

Fourth Quarter 2018 Financial Results

February 20, 2019

Information regarding forward-looking statements



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Agenda

- 2018 accomplishments and highlights
- Full-year and fourth-quarter 2018 financial results
- Project updates
- 2019 Guidance

2018 accomplishments and highlights

Committed investment in new storage terminals:

~US\$800 M

Baja Refinados

- Capacity: ~1,000,000 barrels
- Products: gasoline, diesel
- Status: permitting



Topo Refinados

- Capacity: ~1,000,000 barrels
- Products: gasoline, diesel
- Status: permitting



Manzanillo⁽¹⁾

- Capacity: ~1,500,000 barrels
- Products: gasoline, diesel, jet fuel
- Status: permitting



Valle de México

- Capacity: ~650,000 barrels
- Products: gasoline, diesel, jet fuel
- Status: under construction



Veracruz

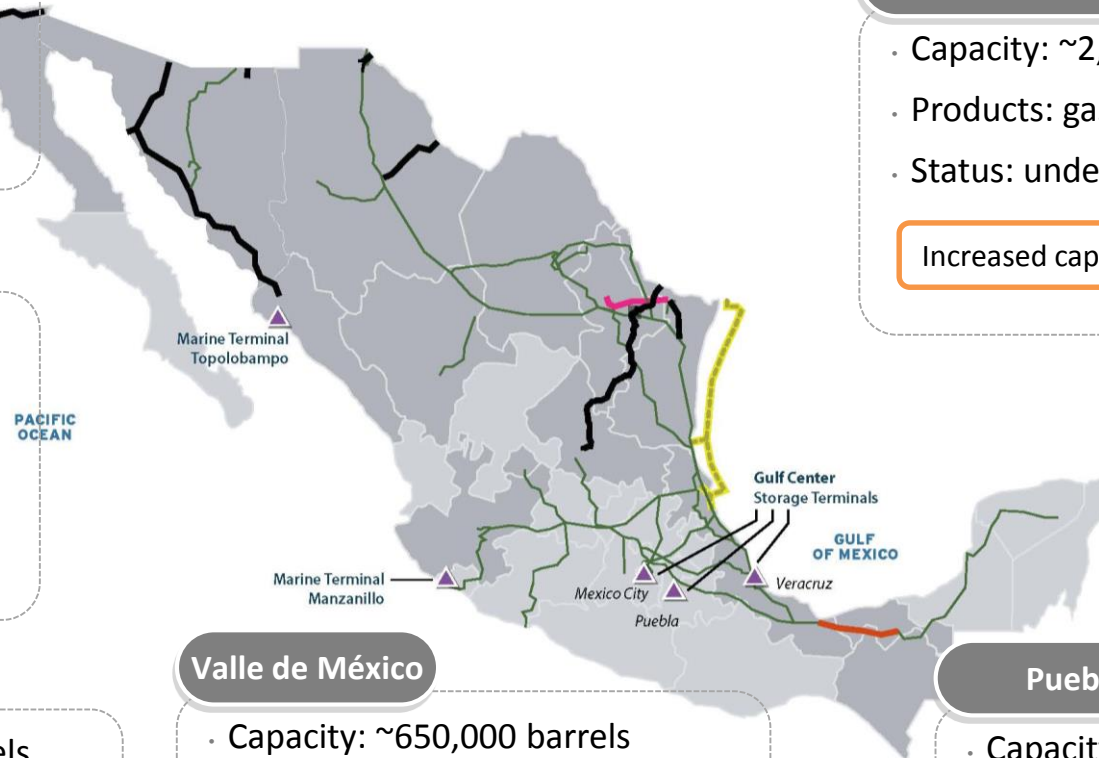
- Capacity: ~2,100,000 barrels
- Products: gasoline, diesel, jet fuel
- Status: under construction

Increased capacity



Puebla

- Capacity: ~650,000 barrels
- Products: gasoline, diesel, jet fuel
- Status: under construction






(1) JV: 51% IEnova / 49% Trafigura

2018 accomplishments and highlights, continued



Don Diego Solar

- In February 2018, IEnova announced a 125 MW new solar power plant, located in Benjamin Hill, Sonora
- Off-takers:
 - Liverpool 
 - Scotiabank 
 - Minera Autlán 
- 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
- Approximately US\$130 million investment
- 100% owned by IEnova
- Commercial operations date: 4Q 2019

2018 accomplishments and highlights, continued

ECA Liquefaction updates

- IEnova, together with Sempra LNG & Midstream, signed three Heads of Agreements (HOAs) with affiliates of Total, Mitsui and Tokyo Gas for the full capacity of Phase 1 of the Energía Costa Azul liquefied natural gas facility (ECA LNG)



- ECA LNG Phase 1 is a single-train liquefaction facility that will be located adjacent to the existing LNG receipt terminal and is expected to produce approximately 2.4 million tonnes per annum (MTPA) of LNG
- The three HOAs contemplate the parties negotiating and finalizing definitive 20-year LNG sale-and-purchase agreements
 - The three companies will each potentially purchase approximately 0.8 Mtpa
- A final investment decision is targeted in late 2019 with potential first LNG deliveries in 2023
- Additionally, we have obtained several important permits for the project



