Earnings Report
Second-Quarter 2013

Mexico City, July 26, 2013. **Infraestructura Energética Nova, S.A.B. de C.V. (BMV: IENOVA)** is reporting second-quarter 2013 results. IENOVA focuses on the development, construction and operation of large energy infrastructure projects in Mexico. Our operations in Mexico range across several business lines encompassing the entire gas and power infrastructure value chain that is open to private investment in Mexico.

Amounts are presented in U.S. dollars, the functional currency of the company, unless otherwise noted, and in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Executive Summary, Second-Quarter 2013 compared to Second-Quarter 2012

- Profit for the second-quarter 2013 was $19.4 million, compared with $16.9 million in the second quarter of 2012. Second-quarter 2013 profit includes an increase in the profits from our share of the joint venture with PEMEX and a mark-to-market gain on an interest rate swap. The second-quarter profit was partially offset by higher provision for income taxes, the effect of scheduled plant maintenance in 2013 at the Termoeléctrica de Mexicali facility and higher administrative and other expenses primarily related to being a public company and business expansion operations.
- Revenues for the quarter ended June 30, 2013 of $164.2 million compared to $127.4 million in the same period of 2012 mainly due to higher gas and electricity sale prices.
- Cost of goods and services in the three-month period ended June 30, 2013, increased to $80.7 million from $40.4 million in the same period of 2012, due to higher gas cost at both the Gas segment and the Power segment and the new Cap-and-Trade program in California.
- The Board of Directors resolved to take all necessary actions to call for a Shareholders' Meeting, to be held during the month October of this year. The Board of Directors will recommend to the Shareholders' Meeting the payment of a dividend in an amount of up to $117.0 million. This recommendation from the Board of Directors does not assure that the Shareholders' Meeting will vote in favor of such proposal and, therefore, the declaration of the dividend and the terms of payment shall be subject to the approval of such Shareholders' Meeting.

The following tables set forth our results for the period and the corresponding variances for the three months ended June 30, 2013.

i) Results of Operations

Infraestructura Energética Nova, S.A.B. de C.V.
Condensed Consolidated Statements of Profit and Loss
Three months ended June 30, 2013 and 2012

(thousands of US$)	Three months ended June 30, 2013	2012
	(unaudited)	
Revenue	$ 164,224	$ 127,409
Cost of goods and services	(80,739)	(40,358)
Administrative and other expenses	(26,884)	(17,990)
Depreciation and amortization expenses	(14,928)	(15,914)
Net financing costs	(2,036)	(2,362)
Other gains (losses)	5,546	(10,204)
Profit before income tax and share of profits of joint venture	45,183	40,581
Income tax expense	(35,544)	(29,789)
Share of profits of joint venture, net of income tax	9,760	6,150
Profit for the period	**$ 19,399**	**$ 16,942**

Segment Information

Segment information is presented after eliminating inter-company transactions.

Profit (Loss) before Income Tax and Share of Profits of Joint Venture

(thousands of US$)	Three months ended June 30, 2013	2012
	(unaudited)	
Profit (loss) before income tax and share of profits of joint venture		
Gas Segment	$ 53,902	$ 58,950
Power Segment	(9,186)	(6,103)
Corporate	467	(12,266)
	$ 45,183	**$ 40,581**

Gas Segment

In the second-quarter 2013, the gas segment recorded a profit before income tax and share of profits of joint venture of $53.9 million, compared to $59.0 million during the same period of 2012. This decrease is mainly due to a change in an affiliate agreement related to our LNG business.

Power Segment

At our Power segment, we had a loss before taxes of $9.2 million in second-quarter 2013, compared to a loss of $6.1 million in the second quarter of 2012. This is primarily due to scheduled maintenance at Termoeléctrica de Mexicali. As a result, the plant was out of service for 26 days in April. Due to the seasonality of revenues associated with Termoeléctrica de Mexicali, it is anticipated that the Power segment will recover and report improving results for the rest of the year. This will be driven primarily by higher forecasted demand and improving prices in California, year-over-year.

Corporate

During the second-quarter ended June 30, 2013, profit before income tax at Corporate was $0.5 million compared to a loss before income tax of $12.3 million in the same period of 2012. This increase is due to the favorable effect of an interest rate swap mark-to-market valuation, offset by increased ongoing expenses related to the expansion of the company's corporate structure primarily related to public company costs and business expansion operations, and interest expense.

Revenue

(thousands of US$)	Three months ended June 30, 2013	2012
	(unaudited)	
Revenue		
Gas Segment	$ 130,661	$ 109,421
Power Segment	33,119	17,566
Corporate	444	422
	$ 164,224	**$ 127,409**

Gas Segment

Gas segment recorded revenues of $130.7 million during the second-quarter 2013, compared to $109.4 million in the same period of 2012, mainly due to higher gas prices.

