



Conference call-Webcast

1st HALF 2008 Results

09.30h CET



July 29th, 2008



1H2008 Results: Key figures



(€m)	Jan-Jun 08	Jan-Jun 07	% 08 vs 07
EBITDA	317.0	298.2	+6.3
EBIT	219.1	203.1	+7.8
Net Income	129.9	117.0	+11.0

Capex	365.8	181.1	+102.0
Assets put into operation	394.5	49.9	+690.6

Net Debt	2,016.7	1,749.1	
Net Debt/Assets	44.6%	48.3%	
Leverage^(*)	59.2%	57.7%	
Cost of Debt	4.67%	4.05%	

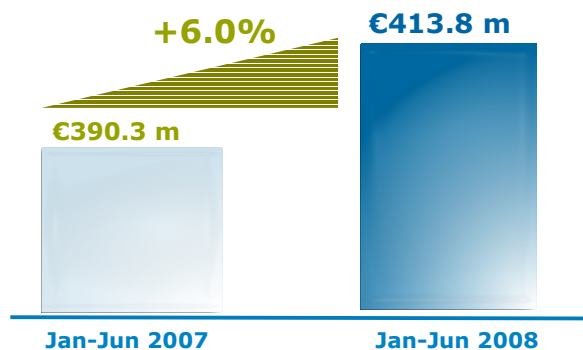
(GWh)			
Demand for Transported Gas	232,924	198,675	+17.2

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

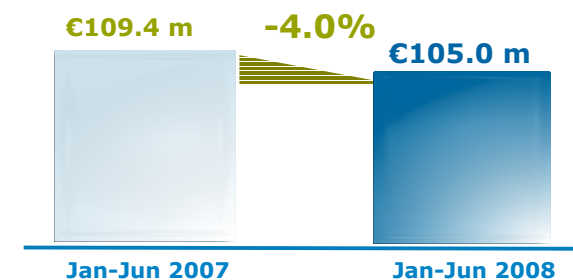
1H2008 Results: Key figures



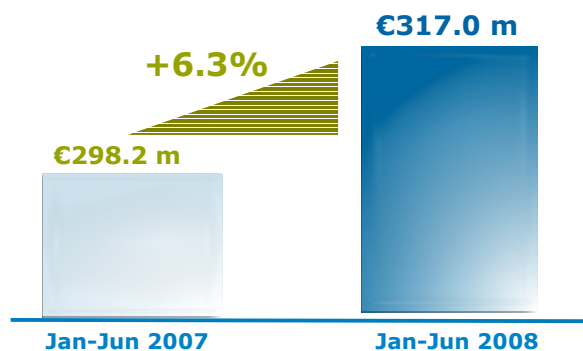
Regulated Revenues



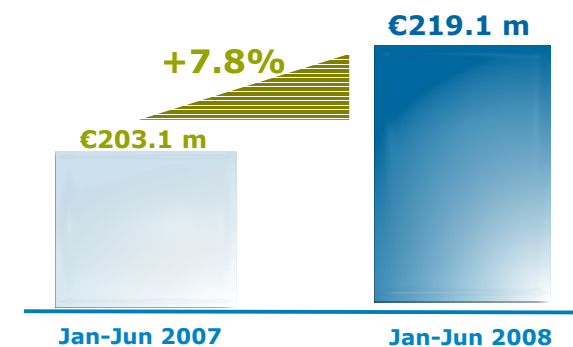
Operating Expenses^(*)



EBITDA



EBIT



(*) Note: 1H07 included a one-off item amounting to €4.7Mn. Additionally in the 1H07, €14.5 m related to the operation of the underground storage facility of Gaviota, were accounted as other operating expenses and subsequently as regulated revenues. In the 1H08 there were no revenues and operating costs relating to this item.

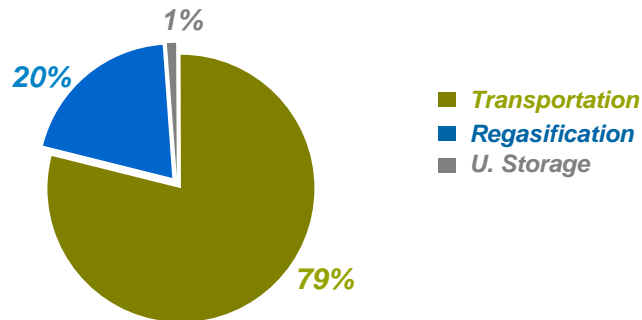
In the 1H08, 4.2 million euros were entered as non-recurrent staff expenses as provision for future early retirement plan.

