

Investor Presentation

September 2015

Information Regarding Forward-Looking Statements

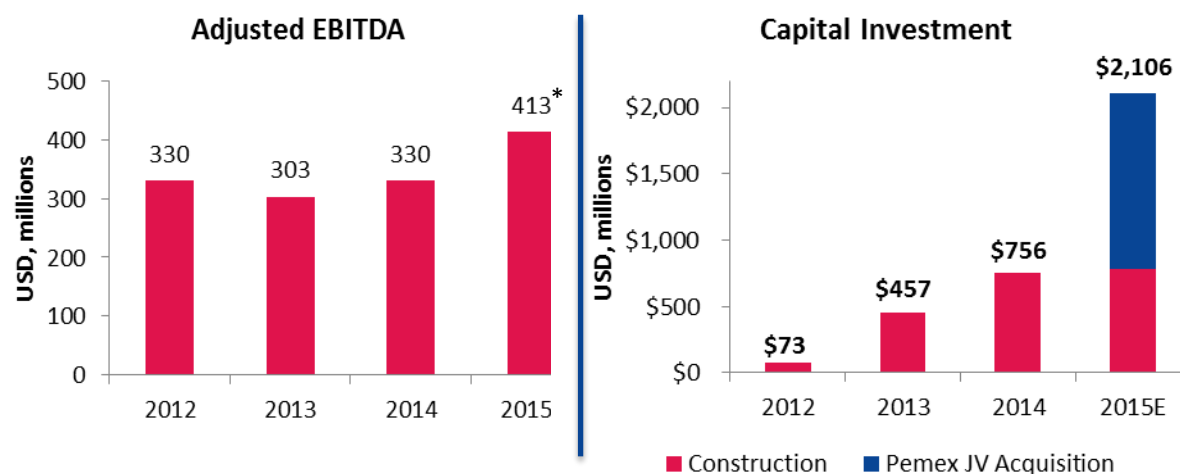


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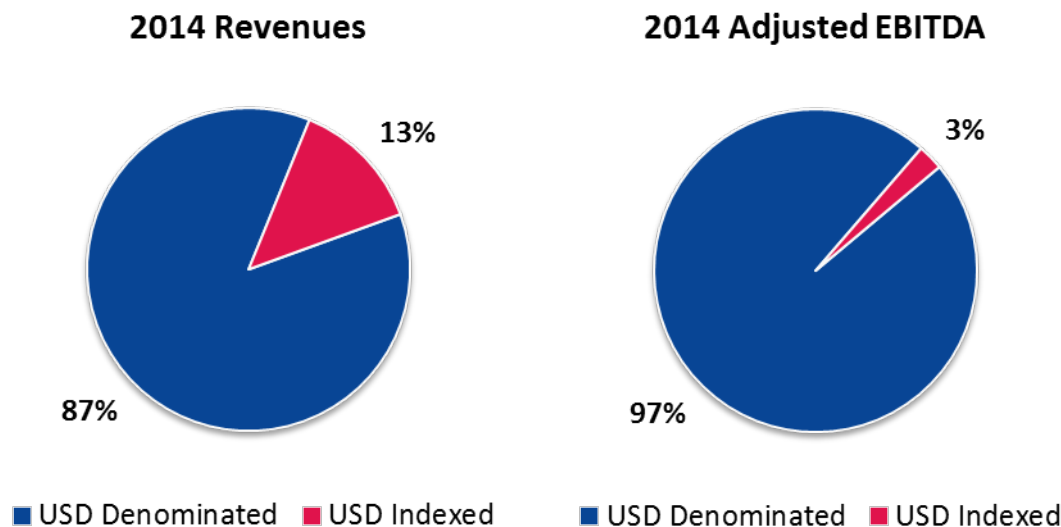
IEnova: Mexico's top energy infrastructure company

- ✓ Diverse assets with long-term, take-or-pay, dollar-denominated contracts providing stable and predictable cash flows
- ✓ Largest and most experienced natural gas pipeline operator in Mexico
- ✓ Proven track record of energy infrastructure project development and construction in Mexico
- ✓ Well positioned to capture new investment opportunities across Mexico's fast-growing energy sector
- ✓ Low exposure to foreign exchange and commodity prices
- ✓ Deeply experienced management team
- ✓ Strong relationships with key stakeholders including PEMEX and the CFE
- ✓ The only publicly traded pure-play vehicle available to invest in the Mexican energy sector

