Fourth quarter Results 2012

19 February 2013

GAS NATURAL FENOSA ATTAINS THE GOALS OF ITS 2010-2012 BUSINESS PLAN WITH EBITDA OF €5.080 BILLION IN 2012

- Despite a much more demanding macroeconomic context, GAS NATURAL FENOSA attained the financial objectives set out in the 2010-2012 Strategic Plan due to its balanced business profile, growth in international activities and strict financial discipline.

- Net profit in 2012 was €1,441 million, up 8.8% year-on-year, despite lower gains on asset sales with respect to 2011.

- Consolidated EBITDA in 2012 amounted to €5,080 million, a 9.4% increase with respect to 2011, supported by GAS NATURAL FENOSA's diversification, the growing contribution from the international business, and its balanced business profile, which offset the stagnation in the contribution from the regulated businesses in Spain, which were impacted by the divestments in 2011 and by Royal Decree-Act 13/2012.

- The results obtained in this context highlight the solid fundamentals of GAS NATURAL FENOSA's business model, which is based on an appropriate balance of regulated and liberalised gas and electricity businesses, including a growing, diversified international presence.

- EBITDA from GAS NATURAL FENOSA'S international activities increased by 22.6%, accounting for 43.2% of the consolidated total in 2012, compared with 38.5% the previous year.

- Net interest-bearing debt amounted to €15,995 million at year-end, and the company attained the objectives set out in the 2010-2012 Strategic Plan: leverage of 51.8%, and a Net debt/EBITDA ratio of 3.1x. Excluding the outstanding tariff deficit, Net debt would be €14,930 million, i.e. leverage of 50.1% and Net debt/EBITDA of 2.9x.

- In January 2013, GAS NATURAL FENOSA placed a €600 million 10-year bond in the euro market with a fixed coupon of 3.875%, and a 250 million Swiss franc 6-year bond with a fixed coupon of 2.125%. These issues strengthen GAS NATURAL FENOSA's position as a leading issuer in the capital markets, expanding its investor base and its presence in financial markets.

- Also in January 2013, GAS NATURAL FENOSA signed an agreement with Algerian company Sonatrach to buy a 10% stake in Medgaz, which operates the Algeria-Europe submarine gas pipeline connecting Beni Saf with the Almería coast with a capacity of 8 bcm/year. As part of this acquisition, GAS NATURAL FENOSA will receive 10% of the gas pipeline's transport capacity as well as a new natural gas supply contract of 0.8 bcm/year.

- The Board of Directors will propose to the Ordinary Shareholders' Meeting that it allocate €895 million out of 2012 income to dividends, i.e. 8.7% more than the previous year, with a resulting payout of 62.1%.

1.- MAIN AGGREGATES

1.1.- Main financial aggregates

4Q12	4Q11	%	(€ million)	2012	2011	%
6,486	5,761	12.6	Net sales	24,904	21,076	18.2
1,253	1,106	13.3	EBITDA	5,080	4,645	9.4
733	582	25.9	Operating income	3,067	2,947	4.1
326	211	54.5	Net profit	1,441	1,325	8.8
-	-	-	Average number of shares (million)[1]	996	953	4.5
-	-	-	Net profit per share (€)	1.45	1.39	4.3
540	613	-11.9	Investments	1,386	1,514	-8.5
-940	-55	-	Net interest-bearing debt (at 31/12)	15,995	17,294	-7.5

1.2.- Ratios

	2012	2011
Leverage[2]	51.8%	54.5%
EBITDA/ Financial result	6.2x	5.5x
Net interest-bearing debt /EBITDA	3.1x	3.7x
P/E	9.4x	9.9x
EV/EBITDA	5.8x	6.6x

Share performance and balance sheet at 31 December.

[1] Calculated in accordance with IAS 33.
[2] Net interest-bearing debt/(Net interest-bearing debt + Equity).

1.3.- Main physical aggregates

Gas and electricity distribution:

4Q12	4Q11	%		2012	2011	%
109,953	101,798	8.0	Gas distribution (GWh):	409,774	395,840	3.5
50,763	53,132	-4.5	Europe:	199,416	204,809	-2.6
635	717	-11.4	Tariff gas sales	2,754	2,730	0.9
50,128	52,415	-4.4	TPA[3]	196,662	202,079	-2.7
59,190	48,666	21.6	Latin America:	210,358	191,031	10.1
37,849	27,801	36.1	Tariff gas sales	131,407	114,559	14.7
21,341	20,865	2.3	TPA	78,951	76,472	3.2
13,700	12,875	6.4	Electricity distribution (GWh):	54,362	54,067	0.5
9,027	8,581	5.2	Europe:	36,288	36,361	-0.2
672	665	1.1	Tariff gas sales	2,525	2,445	3.3
8,355	7,916	5.5	TPA	33,763	33,916	-0.5
4,673	4,294	8.8	Latin America:	18,074	17,706	2.1
4,410	4,061	8.6	Tariff gas sales	17,087	16,789	1.8
263	233	12.9	TPA	987	917	7.6
-	-	-	Gas distribution connections ('000) (at 31/12):	11,663	11,372	2.6
-	-	-	Europe	5,573	5,490	1.5
-	-	-	Latin America	6,090	5,882	3.5
-	-	-	Electricity distribution connections, ('000) (at 31/12):	8,309	8,133	2.2
-	-	-	Europe	4,608	4,568	0.9
-	-	-	Latin America	3,701	3,565	3.8
-	-	-	ICEIT (minutes)	33	42	-21.4

[3] Includes also TPA services in the secondary network.

Energy businesses:

4Q12	4Q11	%		2012	2011	%
13,645	13,058	4.5	Electricity generated (GWh):	56,248	56,616	-0.6
8,796	9,391	-6.3	Spain:	37,144	38,081	-2.5
525	313	67.7	Hydroelectric	1,665	2,892	-42.4
1,117	1,196	-6.6	Nuclear	4,434	4,378	1.3
1,733	1,940	-10.7	Coal	7,724	4,464	73.0
-	3	-	Oil/gas	-	-	-
4,669	5,289	-11.7	CCGT	20,602	23,967	-14.0
752	650	15.7	Renewables	2,719	2,380	14.2
4,850	3,667	32.3	International:	19,104	18,535	3.1
109	112	-2.7	Hydroelectric	370	380	-2.6
4,275	3,180	34.4	CCGT	16,951	16,362	3.6
466	375	24.3	Oil/gas	1,783	1,793	-0.6
-	-	-	Installed capacity (MW):	15,519	15,443	0.5
-	-	-	Spain:	12,827	12,760	0.5
-	-	-	Hydroelectric	1,907	1,901	0.3
-	-	-	Nuclear	604	595	1.5
-	-	-	Coal	2,048	2,048	-
-	-	-	Oil/gas	157	157	-
-	-	-	CCGT	6,998	6,998	-
-	-	-	Renewables	1,113	1,061	4.9
-	-	-	International:	2,692	2,683	0.3
-	-	-	Hydroelectric	73	73	-
-	-	-	CCGT	2,298	2,289	0.4
-	-	-	Oil-fired	321	321	-
83,242	82,098	1.4	Gas supply (GWh):	328,058	308,634	6.3
59,342	60,711	-2.3	Supply in Spain	238,450	234,622	1.6
717	748	-4.1	Retail sales in Italy	2,844	2,718	4.6
23,183	20,639	12.3	Rest	86,764	71,294	21.7
			UF Gas[4]:			
13,056	11,367	14.9	Gas supply in Spain (GWh)	55,683	56,937	-2.2
6,607	8,346	-20.8	Rest tariff gas sales (GWh)	28,200	26,503	6.4
32,750	28,668	14.2	Gas transportation - EMPL (GWh)	116,347	111,855	4.0

[4] Assuming 100%.

2.- ANALYSIS OF CONSOLIDATED RESULTS

2.1.- Changes in group size

The main changes in consolidated group size in 2012 with respect to 2011 are as follows:

- In May 2011, the company divested the electricity distribution companies in Guatemala.
- Also in May 2011, the company executed the agreement to break up and redistribute Eufer's assets by swapping stakes in a number of wind farm companies. As a result, Gas Natural Fenosa Renovables received approximately one-half of Eufer's net assets, i.e. over 500 MW of installed capacity in operational assets.
- On 30 June 2011, the company disposed of Bis Distribución de Gas, which had 304,000 gas supply points in Madrid.
- In September 2011, the Company acquired 66.66% of Energías Ambientales (EASA) and 25.0% of Explotaciones Eólicas Sierra de Utrera from ACS; it now owns 100% and 75%, respectively, of those companies, which are now fully consolidated.
- In December 2011, the company acquired, from Gamesa, 100% of Sistemas Energéticos Alto do Seixal, which is now fully consolidated.
- In December 2011, the company acquired 100% of Favellato Reti Gas (Italy), which is now fully consolidated.
- In February 2012, the company sold certain gas clients and associated contracts in the Madrid region.

2.2.- Analysis of results

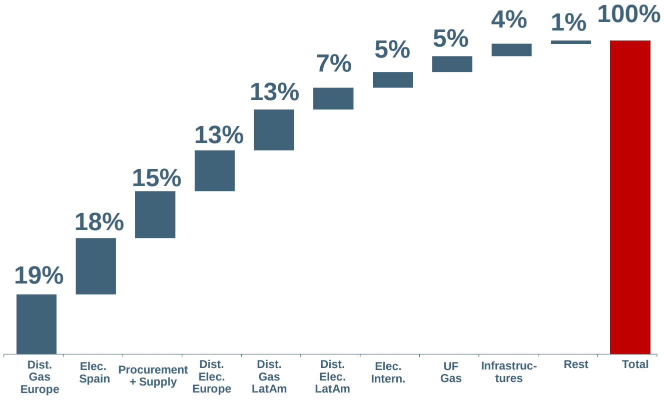
2.2.1.- Net sales

Net sales totalled €24,904 million in 2012, an 18.2% increase over 2011, due basically to growth in the wholesale gas business outside Spain, generally, to business in Latin America.

2.2.2.- EBITDA and operating income

Consolidated EBITDA in 2012 amounted to €5,080 million, an increase of 9.4% with respect to 2011, in a very tough context in macroeconomic, energy and financial terms; this result was achieved due to an appropriate balance of regulated and liberalised gas and electricity businesses, including a growing, diversified international contribution, which offset the EBITDA impact of divestments in 2011 and the impact of Royal Decree-Act 13/2012.

Contribution to EBITDA, by business



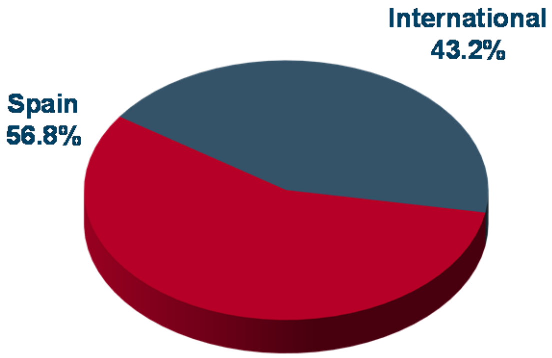
Standardising for divestments, EBITDA would have increased by 11.0%.

Regulated gas and electricity distribution in Spain (29.8%) and other countries (22.1%) accounts for 51.9% of GAS NATURAL FENOSA's EBITDA.