1H08 Results: Investments



Investments

€365.8 m



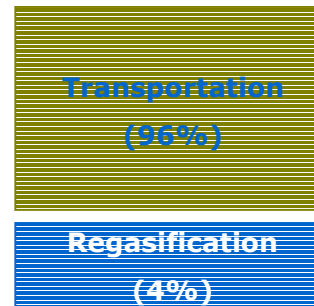
Capex Jun07-Jun08 amounted €693 m



Target 2008
€750 m

Assets put into operation

€394.5 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.

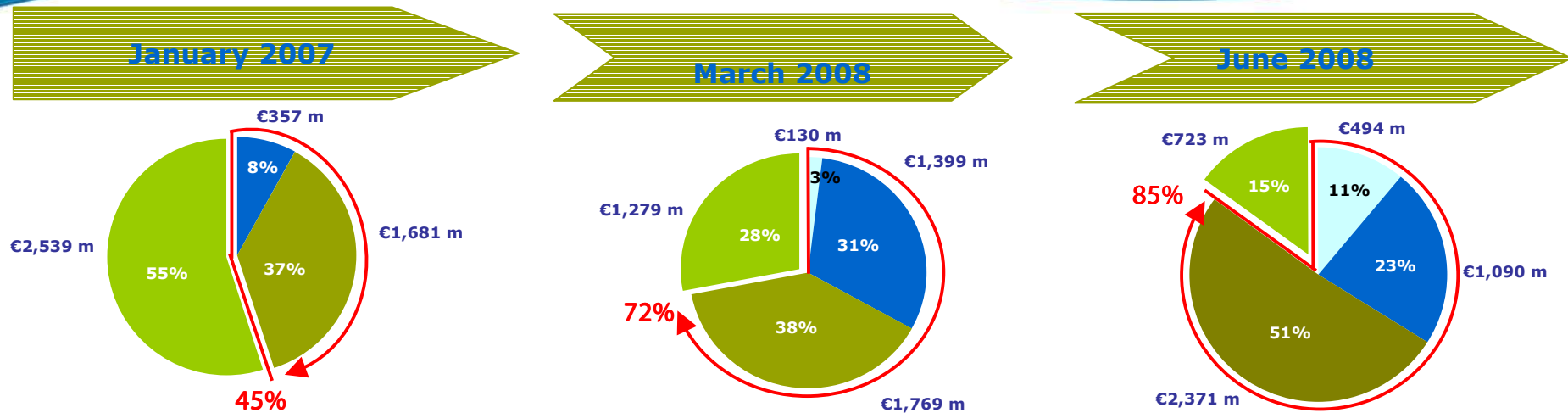
Work in progress nearly €800 m



Target 2008
€600 m

New record volume of investments and assets put into operation during 1H

Authorisation process acceleration



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

Authorisation process Jan 2007-Jun 2008 ^(*)	
Put into operation	€494 mill
Administrative Authorisation	€1,235 mill
Environmental Impact Statement	€1,025 mill
Direct Authorisation	€1,966 mill
TOTAL	€4,720 mill

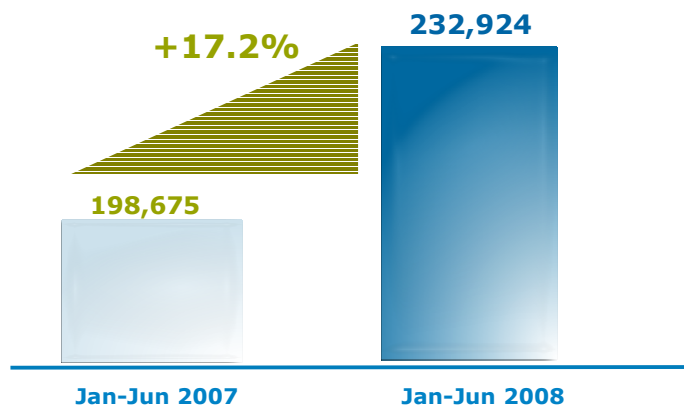
The whole process advancing ahead of plan

