

Fourth Quarter 2019 Financial Results

February 20, 2020

Information regarding forward-looking statements

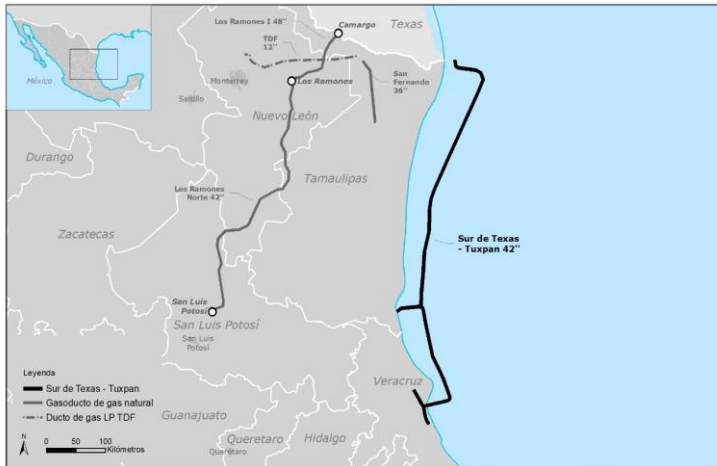
This presentation contain statements that are not historical fact and constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. These statements can be identified by words like “believes,” “expects,” “anticipates,” “intends,” “plans,” “estimates,” “may,” “will,” “would,” “could,” “should,” “potential,” “target,” “outlook”, “depends,” “pursue,” “goals” or similar expressions, or discussions of our guidance, strategies, plans, goals, initiatives, objectives or intentions. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future results may differ materially from those expressed in the forward-looking statements. Forward-looking statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others: local, regional, national and international economic, competitive, political, legislative and regulatory conditions and developments; actions by the Mexican Energy Ministry (Secretaría de Energía), the Mexican Energy Regulatory Commission (Comisión Reguladora de Energía), the Mexican Environmental Protection Ministry (Secretaría de Medio Ambiente y Recursos Naturales), Mexican Federal Electricity Commission (Comisión Federal de Electricidad), the California Public Utilities Commission, California State Legislature, Federal Energy Regulatory Commission, U.S. Department of Energy, California Energy Commission, California Air Resources Board, and other regulatory, governmental and environmental bodies in the United States and Mexico; capital market conditions, including the availability of credit and the liquidity of our investments; inflation, interest and exchange rates; the impact of benchmark interest rates on our cost of capital; the timing and success of business development efforts and construction, maintenance and capital projects, including risks inherent in the ability to obtain, and the timing of granting of, permits, licenses, certificates and other authorizations; energy markets, including the timing and extent of changes and volatility in commodity prices; the availability of electric power, natural gas and liquefied natural gas, including disruptions caused by failures in the electric transmission grid, pipeline explosions and equipment failures; weather conditions, natural disasters, catastrophic accidents, and conservation efforts; wars, terrorist attacks and cybersecurity threats; business, regulatory, environmental and legal decisions and requirements; governmental expropriation of assets and title and other property disputes; the inability or determination not to enter into long-term supply and sales agreements; the resolution of litigation; and other uncertainties, all of which are difficult to predict and many of which are beyond the control of the company. These forward-looking statements speak only as of the date hereof, and the company undertakes no obligation to update or revise those forward looking statements whether as a result of new information, future events or otherwise. These risks and uncertainties are further discussed in the draft prospectus that IEnova has filed with the Mexican National Banking and Securities Commission. These reports are also available through the Mexican National Banking and Securities Commission’s website, www.cnbv.gob.mx, the website of the Mexican Stock Exchange at www.bmv.com.mx and on the company’s website at www.ienova.com.mx.

These forward-looking statements speak only as of the date hereof, and the company undertakes no obligation to update or revise these forecasts or projections or other forward-looking statements, whether as a result of new information, future events or otherwise.