The gas business expanded by 34.5% and accounts for 24.0% of consolidated EBITDA, while the electricity business accounts for 23.2% of consolidated EBITDA.

EBITDA from GAS NATURAL FENOSA'S international activities increased by 22.6% to €2,195 million, accounting for 43.2% of the consolidated total in 2012 (38.5% in 2011). This growth was attributable to a notable increase in gas supply and to expansion in Latin America. In contrast, EBITDA from operations in Spain declined as a share of the consolidated total to 56.8%.

Contribution to EBITDA, by geographic area



Depreciation charges increased by 2.7% to €1,798 million, while provisions increased by €19 million to €235 million in 2012. Gains from asset disposals totalled €20 million (+€268 million in 2011), providing operating profit of €3,067 million, i.e. 4.1% higher than last year.

2.2.3.- Financial results

The breakdown of financial results is as follows:

4Q12	4Q11	(€ million)	2012	2011
-229	-204	Cost of net interest-bearing debt	-823	-849
3	-29	Other financial expenses/revenues	-51	-85
-226	**-233**	**Financial result**	**-874**	**-934**

The cost of net interest-bearing debt was €823 million in 2012, i.e. lower than in 2011 due to the combined effect of lower net debt and the lower cost of debt.

2.2.4.- Corporate income tax

GAS NATURAL FENOSA is taxed in Spain under the consolidated taxation system, in which the tax group is viewed as the taxpayer and its tax base is determined by aggregating the tax bases of its component companies. The other Spanish-resident companies that are not part of the tax group file individual returns, and those not resident in Spain are taxed in their respective countries; the rate for corporate income tax (or the equivalent tax) applicable to income for the period is applied.

The effective tax rate in 2012 was 24.8%, on par with last year's figure. The difference between the theoretical tax rate and the effective tax rate was due basically to the application of tax credits, the application of different tax systems to companies operating outside Spain, and the effect of net income from equity-accounted affiliates.

2.2.5.- Minority interest

The main items in this account are the minority shareholders of EMPL, investees in Colombia, gas distribution companies in Brazil, and electricity generation and distribution companies in Panama.

Income attributed to minority interest in 2012 amounted to €216 million, i.e. €15 million more than in 2011.

3. BALANCE SHEET

3.1.- Investments

The breakdown of investments by type is as follows:

(€ million)	2012	2011	%
Capital expenditure and intangible assets	1,357	1,406	-3.5
Financial investments	29	108	-73.1
Total investments	**1,386**	**1,514**	**-8.5**

Capital expenditure (intangible assets and property, plant and equipment) amounted to €1,357 million, 3.5% less than in 2011, due primarily to the decline in regulated investment in Spain, which is partly offset by the increase in investment primarily in Latin America (gas distribution and power generation).

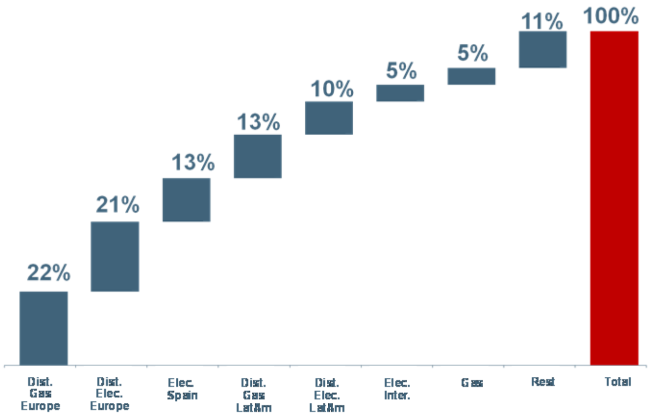
In 2008, the Costa Rican Institute of Electricity (ICE) awarded GAS NATURAL FENOSA the contract to build and operate the Torito hydroelectric plant (50 MW) for a 20-year period. Capital expenditure amounted to €24 million in 2012; by application of IFRIC 12 "Service Concession Arrangements", that amount is classified as financial assets.

The breakdown of investment in property, plant and equipment and intangible assets by line of business is as follows:

(€ million)	2012	2011	%
Gas distribution:	475	445	7.2
Spain	257	260	-1.2
Latin America	177	149	19.5
Italy	41	36	16.7
Electricity distribution:	417	490	-15.3
Spain	269	340	-21.2
Latin America	132	133	-1.5
Moldova	16	17	-5.9
Electricity:	245	258	-5.0
Spain	182	211	-13.7
International	63	47	34.0
Gas:	63	62	1.6
Up + Midstream	25	32	-21.9
Wholesale & Retail	27	20	35.0
UF Gas	11	10	10.0
Rest	157	151	4.0
Total capital expenditure and intangible assets	**1,357**	**1,406**	**-3.5**

GAS NATURAL FENOSA allocated 65.7% of capital expenditure to regulated gas and electricity distribution, which will strengthen their contribution to consolidated EBITDA.

Total capital expenditure and intangible assets, by activity



A total of 63.7% of capital expenditure in the period corresponds to Spain (down 11.4%, compared with 69.3% in 2011), whereas 36.3% of capital expenditure corresponds to other countries, an increase of 14.4% with respect to 2011.

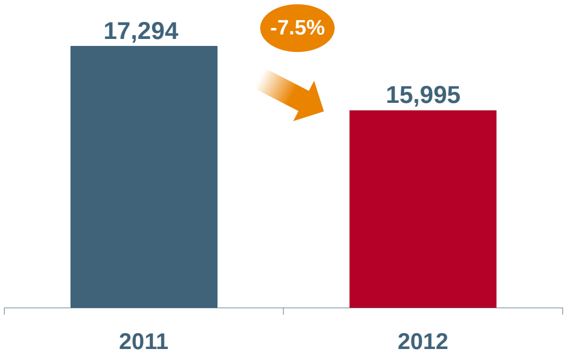
Capital expenditure in Latin America remains focused on Mexico, Brazil and Colombia, and capital spending on gas distribution expanded by a notable 19.5%.

3.2.- Debt

At 31 December 2012, net interest-bearing debt amounted to €15,995 million and leverage was 51.8%.

Excluding the outstanding tariff deficit at 31 December 2012 (€1,065 million), net interest-bearing debt would be €14,930 million, i.e. leverage of 50.1%.

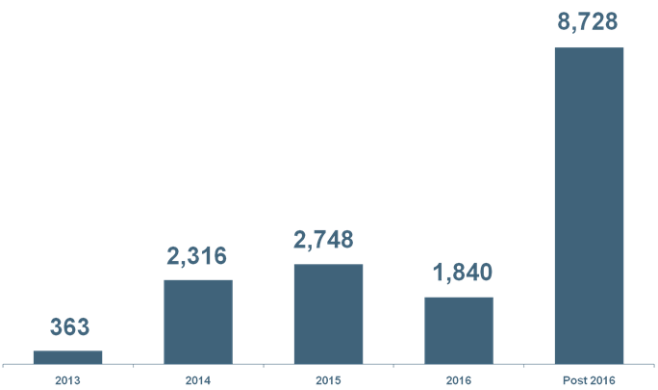
Evolution of net interest-bearing debt (€ million)



The Net debt/EBITDA ratio was 3.1x (2.9x if the tariff deficit is excluded from net debt) and EBITDA/interest was 6.2 at 31 December 2012.

Since the Fondo de Amortización del Déficit Eléctrico (FADE) launched an inaugural bond issue backed by rights assigned by Spain's electricity system on 11 January 2011, new issues and taps under previous issues have totalled €15,639 million, of which €5,828 were issued in 2012. GAS NATURAL FENOSA has received a total of €1,794 million, including €692 million in 2012. The FADE issued €996 million in January 2013, €697 of which is for the industry and €96 million for GAS NATURAL FENOSA.

Net interest-bearing debt maturity (€Mn)



The figure shows GAS NATURAL FENOSA's net debt maturity calendar at 31 December 2012.

A total of 83.3% of the net interest-bearing debt matures in or after 2015 The average term of the debt is almost 5 years.

A total of 79.6% of net interest-bearing debt is at fixed interest rates and the other 20.4% is at floating rates. Of the net interest-bearing debt, 2.3% is short term and 97.7% is long term.

At 31 December 2012, cash and cash equivalents together with available bank finance totalled over €9,000 million, providing the company with sufficient liquidity to cover its debt maturities for more than 24 months.

Additionally, at 31 December 2012 the company had €3,699 million available in the form of shelf registrations for financial instruments, including €2,400 million in the Euro Medium Term Notes (EMTN) programme, €842 million in the Euro Commercial Paper (ECP) programme, and €372 million in the stock market certificates programmes on the Mexico Stock Exchange and the commercial paper programme on the Panama Exchange. In October 2012, a new 500,000 million peso programme commenced in Colombia; the first issue, which amounted to 300,000 million pesos, was placed on 24 October 2012.

In October 2012, GAS NATURAL FENOSA issued a €500 million bond with a fixed coupon of 4.12%, maturing in April 2017. In January 2013, GAS NATURAL FENOSA launched a €600 million 10-year issue with a fixed coupon of 3.875%, and a 250 million Swiss franc 6-year issue with a fixed coupon of 2.125%.

These issues strengthen GAS NATURAL FENOSA's position as a leading issuer in the capital markets, growing its investor base and its presence in the financial markets; total issuance since June 2009 under the EMTN programme amounts to €10,700 million, with an average coupon of 4.8% and an average term of over 7 years.

In December 2011 and March 2012, GAS NATURAL FENOSA obtained credit lines from the European Investment Bank (EIB) amounting to a total of €500 million and maturing up to 15 years. At 31 December 2012, the company had €150 million undrawn under those lines. The company also obtained new bilateral bank loans and credit lines in 2012.

The breakdown of the net interest-bearing debt by currency at 31 December 2012, in absolute and relative terms, is as follows:

(€ million)	31/12/12	%
EUR	13,691	85.6
US$	1,097	6.9
COP	551	3.4
MXN	315	2.0
JPY	222	1.4
BRL	119	0.7
Total net interest-bearing debt	**15,995**	**100.0**

The credit ratings of GAS NATURAL FENOSA's short- and long-term debt are as follows:

Agency	Long term	Short term
Moody’s	Baa2	P-2
Standard & Poor’s	BBB	A-2
Fitch	BBB+	F2

3.3.- Shareholders’ equity

The dividend proposal approved by the Ordinary Shareholders' Meeting on 20 April 2012 includes the payment of a dividend amounting to €360 million (equal to the 2011 interim dividend, which was paid on 9 January 2012) as well as a scrip dividend through the issuance of new ordinary shares for a maximum reference market value of €461 million.

The trading period for the warrants corresponding to the scrip dividend out of 2011 income ended on 13 June 2012. The holders of 81.8% of the warrants accepted the irrevocable purchase commitment by GAS NATURAL FENOSA, which, as a result, acquired 811,328,072 warrants for €379 million gross. The other 18.2% opted to receive new shares. As a result, the definitive number of ordinary shares with a unit par value of one euro issued as scrip dividend was 9,017,202. The capital increase was registered with the Mercantile Register on 22 June 2012 and the shares were listed on 29 June 2012.

