Enagas
Credit Investor Update

September 2012

Agenda

Business overview

Transport

- Transmission pipelines: more than 10,000 Km of high pressure pipelines
- Since 2009, by law, Single Spanish Transmission Company for the High pressure network
- Leading Gas Transport in Spain

Regasification

- Regasification of LNG
- 4 LNG facilities in operation in Spain.
  - Regasification capacity: 5,450,000 m^3(n)/h
  - LNG tanks capacity: 2,187,000 m^3
- 1 LNG terminal in México: Altamira LNG terminal
- 1 LNG terminal in Spain under construction (El Musel)
- 2 LNG plants in Canary Island under development

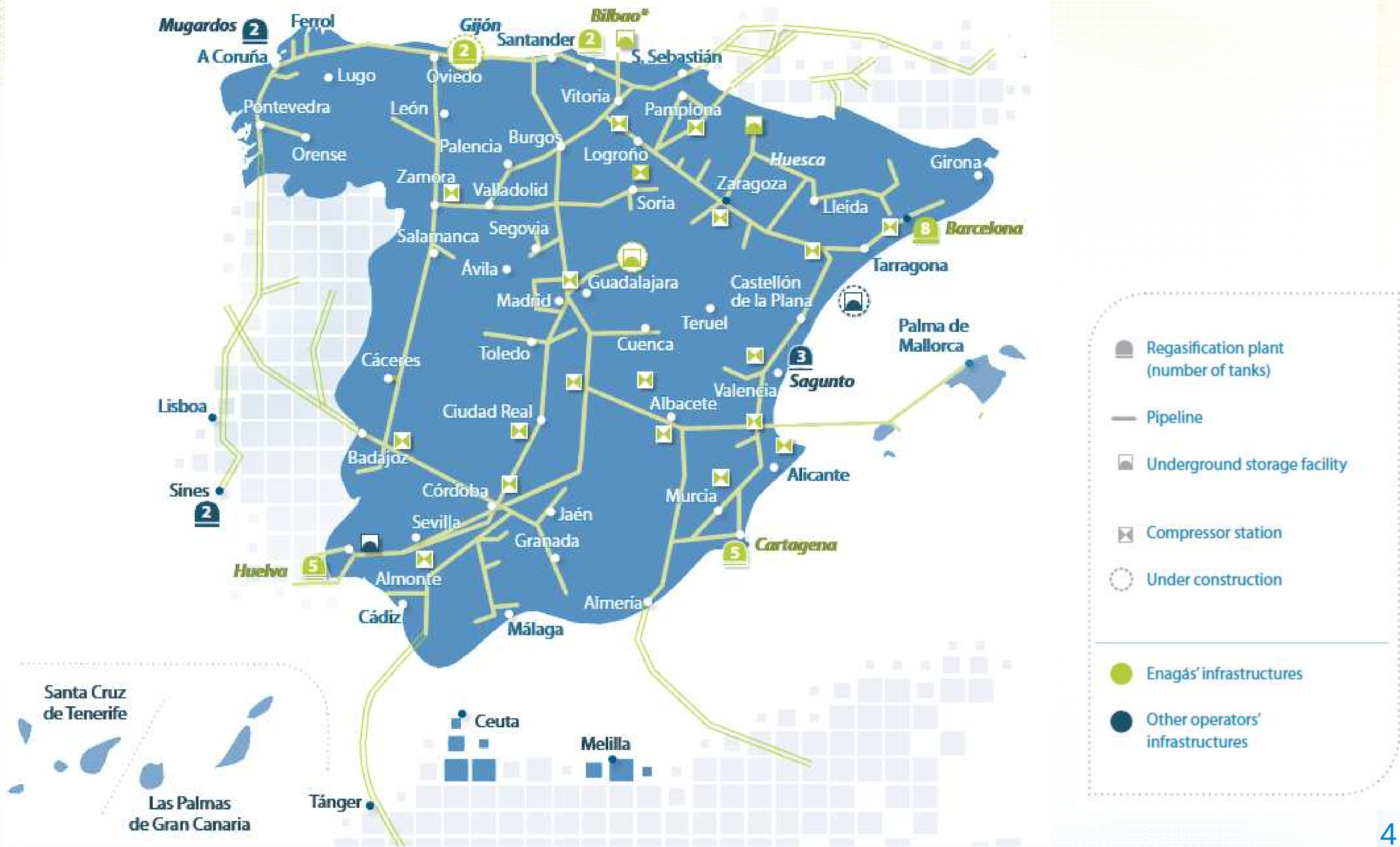
Storage

- Underground Gas Storage
- Owning & Operation of two storage facilities
  - Operating volume: 1,659 Mm^3 (Serrablo & Gaviota)
  - Cap. Extraction / Injection: 12.5/8.9 Mm^3(n)/day

