

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

Gas Natural Fenosa sends press release on the agreement to renew and extend its gas procurements contracts with SONATRACH.

Madrid, 14 June 2018

**GAS NATURAL FENOSA STRENGTHENS ITS RELATIONSHIP WITH SONATRACH BY
EXTENDING ITS CONTRACTS FOR PURCHASING ALGERIAN GAS UNTIL 2030**

- **The alliance between the two companies guarantees a stable gas supply to Spain through improved conditions.**
- **The renewal of the gas procurement contracts with SONATRACH represents more than 40% of GAS NATURAL FENOSA's overall gas procurement.**

GAS NATURAL FENOSA and the Algerian company SONATRACH (Société Nationale pour la Recherche, la Production, le Transport, la Transformation et la Commercialisation des Hydrocarbures, S.p.A), have signed an agreement to renew the gas procurement contracts from Algeria to Spain spanning to 2030 and which currently represent more than 40% of GAS NATURAL FENOSA's overall gas procurement.

"This agreement is a major step forward to strengthen our historical strategic alliance with Sonatrach. Moreover, it undoubtedly constitutes a significant milestone in the relationship with Algeria as this renewal guarantees the stability of gas supply to Spain", **Francisco Reynés**, Executive Chairman of GAS NATURAL FENOSA, pointed out.

In addition to contributing to the security of supply to the Spanish market, the agreement reinforces an optimal distribution of the supply mix for the country between natural gas (NG) supplied via pipelines, which represents 30% of domestic consumption, and liquefied natural gas (LNG).

With this renewal, the relationship between GAS NATURAL FENOSA, Spain's leading gas company, and SONATRACH, the largest gas supplier to Spain continues to move forward, once again, building on a 40-year old partnership.

GAS NATURAL FENOSA was one of the first operators in the world to opt for the Algerian gas supply and currently is one of SONATRACH's two main customers worldwide. Since the agreements reached in June 2011, the Algerian company has become the fourth largest shareholder of GAS NATURAL FENOSA with a 4% shareholding.

The negotiations for the contract extensions have allowed both parties to reach favourable agreements.

Madrid, 14 June 2018.

Contact:
Media Relations
Tel.: +34 91 201 56 11
+ 34 93 402 93 76
+34 91 201 57 33
@GNFprensa_es
prensa@gasnaturalfenosa.com
www.prensa.gasnaturalfenosa.com