Agenda

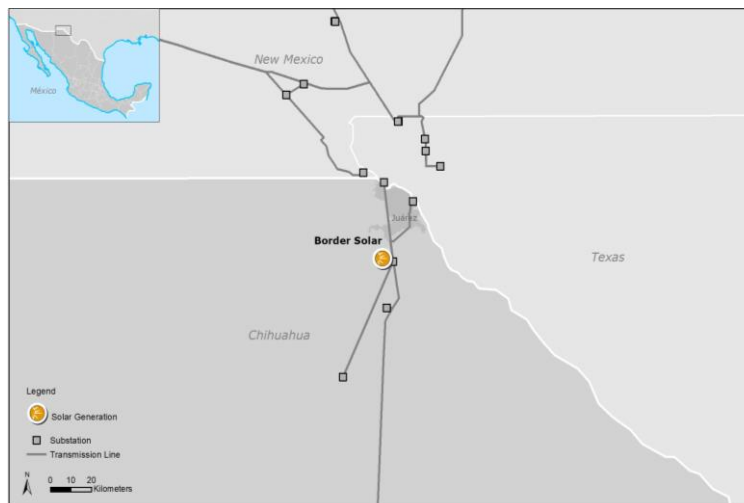
- 2019 accomplishments and highlights
- Fourth-quarter and full year 2019 financial results
- Project updates
- 2020 Guidance

Marine and Sonora Pipelines



- In August, we reached a win-win agreement with CFE, related to the Marine and Sonora pipelines
- In September, IEnova and TC Energy announced commercial operations of the Marine Pipeline
 - 42 inch diameter, approximately 800 km length
 - 2.6 bcfpd¹ transportation capacity

Border Solar



- In October, IEnova announced a new solar project in Juárez, Chihuahua, called Border Solar
- 150-megawatts of installed capacity
- Fully-contracted
- Total investment of ~US\$160 million
- Off-takers: Liverpool, Circle K, Envases Universales and Grupo Cementero de Chihuahua
- Expected COD: 2H 2020

2019 accomplishments and highlights

IEnova's renewable portfolio

| | In operation | | | | | Under construction | | |
|----------------------------|---------------------|------------|--------|-----------------|-----------------------|--------------------|-----------------|-----------|
| | ESJ ¹ | Ventika | Pima | Rumorosa | Tepezalá ¹ | Don Diego | ESJ II | Border |
| Installed Capacity | 155 MW ² | 252 MW | 110 MW | 41 MW | 100 MW ² | 125 MW | 108 MW | 150 MW |
| Location | Baja California | Nuevo León | Sonora | Baja California | Aguascalientes | Sonora | Baja California | Chihuahua |
| Commercial Operations Date | 2015 | 2016 | 2019 | 2019 | 2019 | 1H-2020 | 1H-2021 | 2H-2020 |

IEnova is contributing to reach Mexico's clean energy goal

Installed Capacity²
(MW)

1,041

Growing our portfolio mainly through bilateral agreements with private customers

2013 (IPO)

2021

IEnova will have more than 1,000 MW² of installed capacity, once all the projects become operational

(1) Projects under Joint Ventures

(2) Considers 100% of the facilities' installed capacity

2019 accomplishments and highlights

Committed investment in new storage terminals:

~US\$1.2 B

Baja Refinados

- Capacity: ~1,000,000 barrels
- Products: gasoline, diesel
- Status: Pre-construction activities



Baja Refinados



Topolobampo

- Capacity: ~1,000,000 barrels
- Products: gasoline, diesel
- Status: ready to start construction



Manzanillo⁽¹⁾

- New Capacity: ~2,200,000 barrels
- Products: gasoline, diesel
- Status: ready to start construction



Guadalajara

- Capacity: To be determined⁽²⁾
- Products: gasoline, diesel, jet fuel
- Status: under development



Veracruz, Puebla, CDMX

- Capacity:
 - Veracruz: ~2,100,000 barrels
 - Puebla: ~650,000 barrels
 - Mexico City: ~650,000 barrels
- Products: gasoline, diesel, jet fuel
- Status: under construction



IEnova is contributing to Mexico's energy security by adding 8 million barrels⁽³⁾ of refined products storage capacity

