

First Quarter 2015 Financial Results

April 23, 2015

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Outline

- First-quarter 2015 financial results
- Status of projects under development and construction
- Announced natural gas pipeline project tenders
- Development activity update

First-quarter 2015 results

	Three months ended	
	March 31,	
<i>(Unaudited; net profit in millions of dollars, share count in millions, EPS in dollars)</i>	2015	2014
Adjusted EBITDA ⁽¹⁾	\$ 93	\$ 82
Profit for the period	\$ 46	\$ 47
Shares outstanding	1,154	1,154
Earnings per share (EPS)	\$ 0.04	\$ 0.04

- First-quarter 2015 Adjusted EBITDA was \$93 million, compared to \$82 million in 2014, the increase is mainly due to the start of operations of two projects, the Sásabe-Puerto Libertad segment of the Sonora pipeline and Los Ramones I pipeline
- Profit for the first-quarter 2015 was \$46 million, compared to \$47 million in the same period of 2014, mainly due to:
 - Lower results at the Power segment
 - Partially offset by higher earnings at the Gas segment due to the start of operations of the Sásabe-Puerto Libertad segment of the Sonora pipeline and higher share of profits of joint ventures due to the start of operations of the Los Ramones I pipeline

(1) Adjusted EBITDA includes proportional share of EBITDA from joint ventures

Gas segment pre-tax profit

<i>(Unaudited; dollars in millions)</i>	Three months ended	
	March 31,	
	<u>2015</u>	<u>2014</u>
Gas segment profit before income tax and share of profits of the joint venture	\$ 64	\$ 61

- Gas segment profit before tax and share of profits of joint venture was \$64 million for the first-quarter 2015, compared to \$61 million in the same period of 2014, primarily due to:
 - Start of operations of the Sásabe-Puerto Libertad segment of the Sonora pipeline
 - Partially offset by lower natural gas sales

Power segment pre-tax profit

<i>(Unaudited; dollars in millions)</i>	Three months ended	
	March 31,	
	<u>2015</u>	<u>2014</u>
Power segment profit before income tax and share of profits of joint venture	\$ (2)	\$ 2

- Power segment loss before income tax and share of profits of joint venture was \$2 million in the first-quarter 2015, compared to a profit of \$2 million in the first-quarter 2014 mainly due to lower electricity prices and lower volume sold

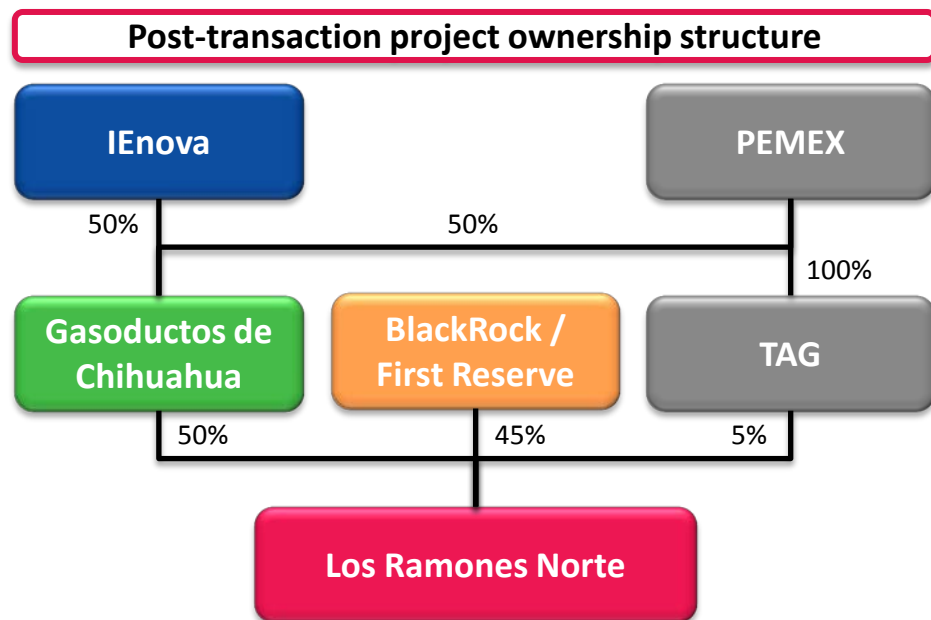
Project updates

Project	CapEx (USD, millions)	Target COD ¹	Contract Term	Update
Wholly-owned projects				
Sonora pipeline	\$1,000	In-service	25 years	<ul style="list-style-type: none"> Construction proceeding on schedule
		Q3 2016	25 years	<ul style="list-style-type: none"> Sásabe-Puerto Libertad segment initiated operations on 1-October
Ojinaga – El Encino pipeline	\$300	Q1 2017	25 years	<ul style="list-style-type: none"> Construction activities to commence in the second half of 2015
Joint venture projects				
Los Ramones Norte pipeline	\$1,400	Q4 2015	25 years	<ul style="list-style-type: none"> 25% indirect IEnova interest Construction proceeding according to plan
Ethane pipeline	\$330	Q2 2015	21 years	<ul style="list-style-type: none"> 50% indirect IEnova interest Segment I in-service Segment II construction complete; expect to commence operations in May Segment III construction underway; expect operations to commence by mid-year 2015
Energía Sierra Juárez (ESJ) wind generation	\$300	Q2 2015	20 years	<ul style="list-style-type: none"> 50% indirect IEnova interest Construction finalized

