



GAS NATURAL CAPITAL MARKETS, S.A.

(Incorporated with limited liability in the Kingdom of Spain)

Issue of euro 750,000,000 5.000 per cent. Notes due 2018 (the Notes)

Guaranteed by

GAS NATURAL SDG, S.A.

(Incorporated with limited liability in the Kingdom of Spain)

The Notes are issued under the €12,000,000,000 Euro Medium Term Note Programme (the *Programme*) of Gas Natural Capital Markets, S.A. (the *Issuer*) and Union Fenosa Finance B.V., guaranteed (the *Guarantee*) by Gas Natural SDG, S.A. (the *Guarantor*). Applications have been made to the Financial Services Authority in its capacity as competent authority (the *UK Listing Authority*) under the Financial Services and Markets Act 2000 (the *FSMA*) for the Notes to be admitted to the Official List of the UK Listing Authority (the *Official List*) and to the London Stock Exchange plc (the *London Stock Exchange*) for such Notes to be admitted to trading on the Regulated Market of the London Stock Exchange. References in this drawdown prospectus (the *Drawdown Prospectus*) to Notes being listed (and all related references) shall mean that such Notes have been admitted to trading on the London Stock Exchange's Regulated Market and have been admitted to the Official List. The London Stock Exchange's Regulated Market is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC.

The Notes have been rated Baa2 by Moody's Investors Service Ltd. (*Moody's*), BBB by Standard & Poor's Credit Market Services Europe Limited (*S&P*) and A by Fitch Ratings Ltd. (*Fitch*). The Programme has been rated A by Fitch. The Issuer has been rated Baa2 by Moody's and A by Fitch. Moody's, S&P and Fitch are established in the European Union and have been registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies. A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, change or withdrawal by the assigning rating agency.

The Notes and the Guarantee have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the *Securities Act*) or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes are subject to U.S. tax law requirements. The Notes may not be offered, sold or delivered within the United States or to, or for the account of, U.S. persons (as defined in Regulation S under the Securities Act) except in certain transactions exempt from the registration requirements of the Securities Act.

See "*Risk Factors*" for a discussion of certain factors to be considered in connection with an investment in the Notes.

Joint Lead Managers

BBVA

CaixaBank

Citigroup

HSBC

J.P. Morgan

Santander Global Banking & Markets

Société Générale Corporate & Investment Banking

This Drawdown Prospectus constitutes a prospectus for the purposes of Article 5.3 of Directive 2003/71/EC (the *Prospectus Directive*).

This Drawdown Prospectus is published for the purpose of giving information with regard to the Issuer, the Guarantor, the subsidiaries of the Guarantor (together with the Guarantor, the *Group*) and the Notes. Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Drawdown Prospectus. Having taken all reasonable care to ensure that such is the case, the information contained in this Drawdown Prospectus is, to the best of the knowledge of each of the Issuer and the Guarantor, in accordance with the facts and contains no omission likely to affect the import of such information.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Drawdown Prospectus or any information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor or any of the Joint Lead Managers.

Neither this Drawdown Prospectus nor any other information supplied in connection with the Programme or the Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or as constituting an invitation or offer by the Issuer, the Guarantor or any of the Joint Lead Managers that any recipient of this Drawdown Prospectus or any other information supplied in connection with the Programme or the Notes should purchase any Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Guarantor.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Notes or the distribution of this document in any jurisdiction where any such action is required.

This Drawdown Prospectus is to be read and construed in conjunction with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*” below).

No representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any of the Joint Lead Managers listed on the front cover as to the accuracy or completeness of the information contained in this Drawdown Prospectus or any other information provided by the Issuer or the Guarantor. None of the Joint Lead Managers accepts any liability in relation to the information contained in this Drawdown Prospectus or any other information provided by the Issuer or the Guarantor in connection with the Programme. Each Joint Lead Manager accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Drawdown Prospectus or any such statement.

The delivery of this Drawdown Prospectus does not at any time imply that the information contained herein concerning the Issuer and/or the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Joint Lead Managers expressly do not undertake to review the financial condition or affairs of the Issuer and/or the Guarantor during the life of the Programme. Investors should review, *inter alia*, the

most recent financial statements of the Issuer and the Guarantor when deciding whether or not to purchase any of the Notes.