Environmental Risk Permit



Liquefaction Permit



Social Impact Study



Self-use Power Generation Permit

Fourth-quarter 2018 and full year 2018 results

<i>(Unaudited; net profit in millions of dollars, share count in millions, EPS in dollars)</i>	Three months ended		Twelve months ended	
	December 31,		December 31,	
	2018	2017	2018	2017
Adjusted EBITDA ⁽¹⁾	\$ 208	\$ 182	\$ 876	\$ 759
Profit for the period	\$ 89	\$ 37	\$ 431	\$ 354
Shares outstanding (weighted average)	1,534	1,534	1,534	1,534
Earnings per share (EPS)	\$ 0.06	\$ 0.02	\$ 0.28	\$ 0.23

- Full-year 2018 Adjusted EBITDA was up 16% from 2017. The increase of US\$118 million was due to the Termoeléctrica de Mexicali (TDM) power plant higher operational results and its scheduled major maintenance in 2017, the November 2017 acquisition of the remaining 50% of Ductos y Energéticos del Norte (DEN), and higher margin in the gas segment
- Fourth-quarter 2018 Adjusted EBITDA was up 14% from the same period of 2017. The increase of US\$26 million was mainly due to the TDM higher operational results and the November 2017 acquisition of the remaining 50% of DEN
- Full-year 2018 profit was US\$431 million, compared with US\$418 million in 2017, excluding the US\$64 million TDM non-cash after-tax impairment charge in the second quarter of 2017. The increase of US\$13 million was mainly due to TDM higher operational results and scheduled major maintenance in 2017, and the November 2017 acquisition of the remaining 50% of DEN, partially offset by higher financing costs and higher income taxes
- Fourth-quarter 2018 profit was US\$89 million, compared with US\$37 in the same period of 2017. The increase of US\$52 was mainly due to non-cash exchange rate effects and the EBITDA drivers mentioned above

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

Project updates

Project	CapEx (USD, millions)	Target COD ¹	Contract Term	Update
Wholly-owned projects				
Pima Solar	\$115	1Q 2019	20 years	• In operation
Rumorosa Solar	\$50	1Q 2019	15 and 20 years	• Pre-commissioning
Don Diego Solar	\$130	4Q 2019	15 years	• Pre-construction activities
ESJ II**	\$150	4Q 2020	20 years	• Pre-construction activities
Gulf-Center storage terminals (Veracruz, Puebla, Mexico City)	\$440	4Q 2019/ 1Q 2020	10 years*	• Under construction • Increase in CapEx due to change in scope
Baja Refinados	\$130	4Q 2020	15 years	• Pre-construction activities
Topolobampo marine storage terminal	\$150	4Q 2020	10 and 15 years*	• Pre-construction activities
Joint venture projects				
Texas – Tuxpan (Marine pipeline)	\$2,480	2Q 2019	25 years	• Onshore construction activities 100% and in pre-commissioning • Pending offshore tie-ins due to weather conditions
Tepezalá Solar	\$100	2Q 2019	15 and 20 years	• Under construction
Manzanillo marine storage terminal	\$200	4Q 2020	10 years***	• Pre-construction activities

(1) Commercial Operations Date

* With potential extension to 20 years

** May be developed under a joint venture

*** Assuming full capacity contracted

2019 EBITDA guidance and CapEx plan

Guidance

(USD, millions)

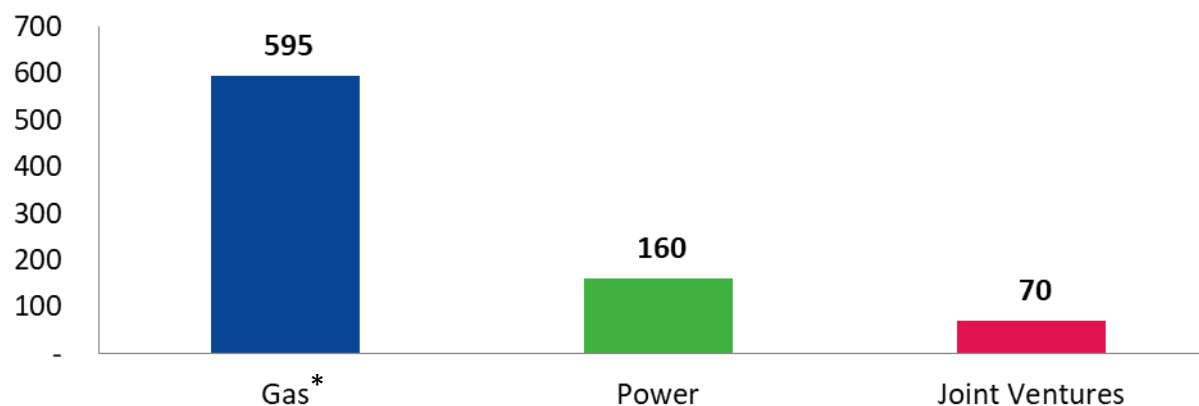
	<u>Low</u>		<u>High</u>
2019 Adjusted EBITDA	935	-	980

Guidance range includes the following assumptions:

Gas segment	616	-	630
Power segment	124	-	140
Joint Ventures	195	-	210

2019 Capital Expenditures

(US\$825 million)



Capital Expenditures are cash expenditures and investments funded by IEnova and affiliated

* Gas CapEx includes the liquids terminals

Summary

- Exceeded 2018 financial goals: Adjusted EBITDA above the high-end of guidance
 - Focused on executing our growth strategy by expanding and diversifying our portfolio
 - Delivering strong growth:
 - 2018 results 16% above 2017 results
 - Continued growth in 2019 and beyond from contracted projects
 - Progressing new projects with private sector: renewables, refined product storage, LNG
 - Expected progress in construction activities with more projects commencing operations this year
 - Continued strength in operations
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