Stable cash flow + growth from new investments



Dollar-denominated contracts provide financial stability



* Reflects midpoint of 2015 Adjusted EBITDA guidance of \$403-\$423 million

FX volatility has impacted IEnova equity valuation

- The Mexican peso has depreciated 11% against the U.S. dollar since the beginning of the year
- Over the same time, IEnova's EBITDA profile has improved given new project awards and the recently announced acquisition
- IEnova's dollar-denominated revenues are not impacted whatsoever by movements in the foreign exchange rate
- The current average sell-side price target for the stock is MXN \$86.24 ⁽¹⁾

Current Projects	Total Investment <i>USD, millions</i>
New projects	
Gasoductos de Chihuahua acquisition	~\$1,325
San Isidro – Samalayuca	~\$110
Ojinaga – El Encino	~\$300
Projects under-way	
Sonora Pipeline Phase 2 ⁽²⁾	~\$400
Los Ramones Norte (25%) ⁽³⁾	~\$350

IEnova Market Value		
	As of 8/29/14	As of 8/31/15
IEnova Share price (MXN) ⁽⁴⁾	\$78.45	\$74.27
MXP/USD FX rate	0.0764 ⁽⁴⁾	0.0597 ⁽⁴⁾
IEnova Shares Outstanding <i>(millions)</i>		1,154
IEnova Market Valuation <i>(USD, millions)</i>	\$6,917	\$5,128

(1) Source: Nasdaq-OMX as of 8/31/15

(2) Reflects approximate total investment in the Guaymas-El Oro segment of the Sonora pipeline

(3) Indirect interest held through 50% ownership in Ductos y Energeticos del Norte

(4) Source: Bloomberg

New Sector Developments

Fibra E

- New vehicle funding source
- Tax incentives
- Lower dilution

Energy Reform

- Gasoline price liberalization
- New Generation plants and Transmission lines
- Liquids pipelines
- Infrastructure needs for E&P projects

Tax

- One year depreciation assets

Electric Market Rules

- Auctions from 10 to a range of 15 – 20 years
- Auctions for renewable energy is going to be long term ~15 years
- Clean Energy Certificates

IEnova tapping multiple sources of growth

**Natural gas pipeline
development**

Asset optimization



**New PEMEX joint
venture**

**New business
opportunities**

Mergers & Acquisitions

Gasoductos de Chihuahua acquisition overview

High quality asset portfolio under long-term, take-or-pay, dollar denominated contracts

Increases asset diversification and operational capabilities

EBITDA growth and potential for significant synergies

Improves IEnova's funding capacity and growth opportunities

Maintains partnership with Pemex providing a platform for continued growth

- The agreed equity purchase price is US\$1.325 billion, subject to the terms and conditions set forth in the purchase agreement
- The transaction is expected to close during the fourth quarter 2015, once the required authorizations have been obtained, primarily the approvals from IEnova's shareholders and Mexico's Federal Antitrust Commission
 - IEnova shareholder's meeting to be held September 14
- The transaction brings significant value to IEnova and its shareholders, providing improved liquidity and control of strategic operating assets while still maintaining a joint venture with Pemex

Expected Mexico natural gas pipeline tenders

Natural gas pipeline tender program continues and will remain a critical component of Mexico's plan to lower energy prices and help spur increased economic growth

Project	CFE CapEx Estimate (USD millions)
1 Tuxpan - Tula	400
2 Baja Sur	600
3 Texas - Tuxpan (marine pipe)	3,100
4 La Laguna - Aguascalientes	1,000
5 Villa Reyes - Aguascalientes	555
6 Tula - Villa de Reyes	420
7 Merida - Valladolid-Cancun	460
8 Jaltipan - Salina Cruz (Pemex)	640
9 Lazaro Cardenas - Acapulco	450
10 Salina Cruz - Tapachula	435
TOTAL	7,660



KEY

In Process

Recently Announced (1Q 2015)

Recently Announced (2Q 2015)