This Drawdown Prospectus does not constitute an offer of, or invitation by or on behalf of, the Issuer, the Guarantor or any of the Joint Lead Managers to subscribe for or purchase any Notes. The distribution of this Drawdown Prospectus and the offer or sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Drawdown Prospectus or any Notes come must inform themselves about, and observe, any such restrictions. None of the Issuer, the Guarantor or any of the Joint Lead Managers represents that this Drawdown Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor or any of the Joint Lead Managers that would permit a public offering of the Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Drawdown Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. In particular, the Notes and the obligations of the Guarantor under the Deed of Guarantee have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States or to, or for the account or benefit of U.S. persons (as defined in the U.S. Internal Revenue Code of 1986 and regulations thereunder). The Notes are subject to U.S. tax law requirements. In particular, there are restrictions on the distribution of this Drawdown Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom, The Netherlands and Spain) and Japan, see “Subscription and Sale” on page 136 of the base prospectus dated 14 November 2011 (the *Base Prospectus*) relating to the Programme under which the Notes are issued.

CONTENTS

	PAGE
RISK FACTORS	5
DOCUMENTS INCORPORATED BY REFERENCE	6
TERMS AND CONDITIONS OF THE NOTES	8
FINAL TERMS	9
SCHEDULE	16
GENERAL INFORMATION	18

RISK FACTORS

Prospective investors should consider carefully the risks set forth in the information under the heading “Risk Factors” on pages 15 through 28 (inclusive) of the Base Prospectus. Each of the Issuer and the Guarantor believes that these risk factors may affect its ability to fulfil its respective obligations under the Notes which may in turn result in investors losing the value of their investment. Most of these factors are contingencies which may or may not occur and none of the Issuer or the Guarantor is in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described in the Base Prospectus.

Each of the Issuer and the Guarantor believes that the factors described in the Base Prospectus represent the principal risks inherent in investing in the Notes, but the inability of the Issuer or the Guarantor to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons. Prospective investors should also read the detailed information set out elsewhere in this Drawdown Prospectus (including any documents incorporated by reference herein) and in the Base Prospectus and reach their own views prior to making any investment decision.

DOCUMENTS INCORPORATED BY REFERENCE

The Base Prospectus (which constitutes a base prospectus for the purposes of the Prospectus Directive) shall be deemed to be incorporated into and form part of this Drawdown Prospectus in its entirety.

Any statement contained in the Base Prospectus shall be deemed to be modified or superseded for the purpose of this Drawdown Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Drawdown Prospectus.

Any documents incorporated by reference in the Base Prospectus shall not constitute part of this Drawdown Prospectus.

This Drawdown Prospectus must be read in conjunction with the Base Prospectus and full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of the provisions set out within this Drawdown Prospectus and the Base Prospectus.

In addition the following documents which have previously been published and have been approved by the Financial Services Authority or filed with it shall be deemed to be incorporated in, and to form part of, this Drawdown Prospectus:

- (a) the consolidated annual accounts of the Guarantor for the years ended 31 December 2009 and 2010, which include the consolidated financial statements, the notes to the consolidated annual accounts, the auditor's reports and the directors' reports thereon in relation to the years ended 31 December 2009 and 2010 (set out on pages 85 to 309 and 79 to 353, respectively, of the 2009 and 2010 annual reports of the Guarantor);
- (b) the unaudited consolidated interim financial information of the Guarantor in relation to the six-month period ended 30 June 2011, together with the limited review report and directors' report thereon;
- (c) the unaudited consolidated interim financial information of the Guarantor in relation to the nine-month period ended 30 September 2011;
- (d) the unaudited condensed consolidated interim financial information of Unión Fenosa, S.A. in relation to the six-month period ended 30 June 2009, together with the limited review report and directors' report thereon;
- (e) the audited non-consolidated financial statements of Union Fenosa Finance B.V. and the auditor's reports thereon in relation to the years ended 31 December 2009 and 2010; and
- (f) the audited non-consolidated annual accounts of Gas Natural Capital Markets, S.A. and the auditor's report thereon in relation to the years ended 31 December 2009 and 2010.