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

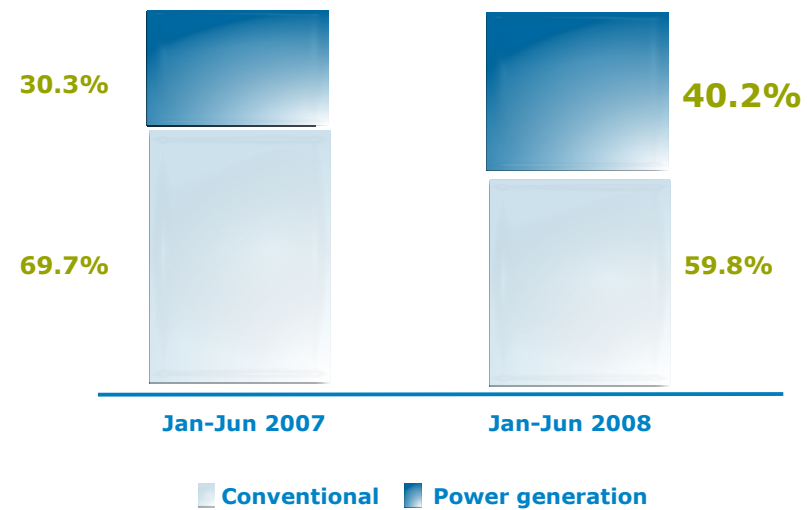
1H2008 Results: Operational data



**Gas Transport Demand
(GWh)**



**Gas Demand Breakdown
(GWh)**

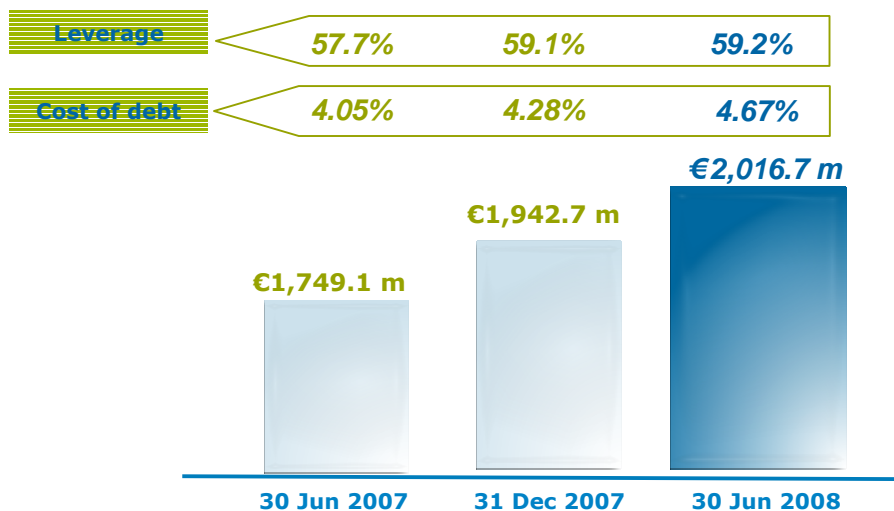


- ▶ Strong growth in demand fuelled by gas consumption for power generation, which has increased by 55.6%
- ▶ As at June 30, 54 groups of 400 MW were in operation, compared with the 44 groups on the same date of 2007
- ▶ Demand for natural gas in Spain set a new summer record, 20 June of 1,403 GWh, a 13% increase on the previous summer's record
- ▶ By the end of June, 90% of the total demand was sourced from for the liberalized market

