

## **IEnova reports full-year and fourth-quarter 2018 financial results**

- **IEnova maintains a firm commitment to developing energy infrastructure that contributes to the country's economic development and job creation, as it has throughout the past 22 years**
- **Full-year adjusted EBITDA up 16% to US\$876 million and fourth-quarter adjusted EBITDA up 14%**
- **Executed power purchase agreements for solar energy with Autlán, Scotiabank and Liverpool**
- **Executed long-term contracts for three refined product storage terminals, mainly gasoline and diesel, with Chevron, BP, Marathon and Trafigura**
- **Revolving line of credit increased from US\$1.17 to US\$1.5 billion and term extended to February 2024**

Mexico City, February 20, 2019 / IEnova (BMV: IENOVA) reported today full-year and fourth-quarter 2018 financial results.

*"In 2018, which was an important year for IEnova, we met our operational goals with the highest standards of safety and service, and we exceeded our guidance. Our attention remains focused on the development of energy infrastructure that will promote economic development in a sustainable and socially responsible way. Aligned with our strategy of diversifying our asset and customer base, we executed contracts with private companies for more refined products storage terminals and solar energy projects, which are needed to supply clean energy and enhance energy security in Mexico,"* said Tania Ortiz Mena, CEO of IEnova.

Full-year 2018 Adjusted EBITDA was US\$876 million, up 16% from US\$759 million in 2017. The increase of US\$118 million was mainly due to higher results at the Termoeléctrica de Mexicali (TDM) power plant, the acquisition of Ductos y Energéticos del Norte (DEN) and higher margin in the gas segment.

Fourth-quarter 2018 Adjusted EBITDA was US\$208 million, up 14% from US\$182 million in the same period of 2017. The increase of US\$26 million was mainly due to higher TDM operational results and the acquisition of DEN.

Full-year 2018 profit was US\$431 million, compared with US\$418 million in 2017, excluding the US\$64 million TDM non-cash after-tax impairment charge in 2017. The increase of US\$13 million was mainly due to TDM higher operational results and the acquisition of DEN, partially offset by higher financing costs and higher income taxes.

Profit for the fourth quarter of 2018 was US\$89 million, compared with US\$37 million in the same period of 2017. The increase of US\$52 million was mainly due to the EBITDA drivers mentioned above and non-cash exchange rate effects.

### **INTERNET BROADCAST**

IEnova will broadcast a live discussion of its earnings results over the internet on Thursday, February 21, 2019 at 11 a.m. EDT with the company's senior management. Access is available by logging in to the website at [www.ienova.com.mx](http://www.ienova.com.mx). For those unable to log in to the live webcast, the teleconference will be available on replay a few hours after its conclusion by dialing 001 (855) 859-2056 and entering passcode 2744249#.

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

IEnova develops, builds, and operates energy infrastructure in Mexico. As of the end of 2018, the company has invested more than US\$8.8 billion in operating assets and projects under construction in Mexico, making it one of the largest private energy companies in the country. IEnova is the first energy infrastructure company to be listed on the Mexican Stock Exchange.

*This press release contains statements that are not historical fact and constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. These statements can be identified by words like "believes," "expects," "anticipates," "intends," "plans," "estimates," "may," "will," "would," "could," "should," "potential," "target," "outlook", "depends," "pursue," "goals" or similar expressions, or discussions of our guidance, strategies, plans, goals, initiatives, objectives or intentions. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future results may differ materially from those expressed in the forward-looking statements. Forward-looking statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others: local, regional, national and international economic, competitive, political, legislative and regulatory conditions and developments; actions by the Mexican Energy Ministry (Secretaría de Energía), the Mexican Energy Regulatory Commission (Comisión Reguladora de Energía), the Mexican Environmental Protection Ministry (Secretaría de Medio Ambiente y Recursos Naturales), Mexican Federal Electricity Commission (Comisión Federal de Electricidad), the California Public Utilities Commission, California State Legislature, Federal Energy Regulatory Commission, U.S. Department of Energy, California Energy Commission, California Air Resources Board, and other regulatory, governmental and environmental bodies in the United States and Mexico; capital market conditions, including the availability of credit and the liquidity of our investments; inflation, interest and exchange rates; the impact of benchmark interest rates on our cost of capital; the timing and success of business development efforts and construction, maintenance and capital projects, including risks inherent in the ability to obtain, and the timing of granting of, permits, licenses, certificates and other authorizations; energy markets, including the timing and extent of changes and volatility in commodity prices; the availability of electric power, natural gas and liquefied natural gas, including disruptions caused by failures in the electric transmission grid, pipeline explosions and equipment failures; weather conditions, natural disasters, catastrophic accidents, and conservation efforts; wars, terrorist attacks and cyber security threats; business, regulatory, environmental and legal decisions and requirements; governmental expropriation of assets and title and other property disputes; the inability or determination not to enter into long-term supply and sales agreements; the resolution of litigation; and other uncertainties, all of which are difficult to predict and many of which are beyond the control of the company. These forward-looking statements speak only as of the date hereof, and the company undertakes no obligation to update or revise those forward looking statements whether as a result of new information, future events or otherwise. These risks and uncertainties are further discussed in the draft prospectus that IEnova has filed with the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores). These reports are also available through the Mexican National Banking and Securities Commission's website at [www.cnbv.gob.mx](http://www.cnbv.gob.mx), the Mexican Stock Exchange's website at [www.bmv.com.mx](http://www.bmv.com.mx) and on the company's website at [www.ienova.com.mx](http://www.ienova.com.mx).*

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