

COMISIÓN NACIONAL DEL MERCADO DE VALORES
Registros oficiales
Edison, 4
28006 Madrid

Madrid, 3 de marzo de 2015

D^a. María Fernanda Richmond, como apoderada de “CANAL DE ISABEL II GESTIÓN, S.A.”, compañía domiciliada en Calle Santa Engracia, 125, 28003, Madrid y con N.I.F. A-86488087 (el **Emisor**), y en relación con la emisión de valores negociables de renta fija realizada al amparo del Programa Base de Emisión de Obligaciones Simples (*Medium Term Note Programme*) del Emisor (el **Programa**), inscrito en los registros oficiales de la Comisión Nacional del Mercado de Valores (**CNMV**) con fecha 18 de diciembre de 2014

HACE CONSTAR

Que la versión impresa de las condiciones finales (las **Condiciones Finales**) del Emisor, depositadas e inscritas en los registros oficiales de la CNMV con fecha 24 de febrero de 2015, coincide exactamente con la versión en soporte informático que se ha remitido a la CNMV con fecha 3 de marzo de 2015.

Asimismo, por la presente se autoriza a la CNMV para que las Condiciones Finales sean puesta a disposición del público a través de su página web (www.cnmv.es).

Y para que así conste y surta los efectos oportunos, expido la presente a los efectos oportunos en el sitio y fecha indicados arriba.

CANAL DE ISABEL II GESTIÓN, S.A.
P.p.

D^a. María Fernanda Richmond

Final Terms dated 24 February 2015

Canal de Isabel II Gestión, S.A.

Issue of €500,000,000 1.68 per cent. Notes due 2025

€1,000,000,000

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Base Prospectus dated 18 December 2014 which constitutes a base prospectus (the **Base Prospectus**) for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus.

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at www.cnmv.es and during normal business hours at Calle Santa Engracia 125, Dirección Financiera y Desarrollo de Negocio, 28003, Madrid and copies may be obtained from this address for the purposes of Article 14 of the Prospectus Directive.

The expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive and the expression **2010 PD Amending Directive** means Directive 2010/73/EU **provided, however, that** all references in this document to the "Prospectus Directive" in relation to any Member State of the European Economic Area refer to Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the relevant Member State), and include any relevant implementing measure in the relevant Member State.

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| 1. | Issuer: | Canal de Isabel II Gestión, S.A. |
| 2. | (i) Series Number: | 1 |
| | (ii) Tranche Number: | 1 |
| | (iii) Date on which the Notes become fungible: | Not Applicable |
| 3. | Specified Currency or Currencies: | Euro ("EUR") |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | EUR 500,000,000 |
| | (ii) Tranche: | EUR 500,000,000 |
| 5. | (i) Issue Price: | 99.945 per cent. of the Aggregate Nominal Amount |
| | (ii) Net Proceeds: | EUR 497,975,000 |
| 6. | (i) Specified Denominations: | EUR 100,000 |
| | (ii) Calculation Amount: | EUR 100,000 |
| 7. | (i) Issue Date: | 26 February 2015 |
| | (ii) Interest Commencement Date: | Issue Date |

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| 8. | Maturity Date: | 26 February 2025 |
| 9. | Interest Basis: | 1.68 per cent. Fixed Rate
(see paragraph 14 below) |
| 10. | Redemption/Payment Basis: | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount. |
| 11. | Change of Interest/Payment Basis: | Not Applicable |
| 12. | Put/Call Options: | Not Applicable |
| 13. | Date Board / Shareholder /Department of Finance and Taxation of the Autonomous Community of Madrid / Directorate General for the Treasury and Financial Policy of the Ministry of Economy and Competitiveness approval for issuance of Notes obtained: | Board approval: 17 December 2014
Shareholder approval: 3 December 2014
Department of Finance and Taxation of the Autonomous Community of Madrid approval: 27 January 2015
Directorate General for the Treasury and Financial Policy of the Ministry of Economy and Competitiveness approval: 19 January 2015 |

PROVISIONS RELATING TO INTEREST PAYABLE

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|-----|--------------------------------------|--------------------------------------------------------------------------|
| 14. | Fixed Rate Note Provisions | Applicable |
| | (i) Rate of Interest: | 1.68 per cent. per annum payable in arrear on each Interest Payment Date |
| | (ii) Interest Payment Date(s): | 26 February in each year |
| | (iii) Fixed Coupon Amount: | EUR 1,680 per Calculation Amount |
| | (iv) Broken Amount(s): | Not Applicable |
| | (v) Day Count Fraction: | Actual/Actual (ICMA) |
| 15. | Floating Rate Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 16. | Call Option | Not Applicable |
| 17. | Put Option | Not Applicable |
| 18. | Final Redemption Amount of each Note | Par per Calculation Amount |
| 19. | Early Redemption Amount | |
| | Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or at the option of the Issuer or at the option of Noteholders (as the case may be): | Par per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

20. Form of Notes: Uncertificated dematerialised book-entry form Notes (*anotaciones en cuenta*) registered with Iberclear as managing entity of the Central Registry.
21. Additional Financial Centre(s) or other special provisions relating to payment dates: Not Applicable
22. Commissioner
- (i) Name of Commissioner: BNP Paribas Securities Services S.C.A., Sucursal en España
- (ii) Name of the Syndicate of Noteholders: Emisión de Obligaciones Simples Canal Gestión, 1^a Emisión/ Issue of Notes Canal Gestión, 1st Issue
- (iii) Address of the Syndicate of Noteholders: Calle Santa Engracia, 125, Madrid, 28003, Spain

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Admission to Trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Spanish AIAF Fixed Income Securities Market within 30 days of the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: EUR 45,576.12

2. RATINGS

- The Notes to be issued are expected to be rated:
- Ratings: BBB+ by Fitch Ratings Ltd (**Fitch**)
- Baa2 by Moody's Investors Service Ltd (**Moody's**)
- Each of Fitch and Moody's is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**).

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for any fees payable to the Joint Lead Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. YIELD

- Indication of yield: 1.686 per cent.
- The yield is calculated at the Issue Date on the basis of the Issue Price and the Fixed Coupon Amount.

5. OPERATIONAL INFORMATION

- ISIN: ES0205061007
- Common Code: 020506100
- Delivery: Delivery versus payment
- Names and addresses of additional Paying Agent(s) (if any): Not Applicable

7. DISTRIBUTION

- (i) Method of Distribution: Syndicated

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| (ii) | If syndicated:

Names of Joint Lead Managers | Banco Santander, S.A.
Banco Bilbao Vizcaya Argentaria, S.A.
CaixaBank, S.A.
HSBC France
Société Générale |
| (iii) | If non-syndicated, name of Dealer: | Not Applicable |
| (iv) | Stabilisation Manager(s), if any: | Not Applicable |
| (v) | U.S. Selling Restrictions: | Reg S Compliance Category 1 |

Signed on behalf of
CANAL DE ISABEL II GESTIÓN, S.A.:

By:
Duly authorised signatory

Maria Fernanda Richmond

Signed by the Provisional Commissioner of the Syndicate of Noteholders
BNP PARIBAS SECURITIES SERVICES S.C.A., SUCURSAL EN ESPAÑA:

By:
Duly authorised signatory

Francisco Bejar Nuñez

By:
Duly authorised signatory

Maria Teresa Ullívarí Royuela