



Third quarter results 2013

5 November 2013

**NET PROFIT IN THE FIRST NINE MONTHS OF 2013
AMOUNTED TO €1,120 MILLION, A 0.4% INCREASE**

- Net profit amounted to €1,120 million in the first nine months of 2013, a year-on-year increase of 0.4%, supported by a sound business model with a growing contribution from international operations and by a strong capital position due to debt reduction in a context of tougher regulations.
- Consolidated EBITDA in 9M13 amounted to €3,865 million, a 1.0% increase with respect to 9M12, supported by Gas Natural Fenosa's diversification, the growing contribution from the international business, and the balanced business profile, which offset the decline in the contribution from the regulated businesses in Spain that was caused by greater tax pressure under Act 15/2012 on power generation in Spain and by the impact of recently-implemented Royal Decree Act 9/2013 on power generation and distribution activities in Spain.
- EBITDA from Gas Natural Fenosa's international activities increased by 5.1%, accounting for 44.5% of the consolidated total, compared with 42.7% last year. In contrast, EBITDA from operations in Spain fell by 2.1%.
- The company continues to deleverage: net interest-bearing debt totalled €15,168 million at 30 September 2013, the leverage ratio was 49.9% and the net interest-bearing debt/EBITDA ratio was 3.0x. Excluding the outstanding tariff deficit, net interest-bearing debt would amount to €14,384 million, i.e. leverage of 48.6% and net interest-bearing debt/EBITDA of 2.8x.
- Debt restructuring continues: in October 2013 the company agreed on early amortisation of the €3,000 million club deal loan arranged in March 2010, by arranging a new line of credit for €1,500 million maturing in five years and a new €750 million 5-year club deal loan.
- On 25 July, Gas Natural Fenosa was awarded a contract by the Peruvian government to extend natural gas service in four cities in southwest Peru. This contract will strengthen and extend the company's position in Latin America.
- In July 2013, Gas Natural Fenosa signed two agreements to sell natural gas to Repsol: 2 bcm/year in 2015-2018, and 1 bcm/year for 20 years, expected to commence in 2017.
- Gas Natural Fenosa will continue to operate its two electricity distribution companies (Edemet and Edechi) in Panama for the next 15 years, following an adjudication by Panama's Autoridad Nacional de los Servicios Públicos (ASEP) on 14 August 2013.
- Gas Natural Fenosa has increased its presence in Asia after signing a contract in September 2013 to supply natural gas to South Korean energy company Kogas for the next two years.

1.- MAIN AGGREGATES

1.1.- Main financial aggregates

(unaudited)						
3Q13	3Q12	%	(€ Mn)	9M13	9M12	%
5,780	5,979	-3.3	Net sales	18,675	18,418	1.4
1,231	1,268	-2.9	EBITDA	3,865	3,827	1.0
727	752	-3.3	Operating income	2,274	2,334	-2.6
340	348	-2.3	Net profit	1,120	1,115	0.4
-	-	-	Average number of shares (million) ¹	1,001	995	0.6
-	-	-	Net profit per share (€)	1,12	1,12	-
361	295	22.4	Investments	1,035	846	22.3
32	-4	-	Net financial debt (at 30/09)	15,168	16,935	10.4

1.2.- Ratios

(unaudited)		
	9M13	9M12
Leverage ²	49.9%	52.9%
EBITDA/ Financial result	6.5x	6.4x
Net interest-bearing debt /EBITDA	3.0x	3.4x
P/E	10.7x	8.3x
EV/EBITDA	6.0x	5.7x

Share performance and balance sheet at 30 September.

¹ Calculated in accordance with IAS 33.

² Net interest-bearing debt/(Net interest-bearing debt + Equity).

1.3.- Main physical aggregates

Gas and electricity distribution:

3Q13	3Q12	%		9M13	9M12	%
95,648	92,068	3.9	Gas distribution (GWh):	317,028	299,822	5.7
39,384	40,626	-3.1	Europe:	143,573	148,653	-3.4
-	-	-	Tariff gas sales	-	-	-
39,384	40,626	-3.1	TPA ³	143,573	148,653	-3.4
56,264	51,442	9.4	Latin America:	173,455	151,169	14.7
40,832	34,598	18.0	Tariff gas sales	114,897	93,559	22.8
15,432	16,844	-8.4	TPA	58,558	57,610	1.6
13,043	13,257	-1.6	Electricity distribution (GWh):	39,097	40,662	-3.8
8,931	8,639	3.4	Europe:	26,822	27,261	-1.6
579	584	-0.9	Tariff gas sales	1,858	1,853	0.3
8,352	8,055	3.7	TPA	24,964	25,408	-1.7
4,112	4,618	-11.0	Latin America:	12,275	13,401	-8.4
3,854	4,356	-11.5	Tariff gas sales	11,515	12,677	-9.2
258	262	-1.5	TPA	760	724	5.0
-	-	-	Gas distribution connections, ('000) (30/09):	11,857	11,576	2.4
-	-	-	Europe	5,604	5,538	1.2
-	-	-	Latin America	6,253	6,038	3.6
-	-	-	Electricity distribution connections ('000)	7,517	8,261	-9.0
-	-	-	(30/09):			
-	-	-	Europe	4,617	4,596	0.5
-	-	-	Latin America	2,900	3,665	-20.9
-	-	-	ICEIT in Spain (minutes)	33	25	32.0

³ Also includes TPA services in the secondary network.

Energy businesses:

3Q13	3Q12	%		9M13	9M12	%
14,793	14,602	1.3	Electricity generated (GWh):	39,536	42,603	-7.2
9,640	9,627	0.1	Spain:	24,428	28,348	-13.8
461	357	29.1	Hydroelectric	3,658	1,140	-
1,182	1,236	-4.4	Nuclear	3,181	3,317	-4.1
2,216	2,075	6.8	Coal	3,552	5,991	-40.7
-	-	-	Oil/gas	-	-	-
5,234	5,380	-2.7	CCGT	11,891	15,933	-25.4
547	579	-5.5	Renewables	2,146	1,967	9.1
5,153	4,975	3.6	International:	15,108	14,255	6.0
97	105	-7.6	Hydroelectric	241	261	-7.7
4,622	4,402	5.0	CCGT	13,527	12,676	6.7
434	468	-7.3	Oil-gas	1,340	1,318	1.7
-	-	-	Installed capacity (MW):	15,381	15,495	-0.7
-	-	-	Spain:	12,689	12,803	-0.9
-	-	-	Hydroelectric	1,914	1,904	0.5
-	-	-	Nuclear	604	603	0.2
-	-	-	Coal	2,065	2,048	0.8
-	-	-	Oil/gas	-	157	-
-	-	-	CCGT	6,998	6,998	-
-	-	-	Renewables	1,108	1,093	1.4
-	-	-	International:	2,692	2,692	-
-	-	-	Hydroelectric	73	73	-
-	-	-	CCGT	2,298	2,298	-
-	-	-	Oil-gas	321	321	-
69,851	71,409	-2.2	Gas supply (GWh):	236,844	244,815	-3.3
46,729	53,188	-12.1	Supply in Spain	165,890	179,108	-7.4
235	219	7.3	Retail sales in Italy	2,072	2,127	-2.6
22,887	18,002	27.1	Rest	68,882	63,580	8.3
16,329	19,703	-17.1	UF Gas ⁴ (GWh):	49,867	64,220	-22.3
11,431	13,008	-12.1	Gas supply in Spain	35,193	42,627	-17.4
4,898	6,695	-26.8	Rest	14,674	21,593	-32.0
25,476	17,394	46.5	Gas transportation - EMPL (GWh)	90,779	83,597	8.6

⁴ Assuming 100%.

2.- ANALYSIS OF CONSOLIDATED RESULTS

2.1.- Changes in group size

The main changes in consolidated group size in 2013 with respect to 2012 are as follows:

- In February 2012, the company sold certain gas clients and associated contracts in the Madrid region.
- In February 2013, Gas Natural Fenosa sold its stakes in Nicaraguan electricity distribution companies Distribuidora de Electricidad del Norte, S.A. (83.7%) and Distribuidora de Electricidad del Sur, S.A. (83.7%).
- Gas Natural Fenosa Perú, S.A., created in August 2013, is fully consolidated.

IFRS 11 "Joint Arrangements" will be mandatory as from 1 January 2014, with the result that joint ventures (where the parties have rights solely over the net assets of the arrangement) must be recognised by the equity method instead of the proportionate consolidation method.

Gas Natural Fenosa estimates that, had it applied IFRS 11 in preparing the 3Q13 financial statements, the effect of the change in recognition approach on the balance sheet as of 30 September 2013 and the income statement for the nine months to 30 September 2013 would have been as follows:

(€Mn)	30/09/2013	IFRS 11 30/09/2013	Variation
Non-Current Assets	33,962	32,951	-1,011
Current Assets	12,172	11,484	-688
Total Assets	46,134	44,435	-1,699
Equity	15,242	15,191	-51
Non-Current Liabilities	23,291	22,123	-1,168
Current Liabilities	7,601	7,121	-480
Total Equity and liabilities	46,134	44,435	-1,699

The effect on net interest-bearing debt (interest-bearing debt less cash and cash equivalents) would be a reduction of €406 million.

(€ Mn)	9M13	IFRS 11 9M13	Variation
Net sales	18,675	18,267	-408
Operating costs	-14,810	-14,577	233
EBITDA	3,865	3,690	-175
Depreciation & amortisation, and impairment losses	-1,591	-1,359	232
Operating Profit	2,274	2,331	57
Net finance income	-620	-592	28
Income from associates	6	-58	-64
Consolidated pre-tax Profit	1,660	1,681	21
Income tax expense	-365	-392	-27
Minority interest	-175	-169	6
Attributable Profit	1,120	1,120	-

These impacts are basically attributable to the change in the method of recognising the stakes in Union Fenosa Gas, Ecoeléctrica (CCGT in Puerto Rico) and Nueva Generadora del Sur (CCGT in Cádiz, Spain).

2.2.- Analysis of results

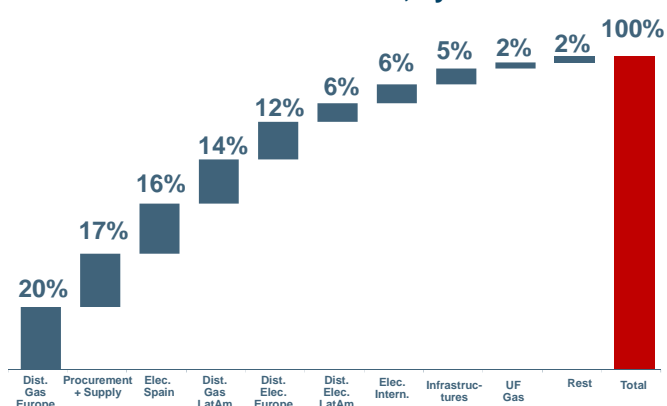
2.2.1.- Net sales

Net sales totalled €18,675 million in the first nine months of 2013, a 1.4% increase over 9M12, due basically to growth in the gas distribution business in Latin America and in the international wholesale gas business.