Gas System Technical Manager

- Responsible for the operation and management of whole Spanish Gas System
- Since 2000, by law, System Technical Manager of the Spanish Natural Gas System.

Spain's Gas Network

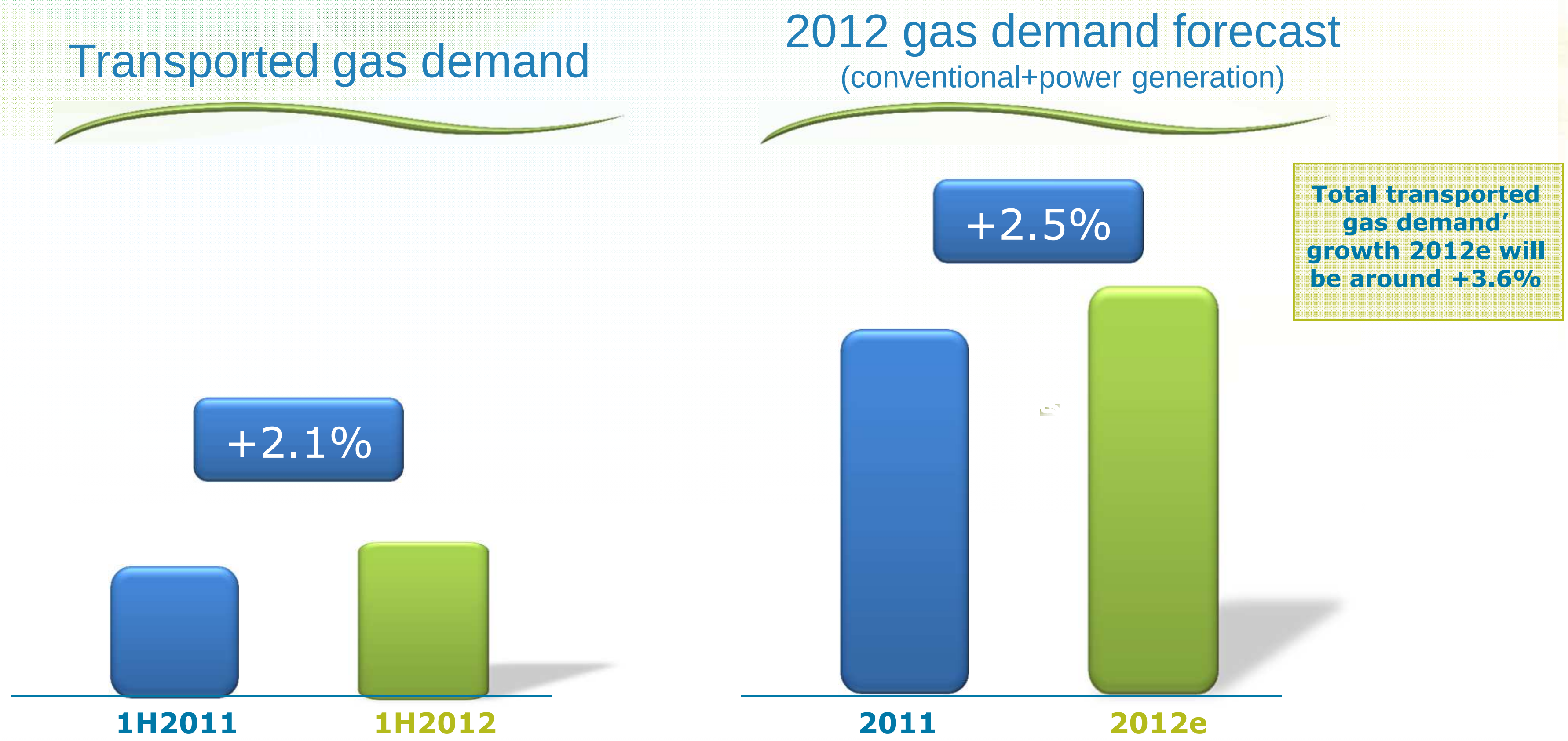


Enagás' Gas System Assets

REGASIFICATION ASSETS	Units	m^3 or m^3 / h
LNG tankers (number and capacity)	18	2,037,000
Nominal regasification capacity		4,650,000
Tank loaders	9	
TRANSPORT ASSETS	**Units**	**Km**
Km. of operational gas pipeline		9,280
Compressor stations	18	
Gas regulation and metering stations	436	
UNDERGROUND STORAGE ASSETS	**Units**	**Mm^3 / day**
No. of storage facilities	2	
Max. injection		8.9
Max. output		12.4

Note: Enagás holds a 40% stake in the BBG regasification plant, which currently has two 150,000 m3 LNG storage tanks and a nominal regasification capacity of 800,000 m3(n)/h.

Natural Gas demand



Conventional demand record in February 2012 (30,730 GWh)

