Conference call - Webcast

2008 Results

10.00h CET

February 3rd, 2009

Key figures

(€mill)	Jan-Dec 08	Jan-Dec 07	% 08 vs 07
Regulated Revenues	840.0	792.0	+6.1
EBITDA	636.2	595.5	+6.8
EBIT	433.1	408.3	+6.1
Net Income	258.9	238.3	+8.6

Capex	776.9	508.6	+52.8
Assets put into operation	591.2	94.2	+527.6

Net Debt	2,351.3	1,942.7	+21.0%
Net Debt/EBITDA	3.7x	3.3x	
Leverage	62.0%	59.1%	
Cost of Debt	4.70%	4.28%	

(GWh)

Demand for Transported Gas	449,591	408,431	+10.1

Note: Regulated revenues include: managing of infrastructure, TSO, purchase-sale of natural gas to the tariff market, and sales of gas for self-consumption. In homogeneus terms, regulated revenues yoy have increased 6.5%.

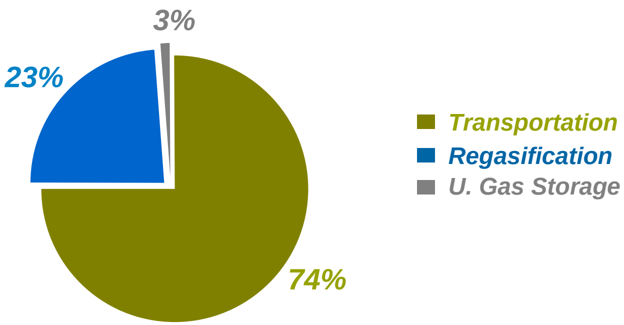
Note: In homogeneous terms EBITDA for 2008 rose 7.2% yoy

Investments 2008

Investments | **Assets put into operation**

Historical record in both figures

€776.9 m



Investments 4Q08: €237 m

€591.2 m

Transportation (82%)

- Barcelona-Arbós
- Madrid Southwest ring
- Eje transversal
- Montesa-Denia
- EC Zaragoza
- EC Alcazar de S.Juán

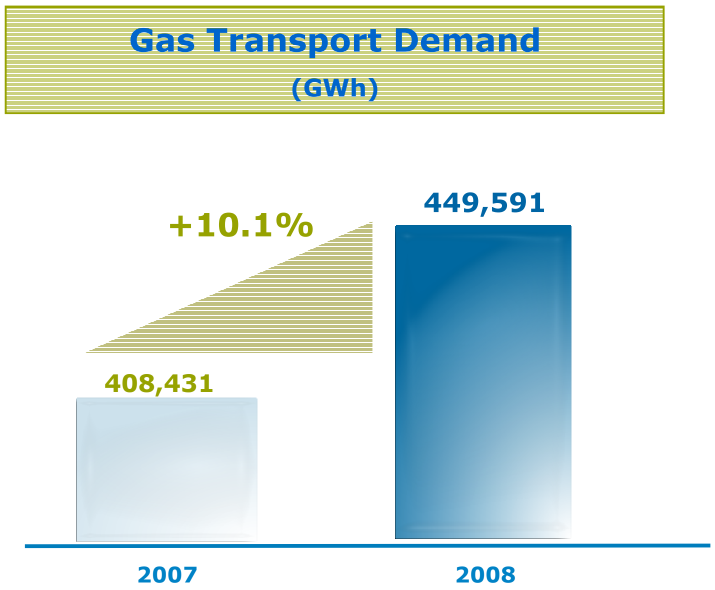
Regasification (18%)

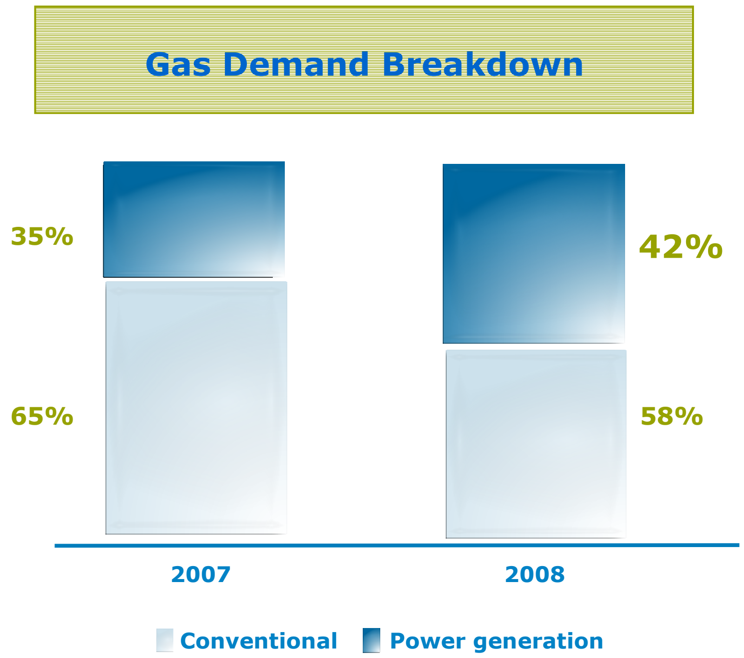
- Increase in the emission capacity of the Cartagena plant to 1,350,000 m3/h.
- 150,000 LNG Tank in Cartagena Plant

