

# Fourth Quarter 2016 Results (FY 2016)

**February 8, 2017**



# Disclaimer



This document is the property of Gas Natural SDG, S.A. (**GAS NATURAL FENOSA**) and has been prepared for information purposes only. As such, it cannot be disclosed, distributed or published for any other reason, in whole or in part, without the express and prior written consent of GAS NATURAL FENOSA.

This document is provided to the recipients exclusively for their information and such recipients are required to carry out their own analysis of the activities, financial condition and prospects of GAS NATURAL FENOSA. The information contained herein must not be used as a substitute for an independent analysis of GAS NATURAL FENOSA, its business and/or its financial condition.

The information contained in this document is not exhaustive and does not set out all the information a potential investor may require or need in order to make an informed decision on whether to purchase or transfer securities or financial instruments related to securities of GAS NATURAL FENOSA. The information contained in this document is subject to changes, corrections and additions without prior notification. GAS NATURAL FENOSA accepts no responsibility for the accuracy of the information contained in, or referred to, in this document, nor does it accept any responsibility for any errors in, or omissions from, this document. GAS NATURAL FENOSA does not undertake any obligation to update any information contained in this document, to correct any inaccuracies it may include, to provide additional information to the recipients of this document or to update this document as a result of events or circumstances that may arise after the date of this document or in order to reflect unforeseen events or changes in valuations or hypotheses on which such information is based.

Certain information and statements contained in this document may be based on GAS NATURAL FENOSA's internal studies, which may be based on assumptions or estimates which may not have been verified by independent third parties. As a result, the accuracy of such assumptions or estimates cannot be guaranteed. Additionally, part of the information contained herein may not have been audited or reviewed by GAS NATURAL FENOSA's auditors. Therefore, the recipients of this document should not place undue reliance on the information contained in this document.

This document may contain forward-looking statements. All statements included that are not historical facts, including, among others, those related to the financial condition, business strategy, management plans and plans for future operations of GAS NATURAL FENOSA are forward-looking statements. Forward-looking statements are based on various assumptions regarding present and future business plans of GAS NATURAL FENOSA and future market conditions. Furthermore, these forward-looking statements are subject to both foreseeable and unforeseeable risks, uncertainty and other factors that could substantially alter the actual results, achievements, performance or industrial results expressed or suggested in such forward-looking statements. The realisation of forward-looking statements is not guaranteed, as they are based, in some instances, on subjective judgments which may or may not realise. As a result, and for various other reasons, the actual future results may differ significantly from those expressed in forward-looking statements included in this document.

**THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER OR INVITATION TO PURCHASE OR SUBSCRIBE FOR SECURITIES OF ANY TYPE. FURTHERMORE, THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER OR INVITATION TO PURCHASE, SELL OR EXCHANGE SECURITIES IN SPAIN OR IN ANY OTHER JURISDICTION.**

Neither this document nor any copy of this document may be sent, sent into or disclosed in the United States of America, Canada or Japan. The distribution of this document in other jurisdictions may also be restricted by law. Persons into whose possession this document comes must inform themselves about, and comply with, the relevant restrictions.

By accessing this document, the recipient accepts and agrees with the restrictions and limitations set forth above.

# Agenda

1. **Highlights**
2. **FY 2016 results**
3. **Outlook 2017**
4. **Summary**

## Appendices

# Highlights

1

# Business performance and main figures

Strategic Vision  
2016-2020

- Overall business on track. 2016 earnings guidance met

- Networks: continuation of strong underlying activity growth within LatAm. Non-Euro currencies stabilizing in 2H16

- Gas: stable margins throughout 2016

- Electricity: good performance of integrated business model

- Investment/Capital allocation: deployment of value-enhancing investments in line with disciplined growth strategy

✓ Net income €1,347 million

€1.3-1.4 bn ✓

✓ EBITDA €4,970 million

~€5 bn ✓

✓ Net investments<sup>1</sup> €2,225 million

✓ Net debt<sup>2</sup> €15,423 million

✓ Dividend<sup>3</sup> €1,001 million

€1 bn ✓

Pay-out: 74.3%

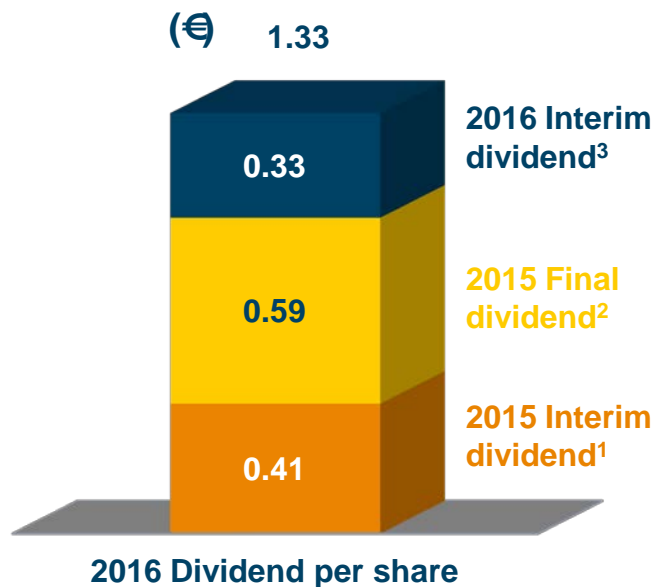
✓ **Solid business model allows resilient performance and fulfilment of Strategic Vision 2016-2020**

1 Includes €425 million from two new tankers (time-charter) in 2H16 (Castilla La Mancha Knutsen and Rioja Knutsen)

2 Includes deconsolidation of Electricaribe (ECA) debt as of 31/12/16 for €536 million

3 Pending AGM approval

# Attractive shareholder remuneration



- Fulfilling new dividend policy for 2016 – 2018 (70% payout; minimum €1/share)
- Board proposal of final dividend of €0.67/share to be approved by AGM resulting in €1/share dividend in cash for 2016 (5.6% yield<sup>4</sup>)
- 2016 pay-out of 74.2%

- Total dividend paid during 2016 of €1.33/share in cash, with a dividend yield of 7.1%<sup>5</sup>

✓ Fulfilling the commitment of an attractive and sustainable shareholder remuneration