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

Agenda

1. Overview
2. Financial Profile

Appendix

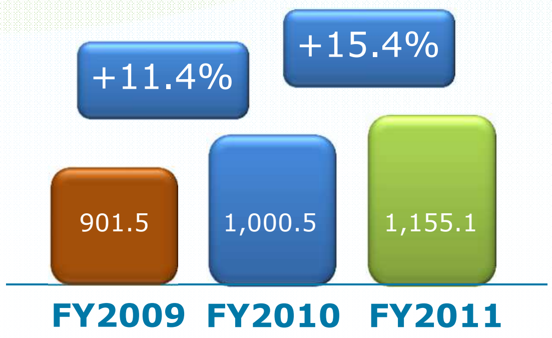
Key figures

(mill €)	Jan-Dec 2011	Jan-Jun 2011	Jan-Jun 2012	%12vs11
Total revenues	1,155.1	515.6	568.1	**+10.2%**
EBITDA	885.5	415.4	449.4	**+8.2%**
EBIT	585.9	278.4	298.4	**+7.2%**
Net profit	364.6	173.4	185.5	**+7.0%**
Investments	781.4	272.5	274.1	
Assets put into operation	780.5	276.2	177.5	
Net Debt	3,442.6	3,050.4	3,224.3	
Leverage	64.8%	63.1%	62.6%	
Transported gas demand (GWh)	413,803	217,871	222,422	**+2.1%**

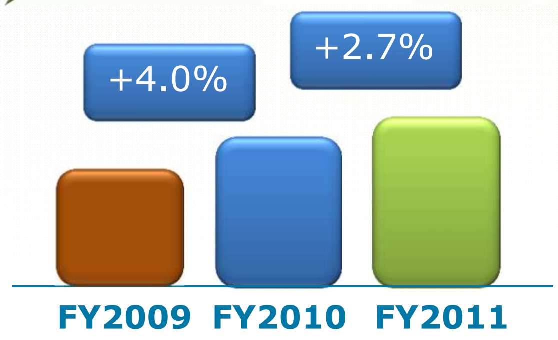
Note: 1H2012 results includes the contribution of Gaviota UGS and the proportional consolidation of 40% of Altamira Plan (Mexico) that corresponds to the first quarter
Note: Capex figure includes the accounting effect of the provision for dismantling regasification plants amounting €78.8 mill