In relation to the documents referred to in sub-paragraph (a) above, the following information shall not be deemed incorporated in, and shall not form part of, this Drawdown Prospectus: (A) the section of the Consolidated Director's Report for the year ended 31 December 2010 titled "Outlook" on pages 269 – 271 of the 2010 annual report and (B) the section of the Consolidated Director's Report for the year ended 31 December 2009 titled "Outlook" on pages 241 – 243 of the 2009 annual report. Any information contained in any of the documents specified above which is not incorporated by reference in this Drawdown Prospectus is either not relevant to investors or is covered elsewhere in this Drawdown Prospectus.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Drawdown Prospectus shall not form part of this Drawdown Prospectus. Information contained in the documents incorporated by reference into this Drawdown Prospectus, which is not itself incorporated by reference into this Drawdown Prospectus, is either not relevant for investors or is covered elsewhere in this Drawdown Prospectus.

Any statement contained in a document that is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Drawdown Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Drawdown Prospectus.

As long as any of the Notes are outstanding, copies of this Drawdown Prospectus, the Base Prospectus and any supplement to the Base Prospectus and each document incorporated by reference into this Drawdown Prospectus may be inspected, free of charge, at the offices of the Issuer and the Guarantor and the specified office of the Agent in London (each as detailed on page 19 of this Drawdown Prospectus), during normal business hours. In addition, copies of the Base Prospectus and the documents listed at sub-paragraphs (a) to (g) above can be viewed on the website of the Regulatory News Service operated by the London Stock Exchange plc at www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html.

TERMS AND CONDITIONS OF THE NOTES

The terms and conditions of the Notes shall consist of the “Terms and Conditions of the Notes” set out on pages 54 through 78 (inclusive) of the Base Prospectus (the *Base Conditions*), as amended and completed by the Final Terms issued in respect of the Notes (including the Schedule thereto), the form of which is set out below. References in the Base Prospectus to *Final Terms* shall be deemed to refer to the Final Terms (including the Schedule) set out below.

Terms used herein but not otherwise defined shall have the meanings given to them in the Base Prospectus. All references to *Conditions* or to a numbered *Condition* shall be to the Base Conditions or the relevant numbered Condition of the Base Conditions.

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.

31 January 2012

Gas Natural Capital Markets, S.A.

(Incorporated with limited liability in the Kingdom of Spain)

euro 750,000,000 5.00 per cent. Guaranteed Notes due 2018 (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 Terms and Conditions of Notes issued by Gas Natural Capital Markets, S.A. set forth in the Base Prospectus dated 14 November 2011, which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (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 and the drawdown prospectus expected to be dated on or about 3 February 2012 (the *Drawdown 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, the Base Prospectus and the Drawdown Prospectus. Copies of the Base Prospectus may be obtained during normal business hours from Plaça del Gas no.1, 08003, Barcelona, Spain (being the registered office of the Issuer) and from the offices of the Agent at 21st Floor, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom.

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|----|------|--|---|
| 1. | (i) | Issuer: | Gas Natural Capital Markets, S.A. |
| | (ii) | Guarantor: | Gas Natural SDG, S.A. |
| 2. | (i) | Series Number: | 13 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | euro |
| 4. | | Aggregate Nominal Amount of Notes admitted to trading: | euro 750,000,000 |
| | (i) | Series: | euro 750,000,000 |
| | (ii) | Tranche: | euro 750,000,000 |
| 5. | | Issue Price: | 99.413% of the Aggregate Nominal Amount |