1. Paid out in January 2016  
2. Paid out in June 2016  
3. Paid out in September 2016

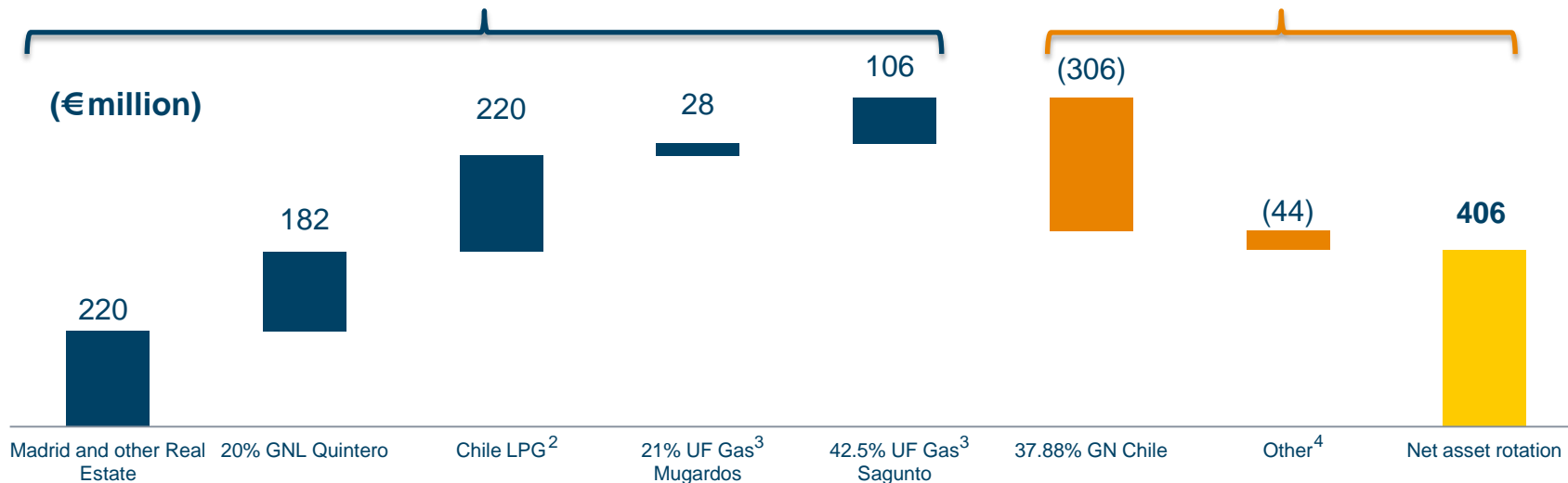
4. Versus share price as of 31/12/16 (€17.91/share)  
5. Versus share price as of 31/12/15 (€18.815/share)

# Portfolio management in 2016

Sales: €756 million

Capital gain: €111 million<sup>1</sup>

Acquisition: €350 million



- GNF will continue to sell non-core, sub-scale assets

✓ Continued efforts on asset portfolio optimization; initiatives to further streamline portfolio towards value creation

1. €35 million Madrid Real Estate, €50 million, 20% GNL Quintero, €4 million Chile LPG, €1 million 21% UF Gas Mugardos, €21 million 42.5% UF Gas Sagunto
2. In 2015, debt deconsolidation of €314 million and minority interest deconsolidation of €168 million
3. Equity method consolidation
4. Vayu Ltd. and GPG projects

# Progress on Strategic Vision 2016-2020

- Increased number of connection points: 47,000 in gas and 19,000 in electricity in Spain; 325,000 in gas and 200,000 in electricity in LatAm
- Improved flexibility of gas business: 4 new LNG tankers acquired
- New international generation capacity: 471 MW installed in 2017- 2020
- Debt optimization: reduction of financial cost to 4.3% from 4.5% in 2015
- Opex efficiency: net savings of €62 million in 2016
- Strong cash generation: covering Capex needs and dividend sustainability while reducing Net debt
- Portfolio optimization: net disposals of €406 million with a capital gain of €111 million

✓ Implementation of the Strategic Vision 2016-2020 proceeding at a strong pace

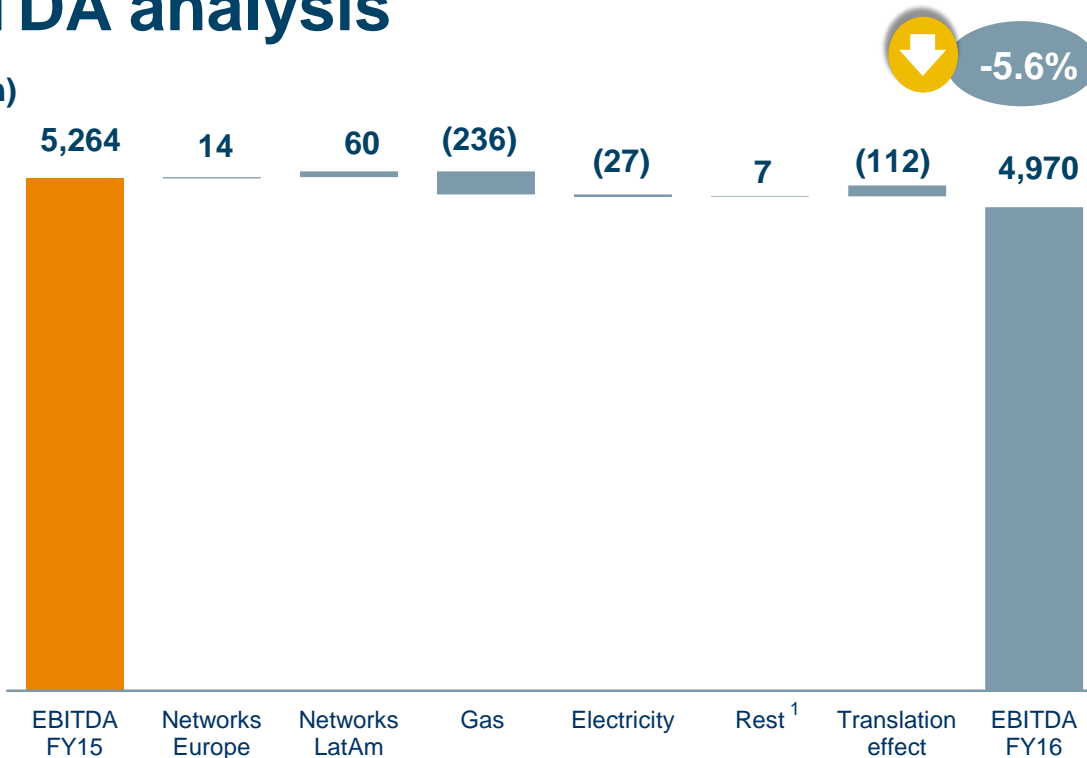


# **FY 2016 results**

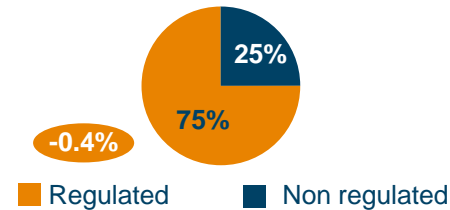
**2**

# EBITDA analysis

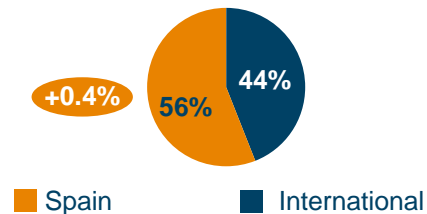
(€million)