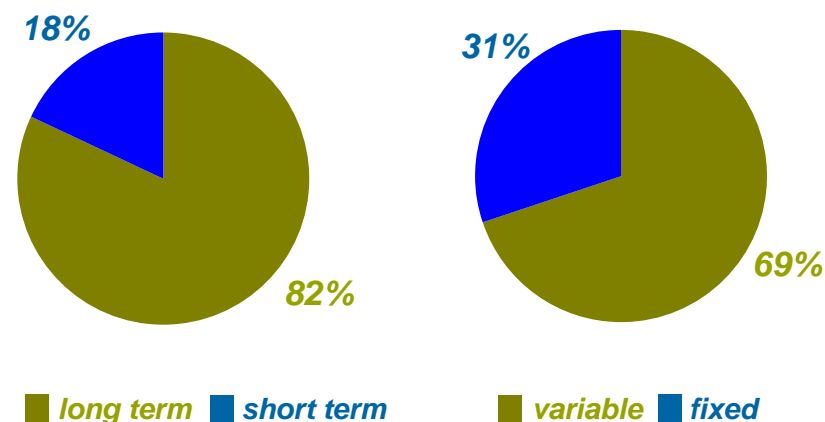
1H08 Results: Financial Structure



Net debt



Debt structure



- ▶ 82% of the debt is long-term with an average maturity of 3.8 years
- ▶ Several cash flow hedges, which involved an average cost of 3.79%, applicable to €617.5Mn with maturity in 2011
- ▶ April 15: Signing with the ICO for a €500 m loan
- ▶ €1,364m available liquidity
- ▶ Financing of the whole investment plan 2008-2012 well on track

2008 Objectives



EBITDA

+7.5% vs 2007

Net Income

+8.5% vs 2007

Investments

€750 m

Assets put into operation

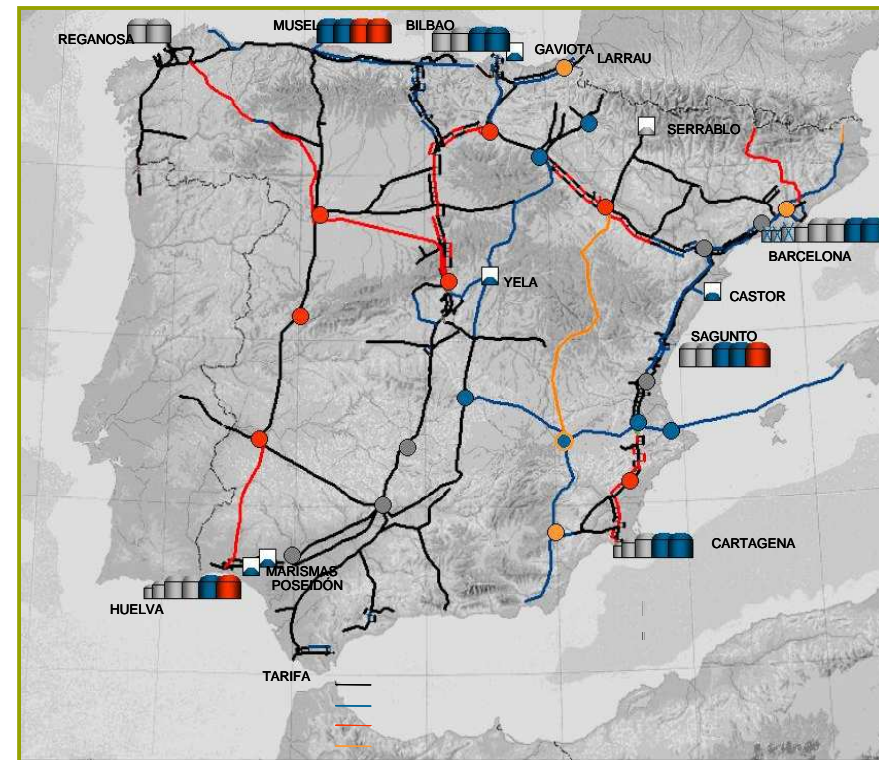
€600 m

2nd year of 2007-2012 Strategic Plan on track

Mandatory Planning 2008-2016



- ▶ Peak demand increases makes necessary important investments to improve the network: Transport capacity, Security of supply and International Connections
- ▶ Projects worth €9.5bn for the whole gas infrastructure sector 2008-2016
- ▶ Enagás plans to invest between €2.2 and €3Bn in new projects included in the 2008-2016 Spanish Gas Plan, depending on the final investment earmarked for the development of planned new storage facilities
- ▶ This investment comes on top of the €5Bn contemplated under Enagás' 2007-2012 Strategy Plan
- ▶ Enagás has request permission to perform the main new infrastructure work for the basic network envisaged under the Plan



Enagás will develop a significant portion of new investments required by the system post-2012

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