First Quarter 2018
Financial Results

April 25, 2018

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Agenda

- First-quarter 2018 financial results
- Project status
- New business development
- Development Initiatives

First-quarter 2018 results

(Unaudited; net profit in millions of dollars, share count in millions, EPS in dollars)	Three months ended March 31, 2018	Three months ended March 31, 2017
Adjusted EBITDA[1]	$ 211	$ 184
Profit (loss) for the period	$ 128	$ 145
Shares outstanding (weighted average)	1,534	1,534
Earnings per share (EPS)	$ 0.08	$ 0.09

- In the first quarter of 2018, Adjusted EBITDA increased 15% to US$211 million, compared with US$184 million in the same period of 2017. The increase of US$27 million was mainly due to the November 2017 acquisition of an additional 25% of Los Ramones Norte pipeline, higher margin in the gas segment, higher operational results at the Termoeléctrica de Mexicali power plant and the start of new pipeline operations. This was partially offset by lower power revenue due to wind factor variation compared to the same period of 2017.
- In the first quarter of 2018, profit was US$128 million, compared with US$145 million in the same period of 2017. The decrease of US$17 million was mainly due to exchange rate effects and higher financing costs, partially offset by higher margin in the gas segment.

(1) Adjusted EBITDA includes proportional share of EBITDA from joint ventures and the Adjustment EBITDA from discontinued operations

Gas segment pre-tax profit

(Unaudited; dollars in millions)	Three months ended March 31, 2018	Three months ended March 31, 2017
Gas segment profit before income tax and share of profits of the joint venture	$ 143	$ 135

- In the first quarter of 2018, Gas segment profit before income tax and share of profits of joint ventures was US$143 million, compared with US$135 million in the same period of 2017. The increase of US$8 million is mainly due to exchange rate gains and higher margins, partially offset by lower interest capitalization.

Power segment pre-tax profit

(Unaudited; dollars in millions)	Three months ended March 31, 2018	Three months ended March 31, 2017
Power segment profit (loss) before income tax and share of profits of the joint venture	$ 3	$ 10

- In the first quarter of 2018, the Power segment had a profit before income tax and share of profits of joint ventures of US$3 million, compared with US$10 million in the same period of 2017. The decrease of US$7 million is mainly due to lower power revenue from wind factor variation compared to the same period of 2017.

Project updates

Project	CapEx *(USD, millions)*	Target COD[1]	Contract Term	Update
Wholly-owned projects				
Pima Solar	$115	Q4 2018	20 years	• Under construction
Rumorosa Solar	$50	Q2 2019	15 and 20 years	• Under construction
Don Diego Solar	$130	2H 2019	15 years	• Engineering and procurement activities in progress
ESJ II**	$150	Q3 2020	20 years	• Approvals in progress
Veracruz marine storage terminal	$155	Q4 2018	10 years*	• Under construction
Mexico City & Puebla in-land storage terminals	$120	1H 2019	10 years*	• Pre-construction activities
Baja Refinados	$130	2H 2020	15 years	• Engineering and procurement activities in progress
Joint venture projects				
Texas – Tuxpan (Marine pipeline)	$2,100	Q4 2018	25 years	• Under construction
Tepezalá Solar	$100	Q2 2019	15 and 20 years	• Under construction

(1) Commercial Operations Date
* With potential extension to 20 years
** May be developed under a joint venture

New Business Development

Don Diego Solar Project overview

- In February 2018, IEnova executed a 15-year contract to supply clean energy to Liverpool from a new solar power plant
- 125 MW capacity, located in Benjamin Hill, Sonora
- The new plant will have enough capacity to supply Liverpool and other large energy consumers
- Approximately US$130 million investment
- 100% owned by IEnova
- IEnova will be responsible for all aspects of project implementation, including permitting, land and rights of way acquisition, engineering, procurement, construction, financing, operations, and maintenance
- Commercial operations date: 2H 2019

New Business Development

Baja Refinados Project overview

- In April 2018, IEnova announced a project to develop, construct, and operate a marine terminal that will receive, store, and deliver hydrocarbons, primarily gasoline and diesel
- IEnova will be responsible for all aspects of project implementation, including permitting, engineering, procurement, construction, financing, operations, and maintenance of the terminal
- IEnova also signed a long-term contract with Chevron to utilize approximately 50% of the terminal's storage capacity
- Approximately US$130 million investment
- Commercial operations date: 2H 2020

100% of the 1 million barrels of storage capacity is reserved under long-term contracts with two of the world's largest multinational oil companies

Development Initiatives

LIQUIDS	• Additional liquid storage terminals through tenders or directly with off-takers
POWER	• Transmission line bids – SENER – CFE • Renewable projects with industrial costumers
NATURAL GAS	• Public Policy for Underground Storage – 5 days of demand by 2026 – 45 BCF • Conversion of ECA to liquefaction facility

Summary

- Continued strength in operations; financial results in-line
- Progress on construction activities
- Executed a long-term electricity supply contract
- Executed long-term contracts to develop a marine refined products terminal
- Focused on executing our growth strategy

IEnova
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