

NATURGY ENERGY GROUP, S.A.

NATURGY ENERGY GROUP, S.A. (formerly called 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 INFORMATION

ICSID award issued in the investment protection arbitral procedure initiated by Unión Fenosa Gas

UFG, 50% participated by Naturgy and owner of the Damietta plant located in Egypt has received a favourable award issued by the International Center for Settlement of International Disputes (ICSID) which forms part of to the World bank. It decides on the claim initiated in 2014, ruling against the Arab Republic of Egypt due to the lack of gas supply to UFGs liqyefaction facilities in Damietta.

The award considers that Egypt failed to grant UFG a fair and equitable treatment as required under the Bilateral investment protection Treaty between Spain and Egypt and therefore awards UFG an amount of 2.013 million USD (more than 1.700 million €) after taxes and before interests.

Naturgy is confident that the issuance of this award will allow to reach a comprehensive agreement that will reestablish the value of his investment through a comercial agreement, resuming the gas supplies to the plant.

This award proofs the effectiveness of the international conflict resolution mechanisms as a useful means to ensure the protection of foreign investements.

Madrid, 3 September 2018