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GAS NATURAL SDG, S.A.
ANNUAL GENERAL SHAREHOLDERS’ MEETING
16 APRIL 2013

**RESOLUTIONS PROPOSED FOR THE ANNUAL GENERAL SHAREHOLDERS’
MEETING**

A G E N D A

ONE.- Examination and approval, if appropriate, of the Individual Financial Statements and the Directors' Report of GAS NATURAL SDG, S.A. for the year ended 31st December 2012.

Justification and convenience of the resolution

In compliance with Article 164 of the Capital Companies Act, the Financial Statements and the Directors' Report must be approved at a Shareholders' Meeting within six months from the end of the financial year to which they refer. The Financial Statements and the Directors' Report were formulated by the Board of Directors on 25 January 2013.

Proposed Resolution:

“One.- To approve the Individual Financial Statements and the Directors' Report of GAS NATURAL SDG, S.A. for the year ended 31 December 2012”.

TWO.- Examination and approval, if appropriate, of the Consolidated Financial Statements and the Directors' Report for GAS NATURAL SDG, S.A.'s Consolidated Group for the year ended 31December 2012

Justification and convenience of the resolution :

Under the aforementioned Article 164 of the Capital Companies Act and Article 42 of the Spanish Commercial Code, the Consolidated Financial Statements and the Directors' Report for the Group must be submitted for approval to the Shareholders' Meeting jointly

with the separate Financial Statements and the Directors' Report of the controlling company. The Consolidated Financial Statements and the Directors' Report for the Consolidated Group were formulated by the Board of Directors on 25 January 2013.

Proposed Resolution

“Two.- *To approve the Consolidated Financial Statements and the Directors' Report for GAS NATURAL SDG, S.A.'s Consolidated Group for the year ended 31 December 2012”.*

THREE.- Examination and approval, if appropriate, of the proposed allocation of profits for the financial year 2012.

Justification and convenience of the resolution

The Board submits, for approval by the General Meeting, the proposed allocation of profits for the financial year 2012, on the basis of the Gas Natural Fenosa Group's financial performance.

Proposed Resolution:

Three.- *To approve the following allocation of profits for the year ended 31 December 2012:*

BASIS OF DISTRIBUTION:

- Retained earnings	€73,517,634.66
- Profit and loss	€1,140,330,220.59

DISTRIBUTION

- Legal reserve:	€1,803,440.40
- Reserve required by Articles of Association:	€901,720.20.
- Reserve for goodwill:	€178,694,883.38
- Voluntary reserve:	€137,831,540.42
- Dividend:	€894,616,270.85

Consequently, and taking in consideration the number of outstanding shares at this date (1,000,689,341), it involves the distribution of a total gross dividend of €0.894 per share.

An interim dividend of €391,269,532.33, i.e. €0.391 per share, was paid on 8 January 2013. To establish, subject to approval by the Shareholders' Meeting, 1 July 2013 as the

date from which to pay the supplementary 2012 dividend, for a total gross amount for each of the 1,000,689,341 outstanding shares of €0.503.

FOUR.- Examination and approval, if appropriate, of the Board of Directors' management for the financial year 2012.

Justification and convenience of the resolution .

Under Article 164 of the Capital Companies Act, the Shareholders' Meeting must examine and, if appropriate, approve the Board of Directors' management in 2012.

Proposed Resolution:

Four.- To approve the Board of Directors' management in 2012.

FIVE.- Reappointment of the auditors of the Company and its Consolidated Group for 2013.

Justification and convenience of the resolution :

Under article 264 of the Capital Companies Act, the persons charged with the auditing of the accounts must be appointed by the Shareholders' Meeting before the end of the year to be audited.

At the 2012 Ordinary Shareholders' Meeting, PricewaterhouseCoopers Auditores, S.L. was reappointed for a period of one year as the auditors of the Company and its Consolidated Group, and it is therefore necessary to renew their appointment.

Prior to its adoption by the Board of Directors, this proposed resolution to reappoint PricewaterhouseCoopers Auditores, S.L. as auditors was favourably informed by the Audit and Control Committee at its meeting on 24 January 2013, as provided by the Company's By-Laws and the Regulations regarding the Organisation and Operation of the Board of Directors and its Committees.

Proposed resolution:

Five.- To re-appoint, as auditors of the Company and its Consolidated Group for a period of one (1) year, for the financial year beginning on 1 January 2013 and ending on 31 December 2013, PricewaterhouseCoopers Auditores, S.L., with registered office in Madrid at Paseo de la Castellana, 259, with tax ID no. B-79031290, registered with the Madrid Commercial Register on sheet 87.250-1, folio 75, tome 9.267, book 8.054,

section 3, and in the Official Register of Auditors with number S0242, to audit the accounts as provided in article 264 of the Capital Companies Act and article 42.4 of the Code of Commerce. This appointment also applies to any other audit services that the Company may require.

PricewaterhouseCoopers Auditores, S.L. will accept the appointment separately, stating that it is not affected by any legal incompatibility.

