2012 Results
Outlook 2013-2015

www.enagas.es

20th February
2013

Summary

Key figures

(€mill)	Jan-Dic 2011	Jan-Dic 2012	%12vs11
Total revenues	1,155.1	**1,198.9**	**+3.8%**
EBITDA	885.5	**934.3**	**+5.5%**
EBIT	585.9	**618.4**	**+5.5%**
Net ptrofit	364.6	**379.5**	**+4.1%**
Dividend per share (€)	0.99	**1.11**	**+12.1%**

Investments	781.4	**761.4**
Assets put into operation	780.5	**994.4**

Net debt	3,442.6	**3,598.6**
Leverage	64.8%	**64.1%**

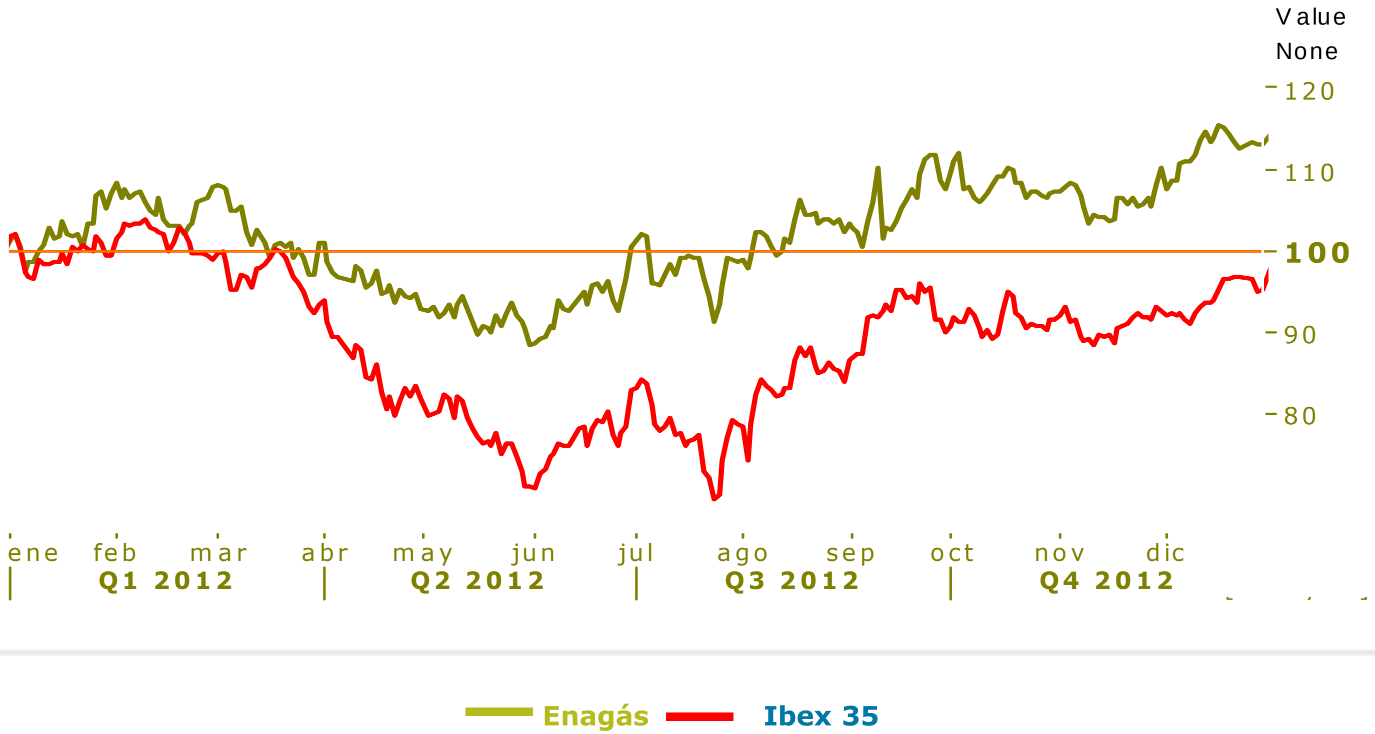
Transported gas demand (GWh)	**415,426**	**418,964**	**+0.9%**

Meeting the targets for the sixth year in a row despite the tough economic enviroment

Note: In 2012 results has been proportionately consolidated the 40% of Altamira LNG CV for the full year 2012 and also the contribution of 20% of the Quintero LNG to the fourth quarter using the equity method
2011 results incorporate the accounts of the Gaviota UGS since January 2010, and the proportional consolidation of 40% of the TLA Altamira regasification plant since September 13th
Investments and assets put into operation in 2012 include the EV of GNL Quintero, the investments done in Morelos Pipeline, without effect in 2012 P&L, and the accounting effect of the provision for dismantling of regasification plants amounting to € 78.8 million.
The dividend per share will be submitted for approval at the next Annual General Meeting

2012 stock performance

2012: Enagas €16.14 (+12.95%), Ibex (-4.66%)



