



Update of the 2010-2014 Strategic Plan

Enagás to invest more than €3,500Mn until 2014.

- **The company will maintain its debt ratios and shareholder remuneration policy, with a payout of 60%**
- **Conventional demand for natural gas looks set to grow at an annual rate of 2%, according to Enagás GTS forecasts.**
- **The investment plan, adapted to the new economic environment, is designed to meet the company's commitment to continue guaranteeing the security of the national energy system.**

Enagás Chairman Antonio Llardén unveiled the Company's updated 2010-2014 Strategic Plan today.

Enagás will invest an average of €700Mn per year between 2010 and 2014, which adds up to a total of €3,500Mn. In addition, the company will put €3,400Mn worth of assets into operation, an average of €680Mn annually. Investments in new infrastructure are in line with those set forth by Ministry of Industry in its draft "Annual Infrastructure Plan Proposal".

This investment plan is compatible with the financial soundness of Enagás. Llardén confirmed that the company, which currently has €2,200 million of liquidity, "already has sufficient financial wherewithal to carry out our planned investments for 2010, 2011, 2012, 2013 and part of 2014".

With the construction and start-up of all these infrastructure projects, Enagás aims to ensure the security of the national energy system, so that it can continue meeting demand in any situation, including during peak consumption periods.



Conventional demand for natural gas (domestic/commercial, industrial and cogeneration) will grow at an annual rate of 2%, according to Enagás GTS forecasts.

Main projects

The infrastructure included in the update of the Strategic Plan address three important needs of the Spanish gas system: to increase strategic storage capacity, to improve international connections and system entry points, and to solve bottlenecks. Llardén highlighted the importance of developing underground storage capacity in Spain, which is currently scant, and emphasised that such facilities are crucial for ensuring the security of the Spanish energy system.

In addition to the main projects which were already included in the period up to 2012 (the most notable of which include the Yela Underground Storage Facility), the company's investment plan envisages other projects which will be developed during 2013 and 2014, such as the Guitiriz-Lugo gas pipeline and the duplication of the Burgos-Villapresente pipeline.

In addition, Enagás continues to increase its storage capacity at its regasification plants: This year it will put into operation its fifth tank in Huelva, another one in Cartagena and a seventh in Barcelona, followed by an eighth tank in 2011. Each of these will have storage capacity of 150,000m³.

Enagás will continue analysing, based on strategic and financial criteria, any opportunities that may arise to acquire stakes or carry out acquisitions, so long as they are aligned with the company's core business, and allow it to maintain its profitability and debt levels.

Earnings forecast

The company will maintain its shareholder remuneration policy, with a payout of 60%, and keep its debt ratios in the 2010-2014 period in line with current levels.



The Enagás Chairman indicated that the company has included in this 2010-2014 Strategic Plan “prudent” forecasts in line with the current economic situation, for both net profit and EBITDA, with annual average growth rates of 7% and 10%, respectively.

The company expects to meet the targets set for 2012 in its Efficiency and Cost Containment Plan, and will extend the plan until 2014. The main lines of the plan entail reducing energy consumption, and tapping synergies derived from the expansion of the asset base.

Adaptation to the new economic environment

Enagás has updated its Strategic Plan in order to adapt its investment plan to the revision of the Planning document. The new forecasts include sustained value creation in the new economic environment. In addition, it has extended the time horizon to 2014 to provide greater visibility.

Since 2007, with the release of its previous strategic plan, Enagás’s investment projections have been prudent and achievable, always providing the market with the most feasible investment scenarios.

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