Earnings Report
Third-Quarter 2013

Mexico City, October 28, 2013. **Infraestructura Energética Nova, S.A.B. de C.V. (BMV: IENOVA)** is reporting third-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, Third-Quarter 2013 compared to Third-Quarter 2012

- Profit for the third-quarter 2013 was $57.0 million, compared to $61.9 million in 2012 mainly due to higher income taxes and higher expenses related to our new public company structure, partially offset by higher electricity prices and a change in commercial arrangements at our Power segment.
- Revenues for the quarter ended September 30, 2013 were $188.9 million, compared to $173.4 million in the same period of 2012, mainly due to higher electricity and natural gas prices and a change in commercial arrangements at our Power segment.
- Cost of revenues for the three-month period ended September 30, 2013 was $91.1 million compared to $94.7 million in the same period in 2012. The decrease was a result of the non-recurring effect of the timing of costs related to energy sales in 2012, partially offset by costs related to the new California cap-and-trade program, both at our Power segment.
- Third-quarter 2013 Adjusted EBITDA grew by 17% to $88.4 million compared to $75.4 million in the same quarter of 2012.
- On October 7, 2013 the Shareholders' Meeting approved a dividend of $117 million which was paid on October 16, 2013.

The following tables set forth our results as of and for the three months ended September 30, 2013 and 2012.

i) Results of Operations

Condensed Consolidated Statements of Profit and Loss

(thousands of US$)	Three months ended September 30, 2013	Three months ended September 30, 2012
	(unaudited)	(unaudited)
Revenues	$ 188,903	$ 173,449
Cost of revenues	(91,142)	(94,654)
Administrative and other expenses	(21,695)	(16,873)
Depreciation and amortization expenses	(15,196)	(16,038)
Net financing costs	(130)	(2,575)
Other (losses) gains	(285)	2,123
Profit before income tax and share of profits of joint venture	**60,455**	**45,432**
Income tax (expense) benefit	(15,246)	2,792
Share of profits of joint venture, net of income tax	11,799	13,652
Profit for the period	**$ 57,008**	**$ 61,876**

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 September 30, 2013	2012
	(unaudited)	
Gas Segment	$ 50,602	$ 43,551
Power Segment	15,449	7,749
Corporate	(5,596)	(5,868)
	$ 60,455	**$ 45,432**

Gas Segment

Gas segment profit before income tax and share of profits of joint venture was $50.6 million for the third-quarter 2013, compared to $43.6 million in the same period of 2012 mainly due to the capitalization of interest related to the Sonora pipeline project and better results at our gas distribution business.

Power Segment

Power segment profit before income tax was $15.4 million in the third-quarter 2013, compared to $7.7 million in the third-quarter 2012 mainly due to a change in commercial arrangements.

Corporate

During the third-quarter ended September 30, 2013, loss before income tax at Corporate was $5.6 million compared to $5.9 million in the same period of 2012.

Revenues

(thousands of US$)	Three months ended September 30, 2013		2012	
	(unaudited)			
Gas Segment	$	129,545	$	126,354
Power Segment		58,939		46,666
Corporate		419		429
	$	**188,903**	**$**	**173,449**

Gas Segment

Gas segment revenues were $129.5 million during the third-quarter 2013, compared to $126.4 million in the same period of 2012, mainly due to higher gas prices.

Power Segment

Power segment revenues were $58.9 million during the third-quarter 2013, compared to $46.7 million during the same period of 2012 due to a change in commercial arrangements.

Cost of Revenues

(thousands of US$)	Three months ended September 30, 2013		2012	
	(unaudited)			
Gas Segment	$	56,105	$	56,200
Power Segment		35,037		38,454
	$	**91,142**	**$**	**94,654**

Gas Segment

Gas segment cost of revenues was $56.1 million for the third quarter of 2013, consistent with the $56.2 million for the same period of 2012.

Power Segment

Power segment cost of revenues was $35.0 million for the third-quarter 2013, compared to $38.5 million for the same period of 2012 as a result of the non-recurring effect of the timing of costs related to energy sales in 2012, partially offset by costs related to the new California cap-and-trade[1] program.