At 31 December 2012, the total number of ordinary shares was 1,000,689,341, represented by book entries, with a par value of one euro each. All of the outstanding shares are fully paid-up and have the same political and economic rights.

The Board of Directors will propose to the Ordinary Shareholders' Meeting that it allocate €895 million out of 2012 income to dividends. The final dividend will be paid in cash. That represents a payout of 62.1% and a dividend yield of 6.6% based on the share price at 31 December 2012 (€13.58).

An interim dividend amounting to €0.391 per share out of 2012 earnings was distributed on 8 January 2013.

At 31 December 2012, GAS NATURAL FENOSA's shareholders' equity totalled €14,879 million. Of that total, €13,261 million is attributable to GAS NATURAL FENOSA, a 3.7% increase with respect to 31 December 2011.

At 31 December 2012, based on available information, the main shareholders of GAS NATURAL FENOSA were as follows:

	% stake
"La Caixa" group	35.0
Repsol Group	30.0
Sonatrach	4.0

4.- ANALYSIS OF RESULTS BY ACTIVITY

The criteria used to assign amounts to the activities are as follows:

- The margin on intercompany transactions is allocated on the basis of the market which is the final destination of the sale.
- All revenues and expenses relating directly and exclusively to a specific business activity are allocated directly to it.
- Corporate expenses and revenues are assigned on the basis of their use by the individual business lines.

4.1.- Gas distribution in Spain

This area includes gas distribution, third-party access (TPA) and secondary transportation, as well as the distribution activities that are charged for outside the regulated remuneration (meter rentals, customer connections, etc.) in Spain.

In line with the action plan approved by Spain's National Competition Commission in connection with the purchase of Unión Fenosa, the company completed the sale of 304,456 natural gas supply points in Madrid (with a consumption of 1,439 GWh) to the Madrileña Red de Gas group on 30 June 2011. As a result, there are notable variations when comparing the two periods.

4.1.1.- Results

4Q12	4Q11	%	(€ Mn)	2012	2011	%
308	296	4.1	Net sales	1,266	1,240	2.1
-7	-1	-	Purchases	-24	-12	-
-23	-14	64.3	Personnel costs, net	-77	-71	8.5
-68	-83	-18.1	Other revenues and expenses	-265	-261	1.5
210	**198**	**6.1**	**EBITDA**	**900**	**896**	**0.4**
-76	-74	2.7	Depreciation and amortization	-289	-284	1.8
2	-1	-	Change in operating provisions	-	-	-
136	**123**	**10.6**	**Operating profit**	**611**	**612**	**-0.2**

Net sales in the gas distribution business totalled €1,266 million and EBITDA amounted to €900 million, i.e. slightly higher in year-on-year terms despite divestments in 2011.

Excluding the effect of the divestment of assets in the Madrid region and non-recurring revenues in 1H11, net sales would have expanded by 4% and EBITDA by 3% with respect to the previous year.

4.1.2.- Main aggregates

The main aggregates in gas distribution in Spain were as follows:

4Q12	4Q11	%		2012	2011	%
49,925	52,173	-4.3	Gas TPA sales (GWh):	195,769	201,231	-2.7
461	263	75.3	Distribution network (km)	46,541	43,871	6.1
32	29	10.3	Change in connection points (‘000)	75	81	-7.4
-	-	-	Connection points (000) (at 31/12)	5,124	5,050	1.5

Excluding divestment proceeds, revenues in the regulated gas business in Spain, which includes TPA (third-party access) services in the gas distribution network and secondary transportation, declined by 2% (-3,497 GWh) with respect to 2011, due to the decline in gas shipped for industrial consumption and power generation caused by the current economic situation.

GAS NATURAL FENOSA continues to expand its distribution network and to increase the number of supply connections. The low level of activity in the new building market continues to impact growth in supply connections, which the company is offsetting by increasing connections in the existing building market, as visible in the fourth quarter. New customers in that market which are signed but not yet connected expanded by 12% with respect to 2011.

In like-for-like terms, the distribution network expanded by 1,459 km, connecting 40 new municipalities.

Order IET/2812/2012 was published on 31 December 2012, establishing the tolls and fees for third-party access to gas installations and remuneration for regulated gas activities for 2013. This Order established an efficiency factor of zero for updating remuneration assigned to the distribution and transport business. The remuneration recognised for GAS NATURAL FENOSA in 2013 from distribution and transportation activities in 2012 is €1,107 million.

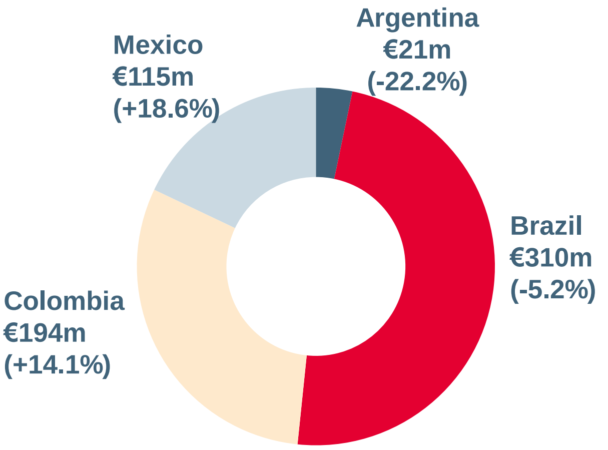
4.2.- Gas Distribution in Latin America

This division involves gas distribution in Argentina, Brazil, Colombia and Mexico.

4.2.1.- Results

4Q12	4Q11	%	(€ Mn)	2012	2011	%
897	643	39.5	Net sales	2,982	2,585	15.4
-643	-410	56.8	Purchases	-1,993	-1,659	20.1
-23	-22	4.5	Personnel costs, net	-98	-89	10.1
-68	-51	33.3	Other revenues and expenses	-251	-216	16.2
163	**160**	**1.9**	**EBITDA**	**640**	**621**	**3.1**
-28	-29	-3.4	Depreciation and amortization	-116	-113	2.7
1	-6	-	Change in operating provisions	-15	-14	7.1
136	**125**	**8.8**	**Operating profit**	**509**	**494**	**3.0**

EBITDA in Latin America, by country



Revenues increased by 15.4% to €2,982 million, on 10.1% growth in volume year-on-year.

EBITDA amounted to €640 million, a 3.1% increase on 2011, and was positively impacted by appreciation of the Colombian peso (+11.5%), the Argentine peso (+0.8%) and the Mexican peso (+2.0%) and negatively impacted by the devaluation of the Brazilian real (-7.3%).

The figure shows gas distribution EBITDA in Latin America, by country, and the variation with respect to 2011.

Brazil accounted for 48.4% of EBITDA; sales volume was 35.9% higher than in 2011, and the energy margin was 5.9% higher, mainly due to the Consumer Price Index update.

Growth in Colombia´s EBITDA accounted for 14.1%, taking into consideration the effect of the wealth tax booked in 1H11 earnings which does not apply in 2012.

EBITDA in Mexico accounted for 18.0% of the total, and the energy margin rose 11.6% with respect to 2011.

4.2.2.- Main aggregates

The main physical aggregates in gas distribution in Latin America are as follows:

4Q12	4Q11	%		2012	2011	%
59,190	48,666	21.6	Gas activity sales (GWh):	210,358	191,031	10.1
37,849	27,801	36.1	Tariff gas sales	131,407	114,559	14.7
21,341	20,865	2.3	TPA	78,951	76,472	3.2
482	481	0.2	Distribution network (km)	67,334	65,831	2.3
52	60	-13.3	Change in connection points (‘000)	208	217	-4.1
-	-	-	Connection points (000) (at 31/12)	6,090	5,882	3.5

The key physical aggregates by country in 2012 are as follows:

	Argentina	Brazil	Colombia	Mexico	Total
Gas activity sales (GWh):	76,847	67,692	17,656	48,163	210,358
Change vs. 2011 (%)	0.9	35.9	1.8	1.0	10.1
Distribution network (km)	23,605	6,290	19,860	17,579	67,334
Change vs. 31/12/2011 (km)	293	153	397	660	1.503
Connection points (‘000) (at 31/12)	1,522	870	2,403	1,295	6,090
Change vs. 31/12/2011 ('000)	31	28	111	38	208

There were a total of 6,090,470 gas distribution connections in 2012. Year-on-year growth remains high, with the company adding 207,565 distribution connections (of which 111,159 in Colombia alone). The company now has more than 1.5 million customers in Argentina.

Sales in the gas activity in Latin America, which include both gas sales and TPA (third-party access) services, totalled 210,358 GWh, a 10.1% increase with respect to 2011.

The distribution grid expanded by 1,503 km (+2.3%) in the last 12 months, to 67,334 km at the end of December 2012. Mexico, where the grid added 660 km, contributed to this notable growth.

Highlights in Latin America:

- In Argentina, residential/commercial customer numbers increased by 10.9% compared with 2011. Gas and TPA sales increased by 0.9% due to the increase in unit consumption by domestic/commercial clients and to a larger customer base. The company continued to curtail expenditure in a situation of high inflation (around 23%). In December 2012, the company signed a contract with ENARGAS and Nación Fideicomisos to create a fund for construction and expenses related to infrastructure expansion and maintenance.

- The business performed very well in Brazil, with a 14.5% net increase in residential/commercial customer numbers and a 35.9% increase in gas and TPA sales, especially in power generation. Electric power plant dispatching in 2012 increased by 118% year-on-year, and sales also performed very well. Reservoir levels in December 2012 were 28.9%, i.e. below the historical average (62.3%).

- In Colombia, net residential/commercial customer numbers increased by 2.9% and installations grew by 6.2%, especially in the new building segment (+17.8%). Gas and TPA sales also expanded by 3.4% in the residential/commercial market.

- In Mexico, installations increased by 31.0% with to 2011, with notable improvements in central Mexico (Mexico City and Toluca) and in the north (Monterrey, Nuevo Laredo and Saltillo). As for gas and TPA sales, there was a notable increase in the residential/commercial market (+8.1%) and TPA (+3.6%) with respect to 2011, due to the larger customer base and higher residential unit consumption.

4.2.- Gas distribution in Italy

This area refers to regulated distribution and retail supply of gas in Italy.

4.3.1.- Results

4Q12	4Q11	%	(€ Mn)	2012	2011	%
89	67	32.8	Net sales	297	238	24.8
-55	-38	44.7	Purchases	-170	-129	31.8
-3	-3	-	Personnel costs, net	-15	-14	7.1
-9	-9	-	Other revenues and expenses	-29	-25	16.0
22	**17**	**29.4**	**EBITDA**	**83**	**70**	**18.6**
-7	-6	16.7	Depreciation and amortization	-25	-23	8.7
-1	-2	-50.0	Change in operating provisions	-5	-4	25.0
14	**9**	**55.6**	**Operating profit**	**53**	**43**	**23.3**

EBITDA totalled €83 million, i.e. 18.6% higher than in 2011, due to the increase in regulated gas distribution and the growing contribution from the margin on gas sales.

EBITDA from liberalised sales to retail customers in Italy expanded by 49.8% to €19 million in 2012.

