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BORD GÁIS ENERGY INDEX INCREASES 1% DUE TO GAINS IN THE PRICE OF OIL

- INDEX 21% HIGHER THAN OCTOBER 2010 -

The continued volatility in the commodity markets was reflected in a 1% increase in the Bord Gáis Energy Index (BGEI) for October. While the index recorded a 3% increase in the price of oil for the month, the gains in oil prices were offset by falls in both coal and electricity prices. The lingering threat of a second global recession was the major influence on the movements in October's index. The index, which now stands at 136, is 21% higher than it was in October 2010.

Commenting on the Bord Gáis Energy Index for October, Michael Kelleher, Energy Trading Analyst at Bord Gáis Energy, said:

"Commodity markets continue to be volatile as Europe struggles to get to grips with debt levels and the threat that it could spark a second global recession. Oil prices remain susceptible to the outlook for the global economy and we have seen oil prices rise from lows of \$99 per barrel at the beginning of the month, to trade at \$115 by the middle of the month, and fall back to \$109 by month end."

"However, the market expects oil prices to fall further in 2012 from the current levels with an increasing possibility that economic growth could falter next year if the current Euro crisis is not comprehensively resolved. Lower economic growth would mean that demand for oil in 2012 will be lower than it currently is and futures prices are lowering as a result. Gas prices remain higher over the coming winter months due to the seasonal nature of the market and the high oil prices earlier in the year used in the calculation of gas prices on the continent."

The following are the key trends recorded for the month of October:

Oil: The oil element of the Index was up 3% to 144. Oil prices increased from lows of \$99 per barrel at the beginning of October to trade \$115 by the middle of the month following the agreement of a rescue package for Greece and the slight upturn in the markets. However, oil prices slipped at month's end as concerns about the outlook for the Eurozone heightened and Brent crude oil closed the month at \$109.

Natural Gas: There was no change in the natural gas element of the Index and it remained at 180. The new gas year started with unusually warm weather both in United Kingdom and Europe resulting in lower demand. Prices increased gradually throughout the second week of October as demand from Continental Europe increased and erratic Norwegian flows created uncertainty in the market.

Coal: The coal element of the Index was down 7% to 145. European coal prices fell \$5/mt to an eight month low in the first week of October due to lower equity markets and a weakening Euro. Negative macroeconomic news caused greater losses in coal prices for next year than for the remainder of 2011 due to 2012 growth expectations being adjusted downwards. Prices remained below \$120 for the remainder of the month as concerns about the euro debt crisis continued.

Electricity: The electricity element of the Index was down 3% to 114 as wholesale electricity spot prices fell by 3% in October. Wind levels remained high on average in October and when combined with

increased availability of lower cost generation plant during the month, the net effect was a fall in wholesale prices.

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