Solid revenues and high operating efficiency track record

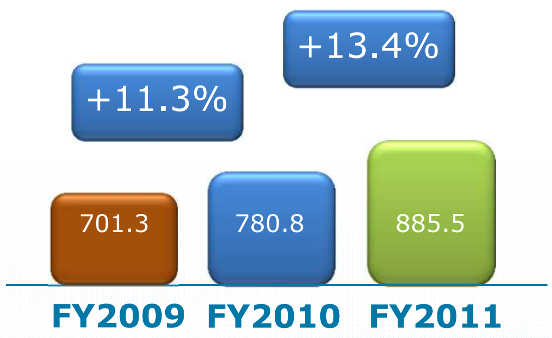
Revenues



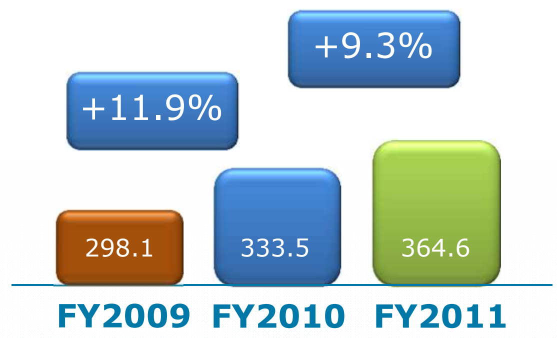
Homogeneous Opex



EBITDA

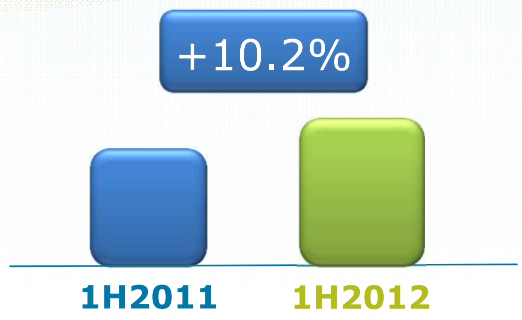


Net Profit

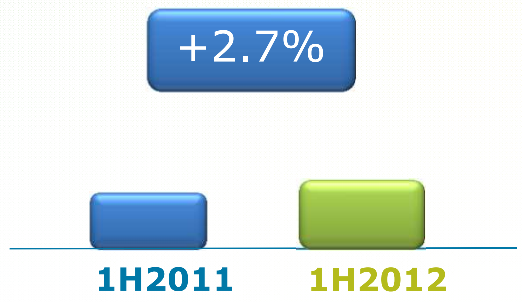


1H 2012 Performance

Revenues

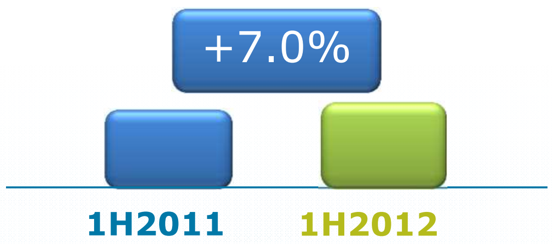


Homogeneous Opex



EBITDA

Net Profit



Note: Like for like Opex, without taking into consideration the Gaviota´s opex in Q1 2012, 40% of Altamira participation and other non-recurrent expenses

2012 Targets

EBITDA	+8%
Net Profit	Flat
Pay-Out	70%

Efficiency and cost control are key factors for 2012

Capex & Assets put into operation

Capex 1H 2012

€274.1M

Assets put into operation 1H 2012

€177.5M

In the right track to achieve 2012 targets

Note: Capex figure includes the accounting effect of the provision for dismantling regasification plants amounting €78.8 mill

2012 investments targets

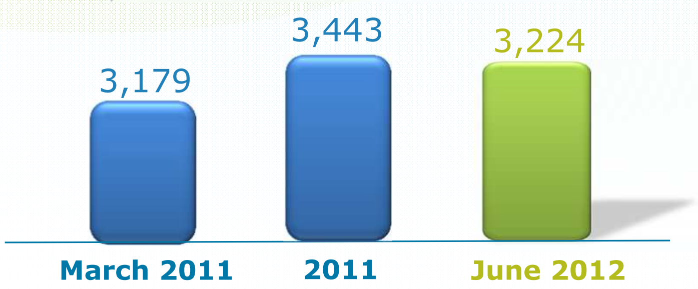
Capex	Assets put into operation
€550M	€750M

Key investments to guarantee the safety of the gas and energy systems

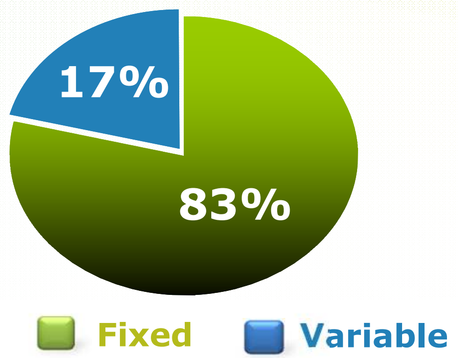
Note: In 2012 investment and new assets put into operation targets include possible “core business” acquisitions