4.3.2.- Main aggregates

4Q12	4Q11	%		2012	2011	%
838	959	-12.6	Gas activity sales (GWh):	3,647	3,578	1.9
635	717	-11.4	Tariff gas sales	2,754	2,730	0.9
203	242	-16.1	TPA	893	848	5.3
54	351	-84.6	Distribution network (km)	6,885	6,736	2.2
-	-	-	Connection points (000) (at 31/12)	449	440	2.0
717	748	-4.1	Retail sales of gas (GWh)	2,844	2,718	4.6

A total of 3,647 GWh of gas were distributed, i.e. 1.9% more than in 2011, due mainly to the favourable weather.

Sales to the retail market expanded by 4.6% to 2,844 GWh.

The distribution grid expanded by 149 km in the last 12 months, to 6,885 km at 31 December 2012.

GAS NATURAL FENOSA has 448,967 gas distribution points in Italy, a 2.0% increase with respect to 2011.

4.4.- Electricity distribution in Spain

The electricity distribution business in Spain includes regulated distribution of electricity and network services for customers, basically connections and hook-ups, metering and other actions associated with third-party access to GAS NATURAL FENOSA's distribution network.

4.4.1.- Results

4Q12	4Q11	%	(€ Mn)	2012	2011	%
215	218	-1.4	Net sales	852	922	-7.6
-	-	-	Purchases	-	-	-
-25	-29	-13.8	Personnel costs, net	-99	-114	-13.2
-42	-44	-4.5	Other revenues and expenses	-140	-128	9.4
148	**145**	**2.1**	**EBITDA**	**613**	**680**	**-9.9**
-62	-60	3.3	Depreciation and amortization	-228	-220	3.6
-	-2	-	Change in operating provisions	1	-1	-
86	**83**	**3.6**	**Operating profit**	**386**	**459**	**-15.9**

Royal Decree-Act 13/2012, of 30 March 2012, adopting measures to correct imbalances between costs and revenues in the electricity and gas sectors, establishes a reduction in regulated revenues associated with distribution and customer management. This decline amounted to approximately €110 million for GAS NATURAL FENOSA with respect to the 2012 figures established under Order IET/3586/2011 (Official State Gazette of 31/12/2011), the result of which is a decline of 7.6% in revenues and of 9.9% in EBITDA with respect to 2011.

4.4.2.- Main aggregates

4Q12	4Q11	%		2012	2011	%
8,355	7,916	5.5	Electric activity sales (GWh):	33,763	33,916	-0.5
-	-	-	Tariff electricity sales	-	-	-
8,355	7,916	5.5	TPA	33,763	33,916	-0.5
-	-	-	Connection points ('000) (at 31/12)	3,772	3,748	0.6
-	-	-	ICEIT (minutes)	33	42	-21.4

Energy supplied was on par with 2011 despite the fact that electricity demand fell by 1.7% in like-for-like terms, in line with performance nationwide.

The number of distribution connections increased slightly, by 0.6%, to 3,772,495.

There were no notable incidents in the period due to the facilities' optimal performance as a result of investment in recent years, the network architecture and ongoing operation and maintenance plans. As a result, the ICEIT (installed capacity equivalent interrupt time) was 33 minutes, i.e. an improvement of 21.4%.

4.5.- Electricity Distribution in Latin America

This division involves electricity distribution in Colombia, Nicaragua and Panama.

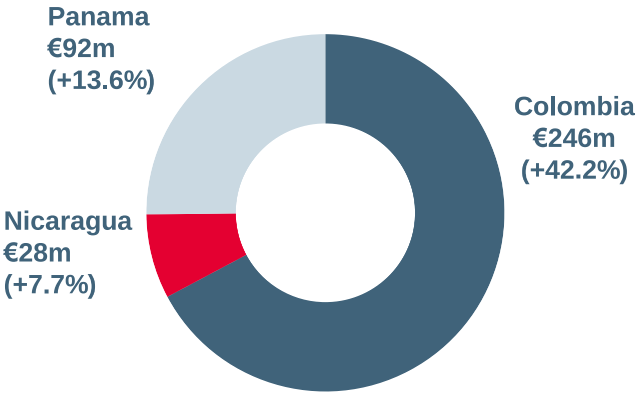
The sale of the electricity distribution business in Guatemala led to its deconsolidation on 1 June 2011.

4.5.1.- Results

4Q12	4Q11	%	(€ Mn)	2012	2011	%
624	554	12.6	Net sales	2,513	2,290	9.7
-475	-416	14.2	Purchases	-1,891	-1,723	9.8
-20	-3	-	Personnel costs, net	-66	-42	57.1
-41	-49	-16.3	Other revenues and expenses	-190	-219	-13.2
88	**86**	**2.3**	**EBITDA**	**366**	**306**	**19.6**
-17	-16	6.3	Depreciation and amortization	-70	-71	-1.4
-21	-21	-	Change in operating provisions	-116	-102	13.7
50	**49**	**2.0**	**Operating profit**	**180**	**133**	**35.3**

Net sales in electricity distribution in Latin America totalled €2,513 million in 2012, a 9.7% increase. EBITDA amounted to €366 million in 2012, 19.6% more than in 2011.

EBITDA in Latin America, by country



Excluding the currency effect and the divestment of electricity distribution companies in Guatemala, EBITDA would have expanded by 18.6%. Moreover, if the 2011 EBITDA is adjusted for the wealth tax in Colombia, which was a non-recurring item, EBITDA would have increased by 2.3%.

The distribution business in Colombia contributed €246 million to EBITDA, i.e. a 1.2% improvement excluding the effect of the wealth tax in 2011. That increase reflects greater demand year-on-year, which was affected by a very strong cold wave in winter. This weather event also impacted energy prices, which had a notable impact on the tariff as a result of the pass-through clauses. The reduction of losses as a result of the action plans implemented during the year also contributed to these results.

EBITDA from distribution companies in Central America totalled €120 million, i.e. up 11.9%, driven by higher demand in Panama (+9%) and Nicaragua (+6%). This absorbed the impact of the higher cost of unrecognised losses due to higher energy purchase prices, especially in Nicaragua, where procurement costs increased by around 6% on average.

4.5.2.- Main aggregates

4Q12	4Q11	%		2012	2011	%
4,673	4,294	8.8	Electric activity sales (GWh):	18,074	17,706	2.1
4,410	4,061	8.6	Tariff electricity sales:	17,087	16,789	1.8
263	233	12.9	TPA	987	917	7.6
-	-	-	Connection points (‘000) (at 31/12)	3,701	3,565	3.8

Electricity sales totalled 18,074 GWh, an increase of 2.1% despite the fact that the 2011 figures reflect the sale of distribution companies in Guatemala. Excluding those companies, sales expanded by 7.1% due to growing demand across the board in all countries.

The number of distribution connections increased by 3.8%, to 3,700,934.

The key physical aggregates by country in 2012 are as follows:

	Colombia	Nicaragua	Panama	Total
Electric activity sales (GWh)	11,238	2,751	4,085	18,074
Change vs. 2011 (%)	6.8	6.5	8.5	2.1
Connection points ('000 at 31/12)	2,312	880	509	3,701
Change vs. 31/12/2011 ('000)	88	31	17	136
Network loss ratio (%)	17.4	20.0	10.4	16.3

The performance of basic operating indicators reflects good business management and growth, as envisioned in the plan to reduce grid losses and bad debts, enabling the company to offset losses by increasing demand in this area.

4.6.- Electricity distribution in Moldova

The business in Moldova consists of regulated distribution of electricity and the supply of electricity at the bundled tariff in the capital city and the central and southern regions. GAS NATURAL FENOSA is responsible for 70% of electricity distribution in Moldova.

4.6.1.- Results

4Q12	4Q11	%	(€ Mn)	2012	2011	%
71	62	14.5	Net sales	250	206	21.4
-55	-47	17.0	Purchases	-194	-157	23.6
-2	-2	-	Personnel costs, net	-8	-8	-
-3	-4	-25.0	Other revenues and expenses	-13	-11	18.2
11	**9**	**22.2**	**EBITDA**	**35**	**30**	**16.7**
-1	-2	-50.0	Depreciation and amortization	-6	-6	-
-	-	-	Change in operating provisions	-	-	-
10	**7**	**42.9**	**Operating profit**	**29**	**24**	**20.8**

Net revenues reflect the pass-through effect of procurement costs together with the capex plan and operation and maintenance performed in accordance with the country's current regulations.

Excluding the currency effect, EBITDA expanded by 12.5% due to the increase in regulated remuneration for electricity distribution and supply at the bundled tariff, to the improvement in grid loss indicators, and to more efficient spending.

4.6.2.- Main aggregates

4Q12	4Q11	%		2012	2011	%
672	665	1.1	Electric activity sales (GWh):	2,525	2,445	3.3
672	665	1.1	Tariff electricity sales	2,525	2,445	3.3
-	-	-	TPA	-	-	-
-	-	-	Connection points (000) (at 31/12)	836	820	2.0
-	-	-	Network loss ratio (%)	12	13	-7.7

GAS NATURAL FENOSA continues to implement its plan to improve management in Moldova, focusing on processes linked to energy control in the distribution networks, operating processes associated with the entire customer management cycle, and optimisation of facility O&M; the plan is achieving its objectives and providing an ongoing improvement in basic operating indicators:

- Energy supply expanded by 3.3%, i.e. faster than electricity demand at national level (+2.1%) as a result of plans to improve the energy efficiency of the grids and of anti-fraud actions.

- Supply connections totalled 836,000, i.e. up 2.0% with respect to 2011, due primarily to growth in the real estate sector.

- The network loss indicator performed very favourably, declining by 1 percentage point compared with 2011, enabling the company to maximise regulated revenues.

4.7.- Electricity in Spain

This area basically includes power generation in Spain, wholesale and retail electricity supply in the liberalised market in Spain, and electricity supply at the last-resort tariff.

4.7.1.- Results

4Q12	4Q11	%	(€ Mn)	2012	2011	%
1,619	1,358	19.2	Net sales	6,194	5,452	13.6
-1,212	-995	21.8	Purchases	-4,624	-4,061	13.9
-41	-40	2.5	Personnel costs, net	-152	-149	2.0
-128	-143	-10.5	Other revenues and expenses	-514	-433	18.7
238	**180**	**32.2**	**EBITDA**	**904**	**809**	**11.7**
-192	-134	43.3	Depreciation and amortization	-594	-560	6.1
-9	-27	-66.7	Change in operating provisions	-41	-46	-10.9
37	**19**	**94.7**	**Operating profit**	**269**	**203**	**32.5**

Net sales in the electricity business amounted to €6,194 million in 2012, 13.6% more than in 2011.

EBITDA amounted to €904 million in 2012, an 11.7% increase year-on-year.

The negative performance of fuel prices, the change in the electricity production mix (lower hydroelectric output) and their impact on generation costs was managed adequately, since the company was able to increase EBITDA in a context of production prices in Spain that, over the full year, were on par with 2011.

Electricity demand in mainland Spain amounted to 61,205 GWh in the fourth quarter of 2012, a decline of 2.5% with respect to 2011 (the largest declines were in October and December). Demand amounted to 251,749 GWh in 2012, a decline of 1.4% with respect to 2011. Adjusting for the different number of working days and the temperature, demand actually declined by 1.8% in the year as a whole.

In the fourth quarter of 2012, hourly capacity utilisation peaked at 39,609 MW in mid-December, i.e. on par with the peak in 4Q11 and far from the record peak of almost 45,000 MW in 2007.