6.	(i)	Specified Denominations:	euro 100,000 and integral multiples of euro 100,000 thereafter.
7.	(i)	Issue Date:	13 February 2012
	(ii)	Interest Commencement Date:	Issue Date
8.		Maturity Date:	13 February 2018
9.		Interest Basis:	5.00% Fixed Rate (further particulars specified below)
10.		Redemption/Payment Basis:	Redemption at par
11.		Change of Interest or Redemption/Payment Basis:	Not Applicable
12.		Put/Call Options:	Investor Put (further particulars specified below)
13.	(i)	Status of the Notes:	Senior
	(ii)	Status of the Guarantee:	Senior
	(iii)	Date Board approval for issuance of Notes obtained:	30 January 2012
14.		Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.		Fixed Rate Note Provisions	Applicable
	(i)	Rate of Interest:	5.00% per annum payable annually in arrear
	(ii)	Interest Payment Date(s):	13 February in each year, commencing on 13 February 2013 up to and including the Maturity Date
	(iii)	Fixed Coupon Amount:	euro 5,000 per euro 100,000 in Specified Denomination
	(iv)	Broken Amount(s):	Not Applicable
	(v)	Day Count Fraction:	Actual/Actual (ICMA)
	(vi)	Determination Dates:	13 February in each year
	(vii)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable

16.	Floating Rate Note Provisions	Not Applicable
17.	Zero Coupon Note Provisions	Not Applicable
18.	Index-linked Notes/other variable-linked interest Note Provisions	Not Applicable
19.	Dual Currency Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

20.	Call Option	Not Applicable
21.	Put Option	Applicable (further particulars specified in the Schedule to the Final Terms)
	(i) Optional Redemption Date(s):	See Schedule
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	See Schedule
	(iii) Notice period:	See Schedule
22.	Final Redemption Amount of each Note	euro 100,000 per Specified Denomination
23.	Early Redemption Amount	
	Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	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) or other special provisions relating to payment dates:	TARGET business day

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 Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
29.	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
30.	Redenomination, renominalisation reconventioning provisions:	Not Applicable
31.	Consolidation provisions:	The provisions in Condition 16 (Further Issues) apply
32.	Other final terms:	Not Applicable

DISTRIBUTION

33.	(i) If syndicated, names of Managers:	Banco Bilbao Vizcaya Argentaria, S.A. Banco Santander, S.A. CaixaBank, S.A. Citigroup Global Markets Limited HSBC Bank plc J.P. Morgan Securities Ltd. Société Générale
(if	(ii) Stabilising Manager(s) any):	Not Applicable
34.	If non-syndicated, name of Dealer:	Not Applicable
35.	US Selling Restrictions:	Reg. S; TEFRA D
36.	Additional selling restrictions:	Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to listing on the Official List of the UK Listing Authority and to trading on the Regulated Market of the London Stock Exchange of the Notes described herein pursuant to the euro 12,000,000,000 Medium Term Note Programme of Union Fenosa Finance B.V. and Gas Natural Capital Markets, S.A., guaranteed by Gas Natural SDG, S.A.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

By:

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

Duly authorised

By:

Signed on behalf of the Guarantor

Duly authorised

PART B – OTHER INFORMATION

1. LISTING

- (i) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to listing on the Official List of the UK Listing Authority and to trading on the Regulated Market of the London Stock Exchange with effect from the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: GBP 4310

2. RATINGS

Ratings: The Notes to be issued have been rated:

S & P: BBB
Moody's: Baa2
Fitch: A

Each of S&P, Moody's and Fitch is established in the EU and registered under Regulation (EC) No 1060/2009 (the "CRA Regulation").

3. YIELD

Indication of yield: 5.116%

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

4. OPERATIONAL INFORMATION

ISIN Code: XS0741942576

Common Code: 074194257

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

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

Commissioner: Isabel Rega Ramos

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 International Central Securities Depositories (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 and all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

SCHEDULE

For the purpose of this Series of Notes and the Final Terms dated 31 January 2012 (to which this schedule is attached) only, Condition 6(d) (Redemption at the Option of the Noteholders) shall be deleted and replaced with the following:

Redemption at the option of the Noteholders upon a Change of Control

At any time while any Note remains outstanding, each holder of Notes will have the option (the “**Put Option**”) to require the Issuer to redeem or, at the Issuer’s option, to procure the purchase of such Notes on the Optional Redemption Date at the Optional Redemption Amount (both terms as defined below) if a Change of Control occurs and, during the Change of Control Period, a Rating Downgrade occurs (together, a “**Put Event**”).