2.2.2.- EBITDA and operating income

Consolidated EBITDA in the first nine months of 2013 totalled €3,865 million, an increase of 1.0% with respect to the first nine months of 2012, in a very tough macroeconomic, energy and regulatory context; this result was achieved due to an appropriate balance of regulated and liberalised gas and electricity businesses, including a growing, diversified international presence, which offset the impact of Act 15/2012 and Royal Decree Act 9/2013.

Contribution to EBITDA, by business

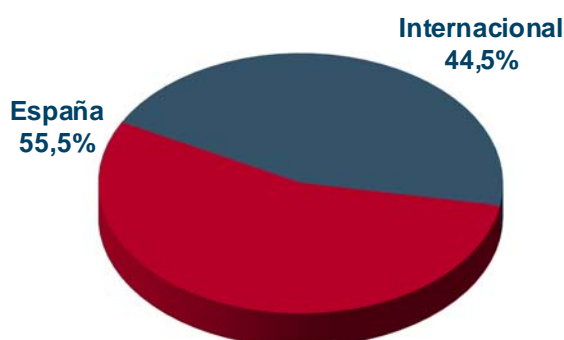


Regulated gas and electricity distribution accounts for 52.5% of Gas Natural Fenosa's EBITDA (32.3% from Europe and 20.2% from Latin America).

The electricity business accounts for 21.1% and the gas business accounts for 24.2% of consolidated EBITDA.

EBITDA from Gas Natural Fenosa's international activities increased by 5.1% to €1,719 million, accounting for 44.5% of the consolidated total in 9M13 (42.7% in 9M12). This growth was attributable to a significant increase in gas supply and to expansion in Latin America. In contrast, EBITDA from operations in Spain fell by 2.1% and declined as a share of the consolidated total to 55.5%.

Contribution to EBITDA, by geographic area



Depreciation and amortisation in the first nine months of 2013 totalled €1,430 million, an increase of 7.2% due basically to a €70 million impairment charge in 2Q13 for the decline in the value assigned in the business combination with Unión Fenosa to the gas processing rights held by Gas Natural Fenosa through subsidiary Unión Fenosa Gas at the Damietta (Egypt) liquefaction plant as a result of the temporary suspension of the plant's operations due to halt of deliveries by the natural gas supplier.

Provisions totalled €169 million, compared with €179 million in 9M12. Gains from asset disposals amounted to €8 million (+€20 million in 2012), providing EBIT amounting to €2,274 million, i.e. 2.6% lower than in the same period last year.

2.2.3.- Financial results

The breakdown of financial results is as follows:

(unaudited)				
3Q13	3Q12	(€Mn)	9M13	9M12
-198	-206	Cost of net interest-bearing debt	-599	-594
-17	-11	Other financial expenses/revenues	-21	-54
-215	-217	Financial result	-620	-648

The cost of net interest-bearing debt in 9M13 was €599 million, i.e. slightly higher than in 9M12 due to the opportunity cost of maintaining gross debt in line with last year but at a slightly higher cost, together with a greater volume of cash. It's important to note that Gas Natural Fenosa has refinanced its debt at longer terms, while short-term interest rates, to which the remuneration of cash surpluses is referenced, have declined.

2.2.4.- Corporate income tax

In June 2013, the Boards of Directors of certain group companies resolved to update their balance sheets in accordance with Act 16/2012 of 27 December, providing a net tax credit of €109 million in the "Corporate income tax" item on the consolidated P&L for the first half.

As a result, the effective tax rate in 9M13, based on the best estimate of the effective rate for the year as a whole, is 22.0%, i.e. lower than in 9M12 (24.9%).

2.2.5.- Minority interest

The main items in this account are the minority shareholders of: EMPL, gas distribution companies in Colombia and Brazil, and electricity generation and distribution companies in Panama.

Income attributed to minority interest in 2013 amounted to €175 million, i.e. €16 million more than in the same period of 2012.

3. BALANCE SHEET

3.1.- Investments

The breakdown of investments by type is as follows:

(unaudited)			
(€Mn)	9M13	9M12	%
Capital expenditure and intangible assets	908	822	10.5
Financial investments	127	24	-
Total investments	1,035	846	22.3

Investments in property, plant & equipment and intangible assets amounted to €908 million in the period, an increase of 10.5% year-on-year. This increase was due mainly to investments in power generation outside Spain (Mexico).

Financial investments in the first nine months of 2013 are mainly attributable to the acquisition of 14.9% of Medgaz for €101 million.

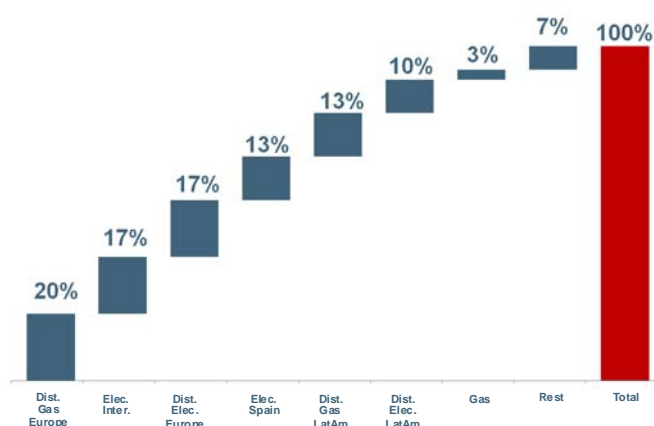
The breakdown of investment in property, plant and equipment and intangible assets by line of business is as follows:

(unaudited)

(€Mn)	9M13	9M12	%
Gas distribution:	301	306	-1.6
Spain	169	170	-0.6
Latin America	118	111	6.3
Italy	14	25	-44.0
Electricity distribution:	245	262	-6.5
Spain	149	179	-16.8
Latin America	89	75	18.7
Moldova	7	8	-12.5
Electricity:	267	144	85.4
Spain	116	101	14.9
International	151	43	-
Gas:	31	34	-8.8
Up + Midstream	6	14	-57.1
Wholesale & Retail	13	14	-7.1
UF Gas	12	6	-
Rest	64	76	-15.8
Total capital expenditure and intangible assets	908	822	10.5

Gas Natural Fenosa allocated 60.1% of capital expenditure to regulated gas and electricity distribution, which will strengthen their contribution to consolidated EBITDA.

Total capital expenditure and intangible assets, by activity



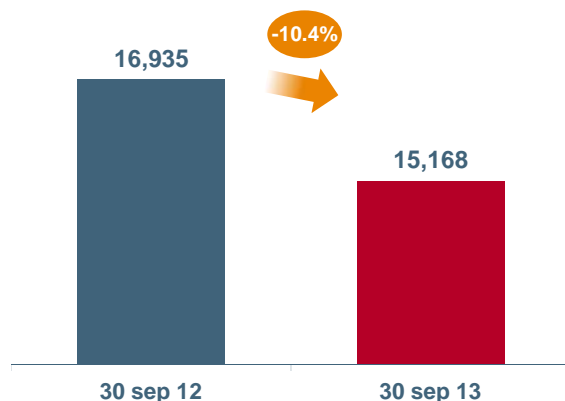
Capital expenditure fell 4.9% in Spain, which is still the largest single area of investment, accounting for 55.2% of the consolidated total (64.1% in 2012), whereas capex in other countries accounted for 44.8% of the total, having increased by 38.0% with respect to last year.

In Latin America, capex is concentrated in Mexico for the construction of a 234 MW wind farm (€91 million euro in 9M13).

3.2.- Debt

At 30 September 2013, net interest-bearing debt amounted to €15,168 million and leverage was 49.9%.

Evolution of net interest-bearing debt (€million)

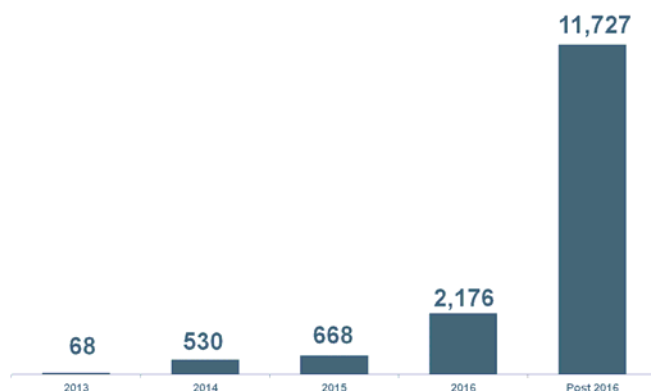


Excluding the outstanding tariff deficit (€784 million), net debt would be €14,384 million, i.e. leverage of 48.6%.

The net debt/EBITDA ratio was 3.0x (2.8x if the tariff deficit is excluded from net debt) and the EBITDA/net interest ratio was 6.5 at 30 September 2013.

Since the Fondo de Amortización del Déficit Eléctrico (FADE) launched an inaugural bond issue backed by rights assigned by Spain's electricity system on 11 January 2011, new issues and taps under previous issues have totalled €22,789 million, of which €7,150 were issued in 2013. Gas Natural Fenosa has received a total of €2,609 million, including €815 million in 2013. Several bonds were issued after the end of the period, amounting to €2,112 million, of which Gas Natural Fenosa is entitled to €290 million.

Net interest-bearing debt maturity (€Mn)



The figure shows Gas Natural Fenosa's net debt maturity calendar at 30 September 2013, adjusted to include the two funding transactions that took place after the end of the quarter (details below).

A total of 91.6% of the net interest-bearing debt matures in or after 2016. The average term of net debt is 5 years.

A total of 78.8% of the net interest-bearing debt is at fixed interest rates and the other 21.2% is at floating rates. Of the net interest-bearing debt, 3.3% is short term and 96.7% is long term.

At 30 September 2013, cash and cash equivalents together with available bank finance totalled over €11,100 million, providing the company with sufficient liquidity to cover its debt maturities for more than 24 months.

Additionally, at 30 September 2013 the company had €3,003 million available in the form of shelf registrations for financial instruments, including €1,945 million in the Euro Medium Term Notes (EMTN) programme following its expansion by €2,000 million on 30 May to €14,000 million; €636 million in the Euro Commercial Paper (ECP) programme; and the stock market certificates programmes on the Mexico Stock Exchange, the commercial paper programme on the Panama Exchange, and the Straight Bonds programme in Colombia, which total €422 million.

A 10-year €600 million bond with an annual coupon of 3.875% was issued in January under the EMTN programme, and the first non-euro bond under that same programme was launched in February: a 6-year 250 million Swiss franc issue with an annual coupon of 2.125%. In April, the company returned to the capital markets with a 9-year €750 million public issue paying 3.875%. In July, it issued another non-euro bond: 10-year 800 million Norwegian krone (approximately €100 million), with an annual

coupon of 3.97%. In October, the company issued a 7.5-year €500 million bond with a coupon of 3.5% under the EMTN programme.