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

(2) Only 290,000 barrels have been contracted, more agreements underway

(3) Includes Guadalajara that is under development

Fourth-quarter 2019 and full year 2019 results¹

| | Three months ended December 31 | | Twelve months ended December 31 | |
|------------------------------------------------------------------------------------------------|-----------------------------------|---------|------------------------------------|---------|
| | 2019 | 2018 | 2019 | 2018 |
| <i>(Unaudited; net profit in millions of dollars, share count in millions, EPS in dollars)</i> | | | | |
| Adjusted EBITDA ⁽²⁾ | \$ 253 | \$ 208 | \$ 938 | \$ 876 |
| Profit for the period | \$ 144 | \$ 89 | \$ 468 | \$ 431 |
| Shares outstanding (weighted average) | 1,529 | 1,534 | 1,529 | 1,534 |
| Earnings per share (EPS) | \$ 0.09 | \$ 0.06 | \$ 0.31 | \$ 0.28 |

- **Fourth-quarter 2019 Adjusted EBITDA ↑22% to US\$253 million**, compared with US\$208 million in the same period of 2018
- **In 2019, Adjusted EBITDA ↑7% to US\$938 million**, compared with US\$876 million in 2018

Main Drivers:

- **Start of Operations** of the Marine Pipeline, Pima Solar, Rumorosa Solar and Tepezalá Solar
- **Higher Operational Results** at Termoeléctrica de Mexicali and Ventika

(1) Further information on the Appendix of this presentation

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

Project updates

| Project | CapEx ¹ (USD, millions) | Target COD ² | Contract Term | Update |
|---------------------------------------------------------------------|---------------------------------------|----------------------------|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Wholly-owned projects | | | | |
| Don Diego Solar | \$130 | 1H 2020 | 15 years | <ul style="list-style-type: none"> • Ready to start dispatching electricity |
| Gulf-Center storage terminals (Veracruz, Puebla, Mexico City) | \$590 - \$640 | 1H 2020 | 10 years* | <ul style="list-style-type: none"> • Pre-commissioning activities in the Veracruz terminal • Initiated transloading activities in Puebla • Under construction |
| Baja Refinados | \$130 | 1H 2021 | 15 years | <ul style="list-style-type: none"> • Pre-construction activities |
| Topolobampo marine storage terminal | \$150 | 1H 2021 | 10 and 15 years* | <ul style="list-style-type: none"> • Ready to start construction |
| Border Solar | \$160 | 2H 2020 | 10 and 15 years | <ul style="list-style-type: none"> • Under construction |
| ESJ II** | \$150 | 1H 2021 | 20 years | <ul style="list-style-type: none"> • Ready to start construction |
| Joint venture projects | | | | |
| Manzanillo marine storage terminal | \$285 | 1H 2021 | 10 years* | <ul style="list-style-type: none"> • Ready to start construction |

(1) For 100% of the project

(2) Commercial Operations Date, subject to permits

* With potential extension

** May be developed under a joint venture

2020 Adjusted EBITDA Guidance

(USD, millions)

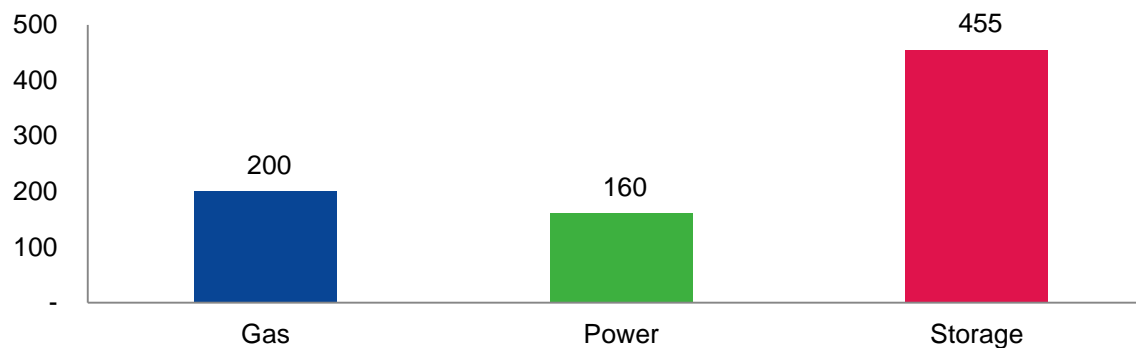
| | <u>Low</u> | - | <u>High</u> |
|-----------------------------|----------------|---|----------------|
| 2020 Adjusted EBITDA | \$1,005 | - | \$1,080 |

