



Enagás updates its 2007-2012 Strategic Plan and raises investment to 5,000 million euros

- **The company has raised planned investment by 25%**
- **Enagás plans to invest an average of 900 million euros a year in 2008-2012 to bring on stream infrastructure**
- **This investment plan supports Enagás' objective of continuing to guarantee the supply of natural gas, aiding the workings of operators in the Gas System and also backing the development of renewable energies**

Enagás Chairman, Antonio Llardén, today unveiled the Company's updated 2007-2012 Strategic Plan. In the new plan, the Company has raised investment for the period from 4,000 to 5,000 million euros, a 25% increase on the plan announced in April 2007. Of this amount, Enagás invested a record 500 million euros in 2007.

Under the terms of the new plan, investment forecasts have been raised as well as forecasts for bringing infrastructures on stream. In the 2008-2012 period the Company plans to invest an average of 900 million euros a year in infrastructure and bringing it on stream.

Enagás' 2007-2012 investment plan largely concentrates on projects included in the revised 2005-2011 Obligatory Planning document.

In 2008-2012 a total of 2,700 million euros, 60% of total investment, is earmarked for the transmission business helping boost the Company's gas pipeline network by 42% and nearly doubling the output of its compression stations.

Some 1,125 million euros, 25% of the total, will be invested in its regasification activity to increase LNG storage and vaporisation capacity by 80% and 33%, respectively. A further 675 million euros, 15% of the total, will be invested in storage



infrastructure, raising the Company's extraction capacity by 588% and its operating volume by 328%.

Some major projects included in this investment plan are the Mainland-Balearics pipeline and the Almería-Chinchilla pipeline (the overland stretch of the Medgaz pipeline) which will be operational in 2009. Also included is the El Musel regasification plant in Gijón, slated to come on stream in 2011 and the underground storage facility at Yela where work will be carried out throughout the period in question. Moreover, in 2008-2012 expansion work will be carried out at Enagás' regasification plants with a fifth tank to be built at the Huelva facility, a new one at the Cartagena plant and a seventh and eighth tank commissioned in Barcelona, all with capacity of 150,000 m³.

Enagás' Chairman, Antonio Llardén, explained that 93% of the projects to be initiated between 2008 and 2009 are already operational or in progress and that of those projects due to come on stream in 2008-2012, some 73% are already operational, in progress or awaiting administrative approval.

The increased investment demonstrates Enagás' commitment to ensuring the security of the supply of natural gas in Spain and satisfying demand even in periods of peak demand. The role played by natural gas during times of scarcity of renewable energies means infrastructure must have sufficient capacity to guarantee reliability and security of supply under any circumstances. The development of new infrastructures will aid the workings of all operators in the Gas System.

In this regard, a sharp increase in peak demand is expected, especially for electricity, while growth in the domestic and industrial sectors is expected to remain unchanged, reaching approximately 46 bcm in 2012.

The Company's Chairman also announced targets for 2008 including a 7.5% increase in EBITDA and an 8.5% increase in Net Profit compared to last year.



Press Release

The updated Strategic Plan includes a compound annual growth rate for Net Profit of 12% compared to the 10% announced last year for the 2007-2012 period. This will see Net Profit in 2012 total 420 million euros compared to 238 million euros in 2007 due to a wider asset base and also greater operating efficiency which will be helped by the Efficiency and Cost Containment Plan.

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