The total amount issued under the EMTN programme is €12,350 million, with an average coupon of 4.63% and an average maturity of around 7.2 years.

On 16 April 2013, the Board of Directors of Gas Natural SDG, S.A. approved a cash tender offer for preference shares at 93% of the nominal value. Those preference shares were issued by Unión Fenosa Financial Services USA, LLC in the amount of €609 million in 2003. The offer was accepted by 88.56%, equivalent to a nominal value of €539 million.

Debt restructuring continues, and the company decided on early amortisation of the €3,000 million club deal loan maturing in March 2015 by arranging in October 2013 a new line of credit for €1,500 million maturing in five years and a new €750 million 5-year loan, all in the form of a club deal.

On 9 July 2013, Gas Natural Fenosa signed the first tranche of a loan totalling €475 million from the European Investment Bank (EIB), to finance part of the investment plan in Unión Fenosa Distribución's business of electricity transmission, distribution and supply to regulated tariff customers between 2012 and 2015. The loan is distributed in two tranches: €250 million for 8 years, guaranteed by Unión Fenosa Distribución and which was drawn down in July, and €225 million, which is still undrawn.

The European Investment Bank's loan is a reflection of the soundness of Gas Natural Fenosa's project, which meets the Bank's standards on viability, quality and the environment.

The breakdown of the net interest-bearing debt by currency at 30 September 2013, in absolute and relative terms, is as follows:

(unaudited)

(€Mn)	30/09/13	%
EUR	13,082	86.2
US\$	1,111	7.3
COP	570	3.8
MXN	271	1.8
BRL	134	0.9
Total net interest-bearing debt	15,168	100.0

The credit ratings of Gas Natural Fenosa's short- and long-term debt are as follows:

Agency	l/t	s/t
Fitch	BBB	A-2
Moody's	BBB+	F2
Standard & Poor's	Baa2	P-2

3.3.- Shareholders' equity

The allocation of 2012 income approved by the Ordinary Shareholders' Meeting on 16 April 2013 includes the payment of a cash dividend amounting to €895 million. That represents a payout of 62.1% and a dividend yield of more than 6.6% based on the share price at 31 December 2012 (€13.58).

Consequently, considering the number of outstanding shares (1,000,689,341), the total dividend amounts to €0.894 gross per share. An interim dividend of €0.391 per share was paid on 8 January 2013, and a supplementary dividend of €0.503 per share was paid on 1 July 2013, for a total payout of €503 million euro in cash.

At 30 September 2013, Gas Natural Fenosa's shareholders' equity totalled €15,242 million. Of that figure, €13,648 million is attributable to Gas Natural Fenosa, i.e. an increase of 1.4% with respect to 30 September 2012.

4.- ANALYSIS OF RESULTS BY ACTIVITY

The criteria used to assign amounts to the activities are as follows:

- All revenues and expenses relating directly and exclusively to a specific business activity are allocated directly to it.
- The margin on intercompany transactions is allocated on the basis of the market which is the final destination of the sale.
- Corporate expenses and revenues are assigned on the basis of their use by the individual business lines.

4.1.- Gas distribution in Spain

This area includes gas distribution, third-party access (TPA) and secondary transportation, as well as the distribution activities that are charged for outside the regulated remuneration (meter rentals, customer connections, etc.) in Spain.

4.1.1.- Results

(unaudited)						
3Q13	3Q12	%	(€Mn)	9M13	9M12	%
335	327	2.4	Net sales	969	958	1.1
-4	-6	-33.3	Purchases	-18	-17	5.9
-18	-18	-	Personnel costs, net	-57	-54	5.6
-64	-64	-	Other revenues and expenses	-193	-197	-2.0
249	239	4.2	EBITDA	701	690	1.6
-73	-72	1.4	Depreciation & amortisation, and impairment losses	-215	-213	0.9
-1	-	-	Change in operating provisions	-1	-2	-50.0
175	167	4.8	Operating profit	485	475	2.1

Net sales in the gas distribution business totalled €969 million (+1.1%) and EBITDA amounted to €701 million (+1.6%), having increased moderately in both cases.

4.1.2.- Main aggregates

The main aggregates in gas distribution in Spain were as follows:

3Q13	3Q12	%		9M13	9M12	%
39,062	40,327	-3.1	Gas TPA sales (GWh)	140,847	145,844	-3.4
272	295	-7.8	Distribution network (km)	47,415	46,080	2.9
9	12	-25.0	Change in connection points ('000)	28	43	-34.9
-	-	-	Connection points (000) (at 30/09)	5,152	5,093	1.2

Regulated gas sales in Spain declined by 3.4% overall (-4,997 GWh) with respect to the same period last year. While demand for gas which is covered by remuneration for the distribution activity (less than 60 bar) increased by 3.4%, regulated gas transported in transportation and in secondary transportation fell by 20.1%, due mainly to a notable decline in consumption by CCGTs.

Gas Natural Fenosa continues to expand its distribution network and to increase the number of supply connections. The low level of activity in the new building market, together with the current economic crisis, continues to impact growth in supply connections.

The distribution network expanded by 874 km, connecting 25 new municipalities.

Order IET/2812/2012, published on 31 December 2012, established the tolls and fees for third-party access to gas installations and remuneration for regulated gas activities for 2013. This Order established an efficiency factor of zero for updating remuneration assigned to the distribution and transport business. The remuneration recognised for Gas Natural Fenosa from distribution and transportation activities in 2013 is €1,107 million.

4.2.- Gas Distribution in Latin America

This division involves gas distribution in Argentina, Brazil, Colombia and Mexico.

On 25 July, the government of Peru awarded Gas Natural Fenosa a contract to extend natural gas service to 4 cities in south-west Peru. This is the company's first project in Peru and expands its presence in Latin America.

As a result of the adjudication, Gas Natural Fenosa will supply energy to an area that is not yet connected to the gas grid and expects to supply natural gas to 60,000 households. There are four large cities in the area, including Arequipa (currently the second-largest), as well as Moquegua, Tacna and Ilo.

The concession period is 20 years, with the possibility of an extension, to develop the gas grid in the southeast part of the country, including the transport system and local gas distribution in four cities.

4.2.1.- Results

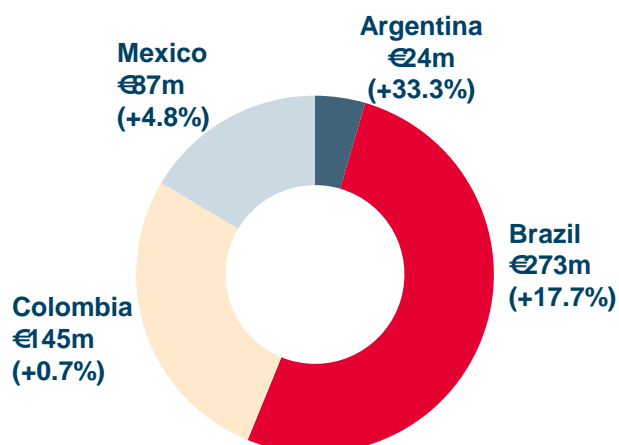
(unaudited)

3Q13	3Q12	%	(€Mn)	9M13	9M12	%
780	708	10.2	Net sales	2,506	2,085	20.2
-523	-449	16.5	Purchases	-1,725	-1,350	27.8
-23	-24	-4.2	Personnel costs, net	-74	-75	-1.3
-61	-68	-10.3	Other revenues and expenses	-178	-183	-2.7
173	167	3.6	EBITDA	529	477	10.9
-26	-30	-13.3	Depreciation & amortisation, and impairment losses	-82	-88	-6.8
-5	-4	25.0	Change in operating provisions	-14	-16	-12.5
142	133	6.8	Operating profit	433	373	16.1

Revenues increased by 20.2% to €2,506 million, on 14.7% growth in volume year-on-year.

EBITDA amounted to €529 million, a 10.9% increase on 9M12, despite the negative impact of depreciation of the Brazilian real (-13.4%), the Argentine peso (-23.5%) and the Colombian peso (-6.5%). The Mexican peso appreciated by 1.5% with respect to the same period last year.

EBITDA in Latin America, by country



The figure shows gas distribution EBITDA in Latin America, by country, and the variation with respect to 2012.

Brazil accounted for 51.6% of EBITDA; sales volume was 56.6% higher than in 9M12, and the energy margin was 25.7% higher, due to the combined effect of greater power generation sales and the Consumer Price Index update.

Colombia accounted for 27.4% of EBITDA, mainly due to greater sales volume in the industrial and automotive LNG markets, and to higher margins.

EBITDA in Mexico accounted for 16.4% of the total, and the energy margin rose 3.5% with respect to the same period last year, due to higher margins in the residential/commercial and TPA markets.

4.2.2.- Main aggregates

The main physical aggregates in gas distribution in Latin America are as follows:

3Q13	3Q12	%		9M13	9M12	%
56,264	51,442	9.4	Gas activity sales (GWh):	173,455	151,169	14.7
40,832	34,598	18.0	Tariff gas sales	114,897	93,559	22.8
15,432	16,844	-8.4	TPA	58,558	57,610	1.6
252	439	-42.6	Distribution network (km)	68,508	66,852	2.5
56	52	7.4	Change in connection points ('000)	163	156	4.5
-	-	-	Connection points (000) (at 30/09)	6,253	6,038	3.6

The key physical aggregates by country in 2013 are as follows:

	Argentina	Brazil	Colombia	Mexico	Total
Gas activity sales (GWh):	54,123	68,929	13,846	36,557	173,455
Change vs. 9M12 (%)	-6.6	56.6	6.7	0.9	14.7
Distribution network (km)	23,919	6,427	20,143	18,019	68,508
Change vs. 30/09/2012 (km)	401	198	402	655	1,656
Connection points (000) (at 30/09)	1,545	889	2,487	1,332	6,253
Change vs. 30/09/2012 ('000)	30	27	113	45	215

There were a total of 6,253,475 gas distribution connections in the first nine months of 2013. Year-on-year growth remains high, as the company added 214,944 distribution connections (of which 112,707 in Colombia alone).

Sales in the gas activity in Latin America, which include both gas sales and TPA (third-party access) services, totalled 173,455 GWh, a 14.7% increase with respect to the same period in 2012.

The distribution grid expanded by 1,656km (+2.5%) in the last 12 months, to 68,508 km at the end of September 2013. Mexico made a notable contribution, adding 655 km.