Enagas has been the best performance stock in the Spanish energy sector

Cost efficiency

Total revenues

OPEX

EBITDA

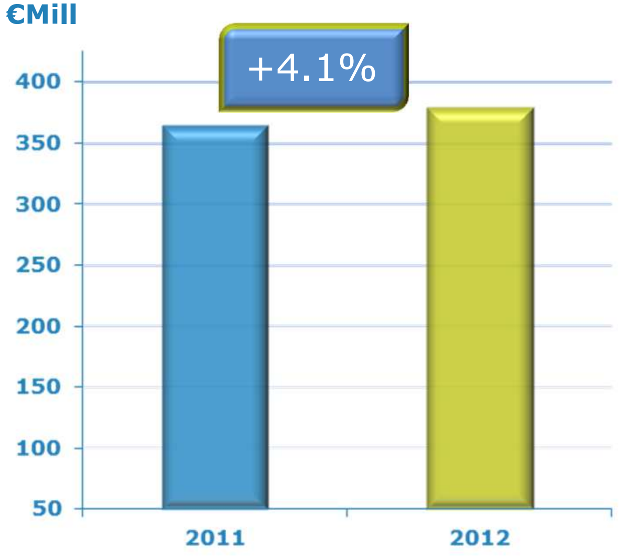
Strict OPEX control within the efficiency plan of the Company

EBITDA below 2012 target due to the delay in the integration of Naturgas and the variation in the expected consolidation methods

Note: Homogenizing total revenues and operating expenses mainly due to the effect of the Gaviota underground storage, the 40% participation in Altamira (Mexico), as well as other non-recurring accounting effects, growth would be 6.8% in total revenues and -1.2% in operating expenses

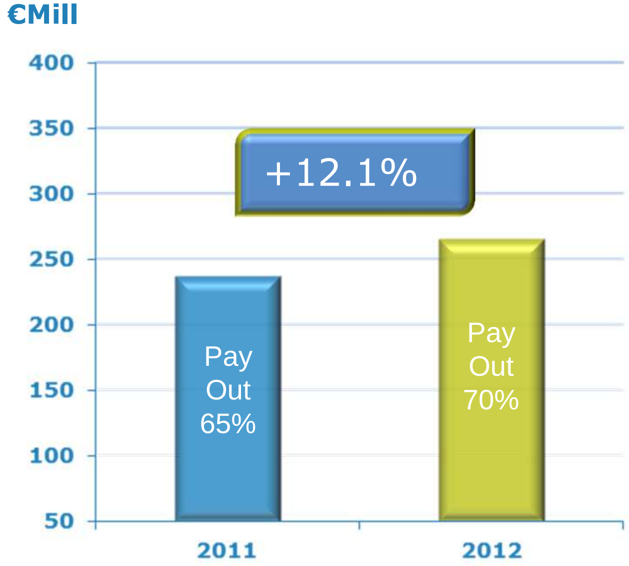
Results and dividend evolution

Net profit



Investments, acquisitions and cost control (opex and financial), key factors supporting the net profit growth above the annual target.

Dividends



Dividend growth well above the 8% target established for 2012.

Note: Pay Out increase applied to the results of 2012 and therefore the resulting dividend will be subject to approval at the Annual General Meeting to be held in 2013, according to the Spanish corporate law

Investments and assets put into operation

2012 investments

€761.4 mill

38% higher than the annual target of €550 mill

2012 Assets put into operation

€994.4 mill

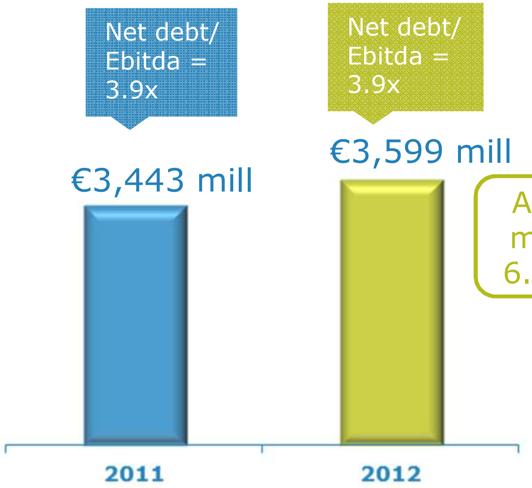
32% higher than the annual target of €750 mill

Annual targets widely surpassed and new historical record of assets put into operation.

Note: Investments and assets put into operation in 2012 include the EV of GNL Quintero