Future Projects

System expansion and demand growth will further increase growth opportunities

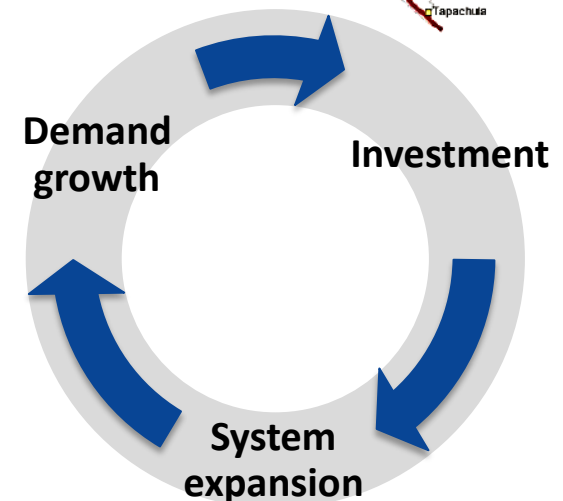
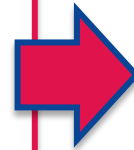
2014 Natural Gas System



2018 Natural Gas System



The natural gas pipeline tender program will result in a significant expansion of Mexico's natural gas transportation system leading to demand growth across the country and thus necessitating further expansions and new connections within the pipeline system



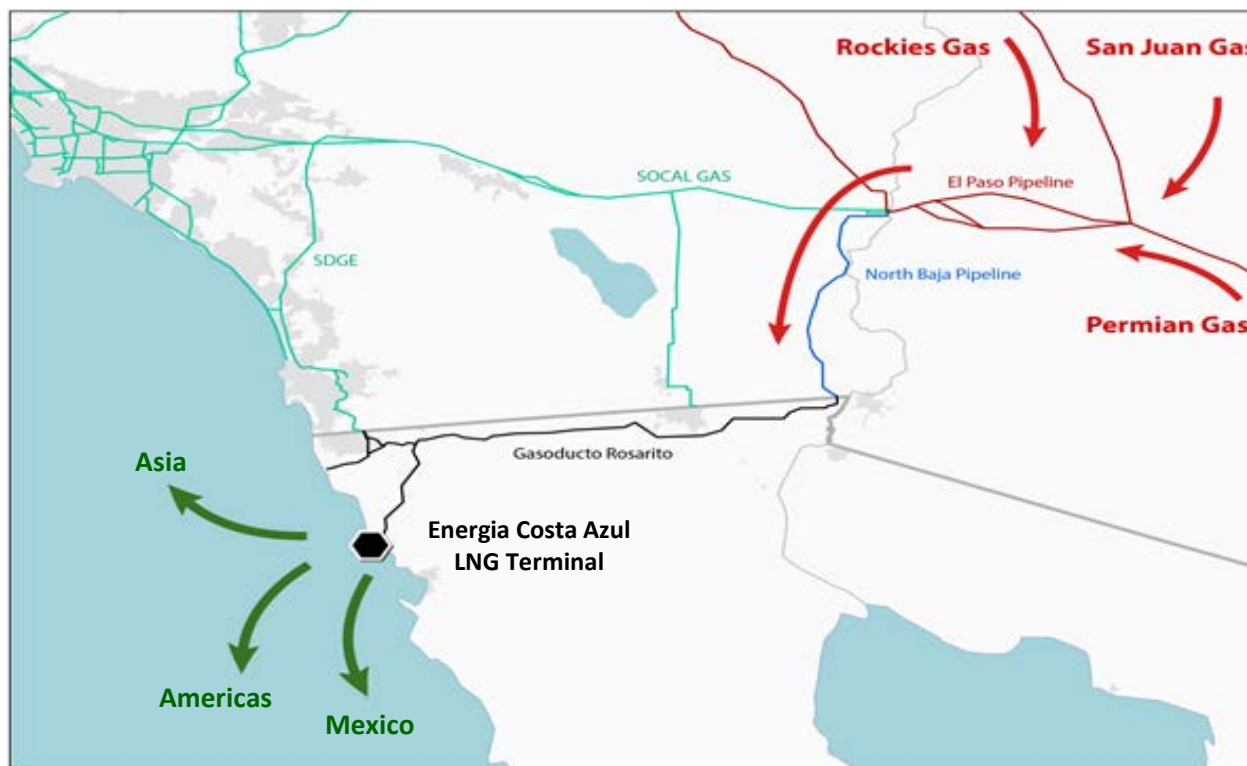
Electric transmission opportunities materializing

