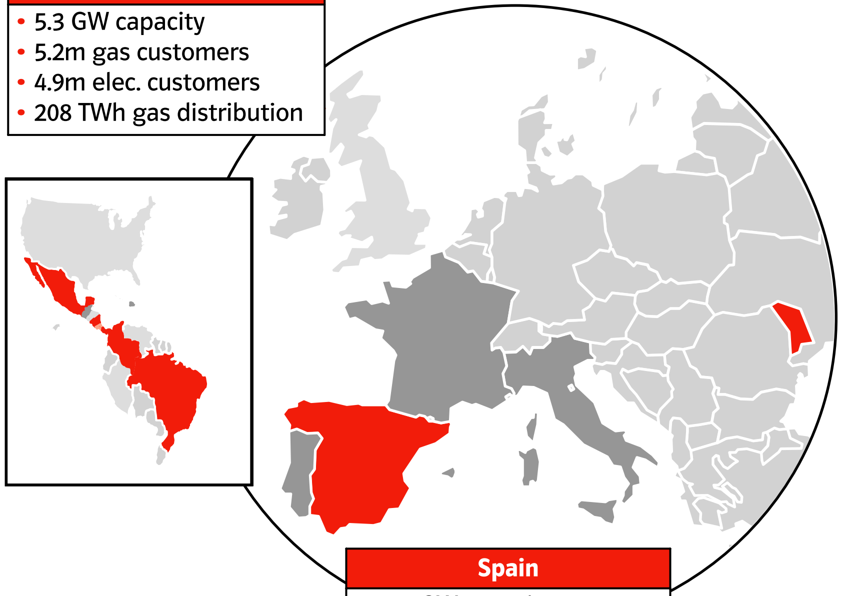
Competitor Profile
Gas Natural 2009

Essen, July 2009

Compiled by E.ON Ruhrgas AG , E.ON AG

Gas Natural's Market Position after acquisition of Union Fenosa

Latin America
- 5.3 GW capacity
- 5.2m gas customers
- 4.9m elec. customers
- 208 TWh gas distribution



Spain
- 10.4 GW capacity
- 5.6m gas customers
- 4.5m elec. customers
- 39 TWh generation on the Iberian Peninsula

Leading market position (#1 or #2)
Strong to average market position (#3 - #5)
Small market position (#6,#7,…)
No presence

Key business activities

- European integrated gas and power group with strong positions in Spain and Latin America
- Leading downstream player (10.8m gas + 9.4m elec. cust.)
- 17 GW capacity installed thereof 9 GW CCGT
- Second LNG operator world wide (30 bcm contracted) with leading position in the Atlantic Basin

Activities along the value chain

	Power				Gas				
	Gen.	Transm.	Distr.	Retail	E&P	Transp.	Supply	Distr.	Retail
Spain	#3						#1	#1	#1
Portugal									
Italy									
France									
Moldova									
South Am. [1]								#1	#1
Centr. Am. [1]								#1	#1
Africa [1]									
Oman									
Australia									

1. For country details see chart 7

Source: Gas Natural (GN) Consolidated Directors´ Report 2008, GN Annual Report 2008, GN Updated Presentation June 2009, GN press release annual shareholders´meeting 26.06.2009

Organization: Board of Directors & Management Committee

Board of Directors
17 members
Chairman: Salvator Gabarró Serra

Executive Management Committee
Presided over by the CEO of Gas Natural SDG, S.A. Rafael Villaseca Marco

Rafael Villaseca Marco
Chief Executive Officer (CEO)

Carlos J. Álvarez Fernández
Chief Financial Officer (CFO)

