



Conference call-Webcast
3Q and 9M 2008 Results
10.00h CET



October 28th, 2008



FTSE4Good



Key figures



(€m)	Jan-Sept 08	Jan-Sept 07	% 08 vs 07
EBITDA	487.2	447.2	+9.0
EBIT	338.0	307.8	+9.8
Net Income	201.2	176.3	+14.1

Capex	535.9	297.7	+80.2
Assets put into operation	494.8	64.6	+665.9

Net Debt	2,213.9	1,947.1	
Net Debt/Assets	47.5%	52.0%	
Leverage^(*)	60.3%	59.2%	
Cost of Debt	4.72%	4.16%	

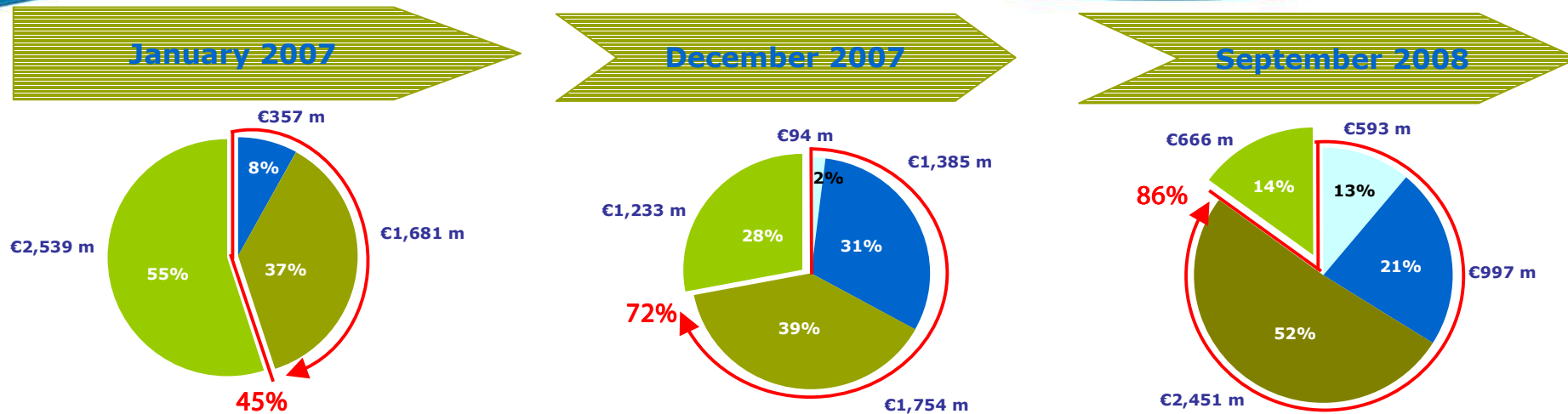
(GWh)

Demand for Transported Gas	337,072	288,906	+16.7
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In line with 2008 objectives:
EBITDA (+7.5%) and Net Profit (+8.5%) growth

(*) Net debt/(Net debt+Equity)

Authorisation process acceleration



■ In operation
 ■ In execution
 ■ Pending Administrative authorisation
 ■ Pending direct authorisation

Authorisation process Jan 2007-Sept 2008 ^(*)	
Put into operation	€593 mill
Administrative Authorisation	€1,242 mill
Environmental Impact Statement	€1,353 mill
Direct Authorisation	€1,891 mill
TOTAL	€5,079 mill

The whole process advancing ahead of plan

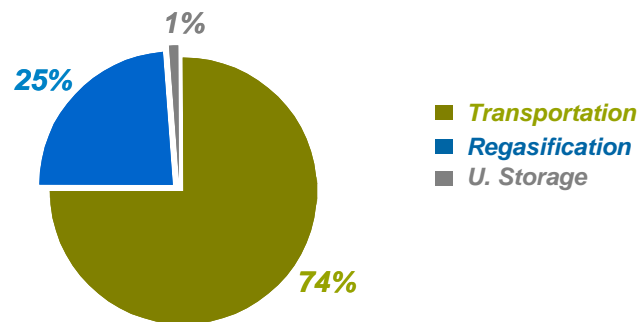
(*) The same project can be approved and found in several phases, and therefore, accounted in several steps at the same time.