## Regulated<sup>2</sup>/Non regulated



## Spain/International



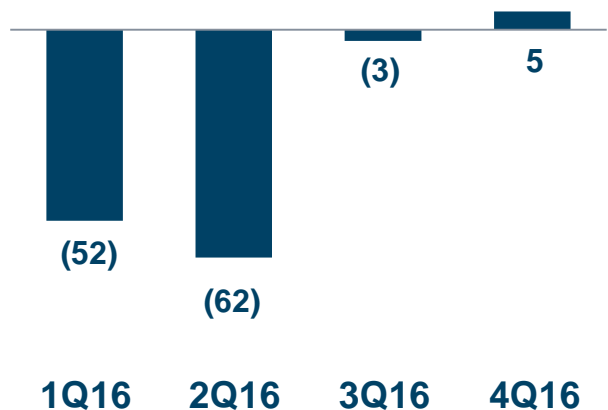
✓ **Stable EBITDA in both regulated activities and Spain. Achieving guidance for 2016 as per Strategic Vision 2016-2020**

1. Includes non-recurring items in 4Q16 (i.e. real estate sales) that match other non-recurring items in FY15
2. Includes contracted activities (EMPL, GPG, Renewables)

# Currency translation effect on EBITDA

## By quarter

(€ million)



## By currency

(€ million)

COP	(43)
BRL	(11)
MXN	(27)
CLP	(13)
AR\$	(18)
US\$	3
Other	(3)
<b>TOTAL</b>	<b>(112)</b>

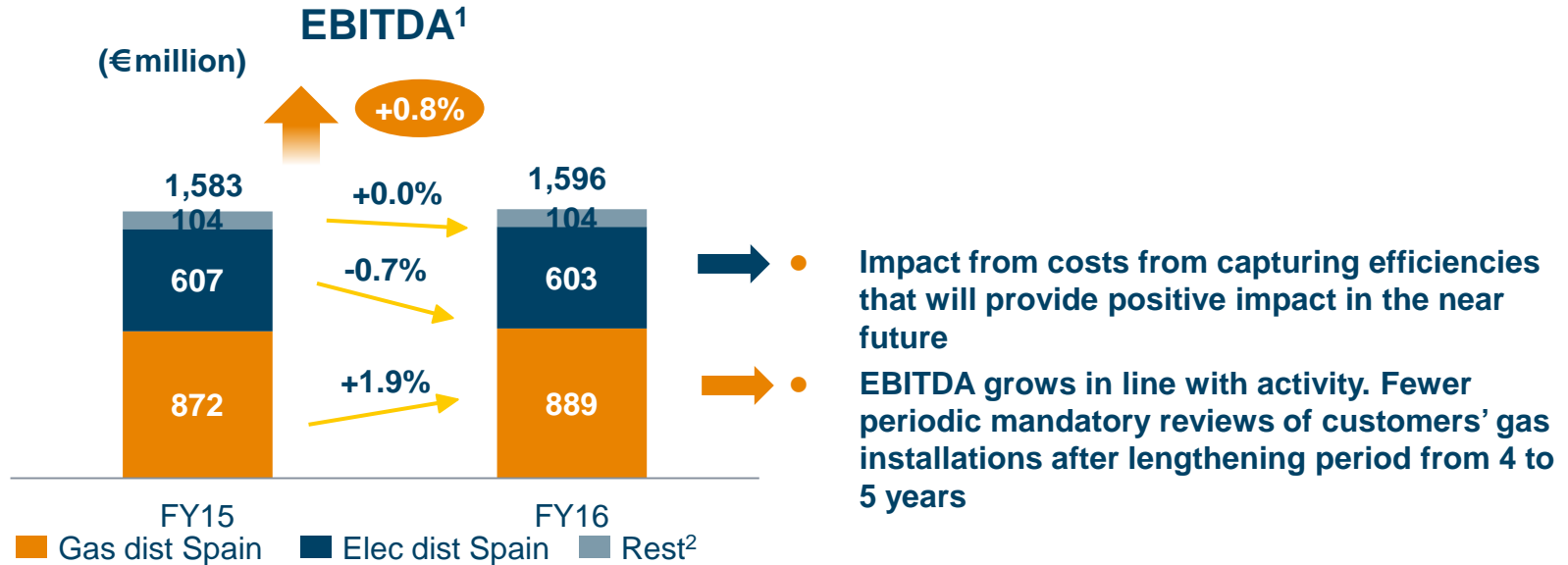
## By activity

(€ million)

Networks Europe	(2)
Networks LatAm: Gas	(74)
Networks LatAm: Electricity	(33)
Electricity	(3)
<b>TOTAL</b>	<b>(112)</b>

✓ EBITDA resilience in a year with strong FX headwinds

# Networks Europe

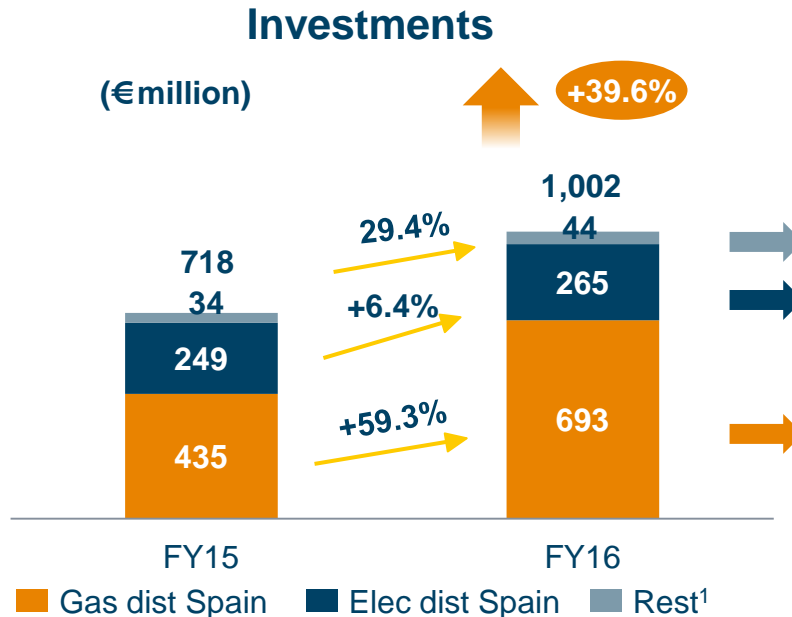


✓ **Robust results underpinned by stable regulatory frameworks**

1 Does not take into account -€2 million from currency translation effect for Moldova

2 Italy and Moldova

# Networks Europe – Investments



**Connection points: +79,000**

- Network expansion
- 19,000 new connection points and 2.8 million smart meters (77% of total) installed by end 2016
- ~€425 million investment in the acquisition of ~€230,000 LPG connection points mainly in 4Q16 with EBITDA contribution starting in 2017