Guidance range includes the following assumptions:

| | | | |
|-----------------|-----|---|-----|
| Gas segment | 390 | - | 420 |
| Power segment | 140 | - | 165 |
| Storage segment | 200 | - | 215 |
| Joint Ventures | 275 | - | 280 |

2020 CAPEX Plan

2020 Capital Expenditures¹: US\$815 million






1. Capital Expenditures are cash expenditures and investments funded by IEnova and affiliates

Summary

- Accomplished 2019 financial goals: Adjusted EBITDA within guidance
 - Fourth-quarter and full-year EBITDA results up 22% and 7%, respectively
- Started operations of the Marine pipeline and of our first three solar projects Rumorosa, Pima and Tepezalá
- Focused on executing our growth strategy by expanding and diversifying our portfolio
- Continued with reliable and safe operations

Appendix

2020 new reporting segments

| Segment | Sub-segment | Projects that are or will be included |
|------------------------------------------------------------------------------------------------------|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  GAS | Distribution | Ecogas |
| | Transportation | Sonora pipeline GRO pipeline Ramones I pipeline Ethane pipeline Aguaprieta pipeline San Fernando Pipeline Samalayuca Pipeline TGN Pipeline Naco Compression Station Ojinaga-EI Encino pipeline San Isidro-Samalayuca pipeline Empalme Lateral |
| | Marketing | IEnova Marketing |
|  POWER | Renewables | Ventika Rumorosa Solar Tepezalá Solar Don Diego Solar Border Solar Pima Solar |
| | Power plant | Termoeléctrica de Mexicali |
|  STORAGE | Refined products | Veracruz Puebla Ciudad de Mexico Topolobampo Manzanillo Baja Refinados |
| | Liquefied Petroleum Gas | Transportadora del Norte & TDF (LPG pipeline and LPG storage) |
| | Liquefied Natural Gas | Energía Costa Azul (Regas) |
| CORPORATE | Corporate / Services | NA |
| Joint Ventures | Joint Ventures adjustments | South of Texas – Tuxpan pipeline Ramones Norte pipeline Energía Sierra Juarez (ESJ) ECA Liquefaction project |

Fourth-quarter 2019 and full year 2019 financial results



- In the fourth quarter of 2019, Adjusted EBITDA increased 22% to US\$253 million, compared with US\$208 million in the same period of 2018. The increase of US\$45 million was mainly due to the start of operations of the South Texas - Tuxpan pipeline and higher operational results at Ventika, partially offset by the revenue deferment at the Guaymas - El Oro pipeline.
- In 2019, Adjusted EBITDA increased 7% to US\$938 million, compared with US\$876 million in 2018. The increase of US\$62 million was mainly due to the start of operations of the South Texas – Tuxpan pipeline, Pima, Rumorosa and Tepezalá Solar power generation facilities, higher operational results at Termoeléctrica de Mexicali power plant and Ventika, partially offset by the revenue deferment at the Guaymas - El Oro pipeline.
- In the fourth quarter of 2019, profit was US\$144 million, compared with US\$89 million in the same period of 2018. The increase of US\$55 million was mainly due to the EBITDA drivers mentioned above, non-cash exchange rate effects and lower financing cost.
- In 2019, profit was US\$468 million, compared with US\$431 million in 2018. The increase of US\$37 million was mainly due to the EBITDA drivers mentioned above, non-cash exchange rate effects and lower financing cost, partially offset by higher depreciation expense.