Mexico electric transmission investment opportunities



- The Ministry of Energy recently published the long term plan for the Development of the Electric National System “**PRODESEN**”, where **new generation power plants** and **transmission lines** are being planned for different regions of Mexico
- The plan also schedules the **decommissioning of old diesel** and **fuel oil generators** located in **Mexicali**, **Ensenada** and **Rosarito** (**649 MW** in total from 2015-2025)
- The PRODESEN includes the **interconnection of the Baja grid to the Mexican National Grid** in the State of **Sonora** (2019) and some important **cross-border transmission lines in the Mexico-US border**
- The long term plan mentions a new **High Voltage Direct Current Line of 600 km** that connects renewable projects in **Oaxaca to central México**

Asset optimization: ECA liquefaction



Energía Costa Azul liquefaction project

- Continuing to make progress on all fronts, working together with our partners, Pemex and Sempra LNG
- Targeting first half of 2016 to file permits
 - Expect to complete preliminary engineering & design and environmental studies later this year
- Concurrent commercial development continues with potential partners and customers

Asset optimization: Sonora pipeline and TDM



Sonora pipeline

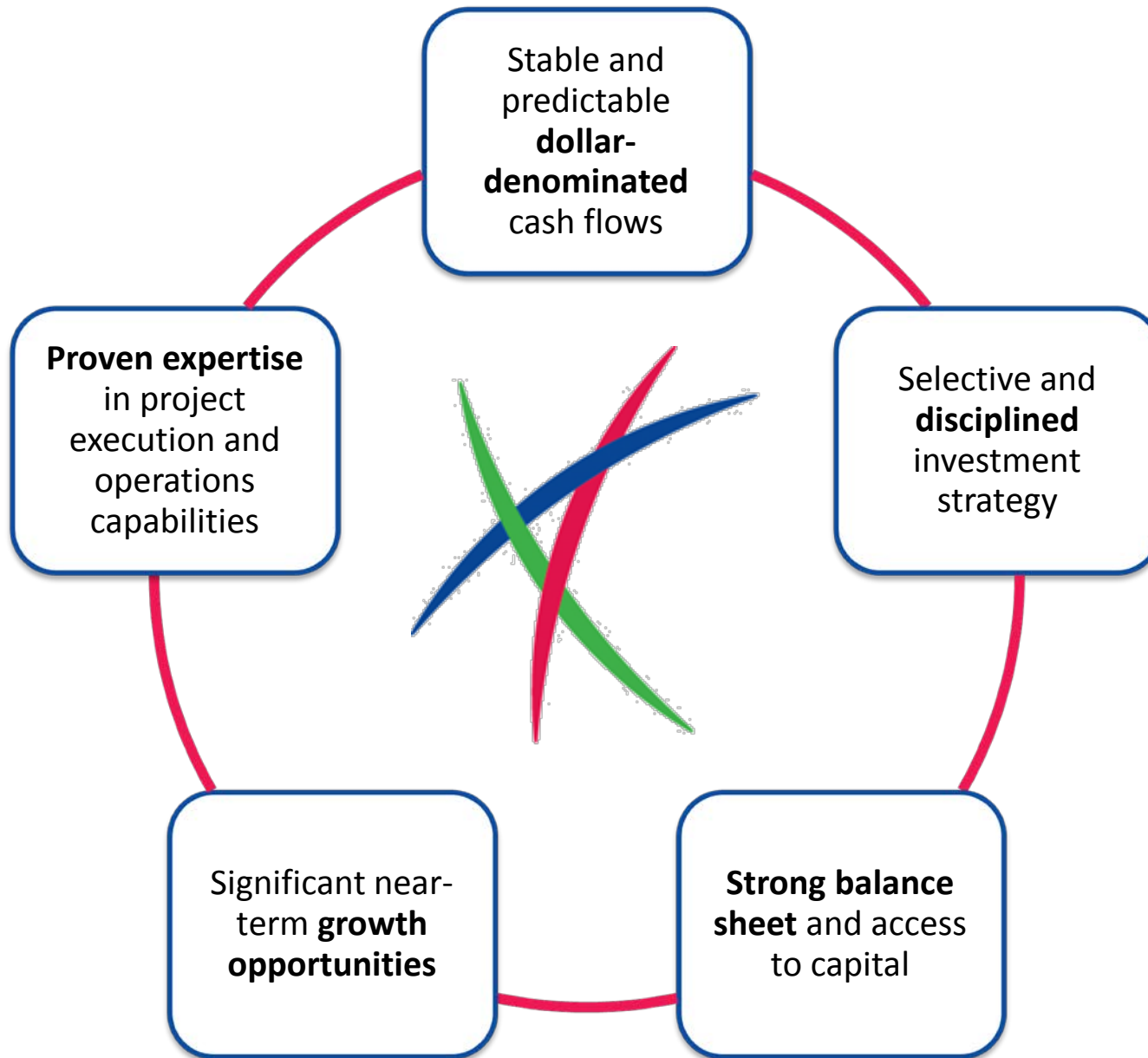
- Open season completed, additional demand identified
- New contracts for transportation capacity on the Sonora pipelines could be executed as early as the end of this year



