

GAS NATURAL SDG, S.A.

Gas Natural SDG, S.A. (“GAS NATURAL FENOSA” or “GNF”), in compliance with the provisions of article 228 of the consolidated text of Act 24/1988, of 28 July, on the Securities Market, hereby notifies the National Securities Market Commission of the following

REGULATORY DISCLOSURE

The present regulatory disclosure follows the one published on October 13, 2017 through regulatory disclosure n. 257338 whereby GAS NATURAL FENOSA informed it had entered into separate agreements regarding its operations in Italy.

On the one hand, GNF had reached an agreement with 2i Rete Gas, S.p.A (“2i Rete Gas”) for the sale of a 100% equity interest in Nedgia, S.p.A (“Nedgia”), GNF’s gas distribution company in Italy, together with the sale of 100% of Gas Natural Italia, S.p.A. (“GNI”), a services company rendering corporate services to GNF’s activities in Italy. On the other hand, GNF had reached a separate agreement with Edison, S.p.A (“Edison”) for the sale of a 100% equity interest in Gas Natural Vendita Italia, S.p.A. (“GNVI”), GNF’s gas and electricity commercialization company in Italy, including a long term gas supply contract securing 11 TWh/year from the end of 2020 (“Gas supply contract”).

As at today, GNF informs that, following the approval of Italian antitrust authorities, GNF has completed the disposal of its 100% equity interest in Nedgia to 2i Rete Gas, together with the sale of 100% of GNI.

Regarding the sale of GNF’s 100% equity interest in GNVI to Edison, GNF expects to complete the transaction during the first quarter of 2018, subject to the pertinent approval of European antitrust authorities.

The transactions will generate post-tax capital gains for Gas Natural Fenosa of approximately €190 million in aggregate in 2018.

Madrid, 1 February 2018