✓ **Intensifying investments in core network business with high growth expected from 2017 onwards as per Strategic Vision 2016-2020**

1 Italy and Moldova

# Networks LatAm - Gas distribution

## EBITDA

(€million)

Country	FY16	FY15	Currency translation	Activity	Activity growth
Chile	174	176	(5)	3	1.7% → Continued sales and network growth
Colombia	162	167	(17)	12	7.2% → Tariff index update; higher industrial sales
Brazil	240	263	(11)	(12)	-4.6% → Lower sales to industrial and power generation after exceptionally higher sales in 2015
Mexico	162	163	(23)	22	13.5% → Higher sales and margins across the board
Rest <sup>1</sup>	41	44	(18)	15	34.1% → New tariff in Argentina from April (including financial assistance)
<b>TOTAL</b>	<b>779</b>	<b>813</b>	<b>(74)</b>	<b>40</b>	<b>4.9%</b>

✓ Strong underlying activity increase in a region that provides substantial opportunities for additional growth

# Networks LatAm - Electricity distribution

(€million) **EBITDA**

Country	FY16	FY15	Currency translation	Activity
Chile <sup>1</sup>	318	323	(9)	4
Colombia	253	258	(25)	19
Panama	118	120	1	(3)
<b>TOTAL</b>	<b>689</b>	<b>701</b>	<b>(33)</b>	<b>20</b>

Activity growth

1.2%



- Higher sales and operating efficiencies

7.8%



- Higher supply charges and tariff indexation

-2.5%



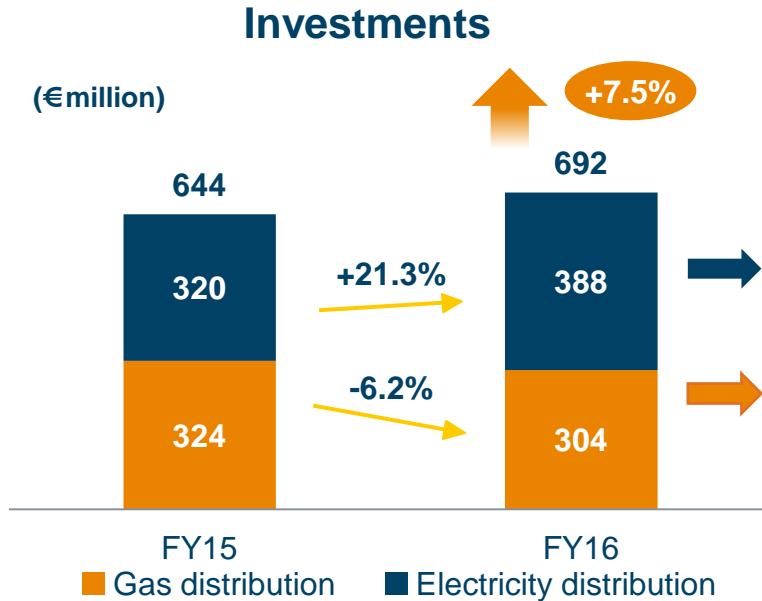
- Higher energy losses incurred

3.0%

- Significant increase in bad debt provisions in ECA (Colombia) vs 2015 (+47%) and impact of tax reform (-€18 million) leading to Net income of -€44 million in FY16 vs +€23 million in FY15

✓ **ECA deconsolidated as of December 31, 2016**

# Networks LatAm - Investments



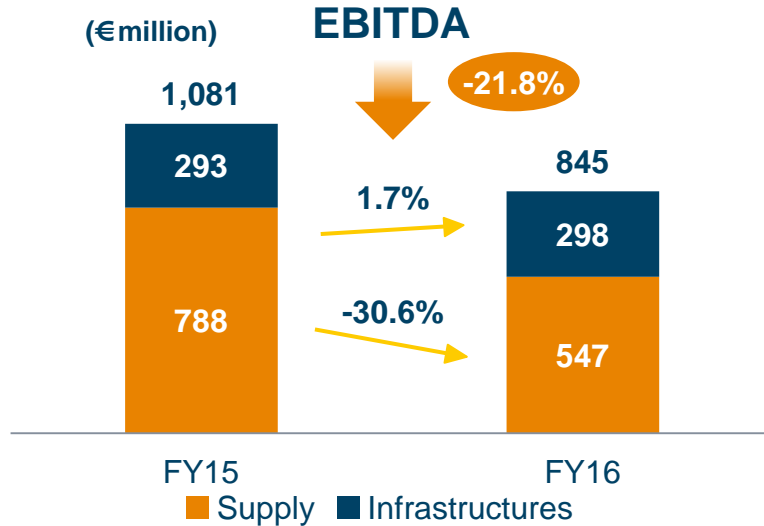
Connection points: +525,000

- Basically higher investments in Chile in both maintenance and network growth
- Impact from both currency (mainly COP) and lower investment in network growth (mainly Chile due to delay of gas law)

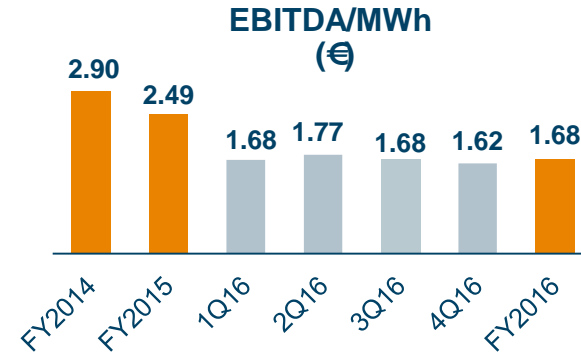
✓ **New regulation in Chile on gas distribution incentivizes investment in networks**



