

For comment, please contact Michael Kelleher, 087 917 2420

GAS AND COAL PRICES INCREASE BUT A DROP IN OIL PRICES PUSH ENERGY INDEX DOWN 3%

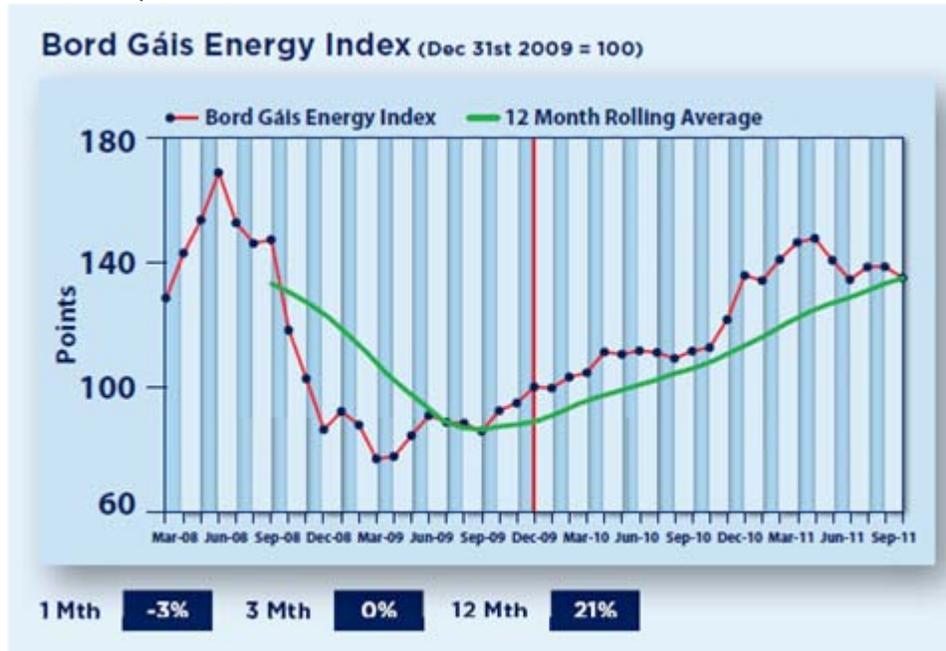
- INDEX 21% HIGHER THAN SEPTEMBER 2010 -

The Bord Gáis Energy Index (BGEI) recorded an increase in the price of both gas and coal for the month of September, however, the overall Index fell 3% to 135 in September 2011, as fears of a second global recession saw the price of Brent crude oil tumble \$12 per barrel over the course of the month. However, the fall in oil prices was significantly offset in Europe by a 7% depreciation of the Euro versus the US Dollar, which resulted in a net 4% decline in oil prices in Euro terms. Despite the drop, the index is still 21% higher than it was in September 2010 when it stood at 111.

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

“The threat of a global economic slowdown due to the Greek debt crisis, concerns around a number of European banking institutions and weak economic data recorded in the US, sparked the steady fall of oil prices in September. The Index will continue to be influenced by macro-economic issues and concerns of a second global recession in three years.

Futures markets indicate the possibility of a further fall in oil prices over the coming months, which have averaged €111.50 in 2011 to date. Natural gas prices are likely to continue to rise during the cold winter as these prices are linked to oil prices from the preceding three to nine months. Cold weather may push up the cost of electricity due to increased demand.”



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

Oil: The oil element of the Index was down 4% to 141. Oil fell steadily as fears of a second global economic slowdown escalated. Oil prices fell further following reports predicting Libyan oil production of 500,000 barrels per day by the end of October. The fall in oil prices was offset in Europe by a 7% depreciation of the Euro versus the US Dollar.

Natural Gas: The natural gas element of the Index was up 4% to 180. The first half of the month saw prices continue to rise as high as 60p/therm as a result of the traditional September maintenance of fields, pipelines, Qatari LNG facilities and various other parts of the natural gas infrastructure. Unseasonably warm temperatures in the latter half of the month resulting in weaker demand caused a decline in natural gas prices to 46p/therm.

Coal: The coal element of the Index was up 4% to 156. The market saw sporadic European demand for the commodity due to relatively high stock levels across the continent which was primarily being met by Colombian, Russian and US cargoes. Coal has now traded in a narrow \$122 to \$126 range for five straight months.

Electricity: The electricity element of the Index was down 1% to 118. Electricity prices fell in September despite the increase in fuel prices, which were offset by an increase in wind output on the Irish grid.

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For further information please contact:

Aidan McLaughlin, Fleishman-Hillard: 01 618 8425 / 085 749 0484

Christine Heffernan, Bord Gais Energy: 087 050 5555