Highlights in Latin America:

- In Argentina, the energy margin increased by 45.2% with respect to the same period of 2012, due to the revenue from FOCEGAS (a fund for construction and expenses related to infrastructure expansion and maintenance), granted in December 2012. The company continued to contain expenditure in a complex economic situation with high inflation (around 25%).
- The business performed very well in Brazil, with an 11.8% net increase in residential/commercial customer numbers and a 56.6% increase in gas sales and TPA services, especially for power generation. Dispatching of gas-fired thermal power plants increased by 109% year-on-year in 2013 due to scant precipitation and low reservoir levels. Reservoir levels in September 2013 stood at 48.7%, i.e. 9.8 percentage points below the historical average (58.5% in September) in the southeast/west-central region, which holds 70% of the country's water reserves.

- In Colombia, gas and TPA sales expanded by 6.7% in 9M13, due primarily to growth in industrial consumption (+15.0%) and in the customer base. Net growth in residential/commercial customer numbers increased by 1.6%, due to the high degree of penetration in Colombia (over 95.0%). As for non-regulated businesses, sales of appliances expanded by 31.8% (particularly water heaters: +25.3%).
- In Mexico, the acceleration plan continues, focusing primarily on Mexico City and the Bajíos area with a view to maintaining sustained growth. The net increase in customer numbers expanded by +24.9%, while new installations increased with respect to the same period last year, due mainly to greater penetration in the Bajíos area. Gas and TPA sales increased by 1% due to growth in residential/commercial customer numbers, offsetting the decline in activity in the industrial sector due to the economic slowdown in recent months.

4.2.- Gas distribution in Italy

This area refers to regulated distribution and retail supply of gas in Italy.

4.3.1.- Results

(unaudited)						
3Q13	3Q12	%	(€Mn)	9M13	9M12	%
60	47	27.7	Net sales	240	208	15.4
-31	-22	40.9	Purchases	-138	-115	20.0
-4	-4	-	Personnel costs, net	-12	-12	-
-6	-6	-	Other revenues and expenses	-20	-20	-
19	15	26.7	EBITDA	70	61	14.8
-7	-6	16.7	Depreciation & amortisation, and impairment losses	-20	-18	11.1
-1	-2	-50.0	Change in operating provisions	-3	-4	-25.0
11	7	57.1	Operating profit	47	39	20.5

EBITDA totalled €70 million, i.e. 14.8% higher than in the same period of 2012, due to ongoing growth in regulated gas distribution and the growing contribution from the margin on gas sales.

EBITDA from liberalised sales to retail customers in Italy expanded by 21.9% to €17 million in 9M13.

The company strengthened its position in the regulated and liberalised gas and electricity businesses in Italy.

4.3.2.- Main aggregates

3Q13	3Q12	%		9M13	9M12	%
332	299	11.0	Gas activity sales (GWh):	2,726	2,809	-3.0
-	-	-	Tariff gas sales	-	-	-
332	299	11.0	TPA	2,726	2,809	-3.0
12	43	-72.1	Distribution network (km)	6,913	6,831	1.2
-	-	-	Connection points ('000) (at 30/09)	452	445	1.6
235	219	7.3	Retail gas supply (GWh)	2,072	2,127	-2.6

A total of 2,726 GWh of gas were distributed, i.e. 3.0% less than in 9M12, mainly as a result of adverse weather conditions.

Sales to the retail market declined by 2.6% to 2,072 GWh.

The distribution grid expanded by 82 km in the last 12 months, to 6,913 km at 30 September 2013.

Gas Natural Fenosa has 452,256 gas distribution points in Italy, a 1.6% increase with respect to 2012.

4.4.- Electricity distribution in Spain

The electricity distribution business in Spain includes regulated distribution of electricity and network services for customers, basically connections and hook-ups, metering and other actions associated with third-party access to Gas Natural Fenosa's distribution network.

4.4.1.- Results

(unaudited)						
3Q13	3Q12	%	(€Mn)	9M13	9M12	%
210	213	-1.4	Net sales	638	637	0.2
-	-	-	Purchases	-	-	-
-23	-24	-4.2	Personnel costs, net	-78	-74	5.4
-38	-32	18.8	Other revenues and expenses	-109	-98	11.2
149	157	-5.1	EBITDA	451	465	-3.0
-54	-55	-1.8	Depreciation & amortisation, and impairment losses	-161	-166	-3.0
-1	-	-	Change in operating provisions	-2	1	-
94	102	-7.8	Operating profit	288	300	-4.0

Order IET/221/2013, of 14 February, established the remuneration for electricity transmission, distribution and customer management for the electricity distribution companies owned by Gas Natural Fenosa and the other industry players. This remuneration reflects modifications established in Royal Decree-Act 13/2012 to recognise investments undertaken in 2011. On 12 July 2013, the Spanish Cabinet approved a packet of energy reform measures including Royal Decree-Act 9/2013, adopting Urgent Measures to Guarantee the Financial Stability of the Electricity System, a Draft Law for the Electricity Sector, and several draft royal decrees that affect the electricity distribution business. One

of them provisionally establishes the remuneration for the electricity transmission and distribution business in the second half of 2013.

EBITDA amounted to €451 million in the period, i.e. a decline of 3.0%. Net operating expenses also increased due mainly to efficiency measures applied during the year, which are expected to have a positive impact in subsequent years.

4.4.2.- Main aggregates

3Q13	3Q12	%		9M13	9M12	%
8,352	8,055	3.7	Electric activity sales (GWh):	24,964	25,408	-1.7
	-		Tariff electricity sales		-	
8,352	8,055	3.7	TPA	24,964	25,408	-1.7
-	-	-	Connection points (000) (at 30/09)	3,773	3,767	0.2
-	-	-	ICEIT (minutes)	33	25	32.0

Energy supplied fell by 1.7%, i.e. by less than the decline in demand in the Spanish distribution network as a whole (-3.1%, according to Red Eléctrica de España—REE).

The number of distribution connections increased slightly, by 0.2%, to 3,773,000.

As for supply quality, the ICEIT (installed capacity equivalent interrupt time) index was higher than in 9M12 because of adverse weather conditions, but was in line with the average of recent years because of good performance by the facilities due to the ongoing capital expenditure plans, the quality of the network architecture, and the systematic operation and maintenance plans.

4.5.- Electricity Distribution in Latin America

This division involves electricity distribution in Colombia and Panama.

The sale of the electricity distribution business in Nicaragua led to its deconsolidation on 1 February 2013.

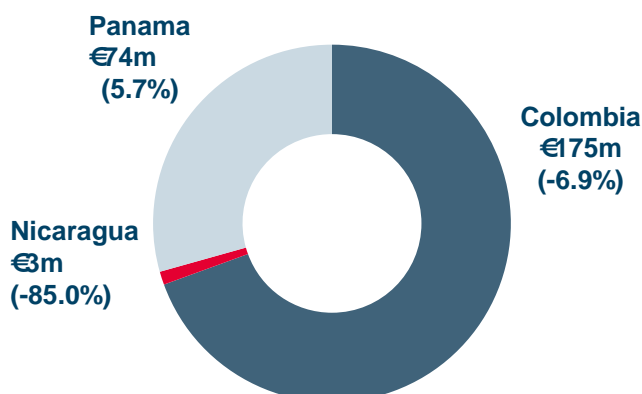
Gas Natural Fenosa will continue to operate its two electricity distribution companies in Panama (Edemet and Edechi) for the next 15 years. On 14 August 2013, Panama's Autoridad Nacional de los Servicios Públicos (ASEP) awarded Gas Natural Fenosa 51% of Edemet and Edechi as it was the sole bidder for the two companies. The Panama government owns 48%, and minority shareholders the remainder.

4.5.1.- Results

(unaudited)

3Q13	3Q12	%	(€Mn)	9M13	9M12	%
512	659	-22.3	Net sales	1,619	1,889	-14.3
-369	-492	-25.0	Purchases	-1,189	-1,416	-16.0
-14	-18	-22.2	Personnel costs, net	-45	-46	-2.2
-42	-52	-19.2	Other revenues and expenses	-133	-149	-10.7
87	97	-10.3	EBITDA	252	278	-9.4
-15	-18	-16.7	Depreciation & amortisation, and impairment losses	-47	-53	-11.3
-13	-32	-59.4	Change in operating provisions	-71	-95	-25.3
59	47	25.5	Operating profit	134	130	3.1

EBITDA in Latin America, by country



EBITDA from electricity distribution in Latin America totalled €252 million, an 9.4% decline compared with the same period last year.

Excluding the effect of currency fluctuations and of the divestment in Nicaragua, EBITDA would have fallen by 1.7%.

The distribution business in Colombia contributed €175 million to EBITDA, i.e. a 1.1% decline excluding the currency effect. The reduction is due primarily to exogenous factors such as the application of lower tariff update factors. Adjusting for this effect, there would have been a 3.3% increase.

EBITDA in the first nine months of 2013 includes the January results from the business in Nicaragua (€3 million) and the amount corresponding to the distribution companies in Panama (€74 million).

4.5.2.- Main aggregates

3Q13	3Q12	%		9M13	9M12	%
4,112	4,618	-11.0	Electric activity sales (GWh):	12,275	13,401	-8.4
3,854	4,356	-11.5	Tariff electricity sales:	11,515	12,677	-9.2
258	262	-1.5	TPA	760	724	5.0
-	-	-	Connection points (000) (at 30/09)	2,900	3,665	-20.9

Electricity sales totalled 12,275 GWh, a decrease of 8.4%, since figures from the first nine months of 2012 include the sale of 2,046 GWh (i.e. 9 months) by the distribution companies in Nicaragua, compared with 239 GWh (1 month) in 2013. Excluding operations in Nicaragua in both periods, sales increased by 6% due to growth in demand in Colombia and Panama.

Customer numbers fell by 20.9% due to the deconsolidation of the Nicaragua business. Adjusting for this effect, the difference would have been a 3.9% increase.

The key physical aggregates by country in 2013 are as follows:

	Colombia	Panama	Total
Electric activity sales (GWh)	8,841	3,194	12,035
Change vs. 9M12 (%)	6.5	4.6	6.0
Connection points (000) (at 30/09)	2,375	525	2,900
Change vs. 30/09/2012 ('000)	89	20	109
Network loss ratio (%)	17.0	10.2	14.6

The performance of basic operating indicators reflects good business management and growth, as envisioned in the plan to reduce grid losses and bad debts.

Panama's network loss indicator was in line with 2012 levels, after offsetting the effect of the increase in demand (3.8% with respect to the first nine months of 2012).

4.6.- Electricity distribution in Moldova

The business in Moldova includes regulated distribution of electricity and the supply of electricity at the bundled tariff in the capital city and the central and southern regions. Gas Natural Fenosa is responsible for 70% of electricity distribution in Moldova.

4.6.1.- Results

(unaudited)						
3Q13	3Q12	%	(€Mn)	9M13	9M12	%
51	54	-5.6	Net sales	178	179	-0.6
-40	-41	-2.4	Purchases	-138	-139	-0.7
-1	-2	-50.0	Personnel costs, net	-5	-6	-16.7
-3	-4	-25.0	Other revenues and expenses	-8	-10	-20.0
7	7	-	EBITDA	27	24	12.5
-2	-2	-	Depreciation & amortisation, and impairment losses	-5	-5	-
-	-	-	Change in operating provisions	-	-	-
5	5	-	Operating profit	22	19	15.8

Net revenues reflect the pass-through effect of procurement costs together with the capex plan and operation and maintenance performed in accordance with the country's current regulations.