Sergio Aranda Moreno
Managing Director of Latin America

José M. Egea Krauel
Managing Director of Gas Management

Manuel Fernández Álvarez
Managing Director of Wholesale

Josep Moragas Freixa
Managing Director of Retail Business

Antoni Peris Mingot
Managing Director of Regulated Business

Antonio Basolas Tena
Manager of Strategy & Development

Manuel Garcia Cobaleda
Manager of Legal Services

Jordi Garcia Tabernero
Manager of Communications Office

Antonio Galart Gabas
Manager of Resources

Source: Gas Natural GN Annual Report 2008

Gas Natural Market Data Power & Gas – before acquisition

Gas Natural market data

2008 figures					Group total
Region	Spain	Italy	Latin America	Others	
Power					
Inst. capacity [GW]	4.0	-	2.5 [1]	-	6.5
Generation [TWh/yr]	18.1	-	13.3[2]	-	31.4
thereof coal	-	-	-	-	-
gas	17.2	-	13.3 [2]	-	30.5
nuclear	-	-	-	-	-
hydro, other	0.9	-	-		0.9
CO_2 Intensity [g/kWh]	n.a.	-	n.a.	-	n.a.
Sales [TWh/yr]	6.2	-	13.3	-	19.5
Customers [million]	n.a	-	n.a	-	9.4
Gas					
Gas reserves [bcm]	-	-	-	-	-
Gas produced [TWh]	-	-	-	-	-
Storage [bcm]	-	-	-	-	-
Sales [TWh]	239.1	n.a	n.a.	53.5	292.6
Customers [million][3]	5.8	0.4	5.2	-	11.4
Employees	3,696	n.a	2,525	536	6,757

1 Mexico 3.8 GW, Puerto Rico 271 MW ,
2 Mexico 11,455 GWh, Puerto Rico 1,866 GWh
3 Gas and electricity customers

Source: Gas Natural Consolidated Directors´ Report 2008, Gas Natural Annual Report 2008, Gas Natural Updated Presentation June 2009, Union Fenosa Annual Report 2008

Gas Natural: Key Financials (IFRS) – before acquisition

Group Financials

in m €	2008	2007
Sales[1]	13,544.00	10,093.00
EBITDA[2]	2,564.00	2,277.00
EBIT[3]	1,794.00	1,567.00
Net income	1,172.00	1,056.00
Op. Cash flow	2,023.00	1,829.00
Net debt[4]	4,872.00	4,453.00

Market Units

in m €	EBITDA[2] 2008	EBITDA[2] 2007
Gas distribution	1,389	1,323
Electricity	516	338
Wholesale & Retail	465	446
Up- & Midstream	185	158
Other	9	

Multiples

	31/12/08
EV[5]/EBITDA[2,6]	5.57
P/E[7]	8.2

Market Valuation

in m €	02/06/08
Market cap[8]	8,637.60
EV[5]	14,279.60

Ratings[9]

Company	2008
Moody's	Baa1
S&P	BBB+

Shareholder Structure

Name	Stake (AR 2008)
La Caixa Group	38%
Repsol YPF Group	31%
Institutional abroad	12%
GDF SUEZ Group	9%
Retailers in Spain	5%
Caixa Catalunya	3%
Institutional in Spain	2%
Aggregate	100.0 %
Total No. of shares in mill.	447.8

1 Sales less taxes
2 EBITDA as published
3 EBIT = Earnings from operations before taxes (excl. Non-operating earnings like income from interest) + interest payments (only expenses)
4 Net debt = Sum of interest-bearing debts less cash positions (excl. Provisions)
5 Economic Value = Market cap (as of 31.12.2008) + Net Debt (31.12.2008) + Provisions (31.12.2008)
6 EBITDA as of 31.12.2008
7 P/E = Price per Share (31.12.2008) /Earnings per Share (31.12.2008)
8 Market Capitalization = Share Price (02.06.2008) x Share Number (31.12.2008)
9 Long-term credit ratings

Source: Gas Natural Annual Report 2008

General Strategic Positioning: Creation of a leading European vertically integrated gas and power group

Gas Natural		Union Fenosa
• Leader in gas distribution • World´s fourth largest LNG operator • Leader in gas-power convergence	+	• Spain´s third largest electric utility • High-growth gas business with quality assets (LNG) • Attractive international platform

Gas Natural after acquisition

- Accelerated fulfillment of Gas Natural´s Strategic Plan, taking it beyond its 2012 targets
- Expected to create one of the top European utilities and among the three leading players in the Iberian gas and power market
- International presence increases from 9 to 23 countries
- Leading downstream presence with over 20 million customers gobally
- 17 GW of installed capacity thereof 9 GW CCGT
- Leading in the Atlantic and Mediterranean LNG markets (gas procurement of ~ 30 bcm)
- EBITDA increases from €2.564 million to €4.844 million