9M08 Results: Investments



Investments

€535.9 m



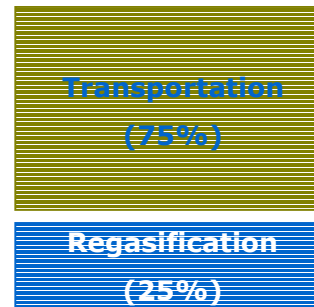
Capex Sept07-Sept08 amounted €748 m



Target 2008
€750 m

Assets put into operation

€494.8 m



- Barcelona-Arbós
- Madrid Southwest ring
- Eje transversal
- EC Zaragoza
- EC Alcazar de S.Juán
- Increase in the emission capacity of the Cartagena plant to 1,350,000 m3/h.
- 150,000 LNG Tank in Cartagena Plant

Work in progress nearly €1 bn



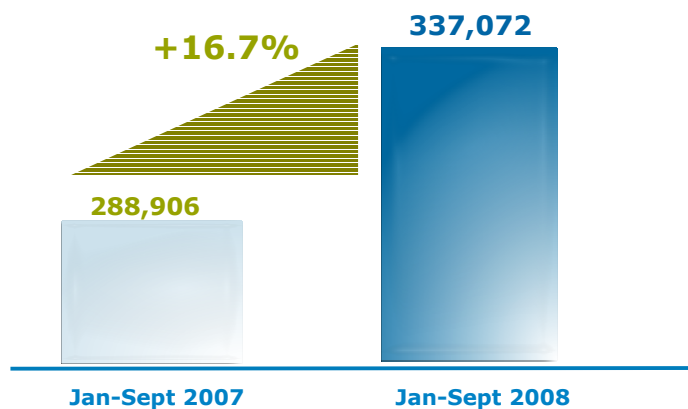
Target 2008
€600 m

Investments to guarantee security of supply

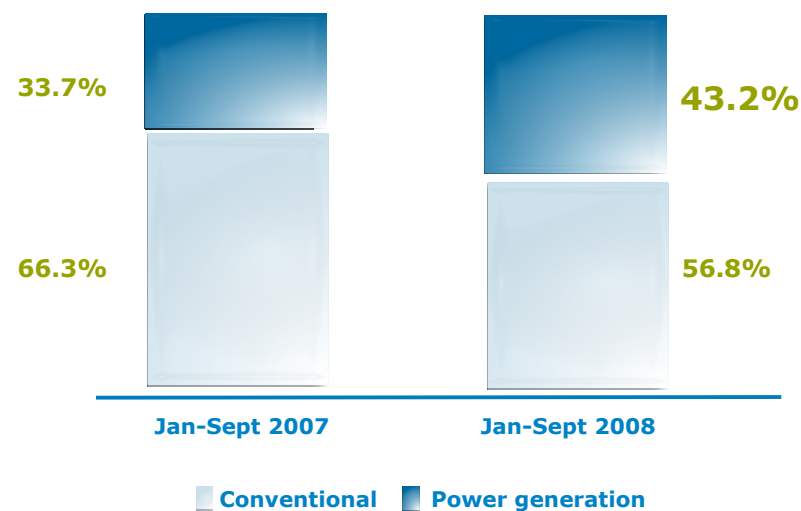
9M2008 Results: Operational data



**Gas Transport Demand
(GWh)**



**Gas Demand Breakdown
(GWh)**

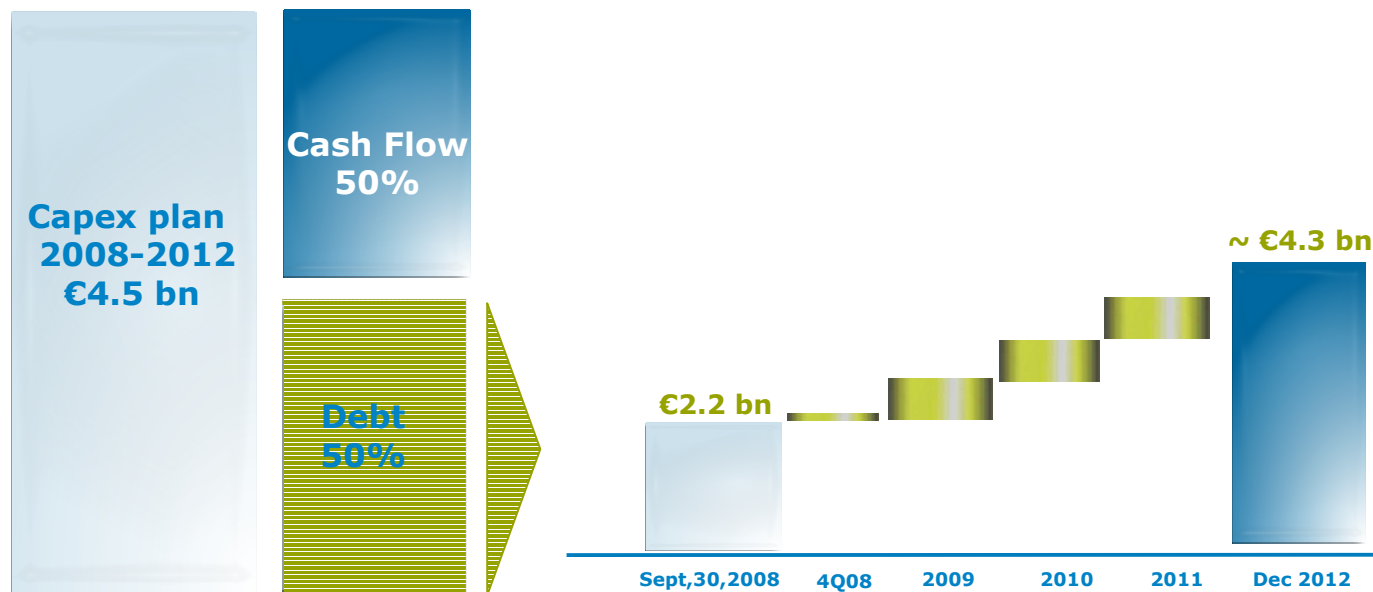


- ▶ Strong growth in demand fuelled by gas consumption for power generation, which has increased by 50%
- ▶ CCGT were the main source of power generation (40%), increasing its contribution 10% yoy
- ▶ As at Sept. 30, 54 groups of 400 MW were in operation, compared with the 44 groups on the same date of 2007
- ▶ Conventional demand (191,397 GWh) decreased 0.1% yoy, due to the low activity of the industrial sector
- ▶ By the end of September, 95% of the total demand was sourced for the liberalized market

Liquidity and funding of the capex plan



Funding of the capex plan



Financial resources

ICO Loan	€500 mill
Credit Lines	€689 mill
Liquidity	€1,189 mill

At Jun,10, 2008 EIB Board approved a new loan to Enagas amounting €1 bn

