

## **GAS NATURAL SDG, S.A.**

Gas Natural SDG, S.A. (the “**Company**” or “**Gas Natural Fenosa**”) in compliance with the provisions of article 17 of Regulation (EU) No. 596/2014 on market abuse and article 228 of the consolidated text of Act 24/1988, of 28 July, on the Securities Market Law, hereby notifies to the National Securities Market Commission of the following

### **REGULATORY ANNOUNCEMENT**

Further to its announcements on 28 March 2017 and 5 April 2017, Gas Natural SDG, S.A. hereby announces that settlement of the bonds issued by Gas Natural Capital Markets, S.A. (the “**Issuer**”) under the €14,000,000,000 Guaranteed Euro Medium Term Note Programme for an aggregate principal amount of 1,000,000,000 euros (the “**New Notes**”) has taken place. The New Notes are expected to be listed and admitted to trading on the Luxembourg Stock Exchange.

At today’s date, the following Notes, issued by the Issuer and acquired by Citigroup Global Markets Limited (“**Citigroup**”) pursuant to the solicitation of offers to sell (the “**Repurchased Notes**”) on 28 March 2017 (the “**Solicitation of Offers to Sell**”), have been exchanged for the New Notes:

- (i) an aggregate principal amount of €187,300,000 of the €700,000,000 4.125 per cent. Guaranteed Notes due January 2018 (XS0479541699) (the “**January 2018 Notes**”);
- (ii) an aggregate principal amount of €164,200,000 of the €750,000,000 5.00 per cent. Guaranteed Notes due 2018 (XS0741942576) (the “**February 2018 Notes**”);
- (iii) an aggregate principal amount of €163,750,000 of the €850,000,000 4.500 per cent. Guaranteed Notes due January 2020 (XS0479542580) (the “**4.500 per cent. January 2020 Notes**”);
- (iv) an aggregate principal amount of €365,600,000 of the €800,000,000 6.00 per cent. Guaranteed Notes due 2020 (XS0829360923) (the “**6.00 per cent. January 2020 Notes**”); and
- (v) an aggregate principal amount of €119,150,000 of the €750,000,000 5.125 per cent. Guaranteed Notes due November 2021 (XS0458749826)

(the “**2021 Notes**” together with the January 2018 Notes, the February 2018 Notes, the 4.500 per cent. January 2020 Notes and the 6.00 per cent. January 2020 Notes, the “**Notes**”).

The Solicitation of Offers to Sell was made upon the terms and subject to the conditions contained in a tender offer memorandum dated 28 March 2017 prepared in connection with the Solicitation of Offers to Sell.

At today’s date, the Repurchased Notes have been repurchased and cancelled and the aggregate principal amounts of the Notes outstanding are as follows:

- (i) an aggregate principal amount of €512,700,000 of the January 2018 Notes;
- (ii) an aggregate principal amount of €585,800,000 of the February 2018 Notes;
- (iii) an aggregate principal amount of €686,250,000 of the 4.500 per cent. January 2020 Notes;
- (iv) an aggregate principal amount of €434,400,000 of the 6.00 per cent. January 2020 Notes; and
- (v) an aggregate principal amount of €630,850,000 of the 2021 Notes.

Barcelona, 11 April 2017

**Gas Natural SDG, S.A.**