Source: Gas Natural (GN) Updated Presentation June 2009, GN press release annual shareholders´meeting 26.06.2009

Union Fenosa acquisition accelerates fulfillment of strategic plan, taking Gas Natural beyond 2012 targets – except gas portfolio

Fulfillment Gas Natural´s Strategic Targets 2008-12

	Gas Natural growth targets 2008-12	Union Fenosa today	Achieved
CCGT´s (GW)	+3.3	+4.8	143%
Renewables[1]+CHP (GW)	+0.6	+3.3	550%
Clients[2] (m)	+4.3	+9.2	215%
Gas portfolio[3] (bcm)	+9	+6.5	72%
Regas. plants (no.)	+1	+2	200%
Liquef. plants (no.)	+1	+2	200%
EBITDA (€bn)	+1.6	+2.3	144%

1 Including hydro
2 Customer connections
3 Unión Fenosa Gas
4 For the year ended 31-12-2008

New strategic plan

- Place the group in an optimal position to tackle the challenges of the global energy sector in the next decade

First priority

- Integration of activities
- Improve efficiency and asset strength

Further goals: Strengthening businesses through

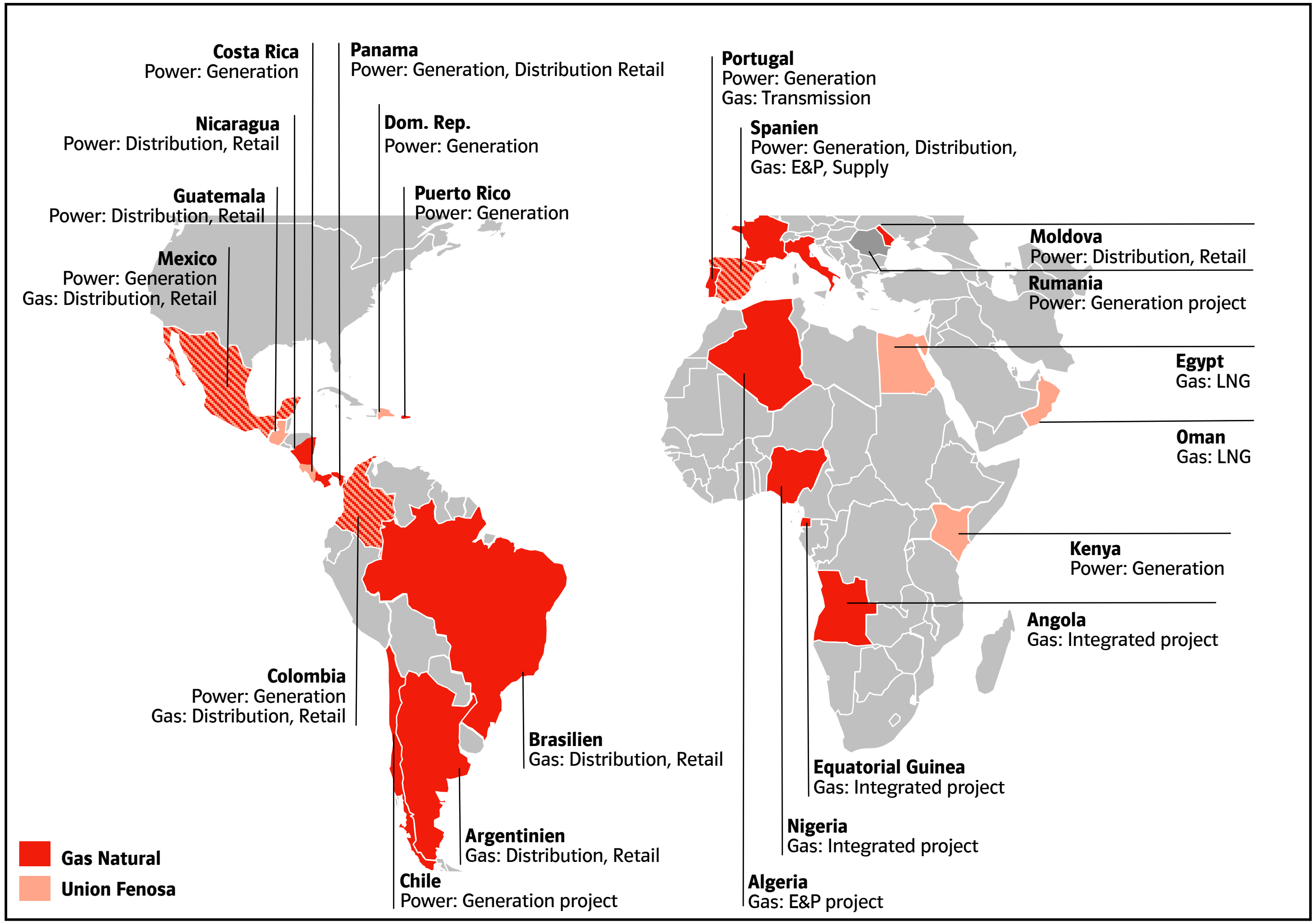
- vertical integration of the energy chain
- internationalization of the Group
- development of production technologies and energy consumption more in line with an energy sustainable economy
- safe supply