# Gas



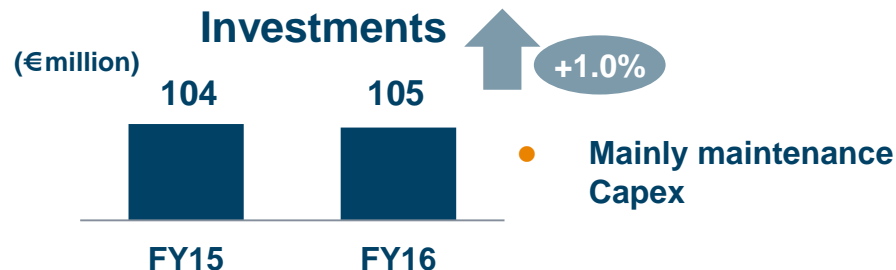
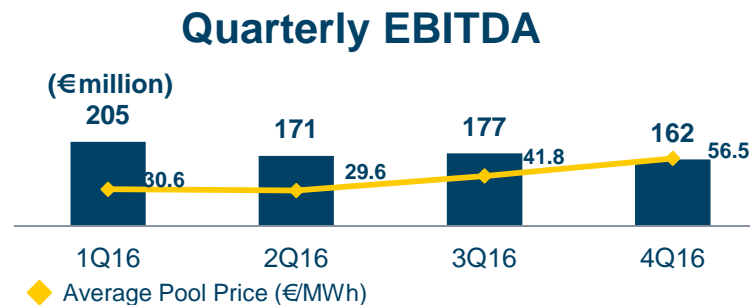
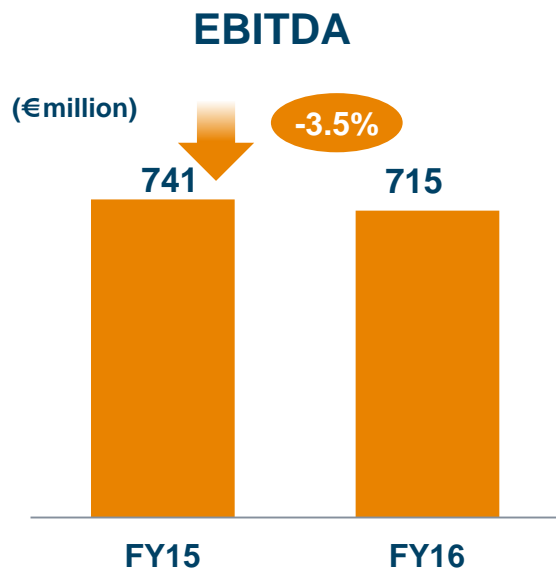
## Gas supply: margin evolution



- Total gas sales +3.4% vs. 2015 with ~78% of volumes sold to markets where GNF has a competitive advantage that represent ~88% of EBITDA
- €425 million investments in 4Q16 (2 new LNG tankers under time charter regime)
- Infrastructures: a stable contracted activity (Europe-Maghreb pipeline)

✓ **Stable margins throughout 2016 consistent with Strategic Vision 2016-2020**

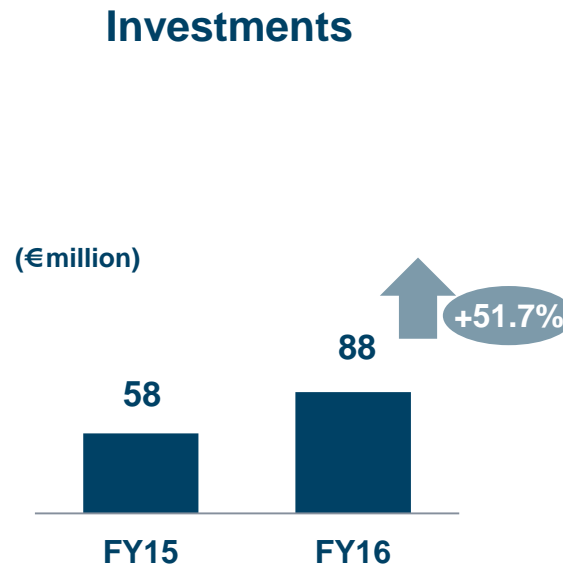
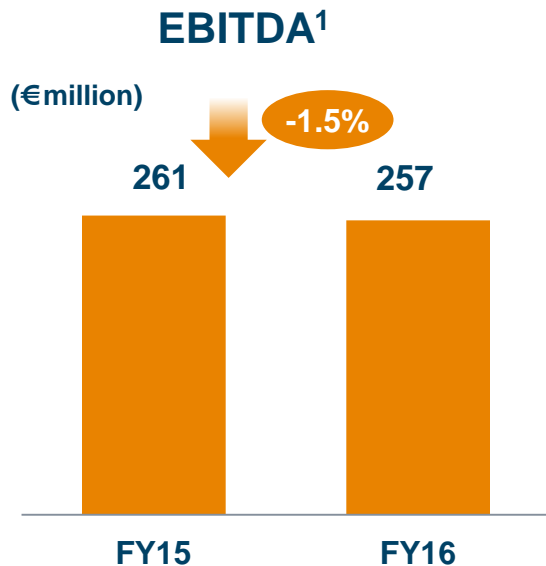
# Electricity Spain



- Stable quarterly EBITDA in Spain, capturing a commercial upside in 1H16, benefiting from low pool prices due to a higher hydro and wind production