Work in progress nearly €1 bn

Investments to guarantee security of supply

Operational data





- Strong growth in demand fuelled by gas consumption for power generation, which has increased by 32%
- As at Dec. 31, 54 groups of 400 MW were in operation, compared with the 53 groups on the same date of 2007
- Conventional demand (262,057 GWh) decreased 1.6% yoy, due to the low activity of the industrial sector
- Market fully liberalized

Regulatory development

► European Sphere

At the European level, working towards a more homogeneous framework for all countries in order to facilitate users information on available capacities and transport costs. Last information indicates that the Third Legal Package, which includes the 3rd Gas Directive and includes the consolidation of the TSOs functions, might be approved in the first half of 2009.

► Consolidation of the Spanish gas sector model

Enagas is working with the Energy Secretary in the consolidation of the gas transport model, coherent with the 3rd Gas Directive, similar to the electric sector.

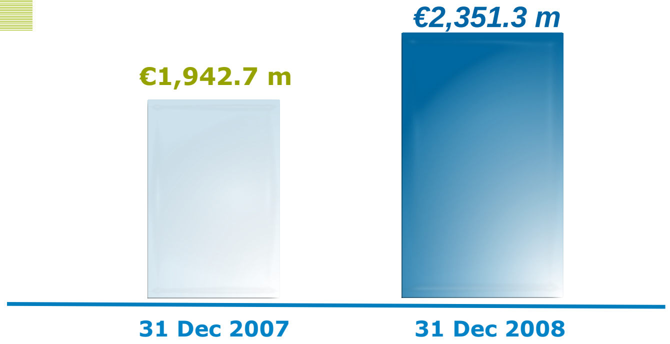
► Revision of standards

The CNE estimates that its proposal could be sent to the Ministry of Industry by may, at the same tine as REE. Enagás estimates that the new standard values will facilitate the development of the capex plan.

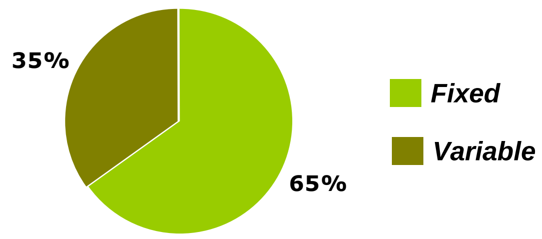
Financial structure and liquidity

Net debt

	31 Dec 2007	31 Dec 2008
Leverage	59.1%	62.0%
Cost of debt	4.28%	4.70%



Debt structure



Current interest rate hedge guarantee debt structure and cost of debt set in the business plan

Financial resources

ICO Loan	€400 mill
Credit Lines	€534 mill
EIB	€1,000 mill(*)
Liquidity	€1,934 mill

In December Enagás signed the first tranch of EIB loan for €350 mill

€1.000 mill to refinance in January 2010

Financial resources for the next 24 months

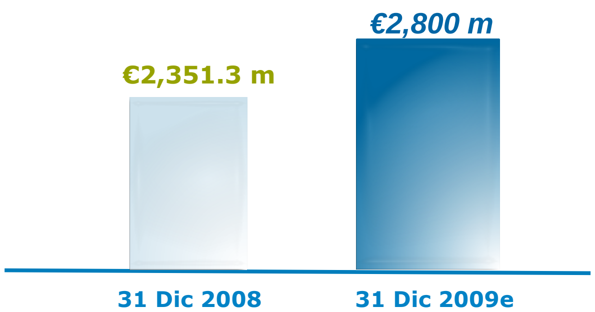
Financial situation

EIB loan

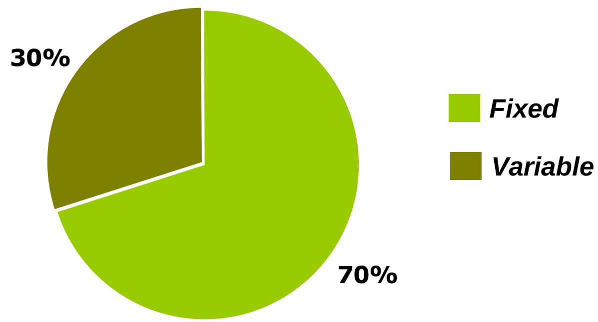
Amount	**€1bn**
Maturity	**20 years with 5 or 12 years bullet tranch**
Formalization	**Tranch A: 45% with banks guarantee** **Tranch B: 30% financial intermediation** **Tranch C: 25% corporate risk**
Current situation	**19/12/2008 signed first contract of within tranch A** **February 2009 €175 mill of tranch B expected to be signed**