New financial targets

- Investment plan 2008 – 2012E: ~ € 8-9 bn
- Operating results: EBITDA target: > € 6 bn
- CAGR dividend per share: > 10 %

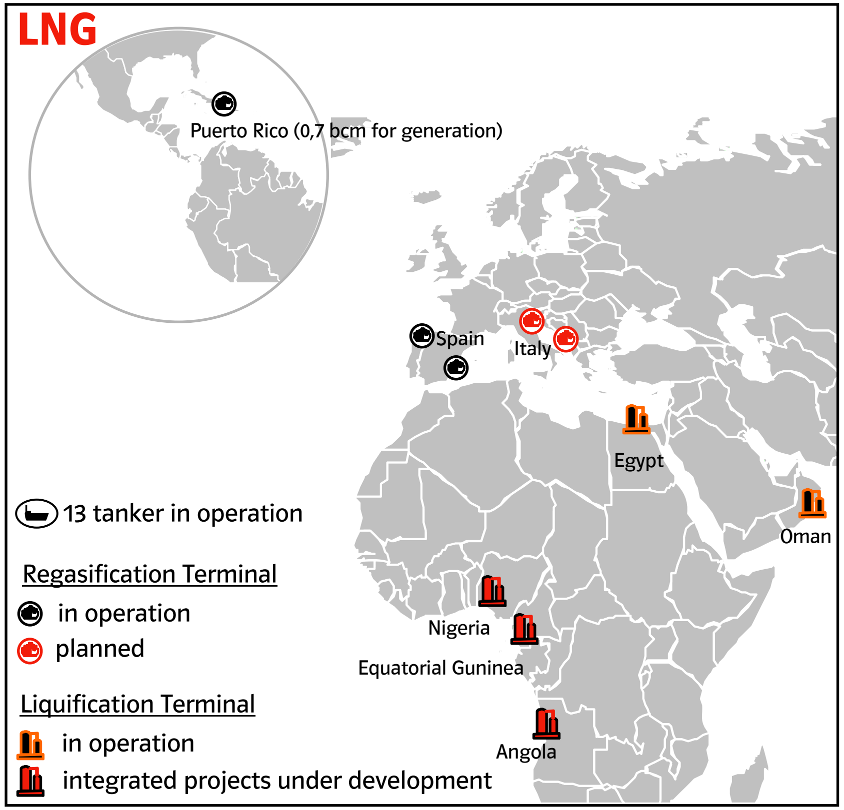
Source: Gas Natural Updated Presentation June 2009, Gas Natural (GN) press release annual shareholders´meeting 26.06.2009, Company Website http://www.gasnaturalyunionfenosa.com/en/a-new-group/preview-of-the-strategic-plan.html

