Conference call-Webcast

3Q 2010 Results

26th October 10am CET

APOYAMOS EL PACTO MUNDIAL

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Key figures

(€mill)	Jan-Sept 2009	Jan-Sept 2010	%10vs09
Regulated revenues	639.4	718.5	+12.4%
EBITDA	515.5	588.1	+14.1%
EBIT	357.0	406.3	+13.8%
Net Profit	217.4	254.9	+17.2%

Investments	763.8	559.1
Assets put into operation	892.2	190.7

Net Debt	2,802.7	2,972.9
Net Debt/ Assets	52.0%	45.2%
Leverage	63.9%	63.1%
Cost of debt	3.10%	2.68%

(GWh)

Transported gas demand	321,216	316,705	-1.4%

Note: 25% of BBG has been proportionally consolidated since 14 April. In addition it is included in the investments and assets into operation figure, while Gaviota and 15% BBG is only included as investment and will be added into operation once obtained all necessary permits.

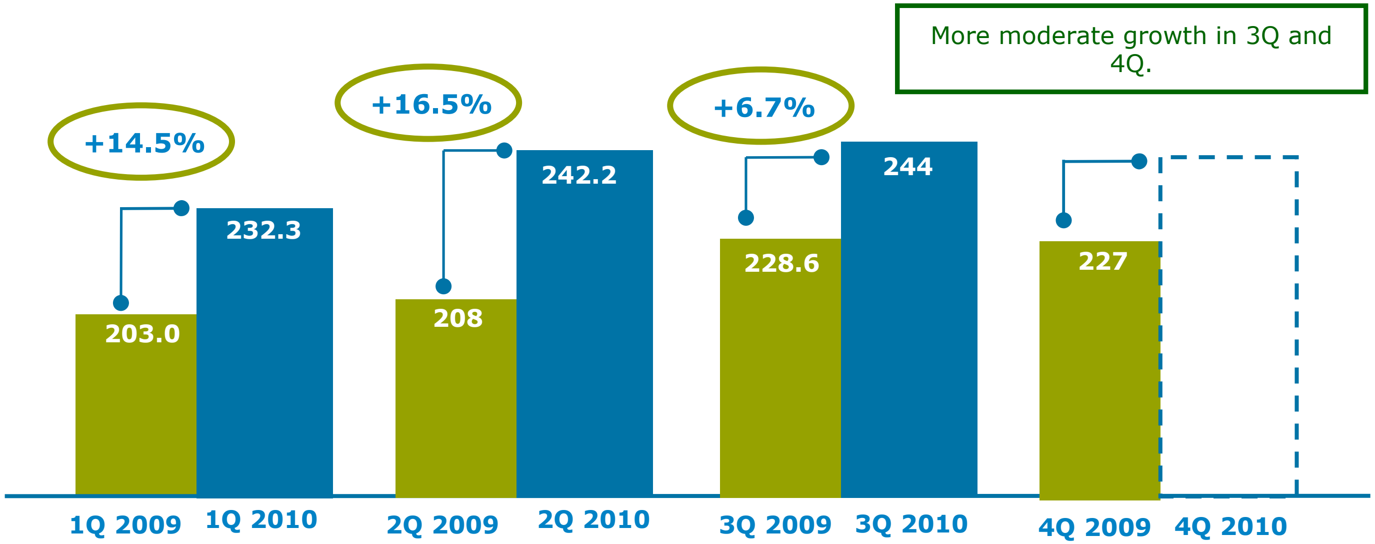
Our commitments in 2010

1. Net Income growth around double digit (+10%)
2. €700 million Investments
3. €500 million Assets put into operation
4. Financial resources at very attractive conditions in terms of both maturity and cost.
5. Look for value creation opportunities with acquisitions of third party regulated assets
6. Ensure continuity and security of supply of natural gas and act as back up of the system.
7. Strategic Plan Update for 2010-2014 period.

