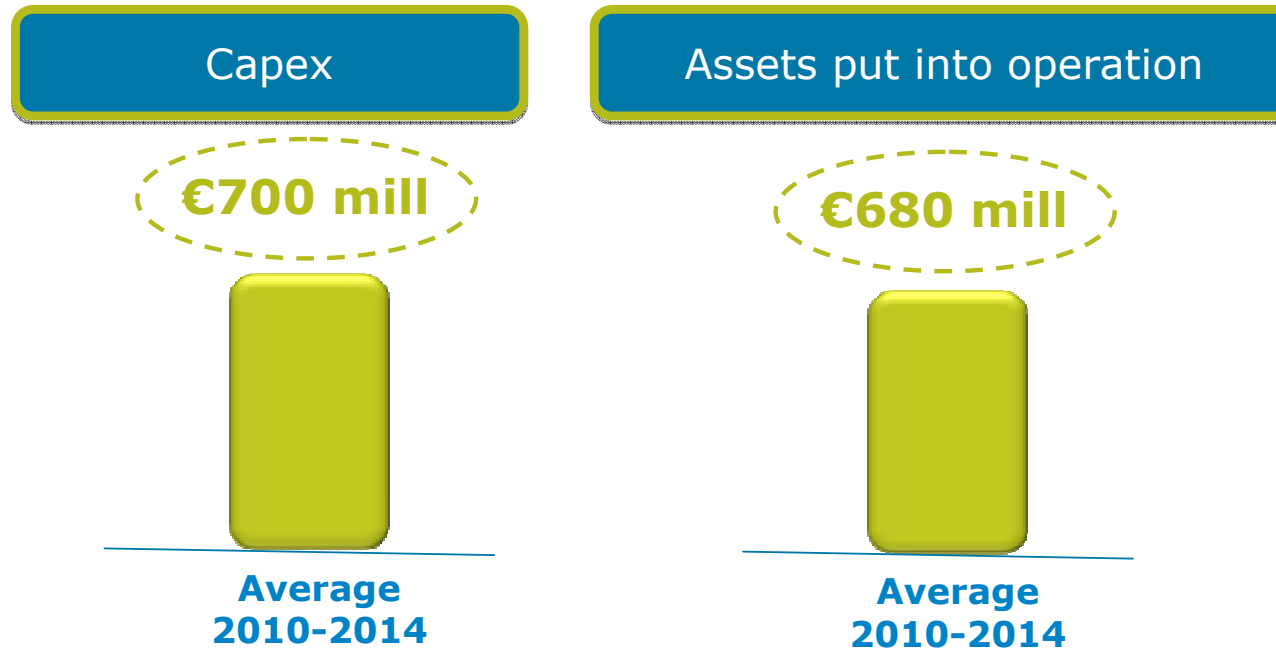


Nearly 80% of investments are already in operation, under construction or in advanced stage of processing with EIA obtained

- In operation/construction
- EIA in progress
- In advanced stage of process with EIA obtained
- Direct authorization requested

The investment targets of the 2010-2014 Strategic Plan are supported by the investment made, investment in progress, acquisitions, and the current status of authorizations

2010-2014 Investments



Enagas's infrastructure is key to guarantee and diversify supplies and for the openness and the integration of markets

The National Infrastructure Plan draft confirms our 2010-2014 Investment Plan. As Enagas informed to the Market, the investment level from 2015 to 2020 will be lower than from 2007 to 2014

Core business acquisitions



40% BBG Regasification Plant	Property of Enagas since 2010	✓
Iberdrola Transport Assets (Escombreras pipeline)	Property of Enagas since 6 may 2011	✓
40% Altamira Regasification Plant	Property of Enagas since 13 sept 2011	✓
41.94% Gascan	Agreed on 16 sept 2011	✓
100% Gaviota	Last permit obtained sept 2011	✓

Prudent strategy consistent with Enagás' core business and objectives of debt and profitability and compatible with the Dividend Policy

Financial Policy



Debt profile

Average maturity

6.1 years

Ratings



Leverage

63.9%

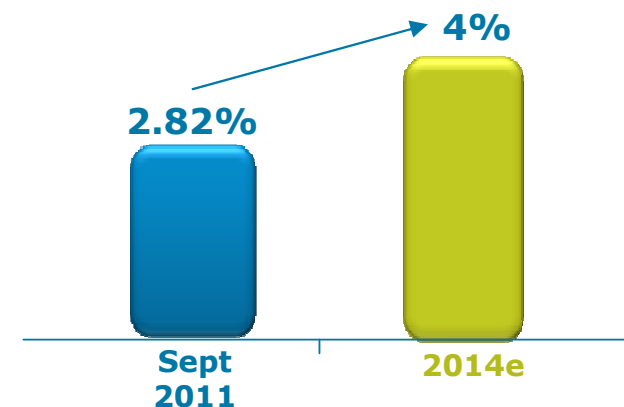
Solid financial profile

Liquidity 30/09/11

€ 2,073 mill

Adequate financial resources in terms of cost and liquidity to carry out the Investment Plan