Gas Natural’s and Union Fenosa´s global activities: Overview



Source: Gas Natural (GN) Consolidated Directors´ Report 2008, GN Annual Report 2008, Union Fenosa AR 2008
GN Updated Presentation June 2009, GN press release annual shareholders´meeting 26.06.2009

Second LNG operator world wide (30 bcm contracted) with leading position in the Atlantic Basin



Regas Terminals

- Long term capacity rights in Barcelona, Cartagena, Huelva, and Sagunto
- 3 terminals in operation
  - Spain: Reganosa (21% UF Group), Saggas (42.5% UF Gas)
  - Puerto Rico: Penuelas (47.5%)
- 2 projects in Italy: Trieste (8 bcm) and Taranto (8 bcm)

Liquification Terminals

- 2 terminals in operation
  - Egypt, Damietta (UF Gas 80%)
  - Oman, Qalhat (UF Gas 7.3%)

Joint Ventures

- Union Fenosa Gas (50% Union Fenosa/ 50%Eni)
- Stream (50% Gas Natural/ 30% Repsol)
  - Managed LNG volume 17 bcm/a

Source: Gas Natural (GN) Consolidated Directors´ Report 2008, GN Annual Report 2008, GN Updated Presentation June 2009, GN press release annual shareholders´meeting 26.06.2009

Communicated Strategic Moves in Europe

Spain

Electricity business

- Further expansion of generation by construction of 3 CCGT plants and 1 project

E&P

- Exploration projects off the coast of Tarragona, in Aturias and Alava/Navarre

Gas-propelled vehicles

- Promoting "gn auto" business line
- Opening of the first public station for gas-propelled vehicles

Solar Energy

- "gnSolar" business line seeks to promote the joint use of solar energy and natural gas in residential buildings and tertiary sector

Europe

Italy

- Two regasification projects (Trieste and Taranto)
- Further expansion in gas distribution if one regas project is approved
- Acquisition of Pitta Costruzione, a gas distribution group in southern Italy for 30.25 Mio. € in 2008

Portugal

- Commercialization permit for natural gas market awarded
- Aim: 5% gas market share until 2012

France

- Increase gas market share from 0.7 % today to 5% until 2012
- Interest in developing interconnection infrastructures with the rest of Europe
- Long-term export capacity for Larrau international connection awarded
- Contract with EDF to supply it with a total of 4 bcm of natural gas in the coming years

Source: Gas Natural (GN) Annual Report 2008, GN Updated Presentation June 2009, press releases 2008/2009

Communicated Strategic Moves beyond Europe

Russia and Middle East

Russia

- Framework agreement with Gazprom Marketing & Trading to carry out specific operations in LNG market

Qatar

- Agreement with Qatargas in partnership with Repsol/ Stream to extend and reinforce commercial relationship (increases of supply in the future)

Africa

Algeria

- **Gassi Chergui** - exploration project under development
- **Gassi Touil** - currently international arbitration proceedings after termination of the cooperation by Sonatrach

Angola

- Partnership agreement Gas Natural and Repsol, in consortium with other companies, to develop an integrated gas project

Morocco

- 24% in Tangiers-Larache exploration project; Repsol, Dana report large find (estimated reserves 100 bncf)

Latin America

Mexico

- Creation of Gas Natural Electricidad Mex, which manages 5 CCGT plants and a gas pipline
- Strategic agreement with Sinca Inbursa to transfer 15% of Gas Natural México

Puerto Rico

- Contract with Puerto Rico Electric Power Authority (PREPA) to provide regasification services amounting to 0.7 bcm, starting 2009 to supply gas to the Aguirre power plant

Brasil

- Agreement with Petrobras, guaranteeing current consumption and envisaging growth in the gas market of 5%/a until 2012 (2 million m^3/d)

Colombia

- Creation of Biogás Doña Juana S.A. which owns a public biogas concession in Bogota in partnership with GRS Valtech (Veolia Group)
- Sale of 25% of Gas Natural´s shareholing in Transcogas (transportation company that operates in central Colombia)

Source: Gas Natural (GN) Annual Report 2008, GN Updated Presentation June 2009, press releases 2008/2009