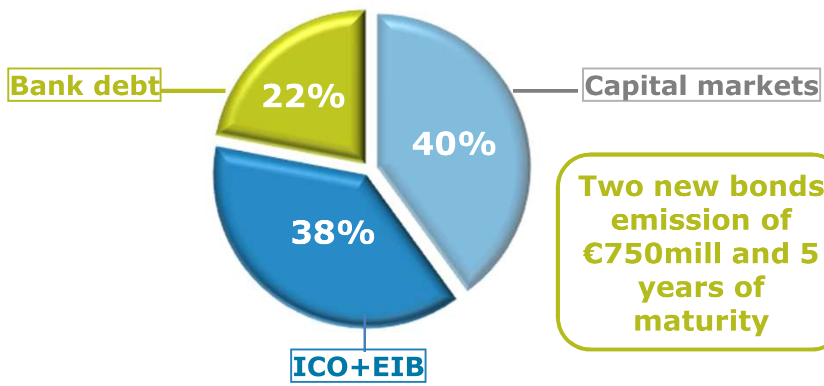
Financial structure and liquidity

Net Debt (mill€) 31 Dec



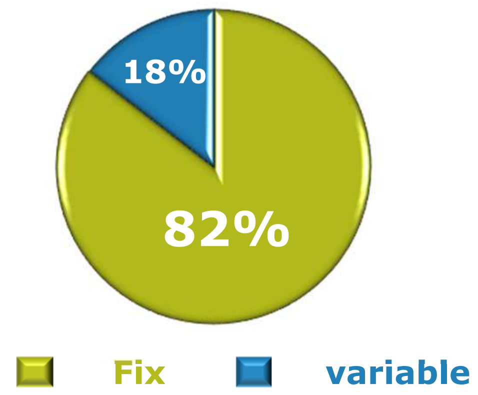
Average maturity 6.5 years

Types of debt



Two new bonds emission of €750mill and 5 years of maturity

Debt structure

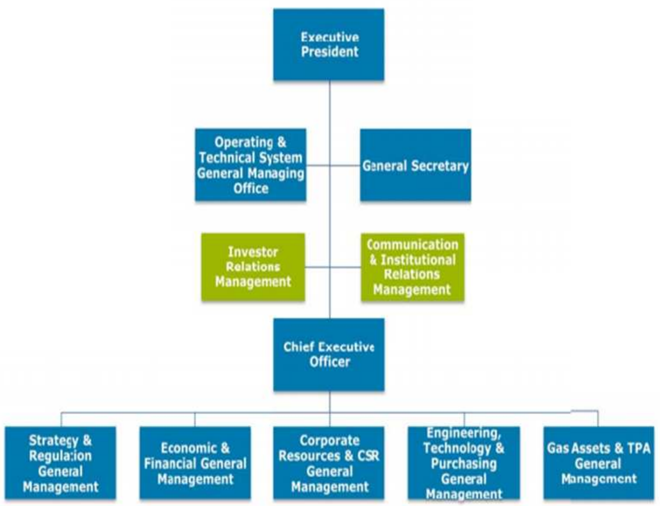


Available Liquidity 31-Dec-2012

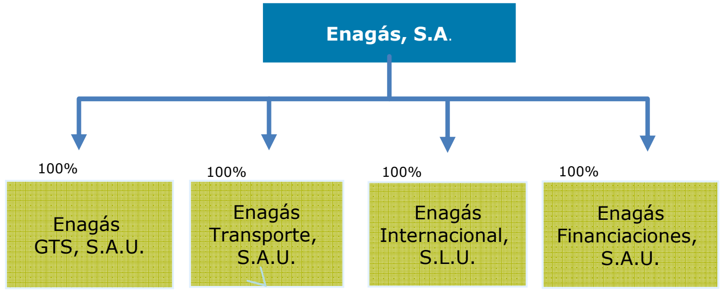
€2,232 mill

Organizational and shareholder structure

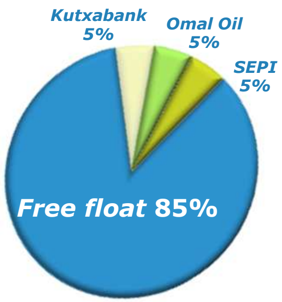
Strengthening the organizational structure to adapt to the best practices of Corporate Governance

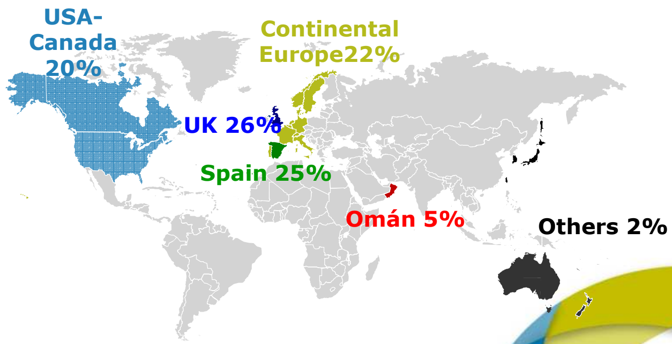


New holding structure and accreditation by the CNE and the European Union as TSO



Changes in shareholder structure
Capital location





Summary

Strategic view: *Drivers*

Strategics

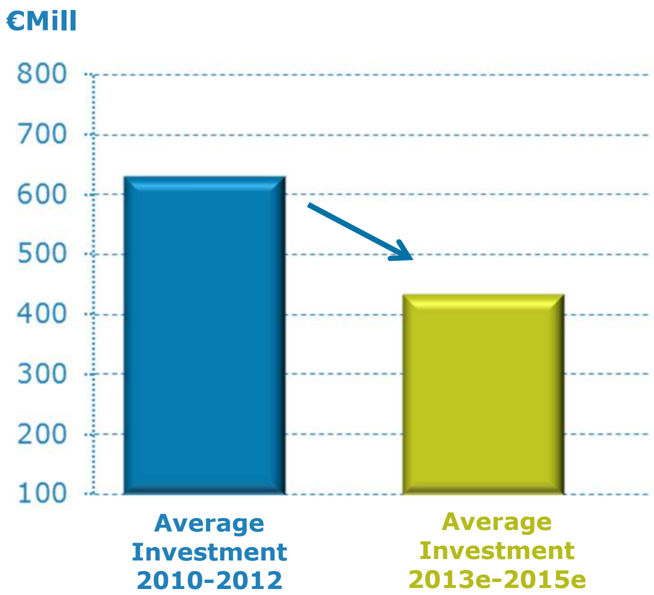
1. Core business as a priority: Regulated assets in Spain
2. Improvement in the remuneration policy of shareholders
3. Take advantage of international growth opportunities
4. Sustainability as driver for the development of Enagas business