Excluding the currency effect, EBITDA expanded by 16% due to the improvement in grid loss indicators and the increase in remuneration.

4.6.2.- Main aggregates

3Q13	3Q12	%		9M13	9M12	%	
579	584	-0.9	Electric activity sales (GWh):	1,858	1,853	0.3	
579	584	-0.9		Tariff electricity sales	1,858	1,853	0.3
-	-	-		TPA	-	-	-
-	-	-	Connection points ('000) (at 30/09)	844	829	1.8	
-	-	-	Network loss ratio (%)	11	12	-8.3	

Gas Natural Fenosa continues to implement its plan to improve operations in Moldova, focusing on processes linked to energy control in the distribution networks, operating processes associated with the entire customer management cycle, and optimisation of facility O&M; the plan is achieving its objectives and providing an ongoing improvement in basic operating indicators:

- Energy supplied increased slightly, by 0.3%, since the anti-fraud campaigns were offset by the decline in consumption due to the less favourable weather in 2013 compared with 2012.
- Supply connections totalled 843,532, i.e. up 1.8% with respect to the same period in 2012, due primarily to growth in the real estate sector.
- The network loss ratio performed very well, declining by 1.1 percentage point compared with 9M12, enabling the company to maximise regulated revenues.

4.7.- Electricity in Spain

This area basically includes power generation in Spain, wholesale and retail electricity supply in the liberalised market in Spain, and electricity supply at the last-resort tariff.

4.7.1.- Results

(unaudited)						
3Q13	3Q12	%	(€Mn)	9M13	9M12	%
1,356	1,586	-14.5	Net sales	4,311	4,575	-5.8
-953	-1,201	-20.6	Purchases	-3,045	-3,412	-10.8
-41	-38	7.9	Personnel costs, net	-119	-111	7.2
-200	-132	51.5	Other revenues and expenses	-547	-386	41.7
162	215	-24.7	EBITDA	600	666	-9.9
-125	-113	10.6	Depreciation & amortisation, and impairment losses	-418	-402	4.0
-9	-14	-35.7	Change in operating provisions	-32	-32	-
28	88	-68.2	Operating profit	150	232	-35.3

Net sales in the electricity business amounted to €4,311 million in 9M13, 5.8% less than in 9M12.

EBITDA amounted to €600 million in 9M13, a 9.9% decline year-on-year.

This decline is attributable mainly to the adverse performance by fuel prices, the change in the electricity production mix (greater hydroelectric output) and the impact on power generation of fiscal and regulatory measures approved under Act 15/2012 and RD 9/2013.

Electricity demand in mainland Spain amounted to 62,092 GWh in the third quarter of 2013, i.e. 1.3% less than in 3Q12. The sharpest decline was in August (-3.7%). Electricity demand declined by 2.8% in 9M13 (-2.4%, adjusting for the different number of working days and the temperature).

The balance of international power flows was a net export of 2.4 TWh in 3Q13, i.e. 3.7% more than in 3Q12. In the first nine months of 2013, exports amounted to 4.7 TWh, i.e. 39.7% less than in 9M12.

Consumption for pumped storage amounted to 753 GWh in 3Q13, i.e. 32.0% less than in the same period of 2012, and totalled 4.8 TWh in 9M13, i.e. 29.9% more than in the same period last year.

Despite the 3.7% increase in exports in the quarter, the decline in pumped storage and the 1.3% reduction in electricity demand in mainland Spain led to a 1.3% decline in net power generation in Spain in the third quarter of 2013, i.e. almost a quarter of the figure registered in the preceding two quarters.

Ordinary regime output fell by 2.4% in the quarter, whereas special regime output increased by 0.9% in the same period, both reflecting a moderation in their respective trends with respect to the previous quarter.

Net output declined by 3.4% and ordinary regime output by 11.5% in 9M13, whereas special regime output increased by 10.2% with respect to the same period last year.

Wind power output in 3Q13 was 4.2% lower y/y, covering an average of 15.5% of demand in the quarter. In 9M13, wind output increased by 13.2%, covering 21.4% of demand (three points more than in 9M12).

Output from other special regime energies expanded by 4.6%. Special regime output increased in 9M13 by 7.7%, with notable growth by hydro and solar; solar photovoltaic and solar thermal together produced 10.5 TWh, i.e. exceeding Spanish coal-fired output and amounting to more than half of CCGT production.

Special regime output as a whole covered 38.5% of total demand in 3Q13, i.e. barely 1 percentage point more than the same quarter of 2012. In 9M13, special regime output covered 45.3% of demand, i.e. almost five points higher than in 9M12.

Ordinary regime output declined by 2.4% in the quarter, easing the negative trend observed since 2011 (apart from a hiatus in the first quarter of 2012). This quarterly decline was noticeable in all technologies except for hydroelectric and coal.

Hydroelectric output surged in the quarter, by 50.0% with respect to the third quarter of 2012 due to higher precipitation, especially in July and August (despite being months that normally contribute little to annual energy capacity). Hydroelectric output increased by 99.4% in 9M13.

The hydroelectric energy capacity in 9M13 marks the period as wet, with an exceedance probability of 20% when compared with the historical average: i.e. statistically, only 20 out of every 100 years would be wetter than 2013; it is especially noteworthy that March's exceedance probability was 5% and April's was 3%, due to their large contribution to the annual figure.

Nuclear output fell by 5.9% in the quarter and by 6.5% in the first nine months of the year; this figure was affected by changes in the dates of scheduled shut-downs and the reduction in load factor at the end of March and the beginning of April, when market prices were very low, even reaching zero.

The thermal gap declined by slightly more than 2 TWh in the quarter, resulting in demand coverage of 33.7%, compared with 36.6% in the third quarter of 2012. In 9M13, the thermal gap declined by more than 25 TWh, reducing demand coverage from 35.8% in 9M12 to 23.3% in the 9M13.

Coal-fired output increased by 6.1% in 3Q13 but declined by 34.3% in 9M13, despite the entry into force on 26 February 2011 of the Royal Decree on Security of Supply and its subsequent extensions. Spanish coal-fired output in the quarter was 1.6 TWh less than imported coal-fired output; together they covered 22.7% of Spanish demand, i.e. 1.6 percentage points more than in 3Q12. Spanish coal-fired output amounted to 8.8 TWh in 9M13, i.e. almost half of imported coal-fired output, which totalled 17.0 TWh. Together they covered 14.0% of demand, almost 7 percentage points less than in 9M12.

As in 2012, there was no oil-fired output in 2013.

CCGT output in 3Q13 declined by 29.7% year-on-year, covering 11.1% of demand, compared with 15.5% in the third quarter of 2012. CCGT output amounted to 17.2 TWh in 9M13, far below the 9M12 figure of 28.8 TWh. Demand coverage by CCGTs declined from 15.1% in 2012 to 9.3% in 2013.

The weighted average price in the daily power generation market was €51.02/MWh in the third quarter of 2013, €19.2/MWh more than in the second quarter of 2013 and €1/MWh more than in 3Q12.

In 9M13, the average price in the electricity pool was €41.1/MWh, i.e. almost €9/MWh lower than in 9M12. Daily average prices during the quarter ranged from €32.2/MWh (end of July) to €64.7/MWh (end of September).

Brent crude increased from \$102.4/bbl on average in the second quarter of 2013 to \$110.4/bbl (+7.9%) in the third quarter of 2013, as monthly average climbed steadily in the quarter. API 2, Europe's main coal price indicator, declined by 3.3%, from an average of \$79.7/tonne in the second quarter of 2013 to \$76.4/tonne in the third quarter, maintaining the downward trend that began two years ago; prices are now in line with early 2010 levels. The price of CO₂ emission rights (EUAs on Bluenext) averaged €4.6/tonne (maturing in 2013), i.e. higher than the 2Q13 average of €3.9/tonne.

On 12 July 2013, the Spanish Cabinet approved a packet of energy reform measures including Royal Decree-Act 9/2013, adopting Urgent Measures to Guarantee the Financial Stability of the Electricity System, a Draft Law for the Electricity Sector, and several draft Royal Decrees, all of which will affect the electricity generation business.

4.7.2.- Main aggregates

The main aggregates in Gas Natural Fenosa's electricity business in Spain were as follows:

Power generation capacity:

3Q13	3Q12	%		9M13	9M12	%
-	-	-	Installed capacity (MW):	12,690	12,803	-0.9
-	-	-	Ordinary Regime	11,581	11,710	-1.1
-	-	-	Hydroelectric	1,914	1,904	0.5
-	-	-	Nuclear	604	603	0.2
-	-	-	Coal	2,065	2,048	0.8
-	-	-	Oil/gas	-	157	-
-	-	-	CCGT	6,998	6,998	-
-	-	-	Special Regime	1,108	1,093	1.4
-	-	-	Wind	967	957	1.0
-	-	-	Small hydroelectric	69	69	-
-	-	-	Cogeneration and others	72	67	7.5

The change in ordinary regime installed capacity with respect to 2012 is due to a number of factors:

- A 10 MW increase as a result of re-rating several hydroelectric plants.
- An increase of 1.6 MW in Gas Natural Fenosa's share in the Almaraz nuclear power plant following the recent repowering.
- The definitive closure of Unit 1 of the Aceca oil-fired power plant, with 157 MW of gross capacity attributable to Gas Natural Fenosa.
- A 17.3 MW increase in gross capacity of the Meirama power plant, recognised in August 2013.

Electricity generated and sold:

3Q13	3Q12	%		9M13	9M12	%
9,640	9,627	0.1	Electricity generated (GWh):	24,429	28,348	-13.8
9,093	9,048	0.5	Ordinary Regime	22,283	26,381	-15.5
461	357	29.1	Hydroelectric	3,659	1,140	-
1,182	1,236	-4.4	Nuclear	3,181	3,317	-4.1
2,216	2,075	6.8	Coal	3,552	5,991	-40.7
-	-	-	Oil/gas	-	-	-
5,234	5,380	-2.7	CCGT	11,891	15,933	-25.4
547	579	-5.5	Special Regime	2,146	1,967	9.1
367	408	-10.0	Wind	1,525	1,431	6.6
64	53	20.8	Small hydroelectric	271	188	44.1
116	118	-1.7	Cogeneration and others	350	348	0.6
8,294	9,130	-9.2	Electricity sales (GWh):	24,892	27,075	-8.1
6,770	7,413	-8.7	Liberalised market	19,615	21,338	-8.1
1,524	1,717	-11.2	Last resort tariff	5,277	5,737	-8.0

Gas Natural Fenosa generated 9,640 GWh of electricity in mainland Spain in the third quarter of 2013, i.e. in line with the same period of 2012. Of that figure, 9,093 GWh were ordinary regime (a 0.5% increase), due to higher hydroelectric output and, in particular, to coal-fired output. Special regime power generation decreased by 5.5% in the quarter, to 547 GWh.