On the right track to achieve and to exceed our objectives

Regulated revenues evolution

Regulated revenues
(€ mill)



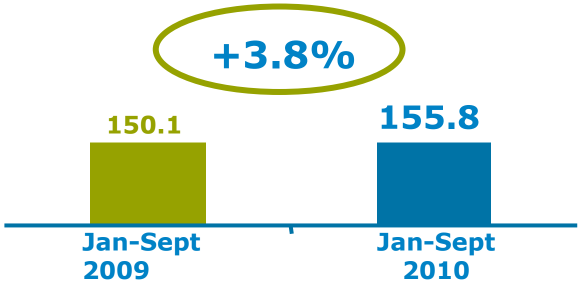
Strong revenue growth by consolidating the assets placed in operation in 2009 and 2010.

More moderate growth in the second half, when comparing with strong 3Q09 and 4Q09.

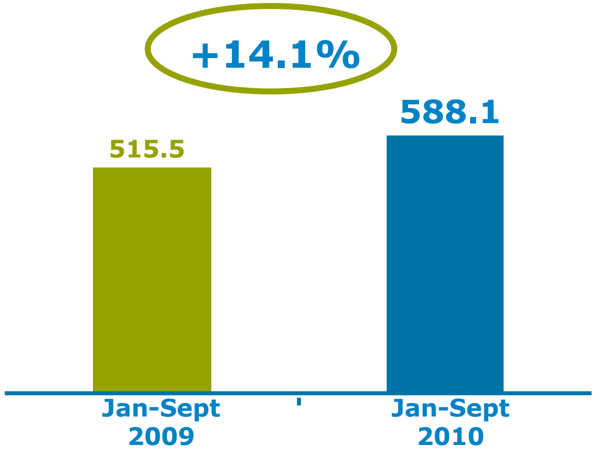
For 2011 and successive years an important recurrent regulated revenues stream due to the increase of the assets base and the acquisitons

Operating Efficiency

Opex
(€ mill)



EBITDA
(€ mill)



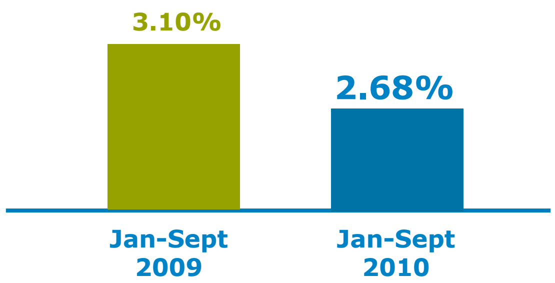
Strict Opex control:
Significant increase of the Company assets with a moderate Opex growth.

Significant increase in EBITDA as a result of the growth of the regulated revenues and Opex control.

Efficiency focus: Maintenance of the efficiency and financial cost control Plan until 2014.

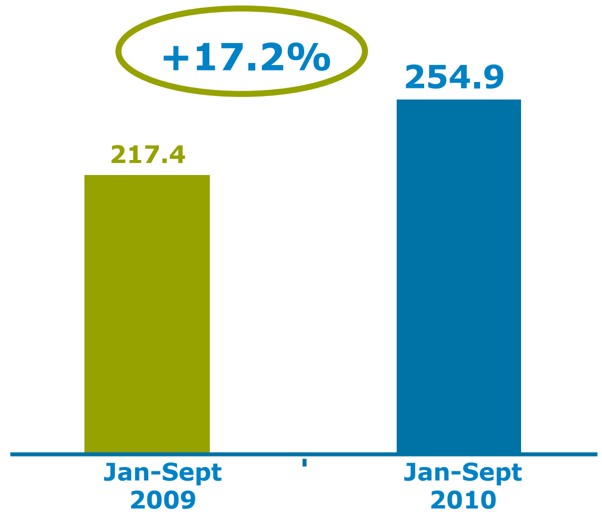
Financial cost control

Average cost of debt



Improving the average cost of debt established at the beginning of 2010

Net profit
(€ mill)

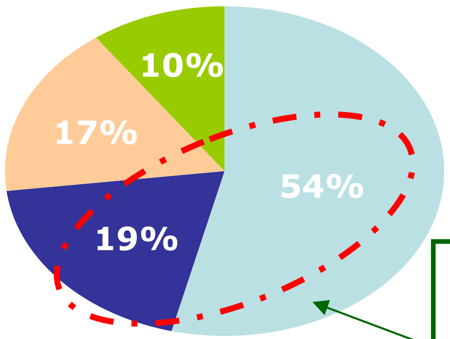


Net Profit positively affected by regulated revenues increase and cost efficiency.