Financial

1. Realistic and profitable Investment Plan
2. Strong financial and liquidity position
3. Value creation through operating efficiency and financial structure
4. Growth trend continues in net profit and dividend

Decrease in investments of Spanish regulated assets

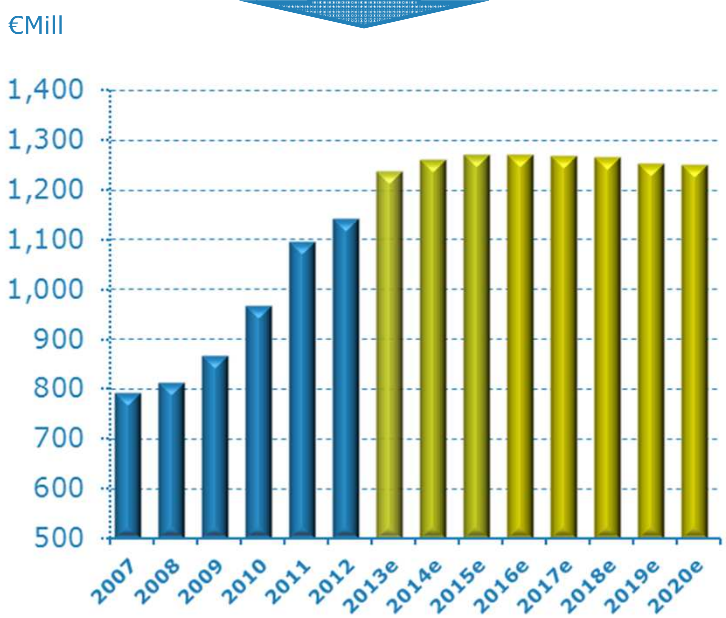
Regulated investments in Spain



1. Enagas has always been a step ahead, anticipating realistic investment scenarios to the market
2. Since 2007, Enagas investments estimates have been prudent and realistic, in line with the changes in the economic and energy environments
3. Part of the investments temporarily "frozen" by the RDL 13/2012, were communicated and anticipated by Enagás
4. This scenario of lower organic investment in Spain has been complemented by Enagás, making some acquisitions since 2009 that are key for the future growth of the Company
5. For the 2013-2015 period there is still a significant volume of regulated investment in Spain that the Company will carry out

Core business as key priority: Regulated assets in Spain

Regulated revenues



Stability as a result of the remuneration of the regulated asset base developed until 2012

Regulatory stability in a highly liberalized gas system

1 **Ministerial order IET/2812/2012**

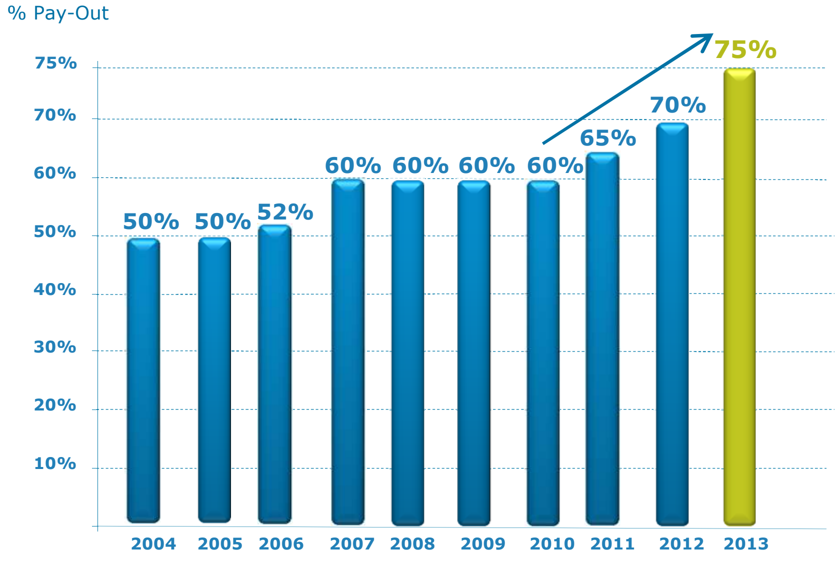
Overall, the methodology established in previous years is maintained

2 Liberalized Gas Sector, with high competition and gas prices fixed in international markets

3 Activities with reasonable returns and similar to our European comparables

Shareholders remuneration policy improvement

Dividend policy improvement



Distributed dividends

Management commitment with investors → ***Pay Out up to 75% in 2013*** → **Third consecutive Pay Out increase since 2011** → **Pay Out in line with our comparable companies**

Note: The increase in the Pay-Out for 2013 approved by the Board of Directors, is subject to approval by the Annual General Meeting to be held in 2014, according to Spanish corporate legislation

Strategic criteria for international investments

Investment in core bussines activities– transport, regasification and underground storage, selecting projects and acquiring participations that allow Enagas to create further value by applying its know how and expertise in these assets

Maintaining a level of risk and returns similar to the ones of our current business, rigorously selecting opportunities as demonstrated by the Company with its track record

Obtain stable and predictable cash flows, maintaining our debt level within the limits set out in the Strategic Plan

Search for partners that provide **local market expertise** and complementary skills to Enagás