The balance of international power flows was a net export in physical terms in the fourth quarter of 2012, amounting to 3.3 TWh, i.e. 2 TWh more than in the fourth quarter of 2011, while exports in 2012 totalled 11.2 TWh, i.e. up 84.0% with respect to 2011.

The steady increase in exports (133.9%) and, to a smaller extent, in pumped storage (34.1%) in the fourth quarter of 2012 was partly offset by the decline in electricity demand in mainland Spain in the period (-2.5%). Nevertheless, net power generation increased in Spain by 1.4% in the quarter due to the sharp increase in special regime output (+11.2%); ordinary regime output, however, declined (-4.2%); both figures were more moderate than in the previous quarter.

The 11.2% increase in special regime power generation in the quarter was attributable mainly to wind power, which expanded by 14.5%: there was a notable increase in both November and December (20.0%), following an October figure that was on par with that of 2011. Although wind power output in the fourth quarter did not surpass the September record, it's worth noting that wind was the largest single contributor to total output in November, accounting for 21.3%.

Wind output in 2012 increased by 14.3% with respect to 2011.

Output from the other special regime energies expanded by 8.1% in the quarter due to the recovery in hydroelectric output and to the increase in solar output: photovoltaic and solar thermal together exceeded 11 TWh in 2012.

Special regime output increased by 10.9% in 2012, and covered 40.7% of total Spanish mainland demand, i.e. almost four and a half points more than in 2011.

Ordinary regime output declined by 4.2% in the quarter, maintaining the negative trend after the upswing in the first quarter of 2012; however, the fourth quarter decline eased slightly with respect to the third quarter. Hydroelectric and imported coal-fired output increased. Output from the other ordinary regime technologies declined in the quarter, i.e. nuclear (a very slight decline), Spanish coal and principally CCGTs.

Hydroelectric output rose in the quarter, by 7.4% with respect to the fourth quarter of 2011, due to increases in October and December. Nevertheless, and given the scant hydrological contribution in recent months, the hydroelectric energy capacity in the year marks 2012 as extremely dry, with an exceedance probability of more than 99% when compared with the historical average: i.e. statistically, 99 out of every 100 years would be wetter than 2012. Hydroelectric output declined by 29.4% in 2012.

Nuclear output fell by 0.6% in the quarter but increased by 6.7% in the year; this figure was affected by changes in the dates of scheduled shut-downs.

Coal-fired output declined by 4.0% in the fourth quarter of 2012. Spanish coal-fired output declined by 9.6%, contrasting with imported coal-fired output, which increased by 3.4%; together they covered 18.8% of Spanish demand, i.e. 0.3 points less than in the fourth quarter of 2011.

In 2012 as a whole, coal-fired output increased by 25.5%. Spanish coal-fired output increased by 11.8%, clearly impacted by the entry into force of the Royal Decree on Security of Supply on 26 February 2011. Imported coal-fired output increased by 47.8%, evidence of its competitiveness compared with other technologies.

There was no oil-fired output in 2011 or 2012.

CCGT output in 4Q12 declined by 15%, covering 14.6% of demand, compared with 16.7% in the fourth quarter of 2011. In 2012, CCGT output declined by 24.2%, covering 15.0% of demand (4.5 points less than in 2011).

The decline in coal prices in the fourth quarter of 2012 partly offset the slight upswing in crude and gas prices in the quarter. This, together with the decline in demand in the fourth quarter, the sharp increase in special regime output, and higher hydroelectric output, led prices to decline to an average of €44.5/MWh in the quarter, i.e. 11% lower with respect to the third quarter, and 16.6% lower than in the fourth quarter of 2011.

Prices in 4Q12 were lower than in 2011, especially in October, when the price difference with respect to October 2011 was almost €12/MWh, due mainly to the lower contribution from special regime output in the month (39.0% vs. 43% and 47% in November and December, respectively). Daily prices during the quarter ranged from €9.1/MWh (1 November) to €68.7/MWh (12 December).

In 2012, the weighted average price in the electricity pool was €48.5/MWh, i.e. €2.3/MWh less than in 2011.

Brent crude increased from an average of $109.6/bbl in the third quarter of 2012 to $110.0/bbl (+0.4%) in the fourth quarter of 2012; prices oscillated between $106 and $116/bbl during the quarter. API 2, Europe's main coal price indicator, declined with respect to the third quarter, from $90.7/tonne to $88.7/tonne in the fourth quarter of 2012 (-€2/tonne). The price of CO_2 emission rights (EUAs on Bluenext) averaged €7.1/tonne (maturing in 2012), i.e. lower than the 3Q12 average (€7.6/tonne).

4.7.2.- Main aggregates

The main aggregates in GAS NATURAL FENOSA's electricity business in Spain were as follows:

Power generation capacity:

4Q12	4Q11	%		2012	2011	%
-	-	-	Installed capacity (MW):	12,827	12,760	0.5
-	-	-	Ordinary Regime	11,714	11,699	0.1
-	-	-	Hydroelectric	1,907	1,901	0.3
-	-	-	Nuclear	604	595	1.5
-	-	-	Coal	2,048	2,048	-
-	-	-	Oil/gas	157	157	-
-	-	-	CCGT	6,998	6,998	-
-	-	-	Special Regime	1,113	1,061	4.9
-	-	-	Wind	969	925	4.8
-	-	-	Small hydroelectric	69	69	-
-	-	-	Cogeneration and others	75	67	11.9

The change in ordinary regime installed capacity with respect to 2011 is due to a number of factors:

- The 6 MW increase as a result of re-rating several hydroelectric plants.
- The 9 MW increase corresponding to GAS NATURAL FENOSA at the Almaraz nuclear power plant.

Electricity generated and sold:

4Q12	4Q11	%		2012	2011	%
8,796	9,391	-6.3	Electricity generated (GWh):	37,144	38,081	-2.5
8,044	8,741	-8.0	Ordinary Regime	34,425	35,701	-3.6
525	313	67.7	Hydroelectric	1,665	2,892	-42.4
1,117	1,196	-6.6	Nuclear	4,434	4,378	1.3
1,733	1,940	-10.7	Coal	7,724	4,464	73.0
-	3	-	Oil/gas	-	-	-
4,669	5,289	-11.7	CCGT	20,602	23,967	-14.0
752	650	15.7	Special Regime	2,719	2,380	14.2
568	467	21.6	Wind	1,999	1,653	20.9
69	67	3.0	Small hydroelectric	257	281	-8.5
115	116	-0.9	Cogeneration and others	463	446	3.8
8,835	8,649	2.2	Electricity sales (GWh):	35,910	35,905	-
6,878	6,532	5.3	Liberalised market	28,216	27,058	4.3
1,957	2,117	-7.6	Last resort tariff	7,694	8,847	-13.0

GAS NATURAL FENOSA generated 8,796 GWh of electricity in mainland Spain in the fourth quarter of 2012, i.e. 6.3% less than in the same period of 2011. Of that figure, 8,044 GWh were ordinary regime (an 8.0% decline). Special regime power generation increased by 15.7% to 752 GWh.

GAS NATURAL FENOSA's electricity output in mainland Spain declined by 2.5%, with ordinary regime output falling by 3.6% (mainly due to divestments and lower hydroelectric output) , while special regime output increased by 14.2%, outstripping overall growth in mainland Spain (+10.9%)

Hydroelectric output in the fourth quarter of 2012 amounted to 525 GWh, i.e. 67.7% higher than the 313 GWh in 4Q11; however, output for the year as a whole amounted to 1,665 GWh, i.e. 42.4% lower than in 2011.

Overall, 2012 was extremely dry, with an exceedance probability of 99%, despite the improvement in December, a month which is not especially relevant in the calculation. Reservoirs in the GAS NATURAL FENOSA watersheds were at 31.6% of capacity, i.e. 5 points less than one year ago.

Nuclear output fell by 6.6% in the quarter but increased by 1.3% in the year due to changes in scheduled shutdown dates.

The application in 2012 of the Royal Decree on Security of Supply resulted in GAS NATURAL FENOSA's Anllares, La Robla 2 and Narcea 3 plants working continuously; nevertheless, coal-fired output in the quarter totalled 1,733 GWh, compared with 1,940 GWh in the same quarter of 2011.

In 2012, coal-fired output amounted to 7,724 GWh, i.e. up 73.0% compared with 2011. The greatest increase was in Meirama, where output in 2012 totalled 2,755 GWh, vs. 1,083 GWh in 2011.

The company's CCGT output in the fourth quarter of 2012 totalled 4,669 GWh, an 11.7% decline compared with 4Q11. In 2012, CCGT output amounted to 20,602 GWh, i.e. 14.0% less than in 2011, reflecting the divestment of CCGT plants; in like-for-like terms, the decline would have been 11.4%. In contrast, CCGT output in Spain as a whole fell by 24.2%, evidencing that GAS NATURAL FENOSA made intensive use of its CCGTs (practically double the rest of the ordinary regime).

GAS NATURAL FENOSA attained a 20.7% share of the ordinary regime power generation market in 2012, i.e. on par with 2011 figures or 0.4 percentage points more if the 2011 output of the divested CCGTs is excluded.

The electricity supply area sold 35,910 GWh in 2012, including supply to the liberalised market and under the last-resort tariff. The electricity supply portfolio is in line with the company's strategy of maximising margins, optimising market share, and hedging against price variations in the electricity market.

Emissions of CO_2 in the fourth quarter of 2012 from GAS NATURAL FENOSA's thermal power plants and CCGTs that are affected by the regulation governing greenhouse gas emission trading totalled 3.5 million tonnes, compared with 3.7 million tonnes in the same period of 2011. In cumulative terms, the company's CO_2 emissions totalled 14.9 million tonnes in 2012, compared with 12.8 million tonnes in 2011. GAS NATURAL FENOSA applies a comprehensive approach to its CO_2 emission right hedges for the Kyoto period (2008-2012) and the second commitment period of the Kyoto Protocol (2013-2020), recently confirmed at the Doha Climate Change Conference, and it acquired the emission rights and credits that it needs through active participation in the secondary market, primary projects and carbon funds.

GNF Renovables

At 31 December 2012, Gas Natural Fenosa Renovables (GNF Renovables) had a consolidable total operational installed capacity of 1,113 MW, of which 968 MW are wind, 69 MW are small hydroelectric and 75 MW are cogeneration. Increases during the fourth quarter of 2012 are attributable to the commissioning of the García Carrión co-generation plant (8.5 MW, Castilla La Mancha) in October and of the Les Forques II wind facility (12 MW, Catalonia) in December.

Output was 14.2% higher than in 2011 (2,719 GWh vs. 2,380 GWh). This is primarily attributable to the 20.9% increase in wind output due to including all production by EASA companies (acquiring the ACS stake at the end of the third quarter of 2011), to the acquisition of the Alto do Seixal wind farm at the end of 2011, and to the greater winds this quarter compared with the previous year. Small hydroelectric output declined by 8.5% due to scant precipitation in the year. Co-generation output expanded by 3.8%. EBITDA increased by 10.9% to €155 million.

Work continues on schedule for the construction of the Belesar II and Peares II small hydroelectric plants in Galicia, which are scheduled to become operational in 2013.