SIX.- Re- election, ratification and, if appropriate, election of members of the Board of Directors.

6.1.- Re-election and appointment of Mr Salvador Gabarró Serra.

6.2.- Re-election and appointment of Mr Emiliano López Achurra.

6.3.- Re-election and appointment of Mr Juan Rosell Lastortras.

Justification and convenience of the resolution:

Mr Salvador Gabarró Serra, the present Chairman of the Board of Directors, was reappointed a Company Director for the three-year term established in the Company's Articles of Association at the Annual General Shareholders' Meeting held on 26 June 2009, as were Directors Emiliano López Achurra and Juan Rosell Lastortras. In the event that they are re-elected, they will maintain their current status, Mr Salvador Gabarró Serra as Executive Director, Mr Emiliano López Achurra as Independent Director, and Mr Juan Rosell Lastortras as Inside Director.

These appointments are still in force since, under Article 42 of the Company's Articles of Association, the appointment of Board Members will only expire when, upon expiration of their term (on 26 June 2012), the subsequent Shareholders' Meeting is held or the legal deadline for the Annual General Meeting has expired.

The abovementioned proposals are supported by favourable reports from the Appointment and Remuneration Committee.

Proposed resolution:

Six 1.- To re-elect and, if appropriate, appoint as a Director of the Company for the three (3) year term established in the Company's Articles of Association, SALVADOR GABARRÓ SERRA, whose personal circumstances are on file with the Barcelona Commercial Register and will be specified in the relevant certificate

SALVADOR GABARRÓ SERRA's status on the Board of Directors will continue to be that of an executive director.

SALVADOR GABARRÓ SERRA will accept his appointment at or after the Shareholders' Meeting.

Six 2.- *To re-elect and, if appropriate, appoint as a Director of the Company for the three (3) year term laid down in the Articles of Association, EMILIANO LÓPEZ ACHURRA, whose personal circumstances are on file with the Barcelona Commercial Register, and will be specified in the relevant certificate.*

EMILIANO LÓPEZ ACHURRA's status on the Board of Directors will continue to be that of an independent director.

EMILIANO LÓPEZ ACHURRA will accept his appointment at or after the Shareholders' Meeting.

Six 3.- *To re-elect and, if appropriate, appoint as a Director of the Company for the three (3) year term laid down in the Articles of Association, JUAN ROSELL LASTORTRAS, whose personal circumstances are on file with the Barcelona Commercial Register, and will be specified in the relevant certificate.*

JUAN ROSELL LASTORTRAS' status on the Board of Directors will be that of a proprietary director at the proposal of CRITERIA CAIXAHOLDING, S.A.U.

JUAN ROSELL LASTORTRAS will accept his appointment at or after the Shareholders' Meeting.

SEVEN.- Consultative vote on the Annual Directors' Remuneration Report.

Justification and convenience of the resolution:

Article 61 of the Securities Market Act establishes that the Board of Directors must draw up a Report on Directors' Remuneration and make it available to the Shareholders' Meeting, on a consultative basis. To that end, on 25 January 2013 and after the proposal of the Appointments and Remuneration Committee, the Board of Directors drew up the report that is published at the same time as the Notice of the Shareholder's Meeting and which is deemed to be reproduced here, which sets out the regulatory framework governing directors' remuneration, the remuneration policy in the current year, the remuneration policy envisaged for future years, a summary of the application of the remuneration policy, and the detailed remuneration accrued by each director in 2012.

Proposed Resolution

Seven.- *To approve the Annual Directors' Remuneration Report of GAS NATURAL SDG, S.A. formulated by the Board of Directors on 25 January 2013.*

EIGHT.- **Delegation of powers to supplement, further elaborate, execute, interpret, correct and formalize the decisions adopted by the Shareholders' Meeting.**

Justification and convenience of the resolution :

The practical enforceability of several of the decisions to be adopted by the General Meeting depends upon the performance of certain formalities; accordingly, it is proposed that powers to perform such formalities be granted to the Board of Directors and the persons stated in the motion.

Proposed resolution:

Eight 1.- To confer authority on the Board of Directors, with express power of substitution to the Executive Committee, to the Director or Directors that it deems fit, or to the Secretary of the Board of Directors, such powers as may be required by law to supplement, further elaborate, execute and correct any of the resolutions adopted by the General Shareholder's Meeting, with the power to make such modifications, amendments and additions that may be necessary or advisable to make such resolutions enforceable and to implement them.

Eight 2.- To confer authority and empower, to the fullest extent permitted by law, the Chairman of the Board of Directors, SALVADOR GABARRÓ SERRA, the Managing Director, RAFAEL VILLASECA MARCO, and the Secretary of the Board of Directors, MANUEL GARCÍA COBALEDA, so that any one of them, without distinction, may sign such private documents and execute before the Notary of their choice such public documents as may be necessary or advisable to execute the foregoing resolutions and file them with the relevant registers, with the explicit power to rectify, without altering their scope, nature or content.

Algiers, 26 February 2013.

Board of Directors of GAS NATURAL SDG, S.A.