Power Segment

During the second quarter ended June 30, 2013, the power segment recorded revenues of $33.1 million compared to $17.6 million during the same period of 2012 mainly due to higher electricity prices in California. The positive effect of increasing electricity sales prices was offset by the decrease in the electricity sold during the quarter due to the scheduled maintenance period at our Termoeléctrica de Mexicali facility.

Cost of Goods and Services

(thousands of US$)	Three months ended June 30, 2013	2012
	(unaudited)	
Cost of goods and services		
Gas Segment	$ 53,209	$ 26,938
Power Segment	27,530	13,420
	$ 80,739	**$ 40,358**

Gas Segment

Gas segment recorded cost of goods and services of $53.2 million during the second quarter of 2013, compared to $26.9 million during the same period of 2012 mainly due to higher gas costs.

Power Segment

Power segment recorded cost of goods and services of $27.5 million during the second-quarter 2013, compared to $13.4 million during the same period of 2012, mainly due to higher gas cost at the Termoeléctrica de Mexicali, and the cost related to the new Cap-and-Trade[1] program in California.

[1] The California Air Resources Board (CARB) has designed the Cap-and-Trade program as one strategy to reduce greenhouse gas (GHG) emissions that cause climate change such as those emitted by refineries, power plants, manufacturing, and transportation fuels. The program is intended to help California meet its goal of reducing GHG emissions to 1990 levels by the year 2020, and ultimately achieving an 80% reduction from 1990 levels by 2050. The program began in 2012, with an enforceable compliance obligation beginning with 2013 GHG emissions. The regulation includes an enforceable GHG cap that will decline over time, and requires capped sectors to acquire carbon allowances equal to their GHG emitted on an annual basis. Allowances can be purchased through quarterly California carbon auctions, bilateral spot transactions or California carbon allowance futures. Termoelectrica de Mexicali's power plant is an entity covered by the Cap-and-Trade program because, while located in Baja California, it is within the California Independent System Operator (CAISO) control area, which has end users inside California. Sempra Generation, an affiliate, acts as the marketing and scheduling agent for the power plant's sales to the CAISO, and represents it in the procurement of carbon allowances.

Administrative and Other Expenses

Administrative and other expenses were $26.9 million during the second-quarter 2013, compared to $18.0 million during the same period of 2012 mainly due to Termoeléctrica de Mexicali scheduled plant maintenance expenses and increases in ongoing administrative expenses primarily related to public company costs and business expansion operations, and affiliate services agreements.

Net Financing Costs

Net financing costs were $2.0 million during the second quarter ended June 30, 2013, compared to $2.4 million in the same period of 2012.

Interest expense for the second-quarter 2013 was $2.2 million, net of capitalized interest of $2.1 million, compared to 2012 interest expense of $2.3 million net of capitalized interest of $0.3 million.

Other Gains (Losses)

Other gains of $5.5 million during the second-quarter 2013, compared to other losses of $10.2 million in 2012, primarily due to a change in valuation on an interest rate swap.

In 2005, we entered into derivative transactions to hedge future interest payments associated with forecasted borrowings of $450 million from third parties, which were designated as cash flow hedges. In 2007, it became probable that the original hedged items would not occur due to a change in the Company's external borrowing needs. As of June 30, 2013, there is one remaining interest rate swap agreement with a notional amount of $163.2 million under which IENOVA receives a variable interest rate (three-month LIBOR) and pays a fixed interest rate of 5.0%. The swap expires on December 15, 2027.

Income Tax Expense

Income tax expense for the second quarter 2013 was $35.5 million, compared to $29.8 million in the same period of 2012, primarily due to the effect of exchange rates at period-end on monetary assets and liabilities, as well as tax losses now recognized as deferred tax assets.

During the second-quarter 2013, the Mexican Peso depreciated against the U.S. Dollar. Under IFRS accounting rules, exchange rate movements are measured at quarter-end on monetary assets and liabilities and property, plant and equipment deferred tax balances. This quarter, the re-measurement negatively affected the non-cash income tax provision recorded on the income statement, compared to the first-quarter of 2013.

Share of Profits of Joint Venture, Net of Income Tax

The profits of our joint venture, net of income tax increased to $9.8 million in the second quarter of 2013 from $6.2 million in the same period of 2012. The increase was mainly due to the effect of exchange rate fluctuations on the joint venture's monetary assets and liabilities and the effect of the deferred income tax balance from the fluctuations in the carrying value of property, plant and equipment.

EBITDA

We present "EBITDA" and "JV EBITDA adjustment" in this earnings report for the convenience of investors. EBITDA and JV adjustment, however, are not measures of financial performance under IFRS and should not be considered as alternatives to profit or operating income as a measure of operating performance or to cash flows from operating activities as a measure of liquidity.

Our definition of EBITDA is consolidated and combined profit after adding back or subtracting, as the case may be: (1) depreciation and amortization, (2) interest income and finance costs, (3) income tax expense and (4) certain other gains/(losses) (which include net foreign exchange gains/(losses), net (losses)/gains arising on financial liabilities classified as held for trading associated with changes in the fair value from our interest rate swap and inflation effects on value added tax refunds receivable).

