

FINAL TERMS

Capitalised words and expressions used in a Final Terms shall, save to the extent otherwise defined therein, have the meanings given thereto in the relevant Terms and Conditions and in the Agency Agreement.

21 April 2016

Gas Natural Fenosa Finance B.V.

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

Euro 300,000,000 0.515 per cent. Guaranteed Notes due 25 April 2021 (the Notes)

Guaranteed by

Gas Natural SDG, S.A.

issued pursuant to the euro 14,000,000,000 Euro Medium Term Note Programme

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions of Notes issued by Gas Natural Fenosa Finance B.V. set forth in the base prospectus dated 2 December 2015 (the **Base Prospectus**) and the Supplement to the Base Prospectus dated 14 April 2016 which together constitute 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 for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. 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 and the Base Prospectus as so supplemented. The Base Prospectus and the Supplement to the Base Prospectus have been published on the website of the Luxembourg Stock Exchange at www.bourse.lu.

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|----|-------|-----------------------------------------------|-----------------------------------------|
| 1. | (i) | Series Number: | 26 |
| | (ii) | Tranche Number: | 1 |
| 2. | | Specified Currency or Currencies: | Euro |
| 3. | | Aggregate Nominal Amount of Notes: | Euro 300,000,000 |
| | (i) | Series: | Euro 300,000,000 |
| | (ii) | Tranche: | Euro 300,000,000 |
| | (iii) | Date on which the Notes will become fungible: | N/A |
| 4. | | Issue Price: | 100.00% of the Aggregate Nominal Amount |
| 5. | (a) | Specified Denominations: | Euro 100,000 |
| | (b) | Calculation Amount: | Euro 100,000 |

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|-----|------|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6. | (i) | Issue Date: | 25 April 2016 |
| | (ii) | Interest
Commencement
Date: | Issue Date |
| 7. | | Maturity Date: | 25 April 2021 |
| 8. | | Interest Basis: | 0.515 per cent. Fixed Rate

(see Condition 5) |
| 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: | Residual Maturity Call Option

(see Condition 6)

Substantial Purchase Event

Make-Whole Redemption

(Make-Whole Redemption Rate: the yield to maturity on the [third] Business Day preceding the Make-Whole Redemption Date of the 0% <i>Obligationen</i> of the <i>Bundesrepublik Deutschland</i> (OBL) due April 2021 #173 ISIN: DE0001141737; Make-Whole Redemption Margin: 0.20%)

Change of Control Put Option |
| 12. | | Date Board approval for issuance of Notes obtained: | 20 April 2016 |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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|-----|-----------------------------------|-----------------------------------------------------------------------------------------------------------------|
| 13. | Fixed Rate Note Provisions | Applicable

(see Condition 5) |
| | (i) | Interest Period(s):

25 April in each year, commencing on 25 April 2016 up to and including Maturity Date |
| | (ii) | Rate of Interest:

0.515 per cent. <i>per annum</i> payable annually |
| | (iii) | Interest Payment Date(s):

25 April in each year up to and including the Maturity Date |
| | (iv) | First Interest Payment Date:

25 April 2017 |
| | (v) | Fixed Coupon Amount(s):

Euro 515 per Calculation Amount |
| | (vi) | Broken Amount(s):

N/A |
| | (vii) | Day Count Fraction:

Actual/Actual (ICMA) |

(viii) Determination Dates:	N/A
14. Floating Rate Note Provisions	N/A

(see Condition 5)

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

PROVISIONS RELATING TO REDEMPTION

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

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

18. Residual Maturity Call Option	Applicable
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(see Condition 6)

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

20. Final Redemption Amount of each Note:	Euro 100,000 per Calculation Amount
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21. Early Redemption Amount	
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Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default or other early redemption:

(see Condition 6)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. Form of Notes:	Bearer Notes
	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for definitive Notes in the limited circumstances specified in the Permanent Global Note
23. New Global Note	Yes
24. Financial Centre(s)	N/A
25. Talons for future Coupons or Receipts to be attached to definitive Notes (and dates on which such Talons mature):	No

26. Details relating to Instalment Notes: N/A

(see Condition 6)

DISTRIBUTION

28. If syndicated, names of Managers: N/A
29. If non-syndicated, name of relevant Dealer: CaixaBank, S.A.
30. U.S. Selling Restrictions: Reg. S Compliance Category 2: TEFRA D

By: 

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

Duly authorised

By: 

Signed on behalf of the Guarantor

Duly authorised

OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

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|------|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) | Listing:
<i>(see cover page)</i> | Application is expected to be made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of the Luxembourg Stock Exchange . |
| (ii) | 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 Official List of the Luxembourg Stock Exchange with effect from the Issue Date. |
| (ii) | Estimate of total expenses related to admission to trading: | Euro 3,075 |

2. RATINGS

Ratings: N/A

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

Save for (i) any fees payable to the Dealer 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 Dealer and its 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: See "Use of Proceeds" wording in the Base Prospectus.

5. Fixed Rate Notes only — YIELD

Indication of yield: 0.515 per cent. annually

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

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| (i) | ISIN Code: | XS1401303976 |
| (ii) | Common Code: | 140130397 |
| (iii) | Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): | N/A |

- (iv) Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.
- (v) Names and addresses of initial Paying Agent(s): Citibank, N.A., London Branch
- (vi) Names and addresses of additional Paying Agent(s): N/A