

## FINAL TERMS

Capitalised words and expressions used in a 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.

4 April 2017

### Gas Natural Capital Markets, S.A.

*(Incorporated with limited liability in the Kingdom of Spain)*

**Euro 1,000,000,000 1.125% Guaranteed Notes due 11 April 2024 (the Notes)**

### Guaranteed by

### Gas Natural SDG, S.A.

**issued pursuant to the Gas Natural Fenosa Finance B.V. and Gas Natural Capital Markets, S.A. Euro 14,000,000,000 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 Capital Markets, S.A. set forth in the base prospectus dated 2 December 2016 (the *Base Prospectus*) and the Supplement to the Base Prospectus dated 20 March 2017 (the *Supplement*) which together constitute 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 as so supplemented. 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 as so supplemented. The Base Prospectus and the Supplement have been published on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

1	(i) Series Number:	28
	(ii) Tranche Number:	1
2	Specified Currency or Currencies:	Euro
3	Aggregate Nominal Amount of Notes:	
	(i) Series:	Euro 1,000,000,000
	(ii) Tranche:	Euro 1,000,000,000
	(iii) Date on which the Notes will become fungible:	N/A
4	Issue Price:	99.466% of the Aggregate Nominal Amount
5	(a) Specified Denominations:	Euro 100,000
	(b) Calculation Amount:	Euro 100,000
6	(i) Issue Date:	11 April 2017
	(ii) Interest Commencement Date:	Issue Date
7	Maturity Date:	11 April 2024
8	Interest Basis:	1.125% Fixed Rate

	<i>(see Condition 5)</i>	
9	Redemption/Payment Basis: <i>(see Condition 6)</i>	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100% of their nominal amount
10	Change of Interest Basis: <i>(see Condition 5)</i>	N/A
11	Put/Call Options: <i>(see Condition 6)</i>	Residual Maturity Call Option  Substantial Purchase Event  Make-Whole Redemption  Change of Control Put Option
12	Date Board approval for issuance of Notes obtained:	28 March 2017

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

13	<b>Fixed Rate Note Provisions</b> <i>(see Condition 5)</i>	Applicable
	(i) Interest Period(s):	The 12 month period ending on and including 11 April in each year, the last such period ending on and including the Maturity Date
	(ii) Rate of Interest:	1.125% per annum payable annually in arrear
	(iii) Interest Payment Date(s):	11 April each year commencing on 11 April 2018 up to and including the Maturity Date
	(iv) First Interest Payment Date:	11 April 2018
	(v) Fixed Coupon Amount(s):	Euro 1,125 per Calculation Amount
	(vi) Broken Amount(s):	N/A
	(vii) Day Count Fraction:	Actual/Actual (ICMA)
	(viii) Determination Dates:	N/A
14	<b>Floating Rate Note Provisions</b> <i>(see Condition 5)</i>	N/A
15	<b>Zero Coupon Note Provisions</b> <i>(see Condition 5)</i>	N/A

**PROVISIONS RELATING TO REDEMPTION**

16	<b>Call Option</b> <i>(see Condition 6)</i>	N/A
17	<b>Put Option</b> <i>(see Condition 6)</i>	N/A

18	<b>Residual Maturity Call Option</b> <i>(see Condition 6)</i>	Applicable
19	<b>Substantial Purchase Event</b> <i>(see Condition 6)</i>	Applicable
20	<b>Make-Whole Redemption</b> <i>(see Condition 6)</i>	Applicable
	(i) Make-Whole Redemption Rate:	The yield to maturity on the third Business Day preceding the Make-Whole Redemption Date of the 1.750% <i>Bundesobligationen</i> of the <i>Bundesrepublik Deutschland (Bund)</i> due February 2024 (ISIN: DE0001102333)
	(ii) Make-Whole Redemption Margin:	0.20 per cent.
21	<b>Change of Control Put Option</b> <i>(see Condition 6)</i>	Applicable
22	<b>Final Redemption Amount of each Note:</b>	Euro 100,000 per Calculation Amount
23	<b>Early Redemption Amount</b> Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default or other early redemption: <i>(see Condition 6)</i>	As per Conditions

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

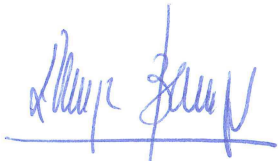
24	Form of Notes:	Bearer Notes Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for definitive Notes in the limited circumstances specified in the Permanent Global Note
25	New Global Note	Yes
26	Financial Centre(s)	N/A
27	Talons for future Coupons or Receipts to be attached to definitive Notes (and dates on which such Talons mature):	No
28	Details relating to Instalment Notes: <i>(see Condition 6)</i>	N/A
29	Consolidation provisions:	The provisions in Condition 16 (Further Issues) apply

#### **DISTRIBUTION**

30	If syndicated, names of Managers:	Banca IMI S.p.A. Banco Bilbao Vizcaya Argentaria, S.A.
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Barclays Bank PLC  
BNP Paribas  
CaixaBank, S.A.  
Citigroup Global Markets Limited  
ING Bank N.V.  
J.P. Morgan Securities plc  
Mediobanca – Banca Di Credito Finanziario S.p.A.  
Mitsubishi UFJ Securities International plc

- 31 If non-syndicated, name of relevant Dealer: N/A
- 32 U.S. Selling Restrictions: Reg. S Compliance Category 2, TEFRA D

  
By: .....

Signed on behalf of Gas Natural Capital Markets, S.A.

*Duly authorised*

  
By: .....

Signed on behalf of the Guarantor

*Duly authorised*

## OTHER INFORMATION

### 1 LISTING AND ADMISSION TO TRADING

- (i) Listing: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of the Luxembourg Stock Exchange with effect from the Issue Date.
- (ii) Admission to Trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange with effect from the Issue Date.
- (iii) Estimate of total expenses related to admission to trading: Euro 4,800

### 2 RATINGS

- Ratings: The Notes to be issued are expected to be rated:
- Fitch Ratings Limited (“Fitch”): BBB+ (negative)
- Moody’s Investor Service Limited (“Moody’s”): Baa2 (stable)
- S&P Global Ratings (“S&P”): BBB (stable)
- 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-registeredand-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: See “Use of Proceeds” wording in the Base Prospectus.

### 5 Fixed Rate Notes only - YIELD

Indication of yield: 1.205% per annum

### 6 OPERATIONAL INFORMATION

- (i) ISIN Code: XS1590568132
- (ii) Common Code: 159056813

- (iii) 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
- (iv) Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.
- (v) Names and addresses of initial Paying Agent(s): Citibank, N.A., London Branch
- (vi) Names and addresses of additional Paying Agent(s): N/A