(1) Commercial Operations Date

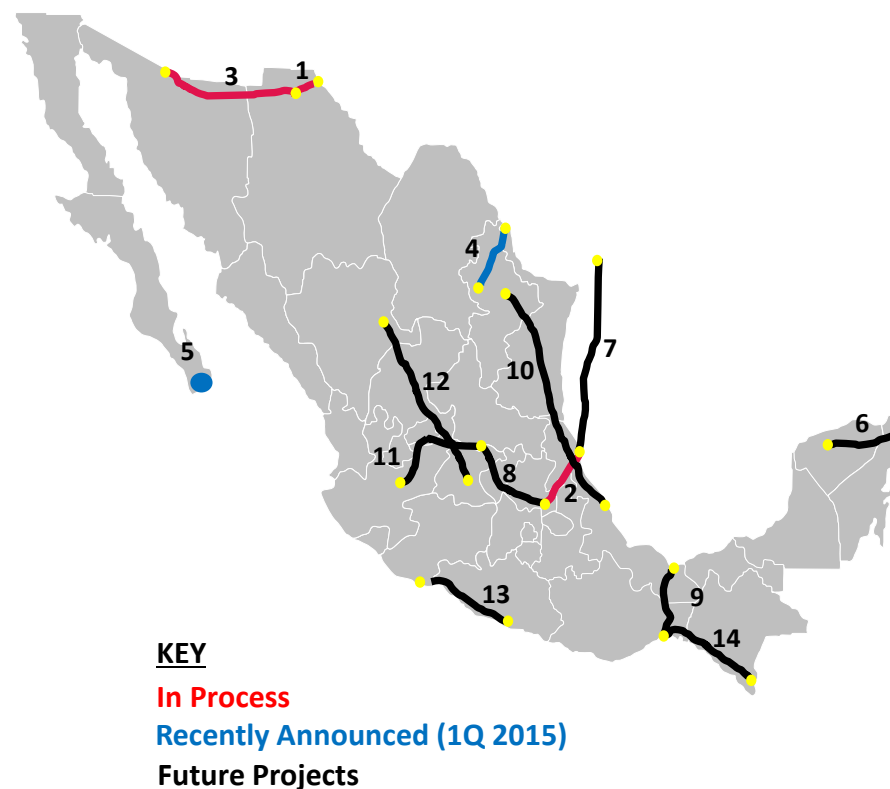
Los Ramones Norte update

- In March, PEMEX executed the sale of 45% of the direct interest it held in the Los Ramones Norte pipeline to BlackRock and First Reserve
 - PEMEX retains 5% direct ownership in the project and 25% indirect ownership through our joint venture, Gasoductos de Chihuahua
- IEnova's indirect ownership in the project remains unchanged



Current schedule for pipeline tenders in process

Project	CFE CapEx Estimate (USD millions)
1 San Isidro - Samalayuca	100
2 Tuxpan - Tula	400
3 Samalayuca - Sasabe	825
4 Colombia - Escobedo	370
5 Baja Sur	600
6 Merida - Valladolid-Cancun	460
7 Texas - Tuxpan (marine pipe)	3,000
8 Tula - Villa de Reyes	420
9 Jaltipan - Salina Cruz (Pemex)	640
10 Ramones - Cempoala (Pemex)	2,000
11 Villa Reyes – Aguascalientes - Gdl	545
12 La Laguna - Aguascalientes	885
13 Lazaro Cardenas - Acapulco	450
14 Salina Cruz - Tapachula	435
TOTAL	11,030



KEY DATES FOR BIDS IN-PROCESS	San Isidro - Samalayuca	Tuxpan - Tula	Samalayuca - Sásabe
Submit proposals	May 2015	June 2015	July 2015
Award date	June 2015	July 2015	August 2015
Commercial Operation Date	January 2017	March 2017	June 2017

Development updates: asset optimization



Energía Costa Azul liquefaction project

- Initial feasibility studies complete; results support project viability
- Moving into permitting phase
 - Expect to complete preliminary engineering & design and environmental studies in the second half of 2015
 - Targeting first half of 2016 to file permits
- Concurrent commercial development continues with potential partners and customers



Sonora Pipeline open season

- Open season currently in-process
- Evaluating the proposals we have received thus far
- Expect to report full results of the open season in the second half of 2015

Summary

- Continued strength in operations across the company
- Segment-I of the Ethane pipeline placed in-service
- Energía Sierra Juárez construction nearly complete
- Focused on executing growth strategy