Total output declined by 13.8% in 9M13, with ordinary regime falling by 15.5% and special regime output rising by 9.1%.

In 3Q13, hydroelectric output amounted to 461 GWh, i.e. +29.1% higher than in the same quarter of 2012 (357 GWh), due to abundant precipitation at the beginning of the year. Hydroelectric output in 9M13 was over three times the 9M12 figure.

This year started off wet and remained that way throughout the entire first and second quarters, but changed to extremely dry in the third quarter; as a result, energy capacity in 3Q13 had a 40% average exceedance probability. Reservoirs in the Gas Natural Fenosa watersheds were at 31.8% of capacity, compared with 23.1% at the end of the third quarter of 2013.

Nuclear output declined by 4.4% in the quarter and by 4.1% in the first nine months, affected by changes in scheduled shut-down dates and reductions in the load factor during the Easter holiday.

Spanish coal-fired output by Gas Natural Fenosa totalled 1,216 GWh in 3Q13 and 1,557 GWh in 9M13, evidencing the impact of the Royal Decree on Security of Supply in 3Q13. Coal-fired output in the third quarter of 2013 totalled 2,216 GWh, i.e. 6.8% less than in the same quarter of 2012, and the decline in terms of the first nine months is 40.7%.

The company's CCGT output in the third quarter of 2013 totalled 5,234 GWh, a 2.7% decline compared with 3Q12. Gas Natural Fenosa's CCGT output in 9M13 declined by 25.4% with respect to the same period last year.

The company attained a 19.8% share of the ordinary regime power generation market in 9M13, i.e. one percentage point less than in 9M12.

The electricity supply area sold 25 TWh in 9M13, including supply to the liberalised market and under the social last-resort tariff. The electricity supply portfolio is in line with Gas Natural Fenosa's strategy of maximising margins, optimising market share, and hedging against price variations in the electricity market.

Emissions of CO₂ in the third quarter of 2013 from GAS NATURAL FENOSA's thermal power plants and CCGTs that are affected by the regulation governing greenhouse gas emission trading totalled 4.1 million tonnes (0.2 million tons more than in the same period of 2012). In cumulative terms, the company's CO₂ emissions totalled 7.9 million tonnes in 9M13, compared with 11.5 million tonnes in the same period of 2012.

GAS NATURAL FENOSA applies a comprehensive approach to its CO₂ emission right hedges for the post-Kyoto (2013-2020) period, acquiring the emission rights and credits needed through active participation in the secondary market, primary projects and carbon funds.

GNF Renewables

At 30 September 2013, Gas Natural Fenosa Renewables (GNF Renewables) had 1,108 MW of consolidable total operational installed capacity, of which 967 MW are wind, 69 MW are small hydroelectric and 72 MW are cogeneration. The increases with respect to the third quarter of 2012 are attributable to commissioning of the García Carrión cogeneration plant in October 2012 and Les Forques II wind facility in December 2012.

Output was 9.1% higher than in the same period of 2012 (2,146 GWh, vs. 1,967 GWh). This is primarily attributable to the 6.6% increase in wind output due to stronger winds this year compared with the previous year. Small hydroelectric output increased notably, by 44.1%, due to heavier precipitation this year. Cogeneration output expanded by 0.6%. EBITDA amounted to €106 million, i.e. a decline of 4.5% with respect to the same period of 2012.

It's important to note that, between the two periods, a series of new regulations have entered into force (Act 15/2012 and Royal Decree-Act 2/2013) with an impact on the results of companies with special regime technology.

Construction of the Peares II and Belesar II small hydroelectric plants in Galicia is coming to an end, and they are scheduled to become operational in October-November 2013.

4.8.- Electricity Latin America

This section includes electricity generation in Mexico, Puerto Rico, Costa Rica,⁵ Panama and the Dominican Republic.

⁵ The results from power generation in Costa Rica are booked under financial income in accordance with IFRIC 12 "Service Concession Arrangements".

4.8.1.- Results

(unaudited)						
3Q13	3Q12	%	(€ Mn)	9M13	9M12	%
244	230	6.1	Net sales	729	629	15.9
-157	-143	9.8	Purchases	-467	-376	24.2
-4	-4	-	Personnel costs, net	-12	-12	-
-12	-16	-25.0	Other revenues and expenses	-45	-49	-8.2
71	67	6.0	EBITDA	205	192	6.8
-28	-29	-3.4	Depreciation & amortisation, and impairment losses	-85	-82	3.7
-	-	-	Change in operating provisions	-	-	-
43	38	13.2	Operating profit	120	110	9.1

EBITDA amounted to €205 million, a 6.8% increase on the same period of 2012.

EBITDA in Mexico increased by 0.3%, basically because of the impact on 2012 income of the incident at the Tuxpan plant in October 2011, which affected operations until March 2012. Other factors were the higher sale of surplus capacity at the Naco Nogales plant and containment of operating expenses.

EBITDA in Puerto Rico increased by 20.4% because of the reduction in the use of fuel acquired on the spot market, which is more expensive than contract purchases.

In the Dominican Republic, EBITDA increased by 19.9% because of higher output this year, boosted by the withdrawal from the system of more efficient assets owned by third parties and the fact that unit G2 of the La Vega plant is 100% operational this year (it was off line until early February 2012 due to the fire at the plant in September 2011).

4.8.2.- Main aggregates

3Q13	3Q12	%		9M13	9M12	%
-	-	-	Installed capacity (MW):	2,580	2,580	-
-	-	-	Mexico (CCGT)	2,035	2,035	-
-	-	-	Puerto Rico (CCGT) ⁶	263	263	-
-	-	-	Costa Rica (hydroelectric)	51	51	-
-	-	-	Panama (hydroelectric)	22	22	-
-	-	-	Panama (thermal)	11	11	-
-	-	-	Dominican Republic (oil-fired)	198	198	-
5,016	4,807	4.3	Electricity generated (GWh):	14,675	13,766	6.6
4,136	3,915	5.6	Mexico (CCGT)	12,224	11,378	7.4
486	487	-0.2	Puerto Rico (CCGT) ⁶	1,303	1,298	0.4
74	77	-3.9	Costa Rica (hydroelectric)	164	189	-13.2
23	28	-17.9	Panama (hydroelectric)	50	72	-30.6
2	-1	-	Panama (thermal)	11	7	57.1
295	301	-2.0	Dominican Republic (oil-fired)	923	822	12.3

Output increased in Mexico because of more operating hours at the Tuxpan plant, a baseline effect caused by its non-availability until March 2012 because of the aforementioned incident. The increase

⁶ Figures at 50%.

in Mexico was also due to greater output at Naco Nogales compared with last year, when it was affected by water supply problems.

The 0.4% increase in output in Puerto Rico was due to higher availability and greater dispatching in the second quarter, which offset the impact of the longer scheduled maintenance shut-down in the first quarter.

Hydroelectric output in Costa Rica declined by 13.2% as a result of the low rainfall in the first half of the year.

Hydroelectric output declined by 30.6% in Panama with respect to the same period of 2012 because of low precipitation and adverse weather conditions in the first half of this year, offset partly by higher thermal output there.

Output in the Dominican Republic rose by 12.3% as a result of the withdrawal of third-party assets from the system to a greater extent than last year and the fact that unit G2 of the La Vega plant was 100% operational.

4.9.- Rest of Electricity (Kenya)

This area refers to power generation in Kenya. The dominant weather conditions in the area (heavy precipitation) in the first nine months of 2013 led to a decline in the use of thermal power plants, which reduced electricity output.

4.9.1.- Results

(unaudited)						
3Q13	3Q12	%	(€Mn)	9M13	9M12	%
25	33	-24.2	Net sales	77	98	-21.4
-18	-25	-28.0	Purchases	-57	-77	-26.0
-1	-	-	Personnel costs, net	-2	-1	-
-3	-4	-25.0	Other revenues and expenses	-8	-10	-20.0
3	4	-25.0	EBITDA	10	10	-
-2	-1	-	Depreciation & amortisation, and impairment losses	-4	-4	-
-	-	-	Change in operating provisions	-	-	-
1	3	-66.7	Operating profit	6	6	-

EBITDA totalled €10 million in the first nine months of 2013. Despite lower output, EBITDA was stable with respect to the same period of 2012 due to high availability (87.2%), the factor determining capacity revenues, together with a decline in international fuel prices.

4.9.2.- Main aggregates

3Q13	3Q12	%		9M13	9M12	%
-	-	-	Electric generation capacity (MW)	112	112	-
137	169	-18.9	Electric energy production (GWh/year)	406	489	-17.0

Diesel-fired output in Kenya in 9M13 (406 GWh) was 17.0% lower than in the same period of 2012. This decline is attributable to lower demand for thermal power in Kenya as a result of the greater precipitation this year and, consequently, the higher level of water in the hydroelectric reservoirs.

4.10.- GAS

4.10.1.- Infrastructure

This area includes operation of the Maghreb-Europe gas pipeline, maritime transportation, the development of integrated liquefied natural gas (LNG) projects, and hydrocarbon exploration, development, production and storage.

4.10.1.1.- Results

(unaudited)

3Q13	3Q12	%	(€Mn)	9M13	9M12	%
78	78	-	Net sales	238	231	3.0
-14	-13	7.7	Purchases	-27	-42	-35.7
-1	-2	-50.0	Personnel costs, net	-3	-5	-40.0
-6	-5	20.0	Other revenues and expenses	-16	-16	-
57	58	-1.7	EBITDA	192	168	14.3
-19	-19	-	Depreciation & amortisation, and impairment losses	-63	-58	8.6
-	-	-	Change in operating provisions	-	-	-
38	39	-2.6	Operating profit	129	110	17.3

Net sales in the infrastructure business totalled €238 million in the first nine months of 2013, a 3.0% increase.

EBITDA in 2013 amounted to €192 million, i.e. 14.3% more than in the same period of 2012, due mainly to higher output as a result of the entry into service of the Montanazo (Tarragona) well in October 2012, to the increase in fees for international shipping via the Maghreb-Europe gas pipeline in 2013, and to the logistical optimisation of the fleet.

4.10.1.2.- Main aggregates

The main aggregates in international gas transportation are as follows:

3Q13	3Q12	%		9M13	9M12	%
25,476	17,394	46.5	Gas transportation-EMPL (GWh):	90,779	83,597	8.6
8,880	5,953	49.2	Portugal-Morocco	27,509	26,272	4.7
16,596	11,441	45.1	Gas Natural Fenosa	63,270	57,325	10.4

The gas transportation activity conducted in Morocco through companies EMPL and Metragaz represented a total volume of 90,779 GWh, 8.6% more than in the same period of 2012 as a result of the greater volume of gas shipped to Spain in the third quarter to cover market demand. Of that figure, 63,270 GWh were transported for Gas Natural Fenosa through Sagane and 27,509 GWh for Portugal and Morocco.

