

GAS NATURAL SDG, S.A.

Gas Natural SDG, 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

Kangra Coal, South Africa

Gas Natural Fenosa has pre-agreed the disposal of its 70% in Kangra Coal Proprietary Limited ("Kangra") to Menar Holding. The closing of the transaction is subject to the execution of the preemption right owned by the partner of GNF in Kangra, and owner of the remaining 30%, Izimbiwa Coal Inv.

The transaction represents an Equity Value of US\$ 28 million for the 70% shareholding of GNF and is not expected to have an impact on the P&L.

The completion of the transaction is subject to the fulfilment of the timings and procedures in Kangra's shareholders' agreement as well as the required regulatory approvals and competition clearance.

Subject to the satisfaction of these conditions, GNF expects that completion will occur before year end.

Headquartered in Johannesburg (South Africa), Kangra owns and operates a mining right in the province of Mpumalanga. The company also owns a stake in Richards Bay Coal Terminal.

Iberafrica, Kenya

Gas Natural Fenosa has also entered into an agreement with AEP Energy Africa Limited ("AEP") for the sale of 100% of its equity interest in Iberafrica Power (E.A.) Limited ("Iberafrica"), in Kenya.

The transaction represents a total consideration ("Enterprise value") of US\$ 61.6 million and is not expected to generate any significant capital gains.

The completion of the transaction is subject to the required regulatory approvals and competition clearance, and Gas Natural Fenosa expects that completion will occur in the last quarter of this year.

Headquartered in Nairobi (Kenya), Iberafrica owns and operates a c.103MW diesel-fired power plant.

Both transactions are part of GNF's portfolio management optimization efforts and ongoing review of non-core regions/businesses with a view to maximize shareholder's value.

About GNF

Gas Natural Fenosa is a multinational leader in the energy sector, a pioneer in the integration of gas and electricity. Present in more than 30 countries, the company offers services to almost 18 million customers in five continents, and manages a total installed capacity of 15.5GW with a diversified mix of electricity generation technologies.

Madrid, June 27th, 2018