€1.000 mill to refinance in January 2010

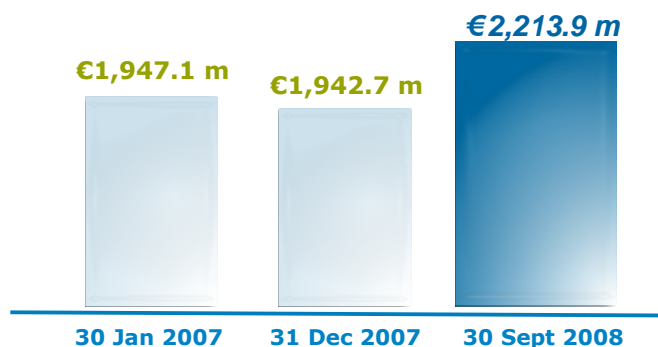
Refinancing €1 bn: Financial resources for capex 2008, 2009, 2010 and 2011
Non refinancing €1 bn: Financial resources for capex 2008,2009 and 2010

9M2008 Results: Financial Structure

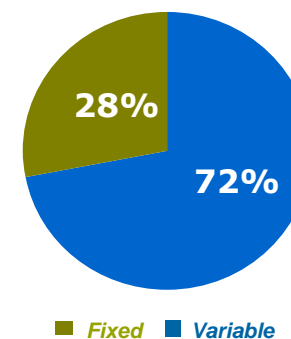


Net debt(30 Sept)

Leverage	59.2%	59.1%	60.3%
Cost of debt	4.16%	4.28%	4.72%



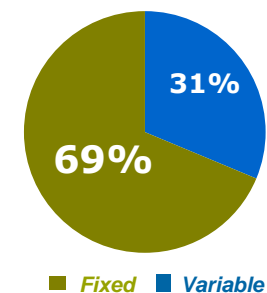
Debt structure (30 Sept)



Interest rate hedge at Oct,28,2008

Loan	Amount	Amount covered	Rates fixed	Hedge maturity
Syndicated	€1,000 mill	€1,000 mill	150 bp-200 bp lower than current Euribor 3M	2010
ICO	€520 mill	€520 mill		2011
TOTAL COVERED 28/10/08: €1,520 mill				

Debt structure (Debt 30 Sept-I.R Hedge Oct, 28)



- ✓ Interest rate hedge increased from €618 mill in 1H08 to €1,520 mill in October
- ✓ Current interest rate hedge guarantee debt structure and cost of debt set in the business plan

Regulation

- ▶ We expect neutral impact from future revision of standards
- ▶ Reasonable stability in the regulatory framework until 2012

Business plan

- ▶ Clear and realistic. Low correlation with economic growth
- ▶ Authorisation process acceleration: More than €5,000 mill
- ▶ Investments to guarantee security of supply

Financial evolution

- ▶ Liquidity: €1,189 mill. EIB Loan: €1,000 mill
- ▶ Sufficient resources for the next 18 months
- ▶ Optimum financial structure (70% fixed-30% variable)



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