

## **GAS NATURAL SDG, S.A.**

Gas Natural SDG, S.A. (“Gas Natural Fenosa”, “GNF” or the “Company”), 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, through its subsidiary Global Power Generation (“GPG”), has agreed to acquire two solar photovoltaic projects in Brazil from Canadian Solar Inc. The agreement is subject to certain conditions precedent, including the approval from the Brazilian competition authorities.

GNF will invest approximately €95 million for the development of these projects and the estimated production will be 165 GWh per year. The photovoltaic projects, named Guimaranía I and Guimaranía II, of 83MWp, are located in the state of Minas Gerais and are expected to begin operations in the fourth quarter of 2018.

The projects to be built by GPG are linked to a power purchase agreement with 20 years duration with the Brazilian public system, at an average price of approximately 97.5 €/MWh.

With this new acquisition GPG strengthens its commitment to renewable generation in Latin America by doubling its installed generation capacity in the Brazilian market since its entrance in 2017.

Gas Natural Fenosa's first photovoltaic project in Brazil entered in commercial operation last September 2017. With an installed capacity of 68 MWp, the Sobral I and Sertao I solar farms are located in the Piauí region in northern Brazil.

#### **About GPG**

Global Power Generation is 75% owned by GAS NATURAL FENOSA, with the remaining 25% stake held by the Kuwait Investment Authority (KIA), through Wren House Infrastructure Management Ltd. GPG is engaged in international power generation and operates an installed power generation capacity of c.3,000 MW with a workforce of 800 professionals.

**Madrid, March 19, 2018**