Current financial structure

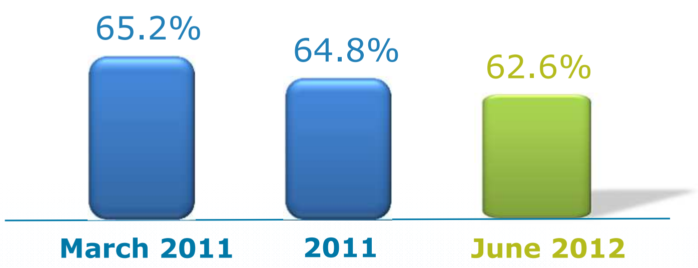
Net Debt (mill €)



Debt structure

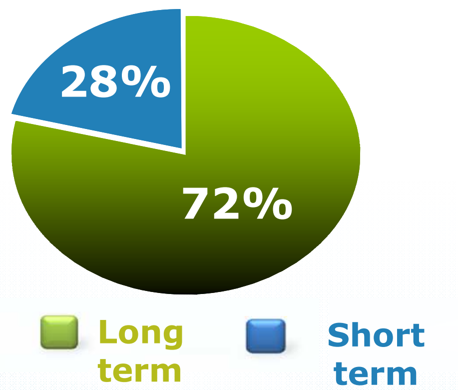


Leverage



Note: Leverage equals to Net debt / Net Debt + Equity

Debt maturity



Financial policy

Debt profile

Average maturity	5.4 years
Ratings	A- S&P / A- Fitch
Leverage	62.6%

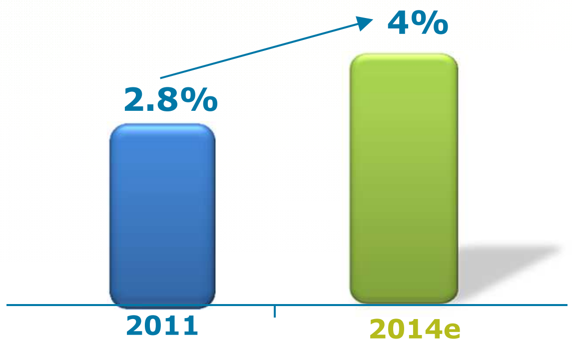
Solid financial profile

Liquidity

€ 2,789 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

Financial highlights 1H 2012

Renewals and refinancing 1H 2012	~ €615 mill
New facilities	~ €900 mill
New ECP issues	~ €100 mill

The financial activity carried out in 1H represented 97% of the planned refinancing in the whole year 2012