Maintain a record of excellence in operations, safety and environment and the commitment with sustainability

Building blocks of the international growth strategy

Building on experience as TSO

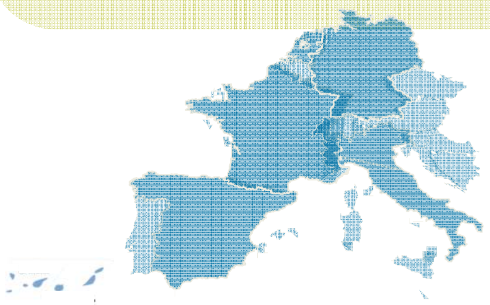
- Management of complex gas systems (renewable backup)
- Give priority to core business of regulated assets by promoting Iberian gas corridor
- Develop a relevant and influential role in the future European consolidated scenario (LNG leading position in Europe)
- Strengthening relations with European regulators and transporters
- Take positions in the integration of the European gas market, through alliances and minority stakes in key projects and / or selected assets (Stable profitability defined in long-term contracts)

Consolidate our position as a global experts in LNG regasification

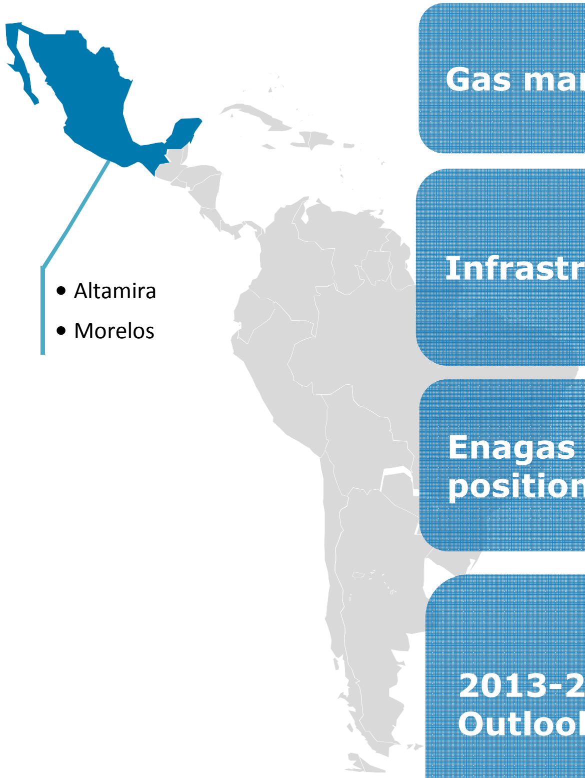
- Create through value the know-how in the regasification activity
- Industrial partner for the development and operation of regasification plants
- Significant stakes to allow management influence and provide adequate margins in the development and operation
- Markets with economic and regulatory stability, affinity relationships, protection of foreign investment, relevant potential development of gas infrastructure and international credibility

Developing natural gas infrastructure in emerging countries

- Replicate Enagás model, developing and operating an asset base in selected markets, complementing the activity in Spain
- Regulated or not regulated assets with guaranteed returns under long-term contracts, in which Enagás can influence in their development and operational management,
- Special focus on Mexico and Chile



México



Macro perspectives

- 14th economy in the world and 2nd in Latin America according to the IMF for 2011
- Estimated average annual growth of the national economy of 3.5% for the period 2010-2025
- UN puts it in 17th place among the countries receiving foreign investment because of its low risk profile

Gas market

- In the period 2011-2026, demand for natural gas will grow at a CAGR of 2.6%, mainly because of the development of combined cycles (13,400 MW)
- The reduction of natural gas prices in North America has led to an increase in demand for gas in Mexico

Infrastructures

- The existing capacity of natural gas transmission is at maximum utilization, so it requires a pipeline expansion plan
- CFE estimates that the existing 11,500 km of pipelines will increase to 16,000 km by 2025 in order to be able to meet the country's consumption
- The regulator gives strategic relevance to the LNG business and to the three existing plants

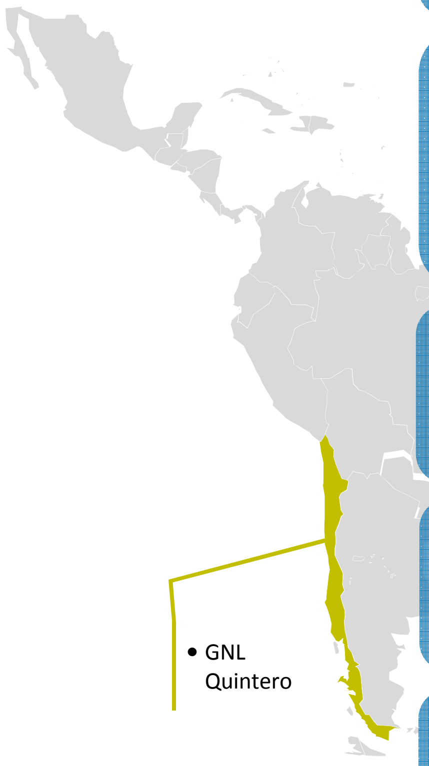
Enagas current positioning

- Excellent relationship with regulators (Energy Regulatory Commission), SENER (Energy Secretary) and CFE (Federal Electricity Commission)
- Deep knowledge of competitors in the country
- Participation in the Altamira regasification plant (asset manager proposed by Enagás) and current development of Morelos pipeline

