

NATURGY ENERGY GROUP, S.A.

NATURGY ENERGY GROUP, S.A. 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 National Commission on Markets and Competition (CNMC) announced today the first drafts of the circulars that will establish the remuneration methodology for the regulated activities of electricity and gas distribution from 2020 and 2021 respectively.

As governed by the regulations, the final versions will be approved once all the allegations made during the consultation period, which is now beginning, have been considered, with expected contributions from all interested parties.

The company will use the period of allegations to ensure that the new remuneration framework continues to recognize a reasonable and predictable remuneration in the long term, both for investments already executed as well as for future ones.

Although the deadline to put forward allegations will not end until August 9th, Naturgy will make a first assessment of this regulatory proposal on 24 July during the ordinary presentation of its first half of 2019 results.

Madrid, July 5, 2019