Net debt 2009e

Leverage.	*62%*	*64%*
Cost of debt	*4.70%*	*4.00%*



Debt structure target



Meeting Business Plan targets

2007

	Target	Strategic Plan	Real
✓	Ebitda	+5.5%	+5.7%
✓	N.Profit	+10%	+10.1%
✓	Dividends	▲ Pay-Out	+27.0%
✓	Capex	€500 mill	€508.6 mill
✓	Assets put into operation	€100 mill	€94.2 mill

2008

	Target	Strategic Plan	Real
✓	Ebitda	+7.5%	+6.8%
✓	N.Profit	+8.5%	+8.6%
✓	Dividends	▲ In line with Net Profit	+8.6%
✓	Capex	€750 mill	€776.9 mill
✓	Assets put into operation	€600 mill	€591.2 mill

Note: In homogeneous terms EBITDA for 2008 rose 7.2% yoy

Authorisation process acceleration

Efficiency and cost control plan

Pay-Out: 60%

Corporate Responsibility

EL PACTO MUNDIAL

Dow Jones Sustainability Indexes

FTSE4Good

efr empresa familiarmente responsable

Excellence

EFQM +300 (Europe Excellence)

Quality

ISO 9.000 Enagás as TSO

Authorisation process acceleration

Authorisation for the Capex plan 2007-2012

Authorisations available for the assets to be built in 2009, and half of the assets projected for 2010