Backup 1: Gas Natural's International Generation Capacity

Gas Natural: Spain	MW	
	2008	2007
Total CCGT	**3,600**	3,600
Total Wind	**363**	363
Total Cog.	**28**	17
Total	**3,991**	3,980

Gas Natural: Central America	MW	
	2008	2007
Mexico	2,233	2,233
Puerto Rico	271	271
Total CCGT	**2,504**	2,504

Gas Natural: Projects in Spain			2008
Major Power Plants	Type	MW	Built
Malaga	CCGT	400	u. constr.
Port of Barcelona	CCGT	850	u. constr..
Lantarón	CCGT	800	n.a.
Total CCGT planned		**2,000**	till 2012

Gas Natural: Total capacity	2008	2007
Power Plants	**6,495**	**6,484**
Projects	**2,000**	**2,000**

Union Fenosa: CCGT plants in Spain			2008
Major Power Plants	Type	MW	Built
Palos de la Frontera (Huelva)	CCGT	1,180	n.a.
Aceca (Toledo)	CCGT	379	n.a.
Sagunto (Valencia)	CCGT	1,256	n.a.
Sabón (A Coruña)	CCGT	389	n.a.
Campo de Gribraltar [1]	CCGT	396	n.a.
Total CCGT operational		**3,607**	

Source: Gas Natural (GN) Consolidated Directors´ Report 2008, GN Annual Report 2008, GN press release annual shareholders´meeting 26.06.2009, Union Fenosa AR 2008

Backup 2: Gas Natural’s presence in natural gas in Africa

Algeria: upstream project
- Chergui (E&P project)

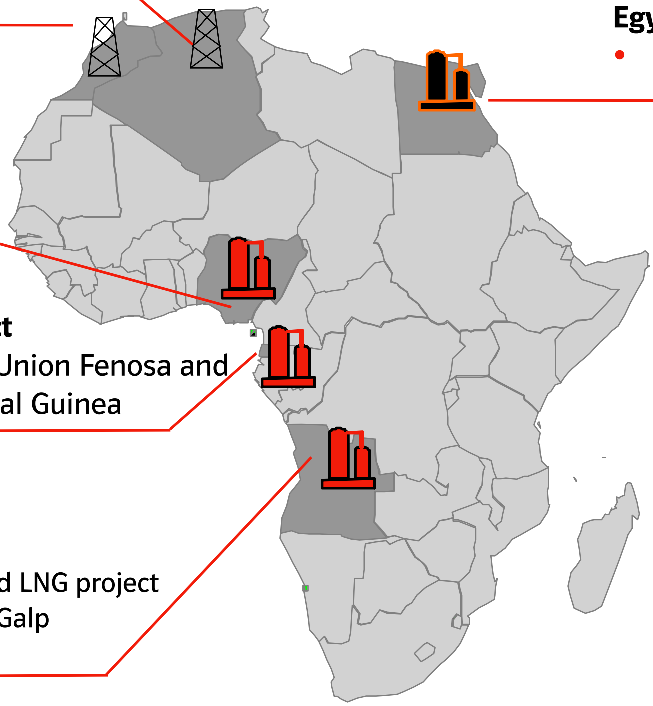
Marocco: upstream project
- Tangiers-Larache (E&P project)

Morocco/Spain: Transmission
- Europe Maghreb Pipeline GN (72,6%)

Nigeria: integrated LNG project
- MoU with Nigeria

Equatorial Guinea: integrated LNG project
- MoU with Galp Energia, E.ON Ruhrgs, Union Fenosa and the National Gas Company of Equatorial Guinea

Angola: integrated LNG project
- Agreement with Sonagas about integrated LNG project
- 20 % stake in consortium with Eni, Exem, Galp and Sonagas for E&P of set of gas fields