TDM

- Interconnection to “la Rosita” substation in Baja California expected to be completed in 2016, providing the plant access to the Mexican market
- Evaluating strategic alternatives including potential partnership

IEnova is a stable, dollar-denominated business with significant opportunities for growth



Appendix: Company detail

IEnova company overview



IEnova develops, constructs, owns and operates energy infrastructure in Mexico

IEnova is one of the largest private energy companies in Mexico and is the only energy company listed on the Mexican stock exchange

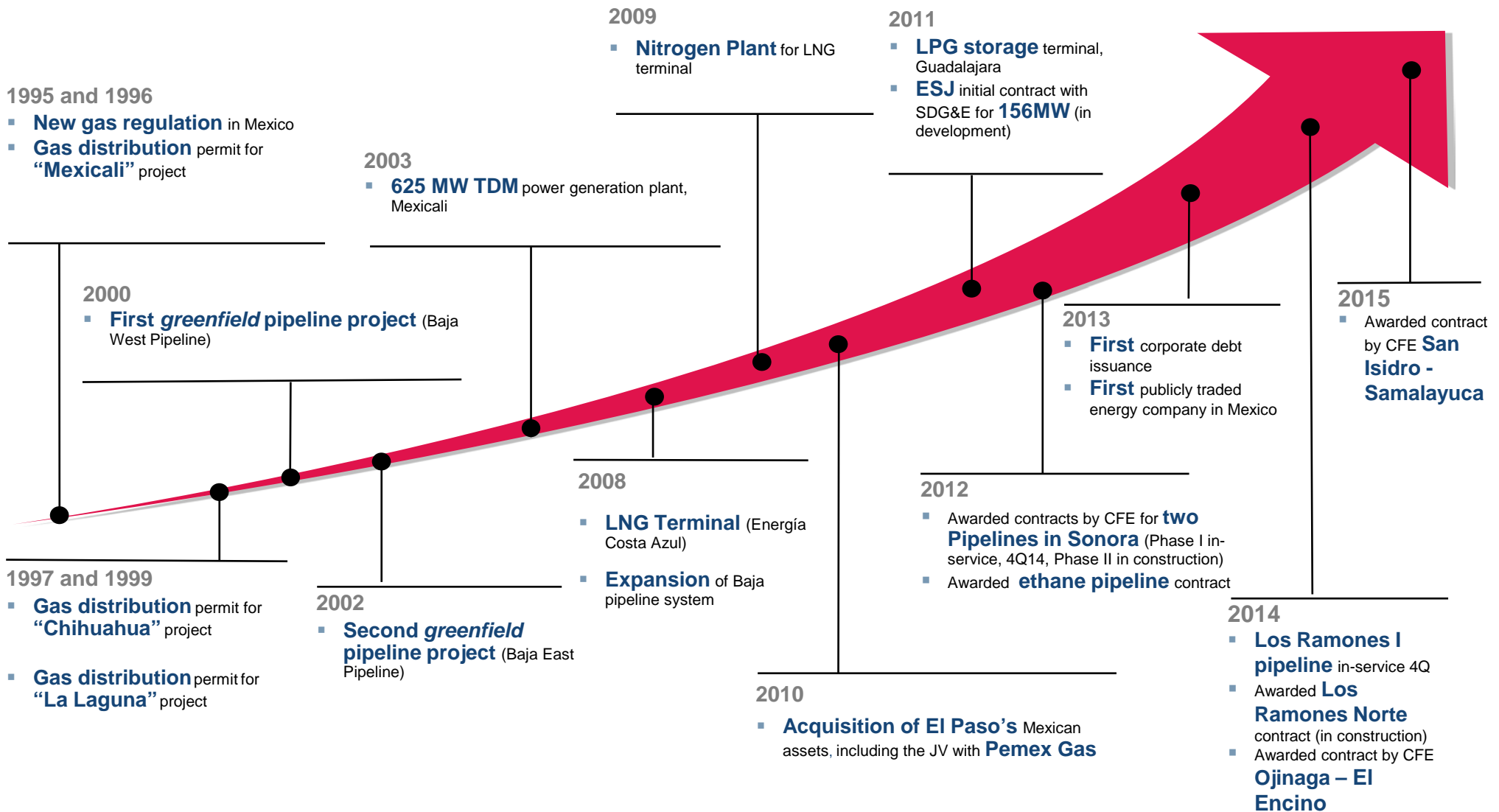


IEnova's business is built upon long-term, take-or-pay, dollar-denominated contracts providing stable and predictable cash flows

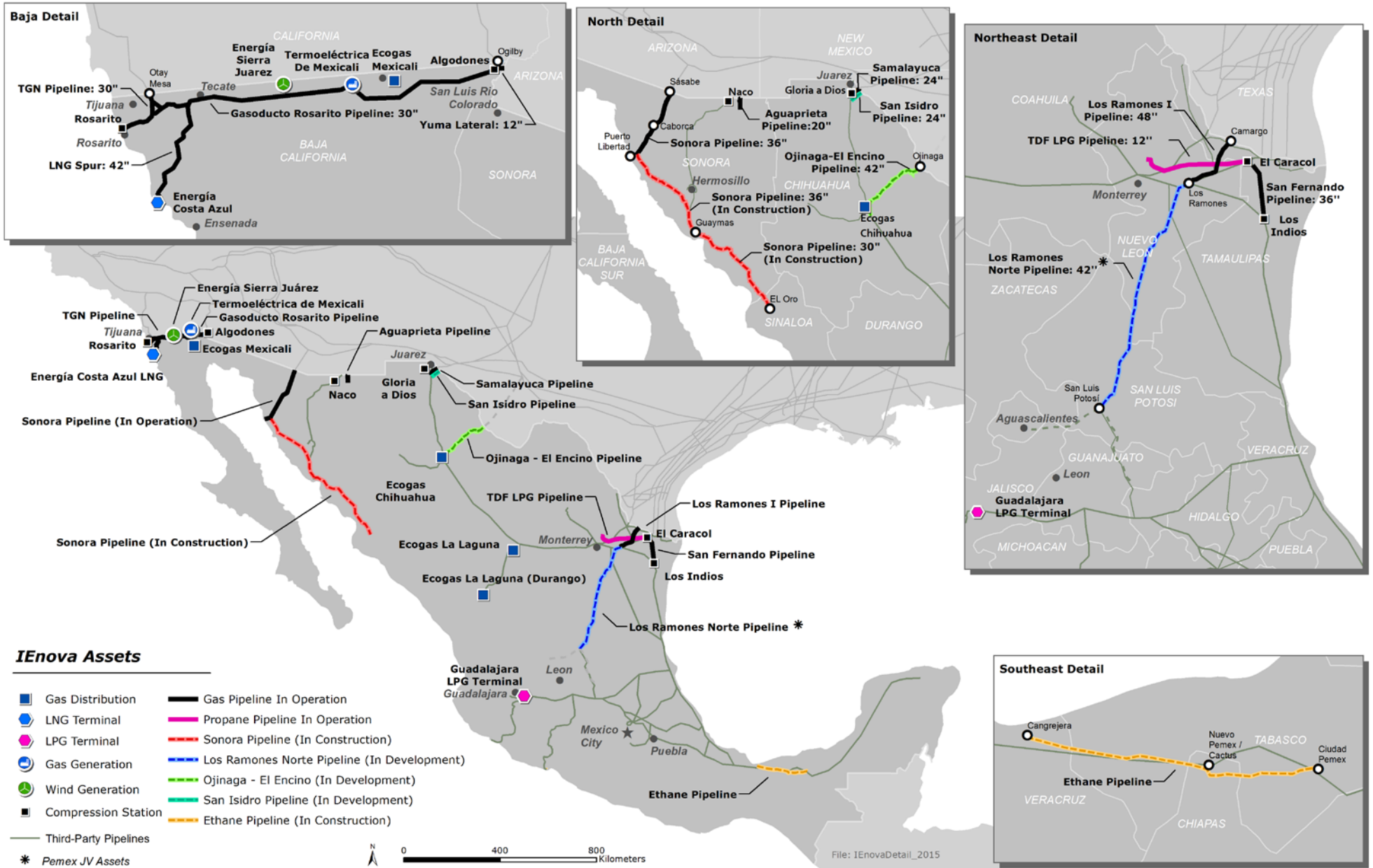
Mexico requires new energy infrastructure and the current low oil price environment magnifies the need for private sector investment leading to more growth opportunities for IEnova

