4.8.- Electricity Latin America

This section includes electricity generation in Mexico, Puerto Rico, Costa Rica, Panama and the Dominican Republic.

4.8.1.- Results

4Q12	4Q11	%	(€ Mn)	2012	2011	%
230	196	17.3	Net sales	859	865	-0.7
-139	-112	24.1	Purchases	-515	-548	-6.0
-3	-4	-25.0	Personnel costs, net	-15	-15	-
-19	-18	5.6	Other revenues and expenses	-68	-57	19.3
69	**62**	**11.3**	**EBITDA**	**261**	**245**	**6.5**
-29	-31	-6.5	Depreciation and amortization	-111	-101	9.9
-	1	-	Change in operating provisions	-	-	-
40	**32**	**25.0**	**Operating profit**	**150**	**144**	**4.2**

EBITDA amounted to €261 million, a 6.5% increase on 2011. Excluding the currency effect, EBITDA declined by 0.7%.

EBITDA in Mexico in 2012 increased by 4.1% with respect to 2011 (-3.8% excluding the currency effect). The reduction in activity was due mainly to lower gas sales prices and greater costs as a result of the incident at the Tuxpan plant, which occurred in October 2011 during maintenance work on block 3. The recovery plan enabled 100% of capacity to be restored by the first half of February 2012.

EBITDA in Panama declined by 28.6% with respect to 2011 (34.0% excluding the currency effect), due to low precipitation in the fourth quarter, which reduced revenues from energy sales.

EBITDA in Puerto Rico increased by 11.1% with respect to 2011 (by 2.3% excluding the currency effect) due to higher sales in the spot market resulting from greater dispatching.

EBITDA in the Dominican Republic rose by 40.6% with respect to 2011 (by 30.1% excluding the currency effect) with respect to 2011 due to greater energy sales resulting from an increase in generation. Output in 2012 was favoured by more efficient plants dropping out of the system, higher demand, and a better position in the dispatching merit order.

4.8.2.- Main aggregates

4Q12	4Q11	%		2012	2011	%
-	-	-	Installed capacity (MW):	2,580	2,571	0.4
-	-	-	Mexico (CCGT)	2,035	2,035	-
-	-	-	Puerto Rico (CCGT) [5]	263	254	3.5
-	-	-	Costa Rica (hydroelectric)	51	51	-
-	-	-	Panama (hydroelectric)	22	22	-
-	-	-	Panama (thermal)	11	11	-
-	-	-	Dominican Republic (oil-fired)	198	198	-
4,693	3,480	34.9	Electricity generated (GWh):	18,458	17,768	3.9
3,794	2,727	39.1	Mexico (CCGT)	15,172	14,662	3.5
481	453	6.2	Puerto Rico (CCGT)[5]	1,779	1,700	4.6
81	75	8.0	Costa Rica (hydroelectric)	270	262	3.1
28	37	-24.3	Panama (hydroelectric)	100	118	-15.3
1	2	-50.0	Panama (thermal)	8	19	-57.9
308	186	65.6	Dominican Republic (oil-fired)	1,129	1,007	12.1

Output in Mexico increased by 3.5% in the year due to the incident at the Tuxpan plant in October 2011, which impeded it from operating during most of the fourth quarter of 2011, as visible also in the plant's availability. The company signed an agreement with Grupo México to sell surplus capacity at the Naco Nogales plant (up to 50 MW) in the first half of the year. The capacity tests requested by the Mexican Federal Electricity Commission (CFE) commenced late in 2012, and the plant is expected to commence commercial operations in the first quarter of 2013.

Output in Panama declined by 21% with respect to 2011, due to lower dispatching by the National Dispatch Centre (CND) of both thermal plants and hydroelectric plants as a result of less frequent rainfall in the fourth quarter of 2012.

Output in Puerto Rico increased by 4.6% with respect to 2011. Dispatching of the plant continued to rise, exceeding the contracted level due to the lower availability of PREPA's system and the optimisation of its economic dispatching in economic terms. The major overhaul of the plant took place in the first quarter of 2012, whereas the 2011 overhaul was brought forward to December 2010.

Output in the Dominican Republic expanded by 12.1% with respect to 2011 due to more efficient plants dropping out of the system, greater demand, and a better position in the dispatching merit order.

4.9.- Rest of Electricity (Kenya)

This area refers to power generation in Kenya. The dominant weather conditions in the area (greater precipitation) during most of 2012 led to a decline in the use of thermal power plants, which reduced electricity output.

[5] Figures at 50%.

4.9.1.- Results

4Q12	4Q11	%	(€ Mn)	2012	2011	%
30	32	-6.3	Net sales	128	126	1.6
-23	-26	-11.5	Purchases	-100	-102	-2.0
-1	-1	-	Personnel costs, net	-2	-2	-
-1	-2	-50.0	Other revenues and expenses	-11	-8	37.5
5	**3**	**66.7**	**EBITDA**	**15**	**14**	**7.1**
-1	-1	-	Depreciation and amortization	-5	-5	-
-	-	-	Change in operating provisions	-	-	-
4	**2**	**-**	**Operating profit**	**10**	**9**	**11.1**

EBITDA amounted to €15 million in 2012. High availability (87.9%), the factor determining capacity revenues, together with the positive EUR/USD exchange rate provided for EBITDA in line with 2011 figures despite the notable increase in fuel prices in international markets throughout the year and to the scheduled and unscheduled maintenance shut-downs.

4.9.2.- Main aggregates

4Q12	4Q11	%		2012	2011	%
-	-	-	Electric generation capacity (MW)	112	112	-
157	187	-16.0	Electric energy production (GWh/year)	646	767	-15.8

Diesel-fired output in Kenya in 2012 (646 GWh) was 15.8% lower than in 2011. This decline is attributable to lower demand for thermal power in Kenya as a result of the greater precipitation in the year and, consequently, the higher level of water in the hydroelectric reservoirs.

4.10.- GAS

4.10.1.- Infrastructure

This area includes operation of the Maghreb-Europe gas pipeline, maritime transportation, the development of integrated liquefied natural gas (LNG) projects, and hydrocarbon exploration, development, production and storage.

4.10.1.1.- Results

4Q12	4Q11	%	(€ Mn)	2012	2011	%
75	83	-9.6	Net sales	306	289	5.9
-14	-9	55.6	Purchases	-56	-58	-3.4
-1	-2	-50.0	Personnel costs, net	-6	-8	-25.0
-3	-7	-57.1	Other revenues and expenses	-19	-39	-51.3
57	**65**	**-12.3**	**EBITDA**	**225**	**184**	**22.3**
-6	-17	-64.7	Depreciation and amortization	-64	-65	-1.5
-	-	-	Change in operating provisions	-	-	-
51	**48**	**6.3**	**Operating profit**	**161**	**119**	**35.3**

Net sales in the Infrastructure business totalled €306 million in 2012, a 5.9% increase.

EBITDA in 2012 amounted to €225 million, i.e. 22.3% more than in 2011, due mainly to the positive currency effect on international transportation in 2012 and to the 3% increase in transport tariffs in the year. Moreover, revenues rose as a result of higher occupancy of the fleet and lower operating costs for exploration and development.

4.10.1.2.- Main aggregates

The main aggregates in international gas transportation are as follows:

4Q12	4Q11	%		2012	2011	%
32,750	28,668	14.2	Gas transportation-EMPL (GWh):	116,347	111,855	4.0
10,600	8,481	25.0	Portugal-Morocco	36,872	31,286	17.9
22,150	20,187	9.7	GAS NATURAL FENOSA	79,475	80,569	-1.4

The gas transportation activity conducted in Morocco through companies EMPL and Metragaz represented a total volume of 116,347 GWh, 4.0% more than in 2011. Of that figure, 79,475 GWh were transported for GAS NATURAL FENOSA through Sagane and 36,872 GWh for Portugal and Morocco.

The increase in gas transportation for Morocco in 2012 is attributable to the contract signed in October 2011 by EMPL with Morocco's Office National de l'Électricité (ONE) to transport 0.6 bcm of gas per year, delivered by Sonatrach at the Algeria-Morocco border, to ONE's power plants.

As part of the Villaviciosa concession in northern Spain, where GAS NATURAL FENOSA operates with a 70% stake; having concluded the evaluation of its potential, the company has ruled out moving on to the next phase of research and will exit the project.

GAS NATURAL FENOSA performed geological and geophysical surveys in the Bages area (Barcelona province), recently completing the technical feasibility study for underground natural gas storage in salt cavities. The administrative and environmental paperwork has commenced.

The company continued to advance the paperwork for the five exploration, production and storage projects planned for the coming years in the Guadalquivir Valley (Marismas, Aznalcázar and Romeral areas). On 30 September 2010, the company obtained an Environmental Impact Assessment (EIA) for the first of the five projects. On 14 November 2011, the Doñana Natural Space authorised the two projects in that area which, together with the other projects, are in the final phase of environmental paperwork with a view to obtaining the EIA in the first half of 2013. On 15 July 2011, the Spanish Cabinet approved a Royal Decree for adapting the concessions in the Marismas district by authorising gas storage and setting the basic operational and economic conditions. The company commenced operation of this underground gas storage system on 2 April 2012.

As regards the Trieste regasification project in northern Italy (Zaule), having secured the environmental permit at national level and after commencing a round of contacts at the end of 2011, GAS NATURAL FENOSA is awaiting the Single Authorisation to commence construction.

The power to grant regarding that Authorisation has been transferred to the Ministry for Economic Development, from the Friuli–Venezia Giulia region, by virtue of a recent decision handed down by the Council of State.

The Trieste project (onshore) will have a regasification capacity of 8 bcm/year. This project will further diversify sources of natural gas, increase supply security in Italy, encourage competition among the various market actors and operators, and notably boost regional and local economic growth.

In 2013, GAS NATURAL FENOSA signed an agreement with Algerian company Sonatrach (Sociéte Nationale pour la Recherche, la Production, le Transport, la Transformation et la Commercialisation des Hydrocarbures, S.p.A) to acquire 10% of Medgaz, S.A., which operates the Algeria-Europe subsea gas pipeline connecting Beni Saf with the Almería coast (capacity: 8 bcm/year).

As part of this acquisition, GAS NATURAL FENOSA will receive 10% of the gas pipeline's transport capacity as well as a natural gas supply contract of 0.8 bcm/year.

4.10.2.- Procurement and Supply

This area includes gas procurement and supply (wholesale and retail) in Spain and other countries, the supply in Spain of products and services related to retail supply, and supply of gas at the last-resort tariff in Spain.

4.10.2.1.- Results

4Q12	4Q11	%	(€ Mn)	2012	2011	%
2,909	2,540	14.5	Net sales	11,220	8,603	30.4
-2,639	-2,347	12.4	Purchases	-10,245	-7,945	28.9
-12	-12	-	Personnel costs, net	-50	-46	8.7
-48	-46	4.3	Other revenues and expenses	-189	-168	12.5
210	**135**	**55.6**	**EBITDA**	**736**	**444**	**65.8**
-4	-4	-	Depreciation and amortization	-15	-14	7.1
-12	-15	-20.0	Change in operating provisions	-60	-47	27.7
194	**116**	**67.2**	**Operating profit**	**661**	**383**	**72.6**

Net sales amounted to €11,220 million, 30.4% more than in 2011. EBITDA increased by 65.8% to €736 million, mainly due to the increase in operations outside Spain.

