

NATURGY ENERGY GROUP, S.A. (the “**Guarantor**” or “**Naturgy**”) in compliance with the provisions of article 17 of Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and article 228 of the consolidated text of Act 24/1988, of 28 of July, on the Securities market, hereby notifies the National Securities Market Commission of the following:

### REGULATORY ANNOUNCEMENT

Further to its announcement on 11 October 2018, Naturgy Capital Markets, S.A. (formerly, Gas Natural Capital Markets, S.A.) (“**NCM**”) and Naturgy Finance B.V. (formerly, Gas Natural Fenosa Finance B.V.) (“**NF**”, and together with NCM, the “**Issuers**” and each an “**Issuer**”) hereby announce the indicative results of NCM’s invitation to holders of its €500,000,000 5.375 per cent. Guaranteed Notes due May 2019 (ISIN: XS0627188468) (the “**May 2019 Notes**”), €500,000,000 6.375 per cent. Guaranteed Notes due July 2019 (ISIN: XS0436928872) (the “**July 2019 Notes**”), €850,000,000 4.500 per cent. Guaranteed Notes due January 2020 (ISIN: XS0479542580) (the “**4.50% January 2020 Notes**”), €800,000,000 6.00 per cent. Guaranteed Notes due 2020 (ISIN: XS0829360923) (the “**6.00% January 2020 Notes**”) and €750,000,000 5.125 per cent. Guaranteed Notes due November 2021 (ISIN: XS0458749826) (the “**November 2021 Notes**”, and together with the May 2019 Notes, the July 2019 Notes, the 4.50% January 2020 Notes and the 6.00% January 2020 Notes, the “**NCM Notes**”), and NF’s invitation to holders of its €500,000,000 3.500 per cent. Guaranteed Notes due 15 April 2021 (ISIN: XS0981438582) (the “**NF Notes**”, and together with the NCM Notes, the “**Notes**”), in each case guaranteed by Naturgy Energy Group, S.A. (formerly, Gas Natural SDG, S.A.) (the “**Guarantor**”) to offer to sell Notes to each of NCM or NF, as applicable, for cash at the relevant Purchase Price (the “**Solicitation of Offers to Sell**”).

The Solicitation of Offers to Sell was made upon the terms and subject to the conditions contained in a tender offer memorandum dated 11 October 2018 (the “**Memorandum**”) prepared in connection with the Solicitation of Offers to Sell. Capitalised terms used in this announcement and not otherwise defined have the meanings ascribed to them in the Memorandum.

#### Summary of Results

Following the expiration of the Solicitation of Offers to Sell at 4:00 p.m. (London time) on 18 October 2018 (the “**Expiration Date**”), the Issuers hereby announce their non-binding indication that (subject to confirmation by the relevant Issuer in its sole and absolute discretion):

- (i) NCM intends to accept for purchase EUR281,050,000 in aggregate principal amount of the NCM Notes in accordance with the terms and conditions of the Solicitation of Offers to Sell;
- (ii) NCM intends to accept in full with no pro-ration all Offers to Sell in respect of the NCM Notes which were validly submitted by the Expiration Date;
- (iii) NF intends to accept for purchase EUR33,300,000 in aggregate principal amount of the NF Notes in accordance with the terms and conditions of the Solicitation of Offers to Sell; and



- (iv) NF intends to accept in full with no pro-ration all Offers to Sell in respect of the NF Notes which were validly submitted by the Expiration Date.

The Purchase Price for each Series of Notes accepted for purchase will be determined at or around 1:00 p.m. (London time) today in accordance with the terms set out in the Memorandum (i) in respect of the May 2019 Notes, July 2019 Notes, 4.50% January 2020 Notes, the 6.00% January 2020 Notes and NF Notes, will be determined by the Joint Dealer Managers by reference to the relevant Purchase Yield and (ii) in respect of the November 2021 Notes, by reference to the sum of the Reference Benchmark Yield and the Purchase Spread.

