



Results to 30th September 2005

Enagás' net profit came to 149.1 million euros, 24.1% more than the first nine months of the previous year.

- **Non-recurring extraordinary income of 7 million euros was entered into the accounts for the first nine months of the year. Excluding these items, net profit would be 20% higher than that obtained to 30th September 2004.**
- **Total investments to 30th September came to 250.1 million euros and assets in operation in the same period totalled 290.5 million euros.**
- **The demand for transported natural gas to 30th September 2005 was 19.3% higher than the same period the previous year.**

Enagás recorded a net profit of 149.1 million euros to 30th September 2005, 24.1% higher than the same period in 2004. The Operating Result (EBIT) recorded was 261.8 million euros at the end of the third quarter, 25.8% higher than the 208.1 million euros obtained during the first nine months of the previous year.

Operating Cash Flow (EBITDA) went from 299.1 million euros during the first nine months of 2004 to 367.7 million euros for the same period in 2005, representing an increase of 22.9%.

With regard to future performance, the significant increase in income from assets in operation during 2004 and accrued assets in 2005 stand out, as well as the high volume of regasification of liquefied natural gas to 30th September.

Non-recurring income from the sale of a section of cable to Gas Natural SDG and the application of a subsidy was entered into the accounts in the second quarter. This income has generated capital gains of 3.4 and 3.6 million euros respectively.



Excluding these capital gains, net profit would be 20% higher than that obtained to the 30th September 2004.

Physical quantities

The demand for transported natural gas in the System to the 30th September 2005 came to 275,243 GWh, 19.3% more than the same period the previous year. Enagás transported 89.8% of this amount.

3Q 2004	3Q 2005	DEMAND FOR TRANSPORTED GAS (Markets)	Jan-Sep 2004	Jan-Sep 2005
		(GWh)		
10,185	8,668	Market value	41,657	41,690
61,529	76,304	Liberalised market	189,078	233,553
71,714	84,972	Total demand transported	230,735	275,243

30.1% of the total demand transported during the first nine months of the year was channelled into electric generation produced with natural gas.

Investment plan development

The total amount of investments started from the beginning of the year came to 290.5 million euros.

The most important projects implemented include the third tank at the Cartagena plant with an LNG storage capacity of 127,000 m³, as well as an increase in the emission capacity to 900,000 m³ (n)/h at the same plant, enlargements at various compression stations (Villafranca de Córdoba, Almendralejo, Dos Hermanas, Tivissa and Bañeras), the construction of the Cartagena-Lorca (phase II and the Alhama-Murcia section) and Castelnou-Fraga-Tamarite de Litera gas pipelines, and the widening of the Arbós-Tivissa pipeline.

Total investments to 30th September came to 250.1 million euros.



Financial situation

The net indebtedness of the Company to the 30th September 2005 amounted to 1,489.9 million euros, in contrast to the 1,393 million euros recorded on the same date the previous year. The debt ratio (net debt of total assets) during the first nine months of 2005 was 48.6%, compared to 45.8% to 30th September 2004.

The average cost of the Company's debt to 30th September was 3.39%, compared to 2.71% on the same date the previous year.

Dividends

Payment of a gross dividend per share of 0.201175 euros was made, complementing the dividend paid in January 2005, charged against the results of 2004. Consequently, 50% of the net profit has been distributed between the shareholders in line with the Company's strategic policy.

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