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1. Overview

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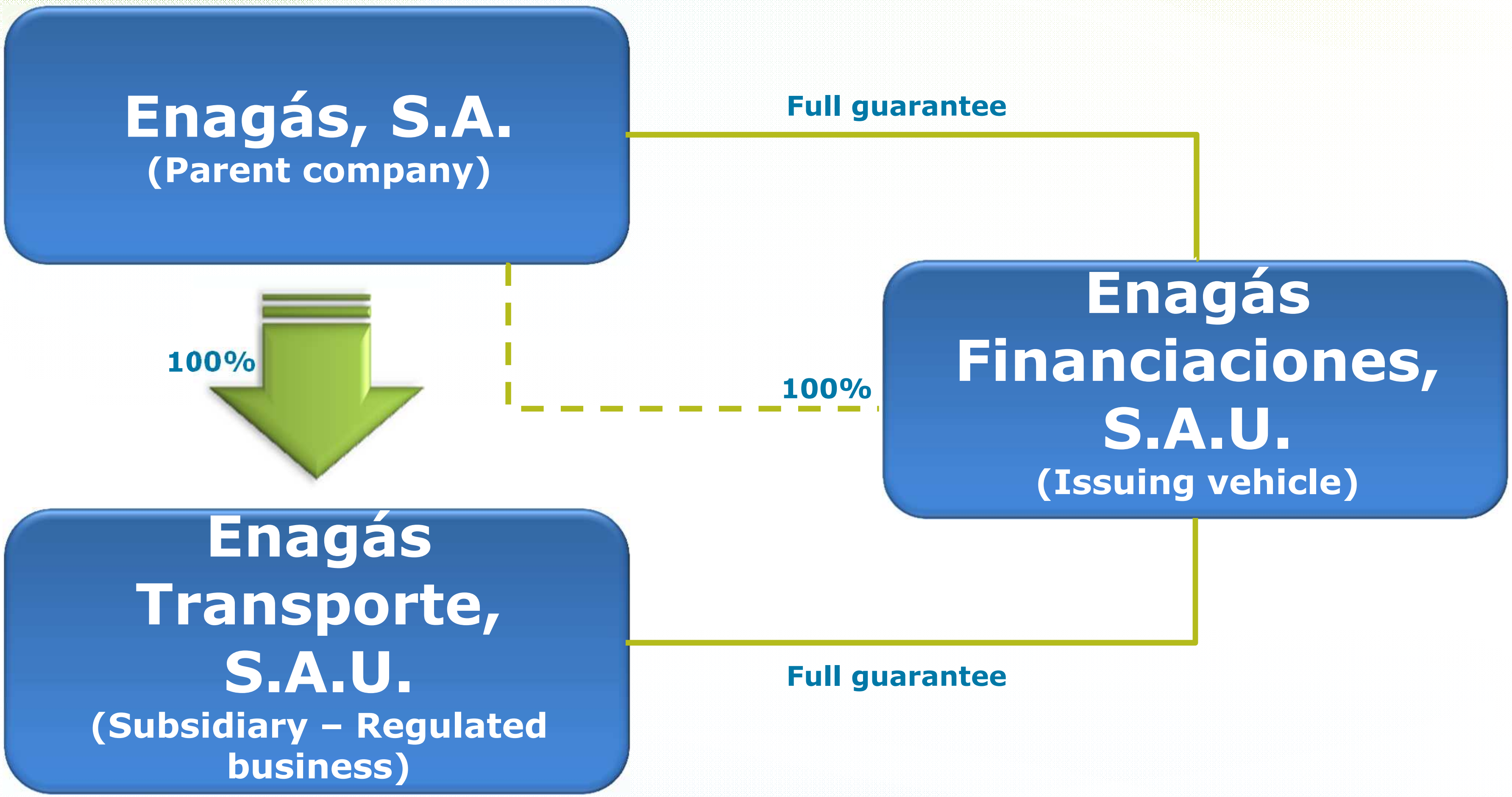
Appendix

Guarantee structure



Note: Spanish Regulator does not allow Enagás, S.A. to sell any stake of Enagás Transporte, S.A.U.

Core Business Acquisitions/Participations

Announced strategy

Vertically integrated energy companies are currently selling "non-core assets"

Sound investment opportunities which complement Enagás' business base

Taking advantage of the Company's know how, technological knowledge and operating and financial resources

Acquisitions consistent with Enagás'core business and objectives of debt and profitability, that provide a recurrent and safe revenues stream

Spain	Regulated assets related to our activity
European Union	Operating as TSO, or by agreements with other European TSO
General	LNG Know-How Regasification Plants and pipelines

1H2012 Milestones

Acquisition GNL Quintero (Chile)

Participation Morelos Pipeline (México)

Note: Detailed information on the two transactions is available in the relevant facts communicated to the CNMV on 04/27/2012 (GNL Quintero) and 06/27/2012 (Morelos Pipeline) and in the corporate website

Acquisitions/Participations in core business assets: Naturgas

Strategic fit

- Core business assets , in line with the objectives of profitability and indebtedness of the Company, and providing a recurring revenue stream
- In accordance with the 3rd EU Gas Directive, which states that vertically integrated energy operators must separate transmission operations from the rest of their businesses
- Enagás consolidates its position as the sole transmission company in Spain's gas transmission trunk network
- Strategic asset and key to the planned development of the expansion of interconnection capacity with France via Irun
- Value creation for the three parties in the transaction

Main data of the agreement of acquisition of the 90% of Naturgas Energía Transporte

Transaction	Agreement with EDP to acquire 90% of Naturgas Energía Transporte The EVE (Basque regional energy board) will retain 10% of the company
Main assets	High-pressure gas pipelines (≈60% Basque country) and the international Irún connection
EV	€241 Mill (D/E=34/66)
IRR	Similar to the IRR of the Company's high-pressure regulated transport assets in Spain
Financial data (100%)/ consolidation date	EBITDA 2012e:≈€25mill, Net profit:≈€11mill After obtaining all permits, integration expected in 1Q2013

