

FINAL TERMS

6 February 2013

Gas Natural Fenosa Finance B.V.

(Incorporated with limited liability in The Netherlands and having its statutory domicile in Amsterdam)

CHF 250,000,000 2.125 per cent. Notes due 2019
(the Notes)

Guaranteed by

Gas Natural SDG, S.A.

issued pursuant to the euro 12,000,000,000 Euro Medium Term Note Programme

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of Notes issued by Gas Natural Fenosa Finance B.V. (the *Conditions*) set forth in the base prospectus dated 26 November 2012 (the *Base Prospectus*) which constitutes a base prospectus for the purposes of the Prospectus Directive (*Directive 2003/71/EC*) as amended (which includes amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State) (the *Prospectus Directive*). This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus and the listing prospectus dated 6 February 2013 prepared by the Issuer and the Guarantor in connection with the listing of the Notes on the SIX Swiss Exchange (the *Listing Prospectus*). The Base Prospectus, and the Listing Prospectus are available for viewing, and copies may be obtained from, the Issuer and the Guarantor at their registered offices and from the Principal Swiss Paying Agent (as defined below) at its specified office.

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|----|-------|---|--|
| 1. | (i) | Series Number: | 17 |
| | (ii) | Tranche Number: | 1 |
| 2. | | Specified Currency or Currencies: | Swiss francs (CHF) |
| 3. | | Aggregate Nominal Amount of Notes: | CHF 250,000,000 |
| | (i) | Series: | CHF 250,000,000 |
| | (ii) | Tranche: | CHF 250,000,000 |
| | (iii) | Date on which the Notes will become fungible: | N/A |
| 4. | | Issue Price: | 100.149% of the Aggregate Nominal Amount |
| 5. | | Specified Denominations: | CHF 5,000 and integral multiples thereof |

6.	(i)	Issue Date:	8 February 2013
	(ii)	Interest Commencement Date:	Issue Date
7.		Maturity Date:	8 February 2019
8.		Interest Basis:	2.125% Fixed Rate
		(see Condition 5)	(further particulars specified below)
9.		Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100% of their nominal amount
		(see Condition 6)	
10.		Change of Interest Basis:	N/A
		(see Condition 5)	
11.		Put/Call Options:	Change of Control Put Option
		(see Condition 6)	
12.		Date Board approval for issuance of Notes obtained:	14 January 2013

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13.		Fixed Rate Note Provisions	Applicable
		(see Condition 5)	
	(i)	Interest Period(s):	The period beginning on, and including, the Interest Commencement Date and ending on, but excluding the First Interest Payment Date and each successive period beginning on, and including, an Interest Payment Date and ending on, but excluding, the immediately succeeding Interest Payment Date
	(ii)	Rate of Interest:	2.125% per annum payable annually in arrear
	(iii)	Interest Payment Date(s):	8 February in each year, commencing on 8 February 2014 up to and including the Maturity Date
	(iv)	First Interest Payment Date:	8 February 2014
	(v)	Fixed Coupon Amount(s):	CHF 106.25 per CHF 5,000 Specified Denomination
	(vi)	Broken Amount(s):	N/A
	(vii)	Day Count Fraction:	30/360, unadjusted
	(viii)	Determination Dates:	N/A

14. **Floating Rate Note Provisions** N/A
(see Condition 5)

15. **Zero Coupon Note Provisions** N/A
(see Condition 5)

PROVISIONS RELATING TO REDEMPTION

16. **Call Option** N/A
(see Condition 6)

17. **Put Option** N/A
(see Condition 6)

18. **Change of Control Put Option** Applicable
(see Condition 6)

19. **Final Redemption Amount of each Note:** CHF 5,000 per CHF 5,000 Specified Denomination

20. **Early Redemption Amount**

Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default or other early redemption: CHF 5,000 per CHF 5,000 Specified Denomination
(see Condition 6)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21. **Form of Notes:**

Bearer Notes:

Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note.

Such Permanent Global Note will be substantially in the form attached to the supplemental agency agreement dated 6 February 2013 (the *Supplemental Agency Agreement*) and made between the Issuer, the Guarantor, the Principal Swiss Paying Agent (as defined below) and the other agents named therein.