Prudent estimate of future cost of debt

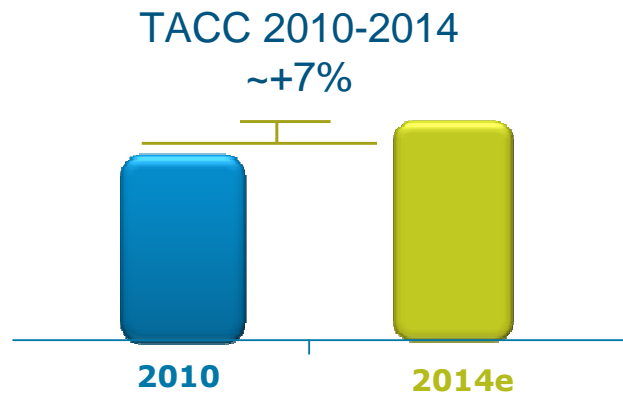


The average cost of debt will grow up to 4% in 2014 in our projections of the Strategic Plan

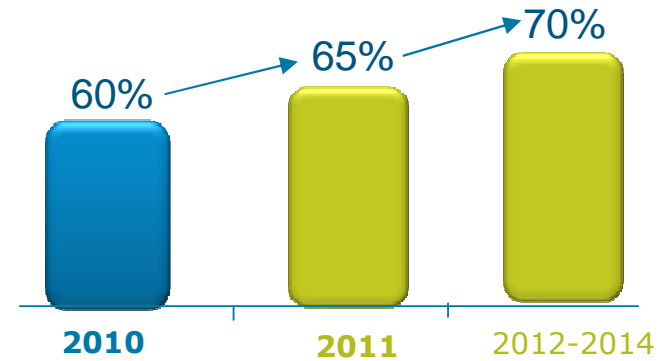
Note: The change in the Outlook from stable to negative is a consequence of the downgrade of the Kingdom of Spain by S&P to AA- negative outlook. In S&P criteria, Government Related Entities cannot have a better rating than the country. This outlook change does not affect the cost of debt of our outstanding facilities.

Growth and Shareholders remuneration

Net Profit



Pay-Out



Solid asset base as a result of the investment effort

Strict cost control (financial and opex)

Shareholders remuneration compatible with the investment plan and leverage targets

Note: This increases in the Pay Out for 2011 and 2012 approved by the Board of Directors, are subject to approval by the Annual General Meeting to be held in the years 2012 and 2013 respectively, according to Spanish corporate legislation

Corporate Responsibility



Enagás has been selected as world leader in the Utilities sector in the latest review of the Dow Jones Sustainability Index (DJSI). The company has been included among the 19 companies that are leaders in the international field of each of the industrial sectors considered.

- ▶ **The company improved its global score compared to 2010**
- ▶ **Enagás received top score in the Gas Distribution subsector to which it belongs, not only globally but also for each of the three dimensions assessed: economic, social and environmental**
- ▶ **Enagás is also member of others relevant sustainability indexes: FTSE4Good, Ethibel Pioneer & Excellence, STOXX ESG Leaders**



FTSE4Good



- ▶ **These results further acknowledge the company's commitment to sustainability and reinforces the commitments undertaken in the 2009-12 Quality, Excellence and Sustainability Master Plan which underpins the Enagás Sustainability Management Model**

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- ▶ **The 9M2011 results are on track to guarantee that the commitments undertaken by Enagás for 2011 will be met for the fifth consecutive year**
- ▶ **On the right track to surpass the year targets due to the investments, assets put into operation until September and the Altamira acquisition**
- ▶ **The investment targets of the 2010-2014 Strategic Plan are supported by the investment made, investment in progress, acquisitions, and the current status of authorizations**
- ▶ **Enagás is profiting from its business knowhow to continue considering investment opportunities subject to strict financial and strategic discipline**
- ▶ **Adequate financial resources in terms of cost and liquidity to execute the Investment Plan**
- ▶ **Despite the current economic situation, the investment effort set in the 2010-2014 Strategic Plan, together with a strict operating and financial cost control, has led to improve the financing of our investments and the shareholders remuneration policy, compatible with the Plan's objectives**



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