Targets 2009:In the path of the strategic plan

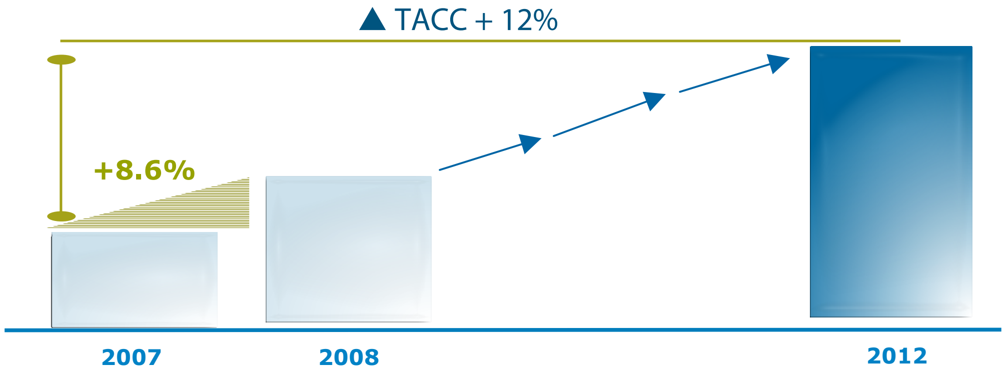
Investments

€900 mill

Assets put into operation

€900 mill

Net Profit



▲ in Net Profit above the increase of 2008
12% CAGR target 2007-2012 maintained

Conclusions

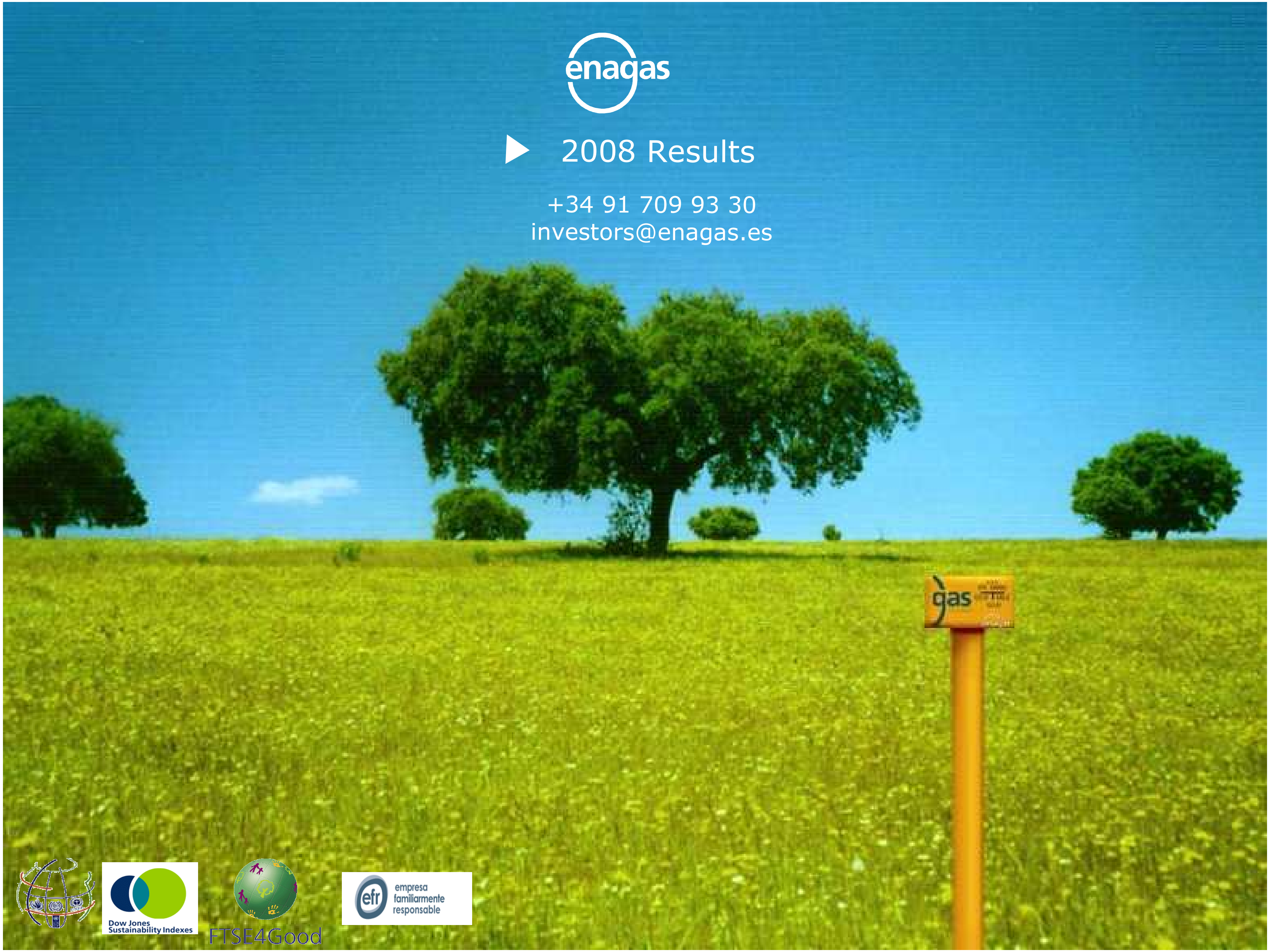
- 2007 and 2008 targets have been met.
- Enagás is confident about meeting targets 2009 targets, which have been set prudent and taking into consideration the economic and financial environment.
- Financing secured for the next 24 months, with an optimal cost according with the Strategic Plan. Available funds of more than €1.93 bn.
- Permits available for project of 2009 and more than half of 2010. Rest of projects also advancing.
- In 2009 Enagás will reach new record figures both in capex and assets into operation at €900 mill.
- Stable regulatory framework and advancing towards an European model.
- Enagás will continue improving its further results by developing the efficiency plan implemented in 2008, in line with the parameters included in the Strategic Plan.

Disclaimer

This document may contain market assumptions. Different sourced information and forward-looking statements with respect to the financial condition, results of operations, business, strategy and the plans of Enagás, SA. Such statements are based on a number of assumptions that could ultimately prove inaccurate and are subject to a number of risk factors including the ability to realize cost reductions and operating efficiencies without unduly disrupting business operations, environmental, regulatory considerations and general economic and business conditions.

In no case may this document be interpreted as an offer made by any entity mentioned therein to sell, exchange or purchase, nor may it represent an invitation to make any type of offer, particularly, to acquire or purchase any security issued by said companies. Neither Enagás nor its advisors assume any obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Further information on factors which could affect the company's financial results is provided in documents filed by the company with the Spanish Securities Market Commission (Comisión Nacional del Mercado de Valores or CNMV).

This disclaimer must be taken into account by any persons or entities to which the present document is addressed, as well as by those who consider as necessary to adopt decisions or issue or broadcast opinions on the securities issued by Enagás, S.A. and, in particular, by the analysts handling the same, without prejudice to the possibility of consulting the documentation and public information that has been notified or recorded at the CNMV, a consultation which Enagás, S.A. recommends.


enagas
2008 Results
+34 91 709 93 30
investors@enagas.es
gas
Dow Jones Sustainability Indexes
FTSE4Good
efr empresa familiarmente responsable