Development of our Business



IEnova asset overview



IEnova Assets

-  Gas Distribution
 -  LNG Terminal
 -  LPG Terminal
 -  Gas Generation
 -  Wind Generation
 -  Compression Station
 -  Third-Party Pipelines
 -  Gas Pipeline In Operation
 -  Propane Pipeline In Operation
 -  Sonora Pipeline (In Construction)
 -  Los Ramones Norte Pipeline (In Development)
 -  Ojinaga - El Encino (In Development)
 -  San Isidro Pipeline (In Development)
 -  Ethane Pipeline (In Construction)
- * Pemex JV Assets



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Corporate structure and assets in operation



Gas Segment



Wholly-owned Pipelines

- 878 km of pipelines and three compression stations
- 19% of the market's transportation capacity



Energía Costa Azul

- One LNG receipt, storage and regasification terminal with a send-out capacity of 1,000 MMcfd



Ecogas

- Natural gas distribution utility with more than 110,000 customers

Power Segment



Termoeléctrica de Mexicali

- 625MW natural gas combined-cycle electricity generation plant



Joint-Venture with Pemex (50/50)

- 265km of pipelines (23% of the market's transportation capacity)
- 190km LPG transportation pipelines and 120,000Bbl of LPG storage
- Five compression stations



Energía Sierra Juárez Joint-Venture with InterGen (50/50)

- 155 MW wind project with 47 turbines

USD \$3.5 billion of assets in operation

Financial summary as of second-quarter 2015

Financial Results	Trailing 12-mo	2Q15	1Q15	4Q14	3Q14
Revenue	751,712	152,172	163,945	200,697	234,898
Cost of revenue	(361,889)	(60,262)	(70,789)	(100,053)	(130,785)
Administrative and other expenses	(100,449)	(25,400)	(24,005)	(25,643)	(25,401)
Depreciation and amortization expenses	(64,430)	(16,196)	(16,178)	(17,269)	(14,787)
Net financing income (costs)	2,404	1,266	25	(1,343)	2,456
Other gains (losses)	1,257	401	(4,163)	(13,828)	18,847
Profit before income tax and share of profits of joint ventures	228,605	51,981	48,835	42,561	85,228
Income tax expense	(125,914)	(27,029)	(14,337)	(58,129)	(26,419)
Share of profits of joint ventures, net of income tax	32,720	11,541	11,717	3,806	5,656
Profit for the period	135,411	36,493	46,215	(11,762)	64,465