The Permanent Global Note shall be deposited by the Principal Swiss Paying Agent with SIX SIS AG, Olten, Switzerland (*SIX SIS AG* or the *Intermediary*, which expressions shall include any other clearing institution recognised by the SIX Swiss Exchange AG (the *SIX Swiss Exchange*)) until final redemption of the Notes or the exchange of the Permanent Global Note for Definitive Notes and Coupons. The Permanent Global Note will document the right to receive principal and interest thereon and all other rights and obligations in connection therewith.

Once the Permanent Global Note has been deposited with the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Notes will constitute intermediated securities (*Intermediated Securities*) in accordance with the Swiss Federal Intermediated Securities Act .

Each holder of Notes retains a quota co-ownership interest in the Permanent Global Note *pro rata* to the extent of its claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Intermediary (i.e. for so long as the Notes constitute Intermediated Securities), the quota co-ownership interest shall be suspended and the Notes may only be transferred by the entry of the transferred Notes in a securities account of the transferee.

The records of the Intermediary will determine the number of Notes held through each participant in that Intermediary. In respect of Notes held in the form of Intermediated Securities, the holders of Notes will be the persons holding the Notes in a securities account which is in their respective name, or in case of an Intermediary, the Intermediary holding the Notes for its own account in a securities account which is in its name.

Holders of Notes do not have the right to effect or request the conversion of the Permanent Global Note into, or the delivery of, uncertificated securities or Definitive Notes and Coupons.

The Permanent Global Note is exchangeable in whole but not in part for Definitive Notes and Coupons only if the Principal Swiss Paying Agent, after consultation with the Issuer, deems the printing of Definitive Notes and Coupons to be necessary or useful or if, under Swiss or any other applicable laws and regulations, the enforcement of the rights of the holders of the Notes can only be ensured by means of effective Definitive Notes and Coupons. Should Definitive Notes and Coupons be printed they will be printed, at no cost to the holders of Notes and the Coupons, in accordance with the rules and regulations of the SIX Swiss Exchange. In the case of delivery of Definitive Notes, the Principal Swiss Paying Agent shall deliver the Definitive Notes and Coupons against cancellation of the relevant Notes in the holders' securities accounts and immediately cancel the Permanent Global Note and return the Permanent Global Note to the Issuer.

Condition 1 (Form, Denomination and Title) of the Conditions of the Notes and the section "Form of the Notes" on page 82 of the Base Prospectus shall be amended and supplemented (for the purpose of this Series of Notes only) accordingly.

22. New Global Note

No

23. Financial Centre(s)

Zurich and TARGET

24.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
25.	Details relating to Instalment Notes: (see Condition 6)	N/A
26.	Consolidation provisions:	The provisions in Condition 16 (Further Issues) apply
27.	Other final terms:	
	(i) Payments:	<p>Payments of principal and interest in respect of the Notes (denominated in Swiss francs) will be made irrespective of any present or future transfer restrictions and without regard to any bilateral or multilateral payment or clearing agreement which may be applicable at the time of such payments in freely disposable Swiss francs without collection costs in Switzerland and without any restrictions and irrespective of nationality, domicile or residence of a holder of Notes and without requiring any certification, affidavit or the fulfilment of any other formality.</p> <p>The receipt by the Principal Swiss Paying Agent (as defined below) of the due and punctual payment of the funds in Swiss francs in Zurich releases the Issuer from its obligation under the Notes for the payment of interest and principal due on the respective payment dates to the extent of such payment.</p> <p>Condition 7 shall be construed accordingly.</p>
	(ii) Agents and Paying Agents:	<p>In respect of the Notes, the Issuer will at all times maintain a paying agent having a specified office in Switzerland and will at no time maintain a paying agent having a specified office outside Switzerland in relation to such Notes.</p> <p>Condition 8 shall be construed accordingly.</p>
	(iii) Taxation:	<p>Additional amounts shall also not be payable in relation to any payment in respect of any Notes or Coupon:</p> <ul style="list-style-type: none"> – where such withholding or deduction is required to be made pursuant to any agreements between the European Community and other countries or territories providing for measures equivalent to those laid down in the European Union Directive 2003/48/EC or any law or other governmental regulation implementing or complying with, or introduced in order to conform to, such agreements, including, but not limited to, the agreement between the European Union and Switzerland of 26 October 2004 and any laws enacted by Switzerland implementing this agreement; – where such withholding or deduction is required to be made pursuant to laws enacted by Switzerland providing for the taxation of payments according to principles

similar to those laid down in the draft legislation proposed by the Swiss Federal Council on 24 August 2011, in particular, the principle to have a person other than the Issuer withhold or deduct tax;

- where such withholding or deduction is required to be made pursuant to an agreement between Switzerland and other countries on final withholding taxes levied by Swiss paying agents in respect of persons resident in the other country on income of such person on Notes booked or deposited with a Swiss paying agent (Abgeltungssteuer).