✓ Robust performance despite volatile pool prices in Spain

# GPG (International power generation)

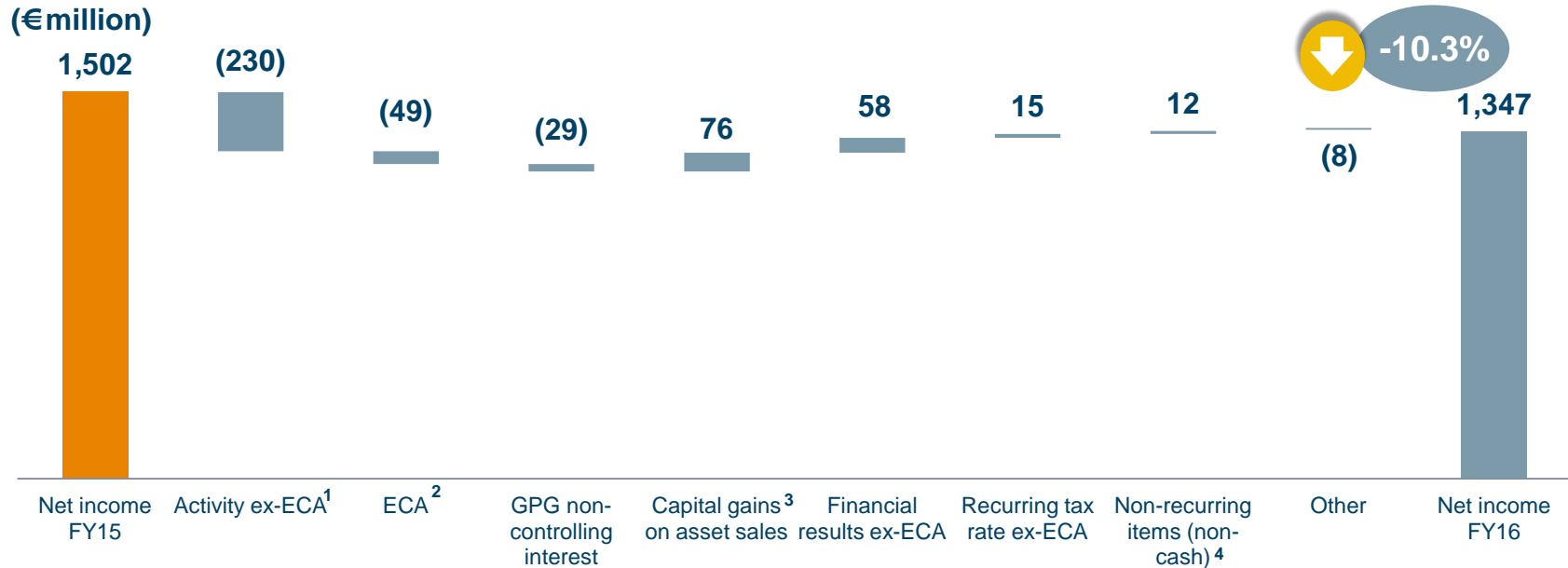


- Higher investments mainly due to acquisition of two PV plants in Brazil that will be commissioned in 2H17

✓ **Mostly contracted business provides resilience to GPG's EBITDA**

<sup>1</sup> Does not take into account -€3 million from currency translation effect

# Net income analysis

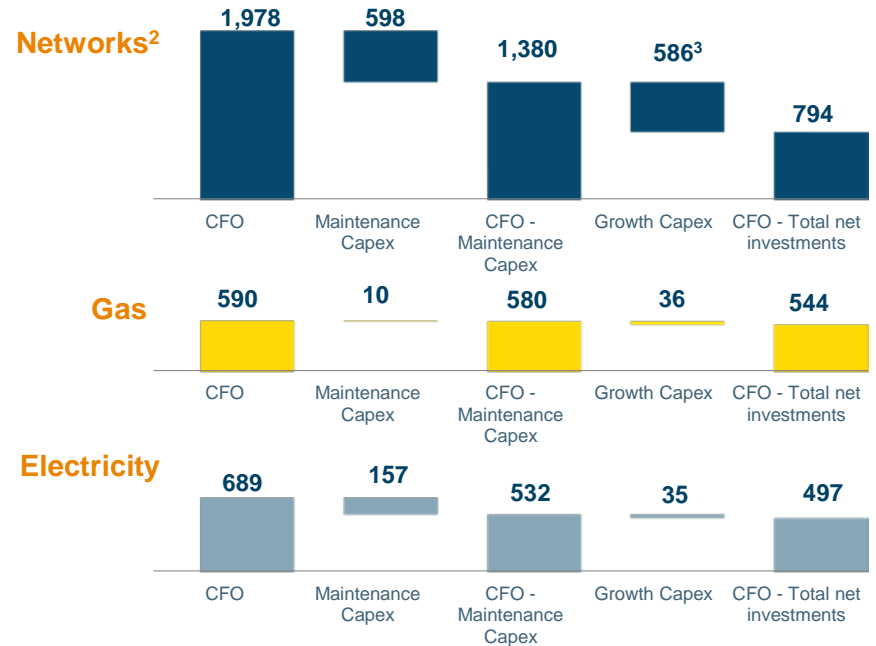
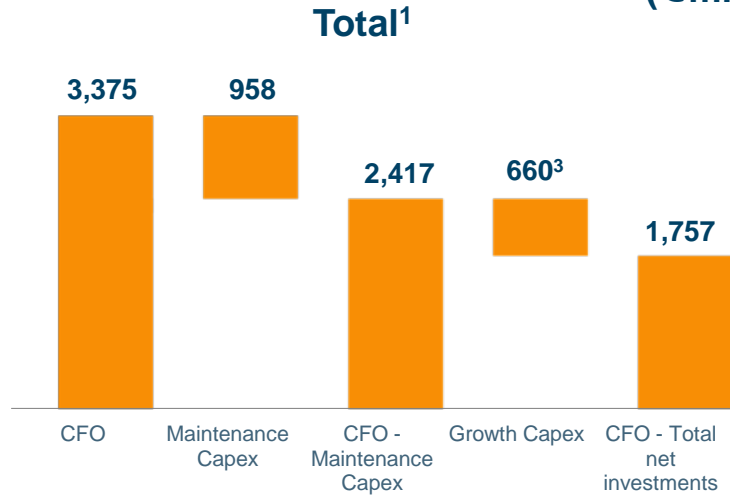


✓ **Asset sales, financial results and lower tax rate reduce the impact from lower results in Gas and deterioration in ECA**

- 1 Mainly Gas and currency translation effect
- 2 Difference from Net income FY16 vs FY15 (+€23 million in FY15 and -€26 million in FY16) excluding tax reform in Colombia (-€18 million)
- 3 €50 million from 20% GNL Quintero, €4 million from Chile LPG, €1 million from 21% UF Gas Mugaridos, €21 million from 42.5% UF Gas Sagunto
- 4 Tax effect from Transnet merger in Chile (€124 million), impairments at UF Gas (-€94 million), tax reform in Colombia (-€18 million)

# Cash flow from ordinary activities (CFO)

(€million)