Description of Notes / ISIN	May 2019 Notes (XS0627188468)	July 2019 Notes (XS0436928872)	4.50% January 2020 Notes (XS0479542580)	6.00% January 2020 Notes (XS0829360923)	NF Notes (XS0981438582)	November 2021 Notes (XS0458749826)
Maturity Date	24 May 2019	9 July 2019	27 January 2020	27 January 2020	15 April 2021	2 November 2021
Indicative aggregate principal amount accepted	EUR55,800,000	EUR17,500,000	EUR88,150,000	EUR79,300,000	EUR33,300,000	EUR40,300,000

The relevant Issuer will announce whether it will accept valid Offers to Sell pursuant to the Purchase and, if so accepted, (i) the principal amount of each Series of Notes accepted for purchase and any pro-ration factor; (ii) the relevant Purchase Price and the Accrued Interest for each Series of Notes accepted for purchase; and (iii) in respect of the November 2021 Notes only, the Reference Benchmark Yield and the Purchase Yield, as soon as practicable following the Pricing Time, 1:00 p.m. (London time) today.

### Settlement

All purchases of Notes accepted pursuant to the Solicitation of Offers to Sell are (subject to confirmation by the relevant Issuer in its sole and absolute discretion) expected to be settled on 22 October 2018 (the “Settlement Date”) through the normal procedures of the Clearing Systems. On the Settlement Date, the relevant Issuer will pay, or procure the payment of, the relevant Purchase Price plus Accrued Interest to all Noteholders whose Offers to Sell have been validly accepted by that Issuer pursuant to the Terms and Conditions, subject to receipt of the relevant Notes.

Notes in respect of which an Issuer does not accept an Offer to Sell will remain outstanding subject to the terms and conditions of such Notes.

### Further Information

A complete description of the terms and conditions of the Solicitation of Offers to Sell is set out in the Memorandum. Barclays Bank PLC, CaixaBank, S.A. and Citigroup Global Markets Limited are the Joint Dealer Managers for the Solicitation of Offers to Sell.



Requests for information in relation to the Solicitation of Offers to Sell should be directed to:

**JOINT DEALER MANAGERS**

**Barclays Bank PLC**

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Canary Wharf  
London E14 4BB  
United Kingdom

Telephone: +44 (0) 20 3134 8515

Email: eu.lm@barclays.com

**Attn: Liability Management Group**

**CaixaBank S.A.**

Calle Pintor Sorolla 2-4  
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araguilar@caixabank.com;  
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**Attn: Miguel Lafont, Alvaro Aguilar, Natalia Garcia**

**Citigroup Global Markets Limited**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

Telephone: +44 20 7986 8969

Email: liabilitymanagement.europe@citi.com

**Attn: Liability Management Group**



A copy of the Memorandum is available to eligible persons upon request from the Tender Agent:

**THE TENDER AGENT**

**Lucid Issuer Services Limited**

Tankerton Works  
12 Argyle Walk  
London WC1H 8HA  
United Kingdom

Attn.: David Shilson  
Tel.: +44 207 704 0880  
Email: [naturgy@lucid-is.com](mailto:naturgy@lucid-is.com)



Further details relating to the contents of this announcement can be obtained from:

**Naturgy Capital Markets, S.A.**

Avenida de San Luis, 77,  
28033 Madrid  
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Attention: Enrique Berenguer Marsal (Sole Administrator)  
Email: [eberenguer@naturgy.com](mailto:eberenguer@naturgy.com)

**Naturgy Finance B.V.**

Barbara Strozzi laan 201  
1083 HN Amsterdam  
The Netherlands

Attention: Enrique Berenguer Marsal (Managing Director)  
Email: [eberenguer@naturgy.com](mailto:eberenguer@naturgy.com)

Madrid, 19 October 2018.

**NATURGY ENERGY GROUP, S.A.**