Egypt: liquification terminal Damietta
- Union Fenosa participation 80%

Integrated projects under development

Liquification terminal in operation

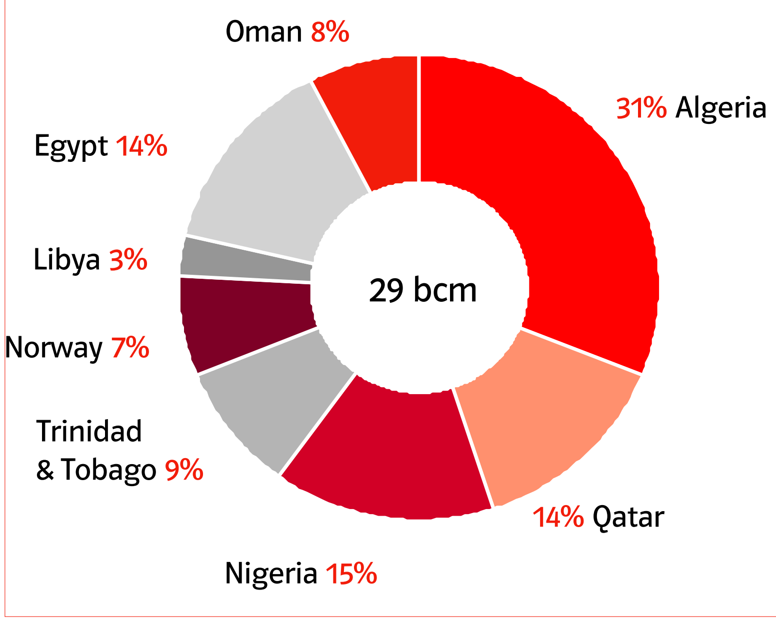
E&P/LNG Project

Source: Gas Natural Consolidated Directors´ Report 2008, Gas Natural Annual Report 2008, Gas Natural Updated Presentation June 2009, Union Fenosa Annual Report 2008

Backup 3: After acquisition Gas Natural manages a contract portfolio of ~30 bcm/a

Gas Natural Gas Supply

GN long term contracts



Long-term contracts

Long term firm supply	Firm supply (bcm/a)	Destination	Start-up (end)
Qatar	1.0	Spain	2001 (2012)
Qatar	1.0	Spain	2002 (2012)
Qatar	2.0	Spain	2005 (2025)
Trinidad & Tobago (Train I)	1.7	Spain[2)]	1999 (2019)
Trinidad & Tobago (Train II)	1.0	Spain[2)]	2002 (2022)
Nigeria (Train I/II)	1.6	Spain[1)]	1999 (2021)
Nigeria (Train III)	2.7	Spain[1)]	2002 (2023)
Norway (Pipeline)	2.0	Spain	1993 (2031)
Libya	0.8	Spain	1981 (2008)
Algeria (Pipeline)	3.0	Spain	2006 (2028)
Algeria (Pipeline)	6.0	Spain	1996 (2028)
Egypt (Union Fenosa Gas)[3,4]	4.0	Spain	2002 (2027)
Oman (Union Fenosa Gas) [4]	2.2	Spain	2006 (2026)
Total firm supply	**29.0**		

1. Possibly diversion rights in coordination with NLNG.
2. Main destination Spain, but significant volumes are diverted
3. Joint participation of Union Fenosa and Union Fenosa Gas
4. Assumption of full consolidation of gas contracted by Union Fenosa Gas

Source: Gas Natural (GN) Consolidated Directors´ Report 2008, GN Annual Report 2008,
GN Updated Presentation June 2009, GN press release annual shareholders´meeting 26.06.2009, Union Fenosa AR 2008

Back up 4: Gas Natural's Distribution Activities

Gas Natural's Gas Distribution

2008	Spain	Italy	Total Europe	Argentina	Brazil	Mexico	Colombia	Total Latin America	Total
Gas related activity sales (TWh)	270.1	2.9	**273.0**	72.0	75.9	43.9	16.7	**208.4**	**481.4**
Regulated Gas sales (TWh)	14.2	2.6	**16.8**	n/a	n/a	n/a	n/a	**144.1**	**160.9**
TPA (TWh)	255.9	0.3	**256.2**	n/a	n/a	n/a	n/a	**64.3**	**296,9**
Distribution network (km)	48,578	5,524	**54,102**	22,360	5,881	15,903	17,052	**61,196**	**115,298**
Supply points, in thousand	5,842	397	**6,239**	1,393	789	1,145	1,926	**5,253**	**11,492**
EBITDA (mn €)	886	36	**922**	n/a	n/a	n/a	n/a	**467**	**1,389**
Share in EBITDA (%)	64	3	**66**	n/a	n/a	n/a	n/a	**34**	**100**