2013-2015 Outlook

- New logistic services in Altamira Plant: Increase of tank loading capacity and strategic use of LNG storage
- Possible extension with a new LNG tank
- Pipelines: Infrastructure developments associated to the construction of combined cycles (CFE) or associated with the structuring of the gas system (PEMEX)
- Strategic: Active participation in the plans of consolidation and integration of Mexican gas system. Maintaining and strengthening the current relationships with the regulator and other agents

Chile



Macro perspectives	• The OECD expects an average annual growth of the national economy of 2.5% over the next five years • Sustained growth, low country risk, low and stable external debt. The Chilean economy is under an expansion phase
Gas market	• Until 2015, it is expected that natural gas demand will grow at a rate between 8% - 10%, mainly due to the development of new combined cycles • The use of natural gas in the generation mix will increase from 10% to 17.2% by 2020 • Low diversification of sources of supply: LNG as alternative for the long-term energy supply of the country
Infrastructures	• Importance of LNG and regasification plants in order to guarantee the gas supply in the country • 2 plants in operation (GNL Quintero and GNL Mejillones)
Enagas current positioning	• Excellent relationship with regulatory bodies(CNE) • Deep knowledge of competitors in the country • Participation in GNL Quintero regasification plant
2013-2015 Outlook	• GNL Quintero expansion: Tank loading, vaporization capacity increase and new LNG tank • Increasing importance of renewable energies and possibility of using the gas system as back-up

Summary

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2.- Strategic view

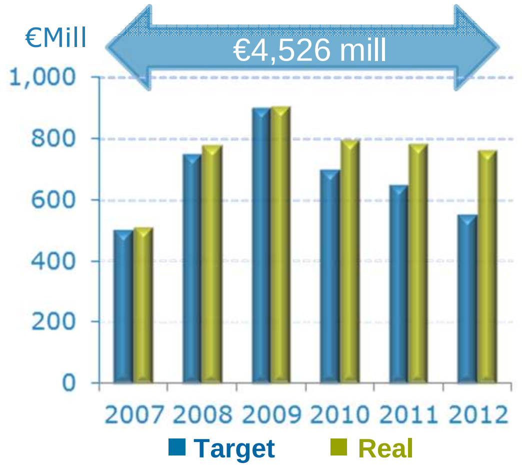
3.- Outlook 2013-2015

4.- 2013 Targets

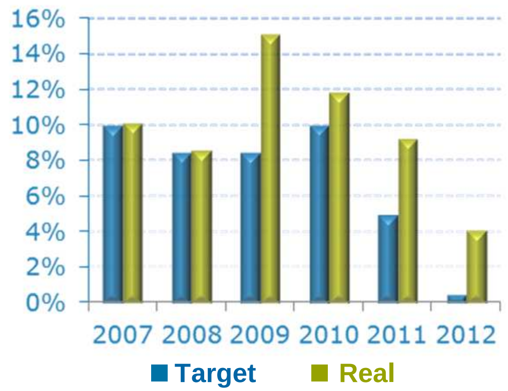
5.- Conclusions

Targets met since 2007

Investments



Net profit growth



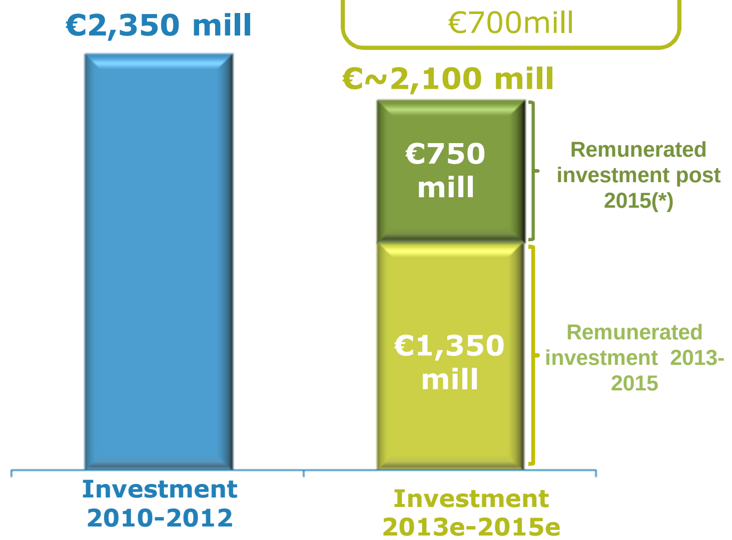
Business Plan 2010-2014 Targets	Current results 2010-2012
Investment average €700mill	Investment average €780mill
Assets put into operation average €700mill	Assets put into operation average €800mill
EBITDA TACC +10%	EBITDA TACC +10%
Net profit TACC +7%	Net profit TACC +8.5%
Dividend TACC +7%	Dividend TACC +14.3%
Net debt/EBITDA Max 4.2x	Net debt/EBITDA 3.9x
Funding/Liquidity	Increase in the average life of debt, optimum coverage, sources diversification and increase of liquidity

Note: Acquisitions made during the period are included for their EV value (equity + debt)