A “**Change of Control**” shall be deemed to have occurred at each time that any person or persons acting in concert (“**Relevant Persons**”) or any person or persons acting on behalf of such Relevant Persons, acquire(s) control, directly or indirectly, of the Guarantor.

“**control**” means: (a) the acquisition or control of more than 50 per cent. of the voting rights of the issued share capital of the Guarantor; or (b) the right to appoint and/or remove all or the majority of the members of the Guarantor’s Board of Directors or other governing body, whether obtained directly or indirectly, whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise.

“**Change of Control Period**” means the period commencing on the date on which the relevant Change of Control occurs or the date of the first relevant Potential Change of Control Announcement, whichever is the earlier, and ending on the date which is 90 days after the date of the occurrence of the relevant Change of Control.

“**Potential Change of Control Announcement**” means any public announcement or statement by the Issuer or any actual or bona fide potential bidder relating to any potential Change of Control.

“**Rating Agency**” means any of the following: (a) Standard & Poor’s Rating Services, a division of The McGraw Hill Companies, Inc. (“**S&P**”); (b) Moody’s Investors Service Limited (“**Moody’s**”); (c) Fitch Ratings Ltd (“**Fitch Ratings**”); or (d) any other credit rating agency of equivalent international standing specified from time to time by the Issuer and, in each case, their respective successors or affiliates.

A “**Rating Downgrade**” shall be deemed to have occurred in respect of a Change of Control if, within the Change of Control Period, the rating previously assigned to the Guarantor is lowered by at least two full rating notches (by way of example, BB+ to BB-, in the case of S&P) (a “downgrade”) or withdrawn, in each case, by the requisite number of Rating Agencies (as defined below), and is not, within the Change of Control Period, subsequently upgraded (in the case of a downgrade) or reinstated (in the case of a withdrawal) to its earlier credit rating or better, such that there is no longer a downgrade or withdrawal by the requisite number of Rating Agencies. For these purposes, the “**requisite number of Rating Agencies**” shall mean (i) at least two Rating Agencies, if, at the time of the rating downgrade or withdrawal, three or more Rating Agencies

have assigned a credit rating to the Guarantor, or (ii) at least one Rating Agency if, at the time of the rating downgrade or withdrawal, fewer than three Rating Agencies have assigned a credit rating to the Guarantor.

Notwithstanding the foregoing, no Rating Downgrade shall be deemed to have occurred in respect of a particular Change of Control if (a) following such a downgrade, the Guarantor is still assigned an Investment Grade Rating by one or more of the Rating Agencies effecting the downgrade, or (b) the Rating Agencies lowering or withdrawing their rating do not publicly announce or otherwise confirm in writing to the Issuer that such reduction or withdrawal was the result, in whole or part, of any event or circumstance comprised in, or arising as a result of, or in respect of, the applicable Change of Control.

“Investment Grade Rating” means: (1) with respect to S&P, any of the categories from and including AAA to and including BBB- (or equivalent successor categories); (2) with respect to Moody’s, any of the categories from and including Aaa to and including Baa3 (or equivalent successor categories); (3) with respect to Fitch Ratings, any of the categories from and including AAA to and including BBB- (or equivalent successor categories); and (4) with respect to any other credit rating agency of equivalent international standing specified from time to time by the Issuer, a rating that is equivalent to, or better than, the foregoing.

“Optional Redemption Amount” means an amount equal to par plus interest accrued to but excluding the Optional Redemption Date.

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a **“Put Event Notice”**) to the Agent, the Paying Agents and the Noteholders in accordance with Condition 15 specifying the nature of the Put Event and the circumstances giving rise to it and the procedure for exercising the Put Option, as well as the date upon which the Put Period (as defined below) will end and the Optional Redemption Date (as defined below).

To exercise the Put Option to require redemption or, as the case may be, purchase of a Note under this section, the holder of that Note must transfer or cause to be transferred its Notes to be so redeemed or purchased to the account of the Paying Agent specified in the Put Option Notice for the account of the Issuer within the period (the **“Put Period”**) of 45 days after the Put Event Notice is given together with a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a **“Put Option Notice”**) and in which the holder may specify a bank account to which payment is to be made under this section.