The effort made by Enagás with the cost control (financial and opex) makes the 10 % growth target of net profit prudent and conservative.

Capex

Permits 30/09/2010 (Organic investment)



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

✓ El 73% of investments are already in operation, under construction or in advanced stage of processing with DIA obtained.

In 2010 permits amounting to €585 mill were obtained

Capex

€559.1* mill
In line with de annual target

Enagás investments are in line with the draft "Proposal for Annual Infraestructure Program" by the MITYC and on the track stablished in the Strategic update 2010-2014 annual average investment of €700 million**

*Note: Including the 25% acquisition of BBG and the Gaviota storage.
**Note: Ministry of Industry.

Investments put into operation

Jan-Sept 2010		4Q 2010e
	+	
€190.7 mill		**3 LNG tanks (Barcelona, Huelva and Cartagena)**

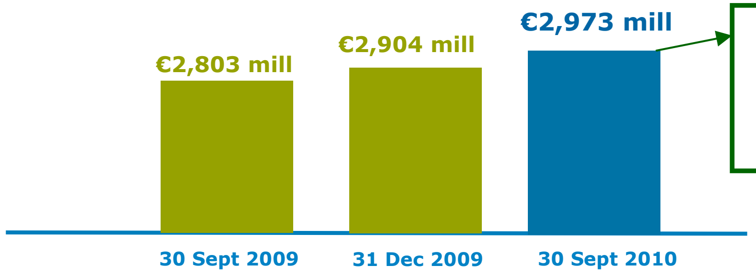
Investments and assets put into operation in line with the annual target to achieve €500 millions

Note: 25% of BBG acquired to BP included in the investments and assets into operation figure. While 100% Gaviota and 15% of BBG, acquired to Repsol, will be added into operation once obtaines all necessary permits

Financial structure and liquidity

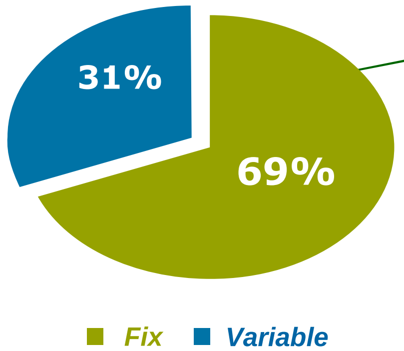
Net Debt

Leverage	63.9%	64.6%	63.1%



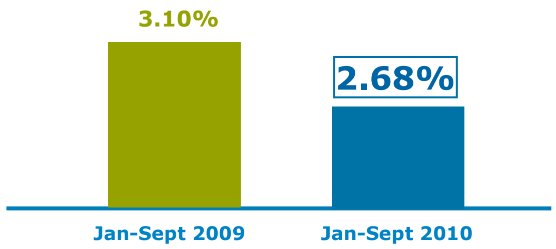
Average debt maturity: 6 years
No major refinancing risk until 2012