Government measures in relation to the power and gas tariff deficit

The adjustments set in the Royal Decree 13/2012 have been directed to reduce the temporary gas tariff deficit

The main adjustments are affordable for Enagás: Change in the amortization period for new UGS and the freezing of the Musel regasification plant (receiving the financial remuneration for the invested capex)

The adjustments made and the increased tolls are on track to eliminate the temporary gas tariff deficit and reinforce the long term regulatory stability

Note: Only analyzed the key actions relating to gas industry

2010-2014 Capex plan

The Company has provided to the market ahead of the most feasible investment scenarios

Part of the investments paralised by the Royal Decree Law had been already anticipated by Enagás (for example, the extension of the Gaviota underground storage)

In addition, the RDL confirms the "temporary suspension" of other investments worth around €300 mill

The RDL confirms the approval of the investments linked to international connections and the development of the Canary Islands regasification plants

The investments and acquisitions carried out plus the organic investments expected in 2012, 2013 and 2014 and the possible additional acquisitions core business being analyzed, will likely amount to figures around ± 10% of the investment targets set for the period 2010-2014

Government's fiscal measures

Accelerated amortization removal

- No retroactive effect, so the tax incentive in the years 2009, 2010 and 2011 has not been affected
- 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. In any case the effect is not significant

Limiting the deduction of net financial expenses (30% EBITDA)

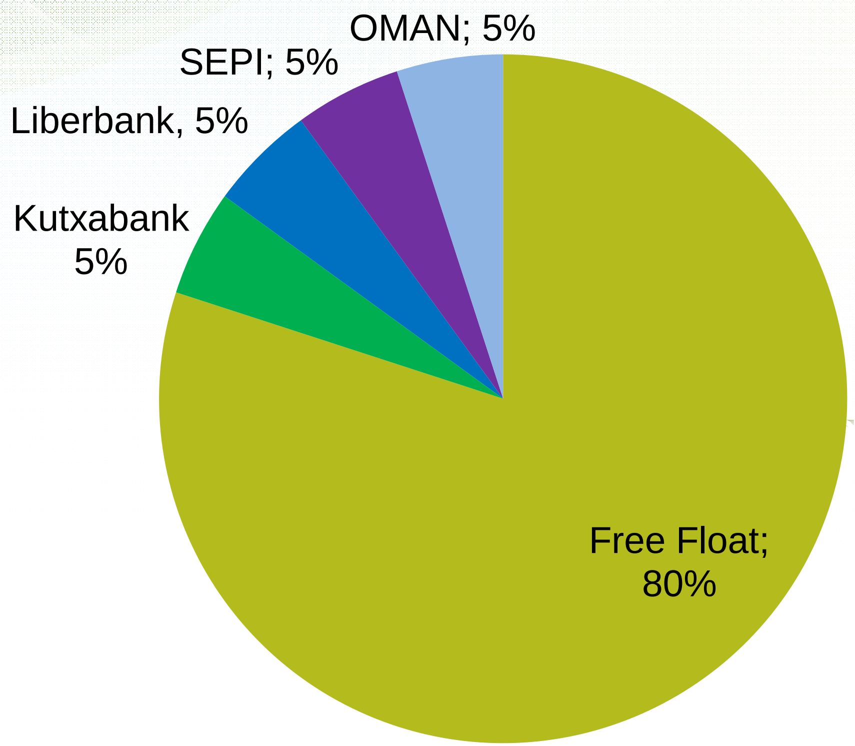
- No effect for Enagás to be well below this figure

Lower limits for deductions in quota (R&D)

- No effect for Enagás as the deductions for the Company are well below these limits

Following the Government's actions in relation to the gas tariff deficit and taxation it is not necessary to make adjustments in the estimates of the Company

Shareholding structure



- Market cap ~ €3.1bn; 75% free float
- 5% ownership by SEPI (Spanish State)
- Maximum limit on share ownership (excluding SEPI) of 5% with a limited exercise of voting rights of 1% for parties acting in the gas sector and 3% for the remaining shareholders

Credit Investor Update

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