Gas Natural Consolidated Directors´ Report 2008

Backup 5: Gas Natural & UFenosa Market Data Power & Gas

Gas Natural + Union Fenosa market data [1]

2008 figures					Group total
Region	Spain	Italy	Latin America	Others	
Power					
Inst. capacity [GW]	10.4	-	5.3 [2]	-	15.7
Generation [TWh/yr]	18.1+31.5	-	13.3[3]	17.0 [4]	79.9
thereof coal	6.9	-	-	-	6.9
gas	17.2+16.3	-	13.3 [3]	11.1 [4]	57.9
nuclear	4.4	-	-	-	4.4
hydro, other	0.9+2.9	-	-	6.0 [4]	9.8
CO_2 Intensity [g/kWh]	n.a.	-	n.a.	-	n.a.
Sales [TWh/yr]	6.2+39.2	-	13.3	22.8	81.5
Customers [million]	4.5	-	4.9	-	9.4
Gas					
Gas reserves [bcm]	-	-	-	-	-
Gas produced [TWh]	0.02	-	-	-	-
Storage [bcm]	-	-	-	-	-
Sales [TWh]	239.1+27.4 [5]	n.a	n.a.	53.5	320.0
Customers [million]	5.2	0.8	5.2	-	11.1
Employees	3,696+4,591	n.a	2,525	536+8190 [6]	19,623

1 Union Fenosa data in red
2 Mexico 3.8 GW, Colombia 950 MW, Puerto Rico 271 MW , Dominican Rep. 198 MW, Costa Rica 50 MW, Panama 26 MW
3 Mexico 11,455 GWh, Puerto Rico 1,866 GWh
4 Union Fenosa´s International Energy Business
5 50% of Union Fenosa Gas incorporated
6 Union Fenosa´s International Energy Business, other businesses, corporate

Source: Gas Natural Consolidated Directors´ Report 2008, Gas Natural Annual Report 2008, Gas Natural Updated Presentation June 2009, Union Fenosa Annual Report 2008

Backup 6: Union Fenosa Gas Activities 2008 - Overview

LNG-Activities

- Gas procurement Spain 60 TWh (82% based on long term contracts)
  - 22.2 TWh from Damietta (Egypt) and 10.4 TWh from Qalhat (Oman)
  - 10.4 TWh acquired on the spot market
  - 23.5 TWh purchases on other markets for trading purposes

Infrastructure Projects

- **Liquification**:
  - Damietta – expansion of storage capacity, basic engineering preliminary studies into the second train were completed
- **Regas**
  - Expansion of Sagunto – additional vaporiser (200,000 Nm^3/h) and tank (150,00 m^3 LNG) were approved by the Board of Directors (operational 2010/2011 respectively)
  - Expansion of Reganosa – increase in vaporisation capacity to 825,600 Nm3/h
- **Storage**
  - Analyzing possible conversion of deposits at NUELGAS into storage
  - „Las Barrreras concession – Gas production is continuing, at the same time infrastructure will be developed for conversion into gas storage
  - „El Ruedo 1-2-3" concession – study if the life of the deposit can be extended

Source: Union Fenosa Annual Report 2008

Backup 7: Debt reduction by divestment and capital increase

Divestments of 3 bn ongoing thereof 727 m realized

- Sale of 5% of Cepsa: €529 mio.
- Sale of 1% REE: 43 mio.
- Sale of 5% of Enagás €155 mio.
- Further divestments planned

Divestments according to Spanish antitrust agency CNC

- 600.000 connection points (representing about 9% of domestic demand)
- 2,000 MW CCGT

Capital increase by €3.5 bn

Synergistic effects

- GN expects effects of €290 m within the next three years

Source: Gas Natural (GN) Annual Report 2008, GN Updated Presentation June 2009,
GN press release annual shareholders´meeting 26.06.2009, press releases 2008/2009