[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 $21.7 million for the third-quarter 2013, compared to $16.9 million for the same period of 2012 mainly due to increased administrative expenses primarily related to our new public company structure.

Net Financing Costs

Net financing costs were $0.1 million for the third quarter ended September 30, 2013, compared to $2.6 million for the same period of 2012 mainly due to higher capitalized interest.

Other (Losses) Gains

Other losses of $0.3 million during the third-quarter 2013 compare to other gains of $2.1 million in 2012 due to foreign exchange losses, partially offset by derivative gains.

Income Tax Expense

Income tax expense for the three months ended September 30, 2013 was $15.2 million compared to an income tax benefit of $2.8 million for the same period of 2012; similarly, the year-to-date effective tax rate as of the end of September 30, 2013 was 29%, compared to 21% for the same period of last year mainly due to (1) the effect of Mexican currency exchange rate movements at period end on monetary assets and liabilities, (2) the effect of Mexican currency exchange rate movements at period end on non-monetary assets and liabilities such as property, plant and equipment which equals the deferred tax balances and (3) higher pretax income.

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, which results in volatility in our income tax expense.

Share of Profits of Joint Venture, Net of Income Tax

Our share of net profits of our joint venture was $11.8 million in the third quarter of 2013, compared to $13.7 million in the same period of 2012.

EBITDA and Adjusted 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 September 30,	
(thousands of US$)	2013	2012
	(unaudited)	
Gas Segment	$ 56,156	$ 57,142
Power Segment	19,694	4,877
Corporate	216	(97)
EBITDA	**76,066**	**61,922**
JV EBITDA adjustment (50%)	12,371	13,461
Adjusted EBITDA	**$ 88,437**	**$ 75,383**

ii) Financial Position, Liquidity and Capital Resources

Condensed Consolidated Statements of Financial Position

(thousands of US$)	September 30, 2013	December 31, 2012
	(unaudited)	(audited)
Assets		
Current assets		
Cash and cash equivalents	$ 10,052	$ 85,073
Short-term investments	481,583	-
Other assets(1)	189,848	151,883
Total current assets	**681,483**	**236,956**
Non-current assets		
Investment in joint venture	361,421	331,599
Property, plant and equipment – Net	2,131,490	1,884,739
Other assets(2)	58,516	47,424
Total non-current assets	**2,551,427**	**2,263,762**
Total assets	**$ 3,232,910**	**$ 2,500,718**
Equity and liabilities		
Current liabilities(3)	$ 106,700	$ 160,207
Non-current liabilities		
Long-term debt(4)	396,548	-
Due to related parties	39,738	331,803
Other non-current liabilities (5)	260,302	245,590
Total non-current liabilities	**696,588**	**577,393**
Total liabilities	**803,288**	**737,600**
Total equity	**2,429,622**	**1,763,118**
Total equity and liabilities	**$ 3,232,910**	**$ 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$)	Three months ended September 30, 2013	2012
	(unaudited)	
Cash and cash equivalents at period beginning (June 30, 2013)*	**$ 25,425**	**$ 76,065**
Net cash provided by operating activities	66,982	50,186
Net cash used in investing activities	(71,566)	(9,820)
Net cash used by financing activities	(6,340)	(787)
Effects of exchange rate changes on the balance of cash held in foreign currencies	(4,449)	8,253
Cash and cash equivalents at period end (September 30, 2013)	**$ 10,052**	**$ 123,897**

*Does not include short-term investments of $482 million.

Operating Activities

Net cash generated by operating activities for third-quarter 2013 was $67.0 million, compared to $50.2 in the same period of 2012 due to changes in working capital.

Investing Activities

Net cash used in investing activities for the third-quarter 2013 was $71.6 million, compared to $9.8 million in the same period of 2012. This increase is mainly due to the capital expenditures for the Sonora pipeline project and Energía Sierra Juárez wind project, partially offset by a decrease in short-term investments.

Financing Activities

Net cash used in financing activities for the third-quarter 2013 was $6.3 million, compared to $0.8 million for the same period of 2012, due to the interest expense on long-term debt.

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.