2013-2015 outlook: Investment

Investment average
2010-2012
€780mill

Investment average
2013-2015
€700mill



1 Regulates business investments in Spain 2013e-2015e — **€1.3bn (62%)**

enagas, Gascan, BBG, naturgas, Escal UGS Proyecto Castor

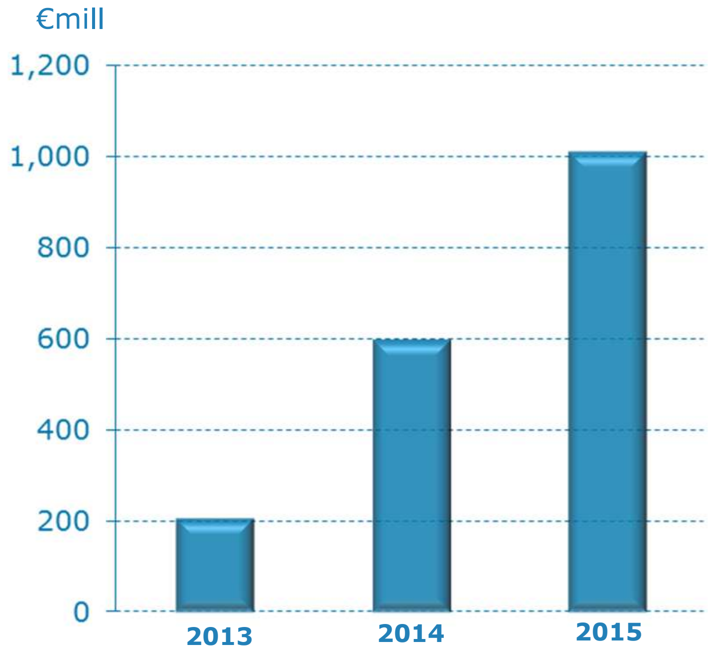
2 Acquisitions/development of core business investments and expansion in acquisitions 2013e-2015e — **€0.8bn (38%)**

The core business investments and acquisitions made, the organic investment planned until 2014 and the potential core business acquisitions being analyzed allows to maintain the investment plan 2010-2014

Note: Acquisitions made during the period 2013-2015 are included for their EV value
(*)The remunerated investment post 2015 corresponds mainly to Gascan (put into operation after 2015) and to Castor UGS, that following prudent policies and still lacking the recognized value and the final financing model of the project, has no contribution in the analyzed period

Financing

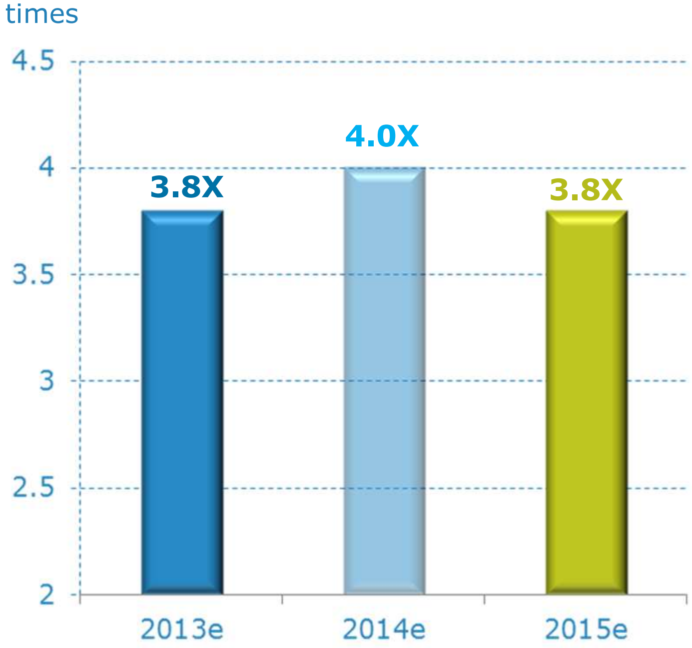
Maturities 2013-2015



Sufficient resources and good cost for all the needs for the period 2013-2015

The current liquidity is 20% higher than the debt maturities in the period

Leverage (Net debt/EBITDA)



Debt level below the levels established in the SP 2010-2014 (~ 4.2x Net Debt / Ebitda)

Note: Net debt / Ebitda taking into account the consolidation methods assigned to each investment

Net profit growth

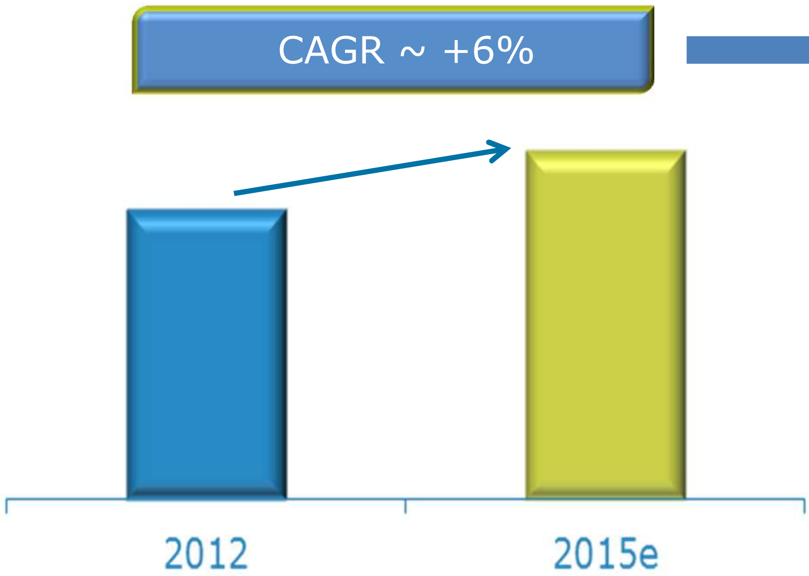
Net profit CAGR 2013-2015

Solid and prudent assumptions and projections developed within the current context of the economy and the energy sector