Debt structure



In line with Enagas Strategic Plan

Average cost of debt

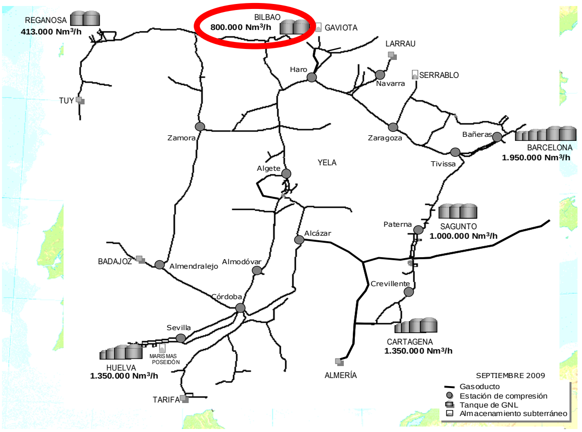


Liquidity 30/Sept/2010

€2,081 mill

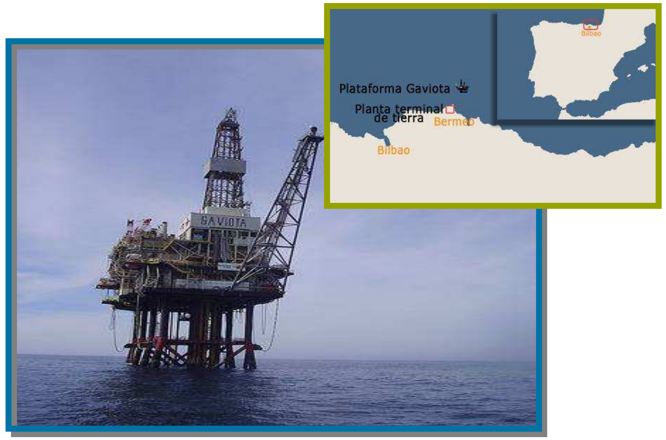
Enough Financial resources to carry on the investment plan at very attractive conditions in terms of both maturity and cost

Acquisition of BBG



- On September 3, 2009 Enagás bought BP's 25% stake it held in the plant. **Amount of the operation (including debt): €65 mill (Stake consolidated since April 14)**
- On September 3, 2010: Enagás bought Repsol a **15%** of their stake in the plant. **Amount of the operation (including debt): €40 mill. (Once all necessary permits are received, Enagás will consolidate it proportionaly since January 1st, 2010)**
- Shareholders: 40% Enagás, 30% Ente Vasco de la Energía, 30% RREEF.

Acquisition of Gaviota



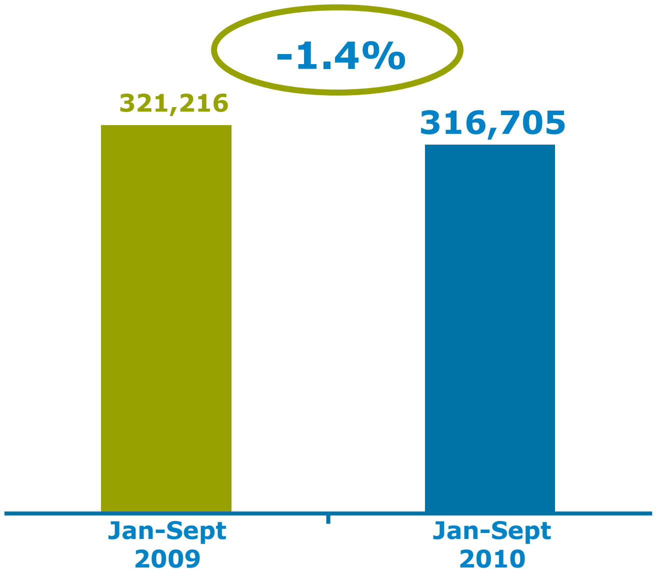
- On April 8, 2010: Enagás bought Repsol's **82%** in Gaviota. **Amount of the operation: €70,5 mill(*).**
- On July 27, 2010: Enagás bought Murphy´s Oil **18%** in the underground natural gas storage facility**.Amount of the operation:€19,2 mill.**
- **Once we get the last necessary permits both acquisitions will be integrated from 1 January 2010.**
- Asset 100% property of Enagás

Operations in accordance with the objective of buying regulated assets in Spain, in line with the profitability and debt criteria and with positive net profit since the first year.

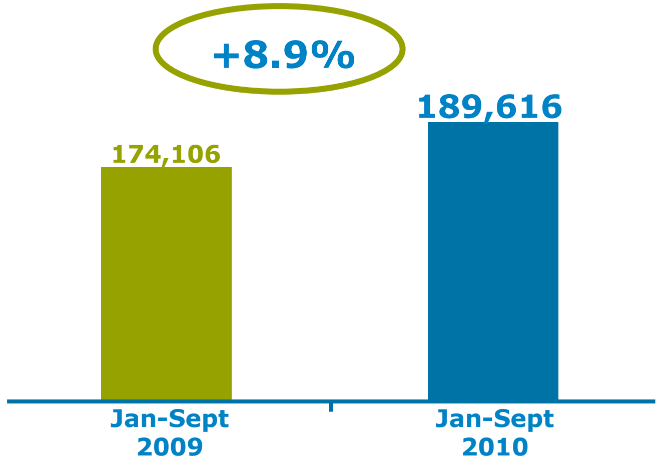
(*) It exists the commitment to pay Repsol an additional 16.4 milllion dependent on the approval of Gaviota storage expansion by the Ministry of Industry.