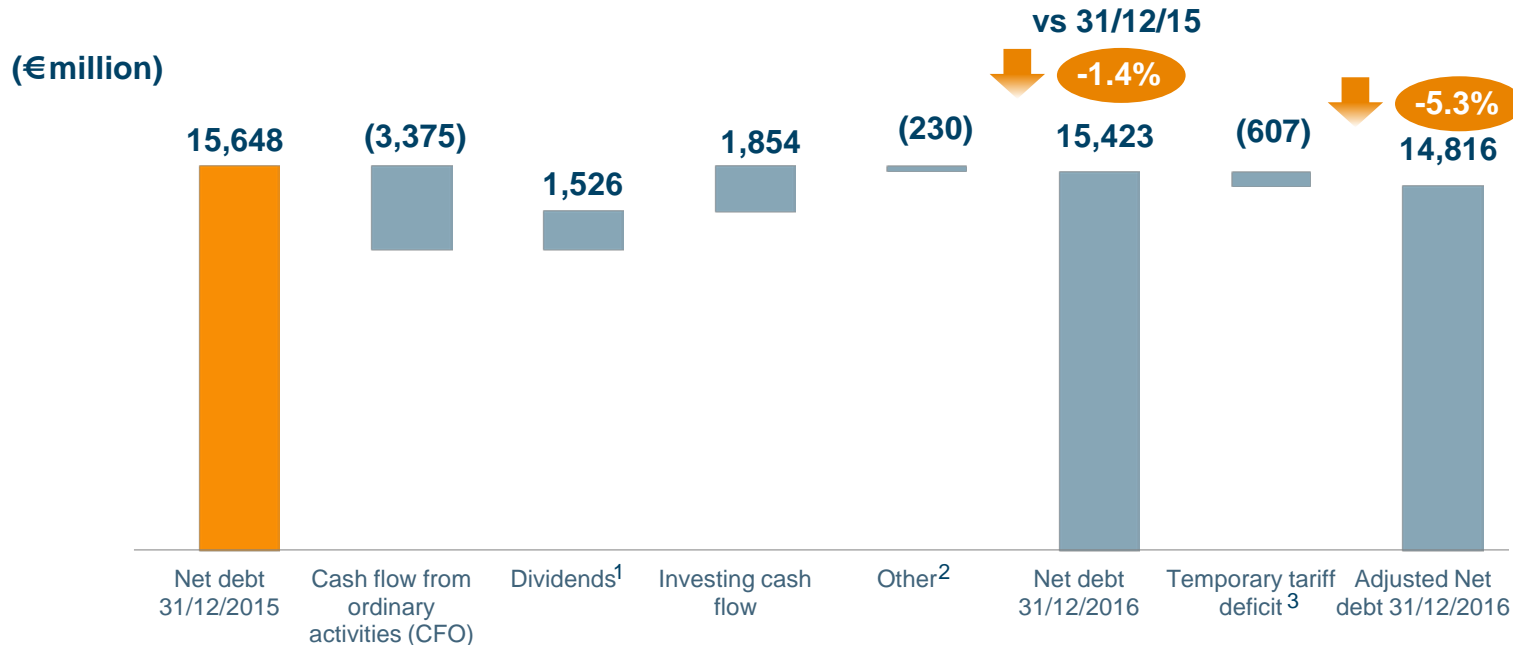


- **CFO 2015: €3,500 million. Decrease due to Gas activity and currency effect on cash generation**

✓ **Strong cash generation supporting GNF's dividend policy**

1 Includes tangible and intangible investments except for €425 million from the 2 new LNG tankers. Includes other activities.  
 2 Does not include ECA.  
 3 Does not include ~€425 million investment in the acquisition of LPG connection points in Spain.

# Net debt evolution



✓ Net debt slightly below December 31, 2015

1 Dividend paid by Gas Natural SDG and by subsidiaries to non-controlling shareholders

2 Includes currency translation effect (€208 million, mainly in 4Q16), change in consolidation perimeter (mainly ECA -€534 million) and other

3 Gas (€501 million: €333 million from 2014, €10 million from 2015 and €158 million from 2016) and electricity (€106 million from withholdings by CNMC)

# Optimizing cost of debt

- Net financial expenses decrease 7.7% vs 2015 despite incorporation of new LNG tankers

---

- New €1,000 million, 10-year bond issuance in January 2017 at historically low coupon (1.375%) compares favorably with recent bond maturity (November 2016 €1,000 million, 4.375% coupon) and upcoming bond maturities (February 2017 €600 million, 5.625% coupon; April 2017 €500 million, 4.125% coupon)

---

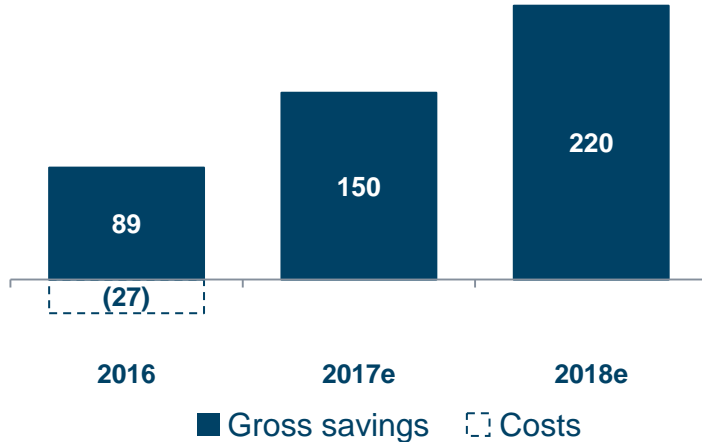
- Cost of debt in 2016 of 4.3% (4.5% in 2015) including LatAm subsidiaries. ~3.9% expected for 2017<sup>1</sup>

✓ **Continuing process of debt cost reduction**

# 2016-2018 efficiency plan

## Accumulated cost savings on EBITDA

(€million)



- Savings achieved for 2016 above initial plans with costs of €27 million
- Higher capture costs expected for 2017 in networks business, mainly in Europe
- Lower capture costs expected for 2017 in gas and electricity
- Minimal capture costs expected for 2018

✓ Net savings of €62 million in 2016, mainly in Gas distribution Europe and LatAm, Electricity distribution LatAm and Corporate (IT and central services)



# Update on Electricaribe (Colombia)

- On November 14, 2016 Electricaribe (ECA) was intervened by the Colombian government for an initial 2 month period extended in January 11, 2017 for 2 additional months
  - Following the impasse in the conversations with ECA and the special agent appointed by the authorities resulting in loss of control of ECA by GNF

---

- As a consequence, and as per IFRS 10, ECA is deconsolidated as of December 31, 2016 with the following implications:
  - Maintaining full consolidation of results of FY16
  - Deconsolidation in balance sheet and maintaining investment in ECA, accounted for as financial asset at its reasonable value according to IAS 39 (€475 million)
  - This deconsolidation implies a reduction of debt for €536 million as of December 31, 2016
  - Impact on results after January 1, 2017 only if changes in reasonable value take place

---

- EBITDA for FY16 of €253 million (-2% vs FY15) and Net income of -€44 million<sup>1</sup> (vs +€23 million in FY15)

---

- The Strategic Vision 2016-2020 contemplated investments in ECA for ~€80 million/year in 2017 and 2018