Note: Naturgas has been consolidated in the period by global integration from February 2013
In 2013 Altamira (Mexico) and BBG participations have been included by the proportional consolidation method, changing to consolidation by the equity method from 2014
All additional acquisitions considered in the analyzed period have been consolidated by the equity method

Dividend growth

Dividend CAGR 2013-2015



Minimum CAGR considering a Pay Out of 75% in 2013, 2014 and 2015

The Pay Out goes up to 75% in 2013

Note: The increase in the Pay-Out for 2013 approved by the Board of Directors, is subject to approval by the Annual General Meeting to be held in 2014, according to Spanish corporate legislation

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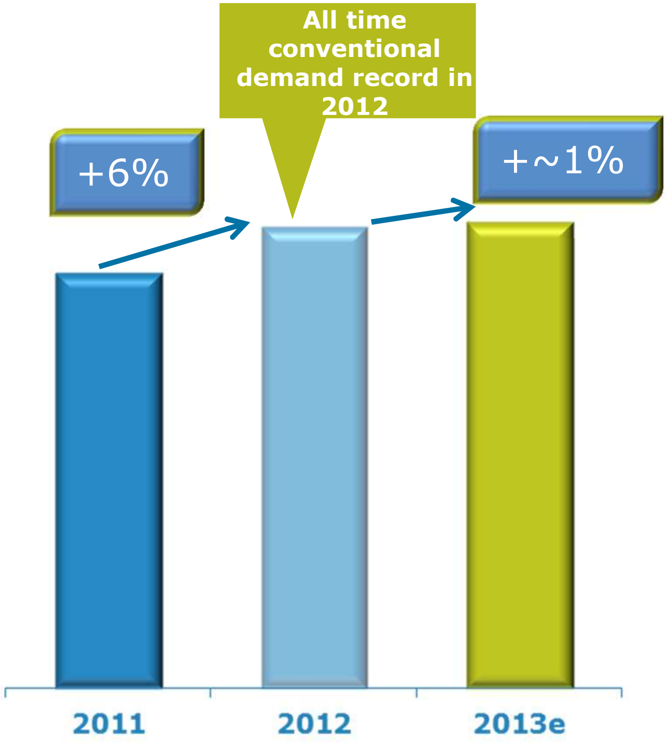
2013 Targets

- Capex: €650mill
- Assets put into operation: €550 mill
- EBITDA growth: +9%
- Net profit growth: +5.5%
- Dividend growth: +13% (Pay Out 75%)
- Average cost of debt: ~ 3.25%

Natural gas demand

Conventional demand



Gas demand perspectives

All time conventional demand record in 2012

In 2013 conventional demand will have a moderate growth supported by the cogeneration and a higher domestic and commercial penetration

In the medium term we expect a growth in demand for combined cycles as an alternative to traditional energy sources and renewable back up

Possibility of future increases in demand associated with Spain's role as a transit country for security of supply and increase of competition in Europe

Summary

Conclusions

2012 Results	• Meeting the targets for the sixth year in a row despite the tough economic enviroment • 12% of dividend growth (vs. 8% target) • Stock price up by +13% in 2012. (best performance stock in the spanish energy sector) • Strengthening the organizational structure to adapt to the best practices of Corporate Governance (new CEO) and homologation as TSO by the EU
Strategic priorities	• Core business as a priority: Regulated assets in Spain. • Improvement in the remuneration policy of shareholders: Pay Out up to 75% in 2013 • Three strategic axis for international growth opportunities. Focus on Mexico and Chile • Sustainability as business driver
Outlook 2013-2015	• Prudent in all the targets set for the period 2013-2015 due to the complex energy and the economic situation • 2013-2015 average annual investment of €700 mill (62% Regulated investment in Spain) • Sufficient resources for all the needs for the investment plan • 2013-2015 Net profit CAGR up to 4% and dividend CAGR up to 6% considering a minimum Pay-Out of 75% for 2013, 2014 and 2015
2013 Targets	• Capex and assets put into operation: €650 mill and €550 mill respectively • EBITDA +9% • Net profit growth +5.5% • Dividend growth +13% • Average cost of debt: ~ 3.25%

The track record of the Company, meeting the targets for the sixth year in a row, proves the reliability of the projections and the future sustainable growth

Sustainability as driver for the development of Enagas business

Enagás maintains its commitment with **quality, excellence and sustainability** in its new challenges, both in the management of its assets in Spain, and in its international growth

To do so, Enagás has updated its CSR strategy (**Vision 2020**) defining **three strategic objectives:**

- **Safe and reliable Company**
- **Sustainable business**
- **Excellent capabilities**

Enagás management model received in 2012 **500+ EFQM Certification**

Enagás is one of the 100 **most sustainable corporations** in the World, global leader in utilities and the first Spanish company according to the index **Global 100**

Enagas is the only Spanish company listed in the index **Vigeo World 120**

Enagas is also member of **DJSI, FTSE4Good, ETHIBEL, STOXX,** etc

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