On 8 January 2013, Gas Natural Fenosa signed an agreement with Algerian company Sonatrach (Société Nationale pour la Recherche, la Production, le Transport, la Transformation et la Commercialisation des Hydrocarbures, S.p.A) to acquire 10% of Medgaz, S.A. (and 10% of the shareholder loan) for €62 million.

Medgaz operates the Algeria-Europe subsea gas pipeline connecting Beni Saf with the Almería coast (capacity: 8 bcm/year).

The corresponding capacity will be used for a new supply contract amounting to 0.8 bcm/year. The supply contract runs for 18 years and deliveries commenced on 1 February 2013. A total of 2,960 GWh were shipped via the Medgaz pipeline for Gas Natural Fenosa in the first nine months of 2013.

Subsequently, on 30 July 2013, Gas Natural Fenosa signed an agreement to buy 4.9% of Medgaz, S.A. (and the corresponding portion of the shareholder loan) from Gaz de France Suez for €39 million. As a result of this acquisition, which does not have any associated transportation rights or additional gas contracts, Gas Natural Fenosa stake in the pipeline is 14.9%.

The company continues to advance the paperwork for the five exploration, production and storage projects planned for the coming years in the Guadalquivir Valley (Marismas, Aznalcázar and Romeral areas). On 29 and 30 January 2013, the Secretary of State for the Environment granted the Environmental Impact Assessments (EIA) for the Saladillo, Eastern Marismas and Aznalcázar projects; the company had previously obtained an EIA for the Western Marismas project. The Government of Andalucía subsequently expressed doubts that synergistic effects between the projects had been evaluated, and requested that the Ministry of the Environment complete that evaluation prior to issuing the remaining EIAs.

4.10.2.- Procurement and Supply

This area includes gas procurement and supply (wholesale and retail) in Spain and other countries, the supply in Spain of products and services related to retail supply, and supply of gas at the last-resort tariff in Spain.

4.10.2.1.- Results

(unaudited)						
3Q13	3Q12	%	(€Mn)	9M13	9M12	%
2,447	2,511	-2.5	Net sales	8,500	8,311	2.3
-2,182	-2,294	-4.9	Purchases	-7,672	-7,606	0.9
-11	-12	-8.3	Personnel costs, net	-37	-38	-2.6
-46	-42	9.5	Other revenues and expenses	-138	-141	-2.1
208	163	27.6	EBITDA	653	526	24.1
-5	-4	25.0	Depreciation & amortisation, and impairment losses	-14	-11	27.3
-25	-21	19.0	Change in operating provisions	-51	-48	6.3
178	138	29.0	Operating profit	588	467	25.9

Net sales amounted to €8,500 million, 2.3% more than last year. EBITDA increased by 24.1% to €653 million, mainly due to the increase in operations outside Spain.

Diversification of the portfolio of commodities, combined management of the commodity and dollar risks and greater sales outside Spain helped improve EBITDA in a context of significant volatility in the energy and currency markets.

4.10.2.2.- Main aggregates

The main aggregates in the gas procurement and supply activity are as follows:

3Q13	3Q12	%		9M13	9M12	%
69,616	71,190	-2.2	Gas supply (GWh):	234,772	242,688	-3.3
46,729	53,188	-12.1	Spain:	165,890	179,108	-7.4
34,165	37,917	-9.9	Gas Natural Fenosa supply ⁷	120,719	132,293	-8.7
12,564	15,271	-17.7	Supply to third parties	45,171	46,815	-3.5
22,887	18,002	27.1	International:	68,882	63,580	8.3
5,346	2,914	83.5	Supply in Europe	20,620	12,285	67.8
17,541	15,088	16.3	Other	48,262	51,295	-5.9
-	-	-	Multiutility contracts (at 30/09)	2,109	1,840	14.6
-	-	-	Contracts per customer (at 30/09)	1.45	1.39	4.3

In a situation of weak demand, the company supplied 165,890 GWh in the Spanish gas market, a 7.4% decline with respect to 2012, due to lower sales to final customers of Gas Natural Fenosa (-8.7%, mainly as a result of a decline in gas consumption by CCGT plants) and lower supply to third parties (-3.5%).

Gas sales outside Spain, which maintained the trend from previous quarters and increased by 8.3% with respect to 2012, to 68,882 GWh.

⁷ Does not include exchange transactions.

Gas Natural Comercializadora won an international tender to fill an underground storage facility in Portugal with natural gas. A total of 431 GWh were supplied, for €15 million, between April and May 2013. The company is also the leading foreign operator in Portugal, with industrial contracts amounting to 5.5 TWh/year.

Gas Natural Europe (the French subsidiary for supply in Europe) currently has 2,655 distribution connections in a range of sectors in France, from industrial companies (chemicals, paper mills, etc.) to local governments and the public sector, accounting for a total portfolio of 19.1 TWh per year.

The French subsidiary strengthened its position in Belgium and Luxembourg with 392 supply points, representing a contracted portfolio of 6.2 TWh per year. In The Netherlands, the company has 145 supply points and a portfolio of 1.5 TWh. The company began operations in Germany at the end of 2012 and already has 37 supply contracts and a portfolio of 0.23 TWh.

GAS NATURAL FENOSA is also considering an entry into other central European markets in the short term by offering a combination of customised energy consulting with the advantage of a diversified, secure supply.

Gas Natural Vendita had a portfolio under contract in the Italian wholesale market amounting to 3.46 TWh/year at 30 September 2013.

The company continues to diversify into international markets, having sold gas in the Americas (Caribbean and South America) and Asia.

In September 2013, Gas Natural Fenosa signed a contract to supply South Korean energy company Kogas with 1-1.5 bcm of liquefied natural gas (LNG) during the next two years. The agreement strengthens its position as a global supplier of LNG and reinforces its growth in Asia.

Gas Natural Fenosa signed two natural gas sale agreements with Repsol in July 2013: one for 2 bcm/year in 2015-2018, and the other for 1 bcm/year during 20 years, which is expected to start in 2017.

Gas Natural Fenosa has over 10.9 million active retail gas, electricity and services contracts. More than 1.2 million residential customers have both electricity and gas supply contracts with Gas Natural Fenosa.

Products and services were marketed in all areas of Spain and the group signed 1,182,000 contracts in the residential market. The company also continued to expand into the small and medium-sized enterprise market, where it signed over 75,000 new contracts. These efforts increased retail contract numbers by 4% in like-for-like terms with respect to 30 September 2012.

Gas Natural Fenosa continues to expand and strengthen its position in the SME market in Portugal, where it topped 13,000 active electricity contracts at 30 September 2013, i.e. triple the portfolio at 2012 year-end.

The residential maintenance contract portfolio was expanded to more than 2.1 million contracts, managed with the group's own operating platform consisting of 161 associated firms connected via an online system, which has enabled it to improve service performance and quality.

Gas Natural Fenosa continues to add features and users to its online customer management system. In the second quarter of 2013, a feature was introduced to enable clients to buy products and services online.

In the last quarter, in line with its commitment to energy efficiency, the company's ongoing analysis of new efficient technologies enabled it to develop new products and services which continue to expand the portfolio of energy solutions adapted to customers' energy needs.

4.10.3.- Unión Fenosa Gas (UF Gas)

This area includes gas procurement and supply performed by Unión Fenosa Gas (UF Gas), including the liquefaction plant in Damietta (Egypt), the Sagunto regasification plant, and the gas carrier fleet.

4.10.3.1.- Results

(unaudited)						
3Q13	3Q12	%	(€Mn)	9M13	9M12	%
216	251	-13.9	Net sales	755	886	-14.8
-194	-200	-3.0	Purchases	-644	-645	-0.2
-3	-3	-	Personnel costs, net	-8	-9	-11.1
-5	-3	66.7	Other revenues and expenses	-11	-14	-21.4
14	45	-68.9	EBITDA	92	218	-57.8
-45	-39	15.4	Depreciation & amortisation, and impairment losses	-194	-116	67.2
-	-	-	Change in operating provisions	-	-	-
-31	6	-	Operating profit	-102	102	-

EBITDA amounted to €14 million in the third quarter and to €92 million in 9M13, reflecting a decline with respect to the same period last year.

Results in the period were also supported by the company's efforts to seize opportunities for LNG sales outside Spain, where UF Gas continued to operate actively. Other positive factors included the favourable energy market situation in the third quarter (primarily due to Brent prices) and a stable contribution from infrastructure during the year.

The increase in depreciation and amortisation is due basically to a €70 million impairment charge in 2Q13 for the decline in the value assigned in the business combination with Unión Fenosa to the gas processing rights held by Gas Natural Fenosa through subsidiary Unión Fenosa Gas at the Damietta (Egypt) liquefaction plant as a result of the temporary suspension of the plant's operations due to halting of deliveries by the natural gas supplier.

4.10.3.2.- Main aggregates ⁸

Gas supply in Spain amounted to 35,193 GWh in the first nine months of 2013, compared with 42,627 GWh in the same period of 2012. Demand from power generators declined very sharply (-25.6%) as a result of a power generation mix that included more renewable sources and of the fact that the thermal gap was filled using coal. The industrial segment also experienced a decline (-5.7%), albeit more moderate.

A total of 14,674 GWh of energy was traded in international transactions.

⁸ Assuming 100%.

3Q13	3Q12	%		9M13	9M12	%
11,431	13,008	-12.1	Gas supply in Spain (GWh)	35,193	42,627	-17.4
4,898	6,695	-26.8	Other gas sales (GWh)	14,674	21,593	-32.0

Several noteworthy events occurred in connection with UF Gas:

In 2012, the SAGGAS plant in Sagunto was adapted to load ships. The plant's new activity, approved by the Valencia Port Authority on 20 December 2012, enables it to diversify into a business area, i.e. LNG loading, which has increased in recent years. SAGGAS has diversified its activity and adapted its facilities so as to be able not only to unload, but also to load LNG carriers, in addition to its usual regasification services.

A total of 11 shiploads, 9,009 GWh, have been loaded at the plant since March 2013 and this is now a major component of the plant's operations. The Sagunto plant also produced 12,525 GWh, 61% of the total volume being for Unión Fenosa Gas.

Regarding the E&P project in La Rioja: work continues mainly on above-ground facilities, where the second Viura-3 well was drilled and is expected to be completed in the short term.