Condition 10 shall be amended and supplemented accordingly.

(iv) Notices:

So long as the Notes are listed on the SIX Swiss Exchange and so long as the rules of the SIX Swiss Exchange so require, all notices in respect of the Notes will be validly given through the Principal Swiss Paying Agent (as defined below) (i) by means of electronic publication on the internet website of the SIX Swiss Exchange (where notices are currently published at www.six-swiss-exchange.com/news/official_notices/search_cn.html), or (ii) otherwise in accordance with the regulations of the SIX Swiss Exchange.

Condition 15 shall be amended and supplemented accordingly.

DISTRIBUTION

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| 28. | If syndicated, names of Managers: | BNP Paribas (Suisse) SA
Credit Suisse AG |
| 29. | If non-syndicated, name of relevant Dealer: | N/A |
| 30. | U.S. Selling Restrictions:
(see page 14 of the Base Prospectus) | Reg. S Compliance Category 2: TEFRA D rules are applicable in accordance with usual Swiss practice |

By: 

Signed on behalf of Gas Natural Fenosa Finance B.V.

Duly authorised

By: 

Signed on behalf of the Gas Natural SDG, S.A.

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Admission to trading and listing: (see cover page) The Notes have been provisionally admitted to trading on the SIX Swiss Exchange with effect from 6 February 2013 until 5 February 2019 and application will be made by the Issuer (or on its behalf) for the Notes to be listed on the SIX Swiss Exchange which, if granted, will only be granted after the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: CHF 19,500

2. RATINGS

Ratings: The Notes to be issued have been rated:

Moody's Investors Service Limited (*Moody's*): Baa2

Fitch Ratings Ltd (*Fitch*): BBB+

Standard & Poor's Rating Services, a division of The McGraw Hill Companies, Inc. (*S&P*): BBB

Each of Moody's, Fitch and S&P is established in the European Union and is registered under Regulation (EU) No 1060/2009 (the "CRA Regulation").

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

Save for (i) any fees payable to the Managers and (ii) so far as the Issuer is aware, no person involved in the issue/offer of the Notes has an interest material to the offer. The 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, the Guarantor and any of their affiliates in the ordinary course of business for which they may receive fees.

4. REASONS FOR THE OFFER

Reasons for the offer: The net proceeds from the issue of the Notes will be on-lent to Gas Natural SDG, S.A. and used by Gas Natural SDG, S.A. and its consolidated subsidiaries for general corporate purposes.

5. Fixed Rate Notes only — YIELD

Indication of yield: 2.099 per cent. per annum

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. OPERATIONAL INFORMATION

ISIN Code: CH0204574914

Common Code: 087766543

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): SIX SIS AG, the Swiss Securities Services Corporation in Olten, Switzerland
Swiss Security Number: 20457491

Names and addresses of initial Paying Agent(s): N/A

Names and addresses of additional Paying Agent(s): Credit Suisse AG, Paradeplatz 8, CH-8001 Zurich, Switzerland, shall act as principal paying agent in Switzerland (the *Principal Swiss Paying Agent*) in respect of the Notes.

All references in the Terms and Conditions of the Notes to the Agent shall, so far as the context permits, be deemed to be references to the Principal Swiss Paying Agent.

BNP Paribas (Suisse) SA, 2, place de Hollande, CH-1204 Geneva, Switzerland, shall act as paying agent in Switzerland (the *Swiss Paying Agent*) in respect of the Notes.

All references in the Terms and Conditions of the Notes to the Paying Agents shall, so far as the context permits, be deemed to be references to the Principal Swiss Paying Agent and the Swiss Paying Agents.

Commissioner (applies to Gas Natural Capital Markets, S.A. only): N/A

(see Condition 12)