We define the JV EBITDA adjustment as our 50% share of depreciation and amortization, interest income and finance costs, and income tax expense of our investment in joint venture, which investment is accounted for under the equity method of accounting.

	Three months ended June 30,	
(thousands of US$)	2013	2012
	(unaudited)	
EBITDA		
Gas Segment (excluding JV)	$ 63,170	$ 70,458
Power Segment	(3,313)	(1,140)
Corporate	(3,258)	(255)
	56,599	69,063
JV EBITDA Adjustment	13,862	14,245
Total Adjusted EBITDA	**$ 70,461**	**$ 83,308**

ii) Financial Position, Liquidity and Capital Resources

Infraestructura Energética Nova, S.A.B. de C.V.
Condensed Statements of Financial Position
As of June 30, 2013 and December 31, 2012

(In thousands of U.S. Dollars)	June 30, 2013	December 31, 2012
	(unaudited)	
Assets		
Current assets		
Cash and cash equivalents	$ 25,425	$ 85,073
Short-term investments	525,616	-
Other current assets[1]	185,326	151,883
Total current assets	**736,367**	**236,956**
Non-current assets		
Investment in joint venture	349,622	331,599
Property, plant and equipment – Net	2,041,409	1,884,739
Other non-current assets[2]	53,650	47,424
Total non-current assets	**2,444,681**	**2,263,762**
Total assets	**$ 3,181,048**	**$ 2,500,718**
Equity and liabilities		
Current liabilities[3]	**$ 113,832**	**$ 160,207**
Non-current liabilities		
Long-term debt[4]	396,111	-
Due to related parties	38,886	331,803
Other non-current liabilities [5]	255,923	245,590
Total non-current liabilities	**690,920**	**577,393**
Total liabilities	**804,752**	**737,600**
Total equity	**2,376,296**	**1,763,118**
Total equity and liabilities	**$ 3,181,048**	**$ 2,500,718**

(1) Other current assets include trade and other receivables – net, current amounts due from related parties, current tax receivable, inventory of natural gas, derivative financial instruments and other, less significant current assets.
(2) Other non-current assets include accounts receivable from related parties, derivative financial instruments, finance lease receivables, deferred income tax assets, goodwill and other, less significant non-current assets.
(3) Current liabilities include trade and other payables, accounts payable to related parties, current tax liabilities, derivative financial instruments, other financial liabilities, provisions and other, less significant current liabilities.
(4) Long-term indebtedness includes non-current liabilities owed to bond holders and other third parties.
(5) Other non-current liabilities include deferred income tax liabilities, non-current provisions, derivative financial instruments and post-employment and other long-term employee benefits.

Liquidity and Capital Resources

We are a holding company. As a result, our ability to meet our obligations and to fund our capital needs depends on our ongoing ability to generate cash from operations, the terms of our financing arrangements and our access to the capital markets.

Sources and Uses of Cash

(thousands of US$)	Three months ended June 30, 2013	Three months ended June 30, 2012
	(unaudited)	
Cash and cash equivalents at beginning of period *	**$ 117,971**	**$ 44,078**
Net cash used by operating activities	(9,495)	65,333
Net cash used in investing activities	(78,064)	(4,876)
Net cash used in financing activities	(728)	(21,636)
Effects of exchange rate changes on the balance of cash held in foreign currencies	(4,259)	(6,834)
Cash and cash equivalents at end of period	**$ 25,425**	**$ 76,065**

* Does not include short term investments of approximately $526 million

Operating Activities

Net cash used in operating activities during second-quarter 2013 was $9.5 million, mainly due to income tax paid.

Investing Activities

Net cash used in investing activities during second-quarter 2013 was $78.1 million compared to $4.9 million in the same period of 2012. This increase is mainly due to the capital expenditures on the Sonora pipeline project of $100.9 million, offset by a decrease of $24.4 million in short-term investments.

Financing Activities

Net cash used in financing activities during second-quarter 2013 was $0.7 million, mainly due to interest paid.

Dividend

The Board of Directors resolved to take all necessary actions to call for a Shareholders' Meeting, to be held during the month October of this year. The Board of Directors will recommend to the Shareholders' Meeting the payment of a dividend in an amount of up to $117.0 million. This recommendation from the Board of Directors does not assure that the Shareholders' Meeting will vote in favor of such proposal and, therefore, the declaration of the dividend and the terms of payment shall be subject to the approval of such Shareholders' Meeting.

iii) Internal Controls

Our management is responsible for maintaining a system of internal control over financial reporting. This system gives our shareholders a reasonable assurance that our transactions are executed and maintained in accordance with the guidelines set forth by our management and that our financial records are reliable as a basis for preparing our financial statements.

The system of internal control over financial reporting is supported by ongoing audits, the results of which are reported to management throughout the year. In addition, we maintain reliable databases and have modern and efficient systems designed to generate key financial information.