Diversification of the portfolio of commodities, combined management of the commodity and dollar risks and greater sales outside Spain helped improve EBITDA in a context of significant volatility in the energy and currency markets.

4.10.2.2.- Main aggregates

The main aggregates in the gas procurement and supply activity are as follows:

4Q12	4Q11	%		2012	2011	%
82,526	81,351	1.4	Gas supply (GWh):	325,214	305,916	6.3
59,342	60,711	-2.3	Spain:	238,450	234,622	1.6
45,923	44,852	2.4	GAS NATURAL FENOSA supply[6]	178,216	166,924	6.8
13,419	15,859	-15.4	Supply to third parties	60,234	67,698	-11.0
23,183	20,639	12.3	International:	86,764	71,294	21.7
5,990	5,407	10.8	Supply in Europe	18,275	16,143	13.2
17,193	15,232	12.9	Other	68,489	55,151	24.2
-	-	-	Multiutility contracts (at 31/12)	1,882	1,682	11.9
-	-	-	Contracts per customer (at 31/12)	1.40	1.35	3.7

In a situation of weak demand, the company supplied 238,450 GWh in the Spanish gas market, a 1.6% increase with respect to 2011, primarily due to higher sales to final customers of GAS NATURAL FENOSA, which increased by 6.8%, while sales to third parties declined by 11.0%.

Gas sales outside Spain, which maintained the trend from previous quarters, amounted to 86,764 GWh, i.e. 21.7% more than in 2011.

GAS NATURAL FENOSA participated in several auctions (last resort tariff, gas for operation and buffer storage), and was awarded 1,642 GWh.

GAS NATURAL FENOSA remains committed to promoting the use of natural gas in new industrial activities. As a result, at the end of the year Gas Natural Comercializadora signed a framework agreement with Navantia and Reganosa to offer a comprehensive service that completes the repair cycle of gas carrier ships in the Ferrol estuary to bring them into operation, guaranteeing an even more attractive and competitive product for the ship operators.

With a view to guaranteeing gas exports from Spain to Portugal, GAS NATURAL FENOSA is using the gas grid connections in Campomaior (south-east) and Valença do Minho (north). GAS NATURAL FENOSA continues to strengthen its position as the leading independent supplier in Portugal, with a market share of almost 15% in the industrial segment.

Gas Natural Europe (the French subsidiary for supply in Europe) currently has 2,566 distribution connections in a range of sectors in France, from industrial companies (chemicals, paper mills, etc.) to local governments and the public sector, accounting for a total portfolio of 14.1 TWh per year.

The French subsidiary strengthened its position in Belgium and Luxembourg with 465 supply points, representing a contracted portfolio of 4.9 TWh per year. In the beginning of the year it commenced

[6] Does not include exchange transactions.

operating in the Netherlands, with 80 supply points and a portfolio of 0.6 TWh, and at the end of the year in Germany, where it has already signed its first customers.

GAS NATURAL FENOSA is also considering an entry into other central European markets in the short term by offering a combination of customised energy consulting with the advantage of a diversified, secure supply.

Gas Natural Vendita had a portfolio under contract in the Italian wholesale market amounting to 2,645 GWh/year at the end of 2012.

Outside Spain, the company increased market diversification with gas sales in the Caribbean and South America as well as in Asia, favoured by strong demand in the area.

GAS NATURAL FENOSA has over 10.6 million active retail gas, electricity and services contracts. At the end of the quarter, more than 1.08 million residential customers had both electricity and gas supply contracts with GAS NATURAL FENOSA. The domestic maintenance contract portfolio was expanded to include 12 different types, and the company now has more than 1.88 million contracts with its own operating platform consisting of 163 associated firms connected via an online system, which has enabled it to improve service performance and quality.

It strengthened this business line in the fourth quarter of 2012 by providing customers with access to offers for efficient equipment (e.g. gas boilers and heaters). This line enables GAS NATURAL FENOSA to expand its customer services, offering technical solutions together with special offers on energy and credit lines.

GAS NATURAL FENOSA continues to add features and users to its online customer management system, and the website received 3.8 million hits in 2012. Over 415,000 customers now receive their bill online.

GAS NATURAL FENOSA had 35,000 gas and 319,000 electricity contracts in the SME market at the end of 2012. Sales campaigns enabled the company to expand the active portfolio to 6.7 TWh in gas and to 8.9 TWh in electricity.

The company is using its leading position in vehicular natural gas (VNG) to continue to advance in the development of energy options for vehicles in Spain, in both the public and private sectors.

At the end of 2012, GAS NATURAL FENOSA owned 30 VNG filling stations in Spain (five of which can also supply LNG): 18 are open to the public, with a projected total supply capacity of 363 GWh/year; the other 12 serve private fleets and have an annual capacity of 498 GWh.

GAS NATURAL FENOSA currently has 10 new CNG stations open to the public and two private stations under construction. The company maintains its plan to open additional fuelling stations (LNG and CNG) in the main cities and on the principal highways. Along these lines, the European Commission is funding the GARneT project (Gas as an Alternative for Road Transport), presented by a consortium comprising Grupo Ham and GAS NATURAL FENOSA. The project has received a grant covering 50% of capital costs of 7 LNG fuelling stations on the principal Spanish highways with a view to a subsequent massive roll-out at European level.

GAS NATURAL FENOSA commenced operation of the Santiago de Compostela University Hospital Complex, which will require more than 21 GWh of gas and 37 GWh of electricity per year.

The company continues to develop new competitive energy efficiency services for our customers using new efficient technologies, such as geothermal energy, electric heat pumps, and LED street lighting, while also expanding and reinforcing traditional products.

It is also working to innovate and develop smart solutions to obtain energy savings for the residential and SME segments, which will enable customers to take advantage of intelligent networks and communications technology.

Activities related to end-to-end energy efficiency solutions doubled with respect to 2011, and the company signed 14 new customers in 2012 (hotels, food industry, public administrations, etc.).

Including the three lines of business in the tertiary sector and in energy solutions, the company added 384 contracts and invested €25 million.

4.10.3.- Unión Fenosa Gas (UF Gas)

This area includes gas procurement and supply performed by Unión Fenosa Gas (UF Gas), including the liquefaction plant in Damietta (Egypt), the Sagunto regasification plant, and the gas carrier fleet.

4.10.3.1.- Results

This area includes gas procurement and supply performed by Unión Fenosa Gas (UF Gas), including the liquefaction plant in Damietta (Egypt), the Sagunto regasification plant, and the gas carrier fleet.

4Q12	4Q11	%	(€ Mn)	2012	2011	%
261	325	-19.7	Net sales	1,147	1,011	13.5
-214	-238	-10.1	Purchases	-859	-694	23.8
-3	-2	50.0	Personnel costs, net	-12	-11	9.1
-6	-12	-50.0	Other revenues and expenses	-20	-29	-31.0
38	**73**	**-47.9**	**EBITDA**	**256**	**277**	**-7.6**
-39	-43	-9.3	Depreciation and amortization	-155	-157	-1.3
-	-	-	Change in operating provisions	-	-	-
-1	**30**	**-**	**Operating profit**	**101**	**120**	**-15.8**

EBITDA amounted to €38 million in the fourth quarter of 2012 and to €256 million in the year, i.e. 7.6% less than in 2011.

The company maintained these high results during a year of notable uncertainty in the market by seizing opportunities for LNG sales outside Spain, where UF Gas continued to operate actively all year.

4.10.3.2.- Main aggregates[7]

Gas supply in Spain amounted to 55,683 GWh in 2012, compared with 56,937 GWh in 2011. Sales to electric utilities increased slightly, by 0.2%, while sales to the industrial segment declined by 8.1%.

A total of 28,200 GWh of energy was traded in international transactions.

[7] Assuming 100%.

4Q12	4Q11	%		2012	2011	%
13,056	11,367	14.9	Gas supply in Spain (GWh)	55,683	56,937	-2.2
6,607	8,346	-20.8	Other gas sales (GWh)	28,200	26,503	6.4

Several noteworthy events occurred in the year in connection with UF Gas:

- Work was completed to adapt the Sagunto regasification plant to load ships.
- Gas infrastructure company Nueva Electricidad del Gas commissioned the gas pipeline connecting Córdoba C1 and Córdoba C1A wells (Andalucía).
- In connection with the Viura Project (La Rioja), in August 2012, UF Gas Exploración & Producción awarded the EPC contract (Engineering, Procurement and Construction) for the early production plant and it received a positive environmental decision on the Viura-3 well. Field work for the acquisition of 232 km^2 of 3D seismic data commenced in November 2012.

Summarised below are the regulatory disclosures to the Comisión Nacional del Mercado de Valores (CNMV) since 1 January 2012:

- GAS NATURAL FENOSA announces the payment of an interim dividend out of 2011 income (disclosed 4 January 2012, registration number 156015).
- GAS NATURAL FENOSA discloses completion of a 6-year bond issue in the euromarket amounting to €750 million (disclosed 30 January 2012, registration number 157215).
- GAS NATURAL FENOSA publishes the invitation to the conference call to discuss its 4Q11 earnings (disclosed 1 February 2012, registration number 157295).
- GAS NATURAL FENOSA publishes its 4Q11 results (disclosed 21 February 2012, registration number 158476).
- GAS NATURAL FENOSA files the presentation of earnings for the fourth quarter of 2011 (disclosed 21 February 2012, registration number 158485).
- GAS NATURAL FENOSA publishes its Annual Corporate Governance Report for 2011 (disclosed 27 February 2012, registration number 159035).
- GAS NATURAL FENOSA publishes a press release on the sale of around 245,000 gas customers and other associated contracts in the Madrid region to Endesa (disclosed 29 February 2012, registration number 159260).
- GAS NATURAL FENOSA discloses information on earnings for the second half of 2011 (disclosed 29 February 2012, registration number 159280).
- GAS NATURAL FENOSA calls an Ordinary Shareholders' Meeting for 20 April 2012 (disclosed 15 March 2012, registration number 160260).
- GAS NATURAL FENOSA files the presentation used at the press conference before the Ordinary Shareholders' Meeting (disclosed 20 April 2012, registration number 161866).
- GAS NATURAL FENOSA discloses that the Ordinary Shareholders' Meeting has approved all proposals contained in the Agenda submitted by the Board of Directors (disclosed 20 April 2012, registration number 161937).
- GAS NATURAL FENOSA publishes the invitation to the conference call to discuss its 1Q12 earnings (disclosed 25 April 2011, registration number 162234).
- GAS NATURAL FENOSA discloses commencement of the supply of natural gas to Puerto Rico's Electric Power Authority for the next two years (disclosed 26 April 2012, registration number 162354).
- GAS NATURAL FENOSA discloses the tentative calendar for the scrip dividend (disclosed 27 April 2012, registration number 162600).
- GAS NATURAL FENOSA files the advance report of earnings for the first quarter of 2012 (disclosed 8 May 2012, registration number 163310).
- GAS NATURAL FENOSA files the presentation of earnings for the first quarter of 2012 (disclosed 8 May 2012, registration number 163324).