Natural gas demand

Transported Gas demand GWh(*)



Conventional gas demand GWh



- **The conventional demand (Domestic and commercial, industrial and industrial cogeneration), has increased by 8.9% over 9M2009. This increase is influenced by the effects of the temperature and by the increase of the industrial consumption.**
- **Demand for electricity generation has decreased by 16.7% mainly due to high wind and hydro power production. Enagás serves this segment of demand giving support to the development of renewable energy and as back-up of the Spanish energy system.**

(*) Including exports..

Our strategic commitments 2010-2014

Growth

2010-14 annual average investment of €700 million, similar to that made between 2007-2009

2010-14 annual average of assets put into operation €680 million, superior to that made between 2007-2009

Debt ratios are maintaned in the expected levels

2009-14 Net Profit and EBITDA CAGR: conservative due to current economic enviroment.

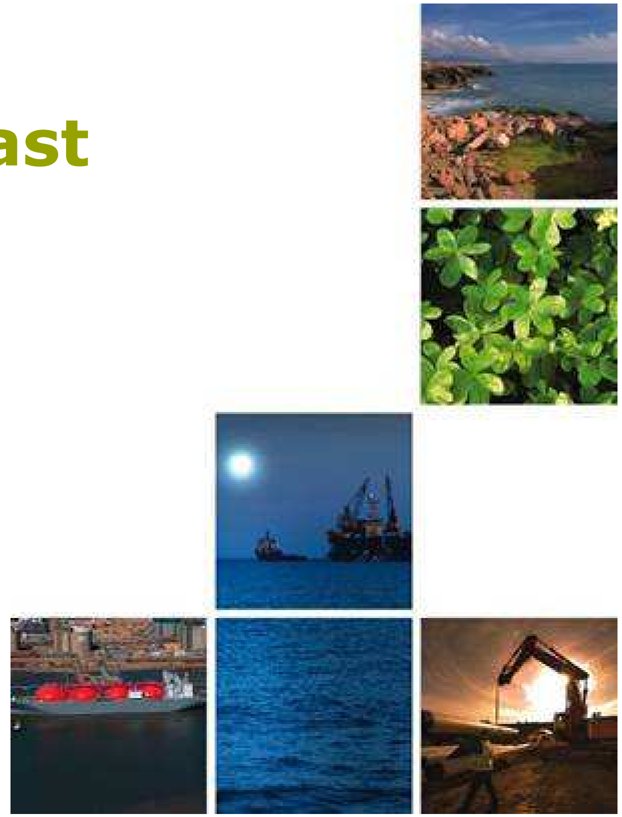
Low risk

Attractive shareholder remuneration

Financial strength

Summary

- Enagás will deliver its 2010 guidance, since this was drawn up using prudent criteria and taking the global economic-financial backdrop into account.
- The effort made by Enagás with the cost control (financial and opex) makes the 10 % growth of net profit, stablished at the beginning of 2010, prudent and conservative
- The increase of results in 2010 on top of an excellent 2009.
- The investments and assets put into operation in September are totally in line with the annual objectives.
- Enagás investments are in line with the draft "Proposal for Annual Infraestructure Program" by the MITYC .
- Attainment of the debt structure objective: 70% fix/ 30% variable.
- The strict financial policy carried out by Enagás, has allowed the Company to obtain an average debt cost of 2.68%, below the initial estimate of 3.3%, and lower than the average cost obtained on 30 September 2009 (3.1%).
- €2.1 bn of available liquidity. Enough Financial resources to carry on with the 2010, 2011, 2012, 2013 and 2014 investments.
- The acquisitions made by the Company (40% BBG and 100% Gaviota), are in line with the profitability and debt criteria.
- Strategic update of July 2010 prudent and realistic but encouraging given the difficult environment.



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