

FINAL TERMS

Capitalised words and expressions used in these Final Terms shall, save to the extent otherwise defined therein, have the meanings given thereto in the relevant Terms and Conditions and in the Agency Agreement.

11 January 2013

Gas Natural Fenosa Finance B.V.

(Incorporated with limited liability in The Netherlands and having its statutory domicile in Amsterdam)

Euro 600,000,000 3.875 per cent. Guaranteed Notes due 2023 (the Notes)

Guaranteed by

Gas Natural SDG, S.A.

issued pursuant to the euro 12,000,000,000 Euro Medium Term Note Programme

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions of Notes issued by Gas Natural Fenosa Finance B.V. set forth in the base prospectus dated 26 November 2012 (the *Base Prospectus*) which constitutes a base prospectus for the purposes of the Prospectus Directive (*Directive 2003/71/EC*) as amended (which includes amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State) (the *Prospectus Directive*). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the website of the Luxembourg Stock Exchange at www.bourse.lu.

1.	(i)	Series Number:	16
	(ii)	Tranche Number:	1
2.		Specified Currency or Currencies:	Euro
3.		Aggregate Nominal Amount of Notes:	Euro 600,000,000
	(i)	Series:	Euro 600,000,000
	(ii)	Tranche:	Euro 600,000,000
	(iii)	Date on which the Notes will become fungible:	N/A
4.		Issue Price:	99.139% of the Aggregate Nominal Amount

5. Specified Denominations: euro 100,000 and integral multiples of euro 100,000 thereafter
6. (i) Issue Date: 17 January 2013
(ii) Interest Commencement Date: Issue Date
7. Maturity Date: 17 January 2023
8. Interest Basis: 3.875% Fixed Rate
(see Condition 5)
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100% of their nominal amount
(see Condition 6)
10. Change of Interest Basis: N/A
(see Condition 5)
11. Put/Call Options:
(see Condition 6)

Change of Control Put Option

12. Date Board approval for issuance of Notes obtained: 9 January 2013

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. **Fixed Rate Note Provisions** Applicable
(see Condition 5)
- (i) Interest Period(s): The period beginning on, and including, the Interest Commencement Date and ending on, but excluding the first Interest Payment Date and each successive period beginning on, and including, an Interest Payment Date and ending on, but excluding, the next succeeding Interest Payment Date.
- (ii) Rate of Interest: 3.875% per annum payable annually in arrear
- (iii) Interest Payment Date(s): 17 January in each year up to and including the Maturity Date
- (iv) First Interest Payment Date: 17 January 2014
- (v) Fixed Coupon Amount: Euro 3,875 per Specified Denomination

(vi)	Broken Amount(s):	N/A
(vii)	Day Count Fraction:	Actual/Actual (ICMA)
(viii)	Determination Dates:	17 January in each year
14.	Floating Rate Note Provisions (see Condition 5)	N/A
15.	Zero Coupon Note Provisions (see Condition 5)	N/A

PROVISIONS RELATING TO REDEMPTION

16.	Call Option (see Condition 6)	N/A
18.	Change of Control Put Option (see Condition 6)	Applicable
19.	Final Redemption Amount of each Note:	Euro 100,000 per Specified Denomination
20.	Early Redemption Amount Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default or other early redemption: (see Condition 6)	As per Conditions


GENERAL PROVISIONS APPLICABLE TO THE NOTES

21.	Form of Notes: (see "Form of the Notes" on page 82)	Bearer Notes Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
22.	New Global Note	Yes
23.	Financial Centre(s)	N/A


24. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): No
25. Details relating to Instalment Notes: N/A
(see Condition 6)
26. Consolidation provisions: The provisions in Condition 16 (Further Issues) apply

DISTRIBUTION

27. If syndicated, names of Managers: Banca IMI S.p.A.
Banco Bilbao Vizcaya Argentaria, S.A.
CaixaBank, S.A.
Crédit Agricole Corporate and Investment Bank
HSBC Bank plc
ING Bank N.V.
J.P. Morgan Securities plc
28. If non-syndicated, name of relevant Dealer: N/A
29. U.S. Selling Restrictions: Reg. S Compliance Category 2, TEFRA D
(see page 14)

By: 
Signed on behalf of Gas Natural Fenosa Finance B.V.

Duly authorised

By: 
Signed on behalf of the Guarantor

Duly authorised

– OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- | | | |
|------|---|--|
| (i) | Admission to trading and listing:

(see cover page) | Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to listing on the official list of the Luxembourg Stock Exchange and to trading on the regulated market of the Luxembourg Stock Exchange with effect from the Issue Date. |
| (ii) | Estimate of total expenses related to admission to trading: | €6,100 |

2. RATINGS

- | | |
|----------|--|
| Ratings: | The Notes to be issued are expected to be rated :

Fitch Ratings Limited (“ Fitch ”): BBB+ (Rating Watch Negative)

Moody’s Investor Service Limited (“ Moody’s ”): Baa2 (on review for Downgrade)

Standard & Poor’s Rating Services, a division of the McGraw Hill Companies, Inc. (“ S&P ”): BBB |
|----------|--|

Each of Fitch, Moody’s and S&P is established in the European Union and is registered under Regulation (EU) No 1060/2009 (the “CRA Regulation”).

A list of rating agencies registered under the CRA Regulation can be found at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for (i) any fees payable to the Managers and (ii) so far as the Issuer is aware, no person involved in the issue/offer of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer, the Guarantor and any of their affiliates in the ordinary course of business for which they may receive fees.

4. REASONS FOR THE OFFER

Reasons for the offer:	Sec “Use of Proceeds” wording in the Base Prospectus.
------------------------	---

5. Fixed Rate Notes only — YIELD

Indication of yield:	3.981 per cent. per annum
----------------------	---------------------------

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. OPERATIONAL INFORMATION

ISIN Code: XS0875343757

Common Code: 087534375

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): N/A

Names and addresses of initial Paying Agent(s): Citibank, N.A., London Branch

Names and addresses of additional Paying Agent(s): N/A

Commissioner (applies to Gas Natural Capital Markets, S.A. only): N/A

(see Condition 12)