- GAS NATURAL FENOSA files the documentation on its scrip dividend out of 2011 income (disclosed 14 May 2012, registration number 164085).
- GAS NATURAL FENOSA discloses that the Board of Directors has established the economic terms of the capital increase (disclosed 25 May 2012, registration number 165435).
- GAS NATURAL FENOSA announces the conclusion of the period for trading the subscription rights and the outcome of the rights to free subscription acquired by the Company (disclosed 13 June 2012, registration number 166770).
- GAS NATURAL FENOSA informs the market that it has completed the necessary paperwork to list the newly-issued shares resulting from the scrip dividend, which will commence trading on 29 June 2012 (disclosed 29 June 2012, registration number 168530).
- GAS NATURAL FENOSA publishes the invitation to the conference call to discuss its 1H12 earnings (disclosed 13 July 2012, registration number 169748).
- GAS NATURAL FENOSA discloses information on earnings for the first half of 2012 (disclosed 24 July 2012, registration number 170539).
- GAS NATURAL FENOSA files the presentation of earnings for the first half of 2012 (disclosed 24 July 2012, registration number 170582).
- GAS NATURAL FENOSA announces implementation of the employee stock ownership plan that was approved by the Shareholders' Meeting of 20 April 2012 (disclosed 25 July 2012, registration number 170848).
- GAS NATURAL FENOSA discloses information on earnings for the first half of 2012 (disclosed 25 July 2012, registration number 170890).
- GAS NATURAL FENOSA discloses that Fitch Ratings has downgraded its long-term Issuer Default Rating (IDR) from A- to BBB+ (disclosed 2 August 2012, registration number 171751).
- GAS NATURAL FENOSA publishes a press release on the signature of the contract to supply gas to Indian company Gail (disclosed 31 August 2012, registration number 172955).
- GAS NATURAL FENOSA completes issuance of a €800 million bond in the euromarket (disclosed on 10 September 2012, registration number 173407).
- GAS NATURAL FENOSA signs an agreement to sell 0.875% of Gas Natural México (disclosed 19 September 2012, registration number 173721).
- GAS NATURAL FENOSA completes issuance of a €500 million bond in the euromarket (disclosed on 9 October 2012, registration number 174658).
- GAS NATURAL FENOSA publishes the invitation to the conference call to discuss its 3Q12 earnings (disclosed 19 October 2012, registration number 175322).
- GAS NATURAL FENOSA completes issuance of a 300 billion Colombian peso bond (approx. €128 million) in the Colombian market (disclosed on 9 October 2012, registration number 175647).
- GAS NATURAL FENOSA discloses information on earnings for the third quarter of 2012 (disclosed 6 November 2012, registration number 176304).

- GAS NATURAL FENOSA files the presentation of earnings for the third quarter of 2012 (disclosed 6 November 2012, registration number 176307).

- GAS NATURAL FENOSA announces the Board of Directors' decision on the interim dividend out of 2012 income (disclosed 3 December 2012, registration number 178204).

- GAS NATURAL FENOSA files the calendar for publication of its financial results in 2013 (disclosed 5 December 2012, registration number 178355).

- GAS NATURAL FENOSA announces the payment of an interim dividend out of 2012 income (disclosed 2 January 2013, registration number 180673).

- GAS NATURAL FENOSA discloses the acquisition of 10% of Medgaz for €61.9 million (disclosed 8 January 2013, registration number 180835).

- GAS NATURAL FENOSA discloses completion of a 10-year bond issue in the euromarket amounting to €600 million (disclosed 9 January 2013, registration number 180881).

- GAS NATURAL FENOSA discloses completion of a 6-year bond issue in the Swiss market amounting to 250 million Swiss francs (disclosed 14 January 2013, registration number 181006).

- GAS NATURAL FENOSA publishes the invitation to the conference call to discuss its 4Q12 earnings (disclosed 29 January 2013, registration number 181568).

- GAS NATURAL FENOSA discloses the sale of its stakes in electricity distribution companies in NICARAGUA (disclosed 12 February 2013, registration number 182157).

- GAS NATURAL FENOSA: CONSOLIDATED PROFIT & LOSS ACCOUNT
- GAS NATURAL FENOSA: ANALYSIS OF RESULTS BY ACTIVITY
- GAS NATURAL FENOSA: CONSOLIDATED BALANCE SHEET
- GAS NATURAL FENOSA: CONSOLIDATED CASH FLOW STATEMENT

(€ Mn)	2012	2011
Net sales	24,904	21,076
Other operating revenues	250	263
Purchases	-17,309	-14,074
Personnel costs	-871	-858
Other operating costs	-1,894	-1,762
EBITDA	**5,080**	**4,645**
Other results	20	268
Depreciation and amortization	-1,798	-1,750
Change in operating provisions	-235	-216
OPERATING PROFIT	**3,067**	**2,947**
Finance income	-874	-934
Income from disposal of financial instruments	-	2
Income from associates	10	7
CONSOLIDATED PRE-TAX PROFIT	**2,203**	**2,022**
Income tax expense	-546	-496
Minority interest	-216	-201
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**1,441**	**1,325**

EBITDA

(€ Mn)	1Q12	2Q12	3Q12	4Q12	2012
GAS DISTRIBUTIÓN	**398**	**409**	**421**	**395**	**1,623**
Spain	224	227	239	210	900
Latin America	146	164	167	163	640
Italy	28	18	15	22	83
ELECTRICITY DISTRIBUTIÓN	**249**	**257**	**261**	**247**	**1,014**
Spain	155	153	157	148	613
Latin America	85	96	97	88	366
Moldova	9	8	7	11	35
ELECTRICITY	**311**	**271**	**286**	**313**	**1,180**
Spain	251	200	215	239	904
Latin America	57	68	67	69	261
Rest	3	3	4	5	15
GAS	**343**	**303**	**266**	**305**	**1,217**
Infrestructures	58	52	58	57	225
Procurement and Supply	190	173	163	210	736
UF Gas	95	78	45	38	256
REST	**-1**	**19**	**34**	**-7**	**46**
TOTAL EBITDA	**1,300**	**1,259**	**1,268**	**1,253**	**5,080**

(€ Mn)	1Q11	2Q11	3Q11	4Q12	2011
GAS DISTRIBUTIÓN	**402**	**401**	**409**	**375**	**1,587**
Spain	238	224	236	198	896
Latin America	141	161	159	160	621
Italy	23	16	14	17	70
ELECTRICITY DISTRIBUTIÓN	**244**	**257**	**275**	**240**	**1,016**
Spain	165	184	186	145	680
Latin America	71	66	83	86	306
Moldova	8	7	6	9	30
ELECTRICITY	**358**	**233**	**232**	**245**	**1,068**
Spain	291	169	169	180	809
Latin America	63	61	59	62	245
Rest	4	3	4	3	14
GAS	**262**	**162**	**208**	**273**	**905**
Infrestructures	47	35	37	65	184
Procurement and Supply	138	68	103	135	444
UF Gas	77	59	68	73	277
REST	**30**	**37**	**29**	**-27**	**69**
TOTAL EBITDA	**1,296**	**1,090**	**1,153**	**1,106**	**4,645**

Investments (tangible and intangible)

(€ Mn)	1Q12	2Q12	3Q12	4Q12	2012
GAS DISTRIBUTIÓN	**75**	**115**	**116**	**171**	**477**
Spain	41	67	62	87	257
Latin America	29	36	46	67	178
Italy	5	12	8	17	42
ELECTRICITY DISTRIBUTIÓN	**64**	**105**	**93**	**153**	**415**
Spain	43	78	58	89	268
Latin America	20	24	31	56	131
Moldova	1	3	4	8	16
ELECTRICITY	**60**	**52**	**32**	**101**	**245**
Spain	41	39	21	81	182
Latin America	19	13	11	20	63
Rest	-	-	-	-	-
GAS	**9**	**15**	**10**	**29**	**63**
Infrestructures	5	9	0	11	25
Procurement and Supply	3	4	7	13	27
UF Gas	1	2	3	5	11
REST	**16**	**24**	**36**	**81**	**157**
TOTAL	**224**	**311**	**287**	**535**	**1,357**

(€ Mn)	1Q11	2Q11	3Q11	4Q11	2011
GAS DISTRIBUTIÓN	**86**	**87**	**98**	**174**	**445**
Spain	57	51	51	101	260
Latin America	22	28	39	60	149
Italy	7	8	8	13	36
ELECTRICITY DISTRIBUTIÓN	**52**	**102**	**110**	**226**	**490**
Spain	32	70	75	163	340
Latin America	19	28	29	57	133
Moldova	1	4	6	6	17
ELECTRICITY	**62**	**56**	**57**	**83**	**258**
Spain	48	46	47	70	211
Latin America	14	10	10	13	47
Rest	-	-	-	-	-
GAS	**7**	**17**	**14**	**24**	**62**
Infrestructures	3	11	8	10	32
Procurement and Supply	2	4	4	10	20
UF Gas	2	2	2	4	10
REST	**27**	**22**	**35**	**67**	**151**
TOTAL	**234**	**284**	**314**	**574**	**1,406**

(€ Mn)	31/12/12	31/12/11
Non-Current Assets-	**35,191**	**35,922**
Intangible assets	10,764	11,080
Tangible assets	22,308	22,744
Investment in associates	100	99
Non-current financial assets	983	1,024
Deferred tax assets	1,036	975
Current Assets-	**11,696**	**10,580**
Non-current assets available for sale	-	23
Inventories	897	879
Trade and other receivables	5,106	5,192
Other current financial assets	1,259	1,388
Cash and cash equivalents	4,434	3,098
TOTAL ASSETS	**46,887**	**46,502**

(€ Mn)	31/12/12	31/12/11
Equity-	**14,879**	**14,441**
Net equity of Parent Company	13,261	12,792
Minority interest	1,618	1,649
Non-Current Liabilities-	**24,111**	**23,729**
Government grants	878	803
Non-current provisions	1,665	1,712
Non-current financial liabilities	18,046	17,539
Deferred tax liabilities	2,688	2,642
Other non-current liabilities	834	1,033
Current Liabilities-	**7,897**	**8,332**
Liabilities related to assets for sale	-	-
Current provisions	144	133
Current financial liabilities	2,386	2,853
Trade and other payables	4,560	4,671
Other current liabilities	807	675
TOTAL EQUITY AND LIABILITIES	**46,887**	**46,502**

(€ Mn)	2012	2011
Cash flow from ordinary activities	**3,437**	**2,137**
Income before taxes	2,203	2,022
Adjustments	2,540	2,510
Operating Cash flow	**4,743**	**4,532**
Changes in working capital	-7	-1,298
Other cash flows from operating activities	-1,299	-1,097
Interests	-736	-786
Income tax expenses	-563	-311
Investment cash flow	**-1,078**	**-76**
Investments	-2,138	-2,750
Disposals	933	2,521
Other cash flows from investing activities	127	153
Financing cash flow	**-1,020**	**-166**
Increase of capital	-379	500
Net proceeds from instruments representing financial liabilities	-17	-166
Dividends paid	-566	-445
Other cash flows from financing activities	-58	-55
Effect of exchange rate variations	**-3**	**-**
Net increase/(decrease) in cash and cash equivalents	**1,336**	**1,895**
Beginning cash and cash equivalents	**3,098**	**1,203**
Ending cash and cash equivalents	**4,434**	**3,098**

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