Adjusted EBITDA	Trailing 12-mo	2Q15	1Q15	4Q14	3Q14
Gas Segment	259,802	65,500	69,557	73,135	51,610
Power Segment	30,069	(877)	1,581	2,656	26,709
Corporate	(497)	1,887	(1,987)	(790)	393
EBITDA	289,374	66,510	69,151	75,001	78,712
JV EBITDA adjustment (50%)	80,494	28,400	23,540	15,502	13,052
Adjusted EBITDA	369,868	94,910	92,691	90,503	91,764

Net Debt to EBITDA	1.8x
FFO to Debt	25%

Contracted growth projects currently underway

Investment
COD

Gas Segment – wholly-owned assets

Sonora natural gas pipeline system

- Natural gas pipeline extending from the U.S. border near Nogales, AZ to the town of El Oro in the Mexican state of Sinaloa. First segment of Sonora pipeline placed in-service on October 1
- Northern section has capacity of 770 MMcfd; southern section has capacity of 550 MMcfd

\$1 billion
3Q16

Ojinaga – El Encino pipeline

- Natural gas transmission pipeline located at Chihuahua, Chihuahua that will interconnect with the Waha-Presidio pipeline
- 1,356 MMCFD of transmission capacity

\$300 million
1Q17

San Isidro – Samalayuca

- Natural gas transmission pipeline located at the Municipality of Juarez
- 1,135 MMCFD of transmission capacity

\$110 million
1Q17

Joint venture with Pemex – IEnova (50/50)

Ethane pipeline

- Ethane pipeline located in the states of Tabasco, Chiapas and Veracruz

\$330 million
3Q15

Los Ramones North natural gas pipeline

- 1,430 MMcfd pipeline crossing the states of Nuevo Leon and San Luis Potosí

\$1.4 billion
4Q15

(1) Includes IEnova participation in joint venture projects

IEnova – natural gas portfolio

	Ownership	Length of Pipelines (km)	Capacity	% of Capacity under Long Term Contract	Contract term (yrs)	Commercial Operational Date	Customers
Natural Gas Systems							
Baja East Pipeline System	100%	302	3,450 MMcfd	90%	20	Aug-02	Shell, Gazprom, IENOVA LNG Marketing Mexico, InterGen, North Baja Pipeline (TransCanada), TDM power generating facility (affiliate company)
Baja West Pipeline System	100%	45	940 MMcfd	100%	20	Jun-00	
Aguaprieta Pipeline	100%	13	200 MMcfd	25%	25	Nov-02	Kinder Morgan
San Fernando Pipeline*	50%	114	1,000 MMcfd	100%	20	Nov-03	Pemex Gas
Samalayuca Pipeline*	50%	37	272 MMcfd	51%	Annual	Dec-97	Pemex Gas, CFE
Naco Compression Station	100%	NA	90 MMcfd	100%	20	Sep-01	Pemex Gas
Gloria a Dios Compression Station*	50%	NA	60 MMcfd	100%	20	Oct-01	CFE
Los Ramones 1*	50%	117	2,100 MMcfd	100%	25	Dec-14	Pemex Gas
Los Ramones Norte*	50%	454	1,430 MMcfd	100%	25	Dec-15	Pemex Gas
Ojinaga - El Encino	100%	250	1,356 MMcfd	100%	25	Mar-17	CFE
San Isidro - Samalayuca	100%	23	1,135 MMcfd	100%	25	Mar-17	CFE
LPG System							
TDF Pipeline*	50%	190	30,000 Bld	100%	20	Dec-07	Pemex Gas
LPG Storage Facilities							
Guadalajara LPG Storage Terminal*	50%	NA	80,000 Bbld	100%	15	Jan-14	Pemex Gas
Sonora Pipeline Expansion							
Sasabe - Guaymas	100%	505	770 MMcfd	100%	25	Oct-14	CFE
Guaymas - El Oro	100%	330	510 MMcfd	100%	25	Oct-16	CFE
LNG Facilities							
Energia Costa Azul	100%	NA	1 Bcfd	100%	20	May-08	IENOVA LNG Marketing (who sells to CFE), Gazprom and Shell
Ethane Transportation							
Ethane Pipeline*	50%	226	152 MMcfd	100%	21	1Q 2015	Pemex Gas

*Assets under 50% JV with Pemex Gas