The Issuer shall redeem or, at the option of the Issuer, procure the purchase of the Notes in respect of which the Put Option has been validly exercised as provided above, and subject to the transfer of such Notes to the account of the Paying Agent for the account of the Issuer as described above on the date which is the fifth Business Day following the end of the Put Period (the **“Optional Redemption Date”**). Payment in respect of any Note so transferred will be made in euro to the holder to the specified euro denominated bank account in the Put Option Notice on the Optional Redemption Date via the relevant account holders.

GENERAL INFORMATION

(1) Listing and Admission to Trading

Application has been made to the UK Listing Authority in its capacity as competent authority under the FSMA to approve this document as a drawdown prospectus for the purposes of the Prospectus Directive. Application has also been made to the London Stock Exchange for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange and to the UK Listing Authority for the Notes to be admitted to the Official List.

(2) Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The Common Code for the Notes is 074194257 and the ISIN for the Notes is XS0741942576.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

(3) Documents Available

Copies of this Drawdown Prospectus are available on the website of the Regulatory News Service operated by the London Stock Exchange at www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html. For the avoidance of doubt, the contents of this website are not incorporated in, and do not form part of, this Drawdown Prospectus.

(4) Significant or Material Change and Litigation

There has been no material adverse change in the prospects of the Issuer since 31 December 2010 nor has there been any significant change in the financial or trading position of the Issuer since 31 December 2010 (being the date of the latest available financial statements of the Issuer).

There has been no material adverse change in the prospects of the Guarantor since 31 December 2010 nor has there been any significant change in the financial or trading position of the Group since 30 September 2011 (being the date of the latest available financial statements of the Group).

Save as disclosed under “Litigation and Arbitration” on pages 123 to 124 of the Base Prospectus, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had during the twelve months prior to the date of this Drawdown Prospectus, a significant effect on the financial position or profitability of the Issuer, the Guarantor or of the Group.

(5) Other Relationships

Some of the Joint Lead Managers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer, the Guarantor or any of their affiliates. They may have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Joint Lead Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer, the Guarantor or any of their affiliates. Certain of the Joint Lead Managers or their affiliates that have a lending relationship with the Issuer or the Guarantor may routinely hedge their credit exposure to the Issuer or the Guarantor consistent with their customary risk management policies. Typically, the Joint Lead Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes. Any such short positions could adversely affect the future trading prices of the Notes. The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

THE GUARANTOR

Gas Natural SDG, S.A.

Plaça del Gas no.1
08003, Barcelona
Spain

THE ISSUER

Gas Natural Capital Markets, S.A.

Plaça del Gas no.1
08003, Barcelona
Spain

AGENT

Citibank, N.A., London Branch

14th Floor, Citigroup Centre
Canada Square, Canary Wharf
London E14 5LB
United Kingdom

**AUDITORS OF THE ISSUER
AND THE GUARANTOR**

PricewaterhouseCoopers Auditores, S.L.

Edificio Caja de Madrid
Avinguda Diagonal, 640
08017 Barcelona
Spain

LEGAL ADVISERS

*To the Guarantor as to English law and Spanish
law*

Freshfields Bruckhaus Deringer LLP

Fortuny, 6
28010 Madrid
Spain

*To the Joint Lead Managers as to English law and
Spanish law*

Linklaters, S.L.P.

Zurbarán, 28
28010 Madrid
Spain

JOINT LEAD MANAGERS

Banco Bilbao Vizcaya Argentaria, S.A.

Via de los Poblados
2ª Planta
28033 Madrid
Spain

Caixabank, S.A.

Avda. Diagonal, 621-629
08028 Barcelona
Spain

HSBC Bank plc

8 Canada Square
London E14 5HQ
United Kingdom

Banco Santander, S.A.

Ciudad Grupo Santander, Edificio Encinar
Avenida de Cantabria S/N
28660 Boadilla del Monte, Madrid
Spain

Citigroup Global Markets Limited

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

J.P. Morgan Securities Ltd.

125 London Wall
London EC2Y 5AJ
United Kingdom

Société Générale

Tours Société Générale
17 Cours Valmy
92987 Paris La Défense Cedex
France