Summarised below are the regulatory disclosures to the Comisión Nacional del Mercado de Valores (CNMV) since 1 January 2013:

- Gas Natural Fenosa announces the payment of an interim dividend out of 2012 income (disclosed 2 January 2013, registration number 180673).
- Gas Natural Fenosa discloses the acquisition of 10% of Medgaz for €61.9 million (disclosed 8 January 2013, registration number 180835).
- Gas Natural Fenosa discloses completion of a 10-year bond issue in the euromarket amounting to €600 million (disclosed 9 January 2013, registration number 180881).
- Gas Natural Fenosa discloses completion of a 6-year bond issue in the Swiss market amounting to 250 million Swiss francs (disclosed 14 January 2013, registration number 181006).
- Gas Natural Fenosa publishes the invitation to the conference call to discuss its 4Q12 earnings (disclosed 29 January 2013, registration number 181568).
- Gas Natural Fenosa discloses the sale of its stakes in electricity distribution companies in Nicaragua (disclosed 12 February 2013, registration number 182157).
- Gas Natural Fenosa publishes its 4Q12 results (disclosed 19 February 2013, registration number 182405).
- Gas Natural Fenosa files the presentation of earnings for the fourth quarter of 2012 (disclosed 19 February 2013, registration number 182409).
- Gas Natural Fenosa discloses information on earnings for the second half of 2012 (disclosed 22 February 2013, registration number 182580).
- Gas Natural Fenosa publishes its Annual Corporate Governance Report for 2012 (disclosed 22 February 2013, registration number 182585).
- Gas Natural Fenosa calls an Ordinary Shareholders' Meeting for 16 April 2013 (disclosed 7 March 2013, registration number 183432).
- Gas Natural Fenosa discloses completion of a bond issue in the euromarket amounting to €750 million (disclosed 3 April 2013, registration number 184731).
- Gas Natural Fenosa files the presentation used at the press conference before the Ordinary Shareholders' Meeting (disclosed 16 April 2013, registration number 185212).
- Gas Natural Fenosa resolves to authorise its subsidiary Unión Fenosa Financial Services USA, LLC to launch a tender offer for perpetual preference shares of Unión Fenosa FSU issued in 2003 (disclosed 16 April 2013, registration number 185217).
- Gas Natural Fenosa discloses that the Ordinary Shareholders' Meeting has approved all proposals contained in the Agenda submitted by the Board of Directors (disclosed 16 April 2013, registration number 185232).
- Gas Natural Fenosa publishes the invitation to the conference call to discuss its 1Q13 earnings (disclosed 18 April 2013, registration number 185328).
- Gas Natural Fenosa announces the implementation of the 2013 employee stock ownership plan, part of the 2012-2014 Plan that was approved by the Shareholders' Meeting on 20 April 2012 (disclosed 24 April 2013, registration number 185671).

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- Gas Natural Fenosa files the advance report of earnings for the first quarter of 2013 (disclosed 7 May 2013, registration number 186641).
 - Gas Natural Fenosa files the presentation of earnings for the first quarter of 2013 (disclosed 7 May 2013, registration number 186655).
 - Gas Natural Fenosa files the announcement of the payment of a supplementary dividend out of 2012 income (disclosed 25 June 2013, registration number 189492).
 - Gas Natural Fenosa publishes the invitation to the conference call to discuss its 1H13 earnings (disclosed 8 July 2013, registration number 190241).
 - Fitch Ratings placed Gas Natural Fenosa's Issuer Default Rating (IDR) on Rating Watch Negative (RWN) (disclosed 16 July 2013, registration number 190646).
 - Gas Natural Fenosa discloses information on earnings for the first half of 2013 (disclosed 23 July 2013, registration number 190871).
 - Gas Natural Fenosa files the presentation of earnings for the first half of 2013 (disclosed 23 July 2013, registration number 190880).
 - Gas Natural Fenosa discloses the adjudication of the concession to distribute natural gas in southeastern Peru (disclosed 25 July 2013, registration number 191131).
 - Gas Natural Fenosa discloses two agreements to sell natural gas to Repsol in the medium and long term (disclosed 26 July 2013, registration number 191172).
 - Gas Natural Fenosa discloses information on earnings for the first half of 2013 (disclosed 26 July 2013, registration number 191174).
 - Gas Natural Fenosa discloses the acquisition of 4.9% of Medgaz (disclosed 30 July 2013, registration number 191342).
 - Gas Natural Fenosa discloses that it will continue to operate its two electricity distribution companies in Panama for the next 15 years (disclosed 14 August 2013, registration number 192031).
 - Gas Natural Fenosa publishes the invitation to the conference call to discuss its 3Q13 earnings and its updated strategy (disclosed 2 October 2013, registration number 193411).
 - Gas Natural Fenosa announces completion of a bond issue in the euromarket amounting to €500 million (disclosed 3 October 2013, registration number 193676).
 - GAS NATURAL FENOSA discloses the signature of a new club deal loan for €2,250 million (disclosed 29 de October 2013, registration number 194513).

- GAS NATURAL: CONSOLIDATED PROFIT & LOSS ACCOUNT
- GAS NATURAL: ANALYSIS OF RESULTS BY ACTIVITY
- GAS NATURAL: CONSOLIDATED BALANCE SHEET
- GAS NATURAL: CONSOLIDATED CASH FLOW STATEMENT

(€ Mn)	9M13	9M12
Net sales	18,675	18,418
Other operating revenues	173	191
Purchases	-12,817	-12,750
Personnel costs	-658	-642
Taxes other than income tax	-408	-216
Other operating costs	-1,100	-1,174
EBITDA	3,865	3,827
Other results	8	20
Depreciation & amortisation, and impairment losses	-1,430	-1,334
Change in operating provisions	-169	-179
OPERATING PROFIT	2,274	2,334
Finance income	-620	-648
Income from disposal of financial instruments	-	-
Income from associates	6	10
CONSOLIDATED PRE-TAX PROFIT	1,660	1,696
Income tax expense	-365	-422
Minority interest	-175	-159
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	1,120	1,115

EBITDA

(€ Mn)	1Q13	2Q13	3Q13	4Q13	2013
GAS DISTRIBUTION	428	431	441		
Spain	225	227	249		
Latin America	172	184	173		
Italy	31	20	19		
ELECTRICITY DISTRIBUTION	243	244	243		
Spain	149	153	149		
Latin America	82	83	87		
Moldova	12	8	7		
ELECTRICITY	312	267	236		
Spain	239	199	162		
Latin America	70	64	71		
Rest	3	4	3		
GAS	330	328	279		
Infrastructures	67	68	57		
Procurement and Supply	250	195	208		
UF Gas	13	65	14		
REST	16	35	32		
TOTAL EBITDA	1,329	1,305	1,231		

(€ Mn)	1Q12	2Q12	3Q12	4Q12	2012
GAS DISTRIBUTION	398	409	421	395	1,623
Spain	224	227	239	210	900
Latin America	146	164	167	163	640
Italy	28	18	15	22	83
ELECTRICITY DISTRIBUTION	249	257	261	247	1,014
Spain	155	153	157	148	613
Latin America	85	96	97	88	366
Moldova	9	8	7	11	35
ELECTRICITY	311	271	286	313	1,180
Spain	251	200	215	239	904
Latin America	57	68	67	69	261
Rest	3	3	4	5	15
GAS	343	303	266	305	1,217
Infrastructures	58	52	58	57	225
Procurement and Supply	190	173	163	210	736
UF Gas	95	78	45	38	256
REST	-1	19	34	-7	46
TOTAL EBITDA	1,300	1,259	1,268	1,253	5,080

Investments (tangible and intangible)

(€ Mn)	1Q13	2Q13	3Q13	4Q13	2013
GAS DISTRIBUTION	79	114	108		
Spain	44	66	59		
Latin America	32	42	44		
Italy	3	6	5		
ELECTRICITY DISTRIBUTION	40	99	106		
Spain	19	64	66		
Latin America	20	33	36		
Moldova	1	2	4		
ELECTRICITY	55	129	83		
Spain	37	47	32		
Latin America	18	82	51		
Rest	-	-	-		
GAS	6	14	11		
Infrastructures	2	3	1		
Procurement and Supply	3	4	6		
UF Gas	1	7	4		
REST	26	34	4		
TOTAL EBITDA	206	390	312		

(€ Mn)	1Q12	2Q12	3Q12	4Q12	2012
GAS DISTRIBUTION	75	115	116	171	477
Spain	41	67	62	87	257
Latin America	29	36	46	67	178
Italy	5	12	8	17	42
ELECTRICITY DISTRIBUTION	64	105	93	153	415
Spain	43	78	58	89	268
Latin America	20	24	31	56	131
Moldova	1	3	4	8	16
ELECTRICITY	60	52	32	101	245
Spain	41	39	21	81	182
Latin America	19	13	11	20	63
Rest	-	-	-	-	-
GAS	9	15	10	29	63
Infrastructures	5	9	-	11	25
Procurement and Supply	3	4	7	13	27
UF Gas	1	2	3	5	11
REST	16	24	36	81	157
TOTAL EBITDA	224	311	287	535	1,357

(€ Mn)	30/09/13	30/09/12
Non-Current Assets-	33,962	35,434
Intangible assets	10,315	10,883
Tangible assets	21,510	22,299
Investment in associates	97	98
Non-current financial assets	1,039	989
Deferred tax assets	1,001	1,165
Current Assets-	12,172	11,715
Inventories	913	870
Trade and other receivables	4,492	4,960
Other current financial assets	1,273	1,524
Cash and cash equivalents	5,494	4,361
TOTAL ASSETS	46,134	47,149

(€ Mn)	30/09/13	30/09/12
Equity-	15,242	15,097
Net equity of Parent Company	13,648	13,455
Minority interest	1,594	1,642
Non-Current Liabilities-	23,291	23,546
Deferred revenues	900	838
Non-current provisions	1,640	1,583
Non-current financial liabilities	17,396	17,433
Deferred tax liabilities	2,507	2,784
Other non-current liabilities	848	908
Current Liabilities-	7,601	8,506
Current provisions	89	134
Current financial liabilities	3,571	3,863
Trade and other payables	3,600	4,143
Other current liabilities	341	366
TOTAL EQUITY AND LIABILITIES	46,134	47,149

(€ Mn)	9M13	9M12
Cash flow from ordinary activities	2,640	2,396
Income before taxes	1,660	1,696
Adjustments	1,966	1,865
Operating Cash flow	3,626	3,561
Changes in working capital	-194	-211
Other cash flows from operating activities	-792	-954
Interest	-549	-567
Income tax expenses	-243	-387
Investment cash flow	-1,178	-1,004
Investments	-1,934	-1,682
Disposals	716	581
Other cash flows from investing activities	40	97
Financing cash flow	-360	-138
Increase of capital	-	-379
Net proceeds from instruments representing financial liabilities	695	820
Dividends paid	-1,005	-527
Other cash flows from financing activities	-50	-52
Effect of exchange rate variations	-42	9
Net increase/(decrease) in cash and cash equivalents	1,060	1,263
Beginning cash and cash equivalents	4,434	3,098
Ending cash and cash equivalents	5,494	4,361

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