✓ **Maintaining outlook for GNF's 2017 Net income (€1.3-1.4 bn) and for 2018 (~€1.6 bn). No impact expected on GNF's cash flow or dividend policy**

1. Includes -€18 million non-cash effect for tax reform in Colombia

# Outlook 2017

3

# Results guidance by activity

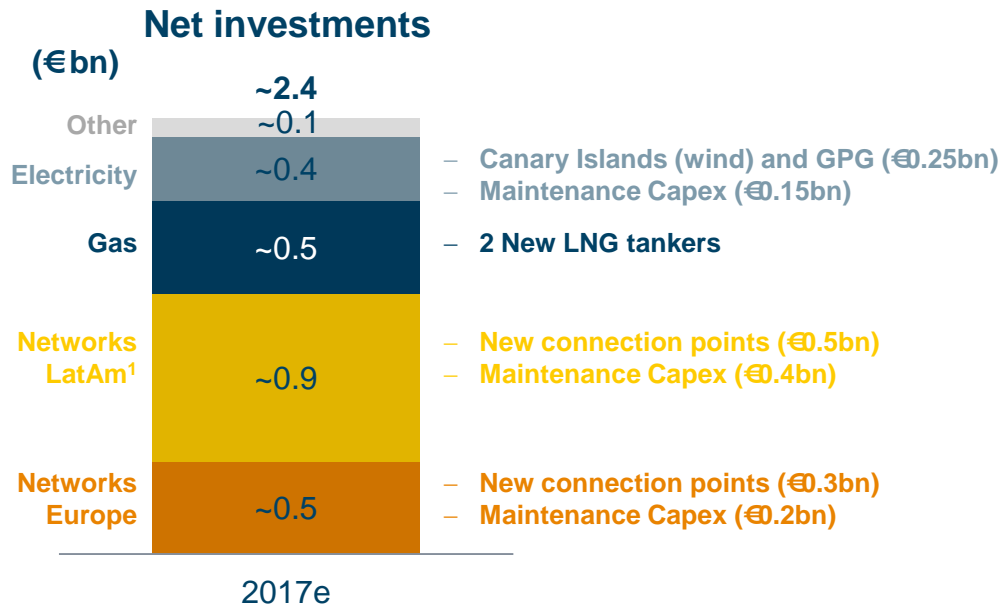
		2016	2017 Outlook	Business drivers					
				Market growth	Commodity scenario	Currency	Availability & activity	Perimeter	Regulation
EBITDA	<b>GNF</b>	€5.0bn	~€4.7bn <sup>1</sup>						
	• Networks Europe	€1,596m	=	✓				✓	✓
	• Networks LatAm	€1,468m	↑ <sup>1</sup>	✓		✓		✓ <sup>1</sup>	✓
	• Gas infrastructures	€298m	↑			✓	✓		
	• Gas supply	€548m	↑	✓	✓		✓		
	• Electricity Spain	€715m	↓			✓			✓ <sup>2</sup>
	• GPG	€257m	↑	✓		✓	✓		
<b>Net Income</b>		€1.3bn	€1.3 - €1.4bn						

✓ Expecting to comply with Strategic Vision guidelines in 2017 for Net income while maintaining a positive free cash flow profile after deconsolidation of ECA

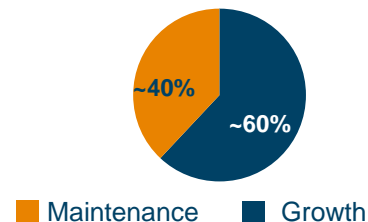
1 Taking into account the deconsolidation of €253 million EBITDA at ECA for FY16

2 Social voucher

# Estimated investments for 2017



## Maintenance vs. growth

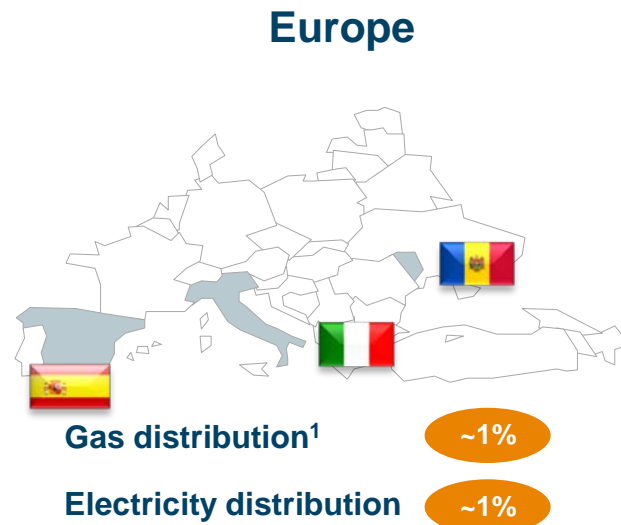
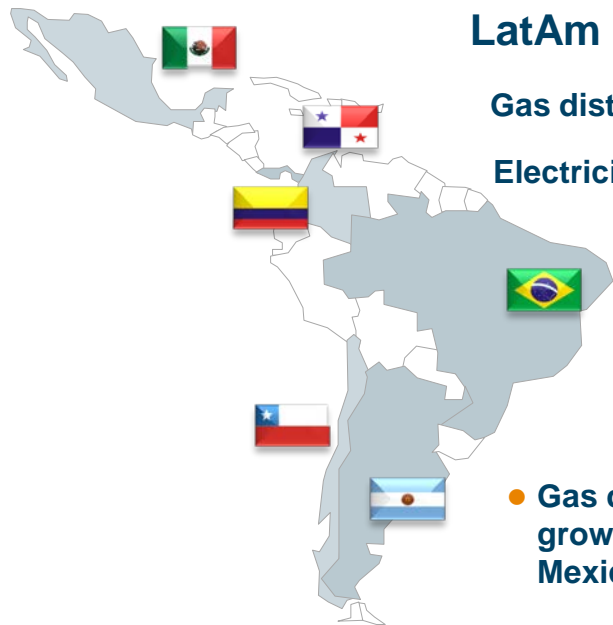


- Main Capex initiatives in 2017 consistent with the Strategic Vision 2016-2020
- Growth Capex initiatives of ~€1 billion will lead to higher EBITDA in 2017 and 2018
- Estimated depreciation for 2017 of ~€1.8 billion

- **2017 Capex expected to be ~€0.3 billion lower (taking into account deconsolidation of ECA) than initial figures for Strategic Vision 2016-2020**

**✓ 2017 Capex to be mostly directed to growth in Spanish and LatAm networks and international generation projects**






















# Expected growth in connection points



✓ Networks as key growth pillar in 2017 through new connections in Spain and abroad. Expecting favourable currency environment

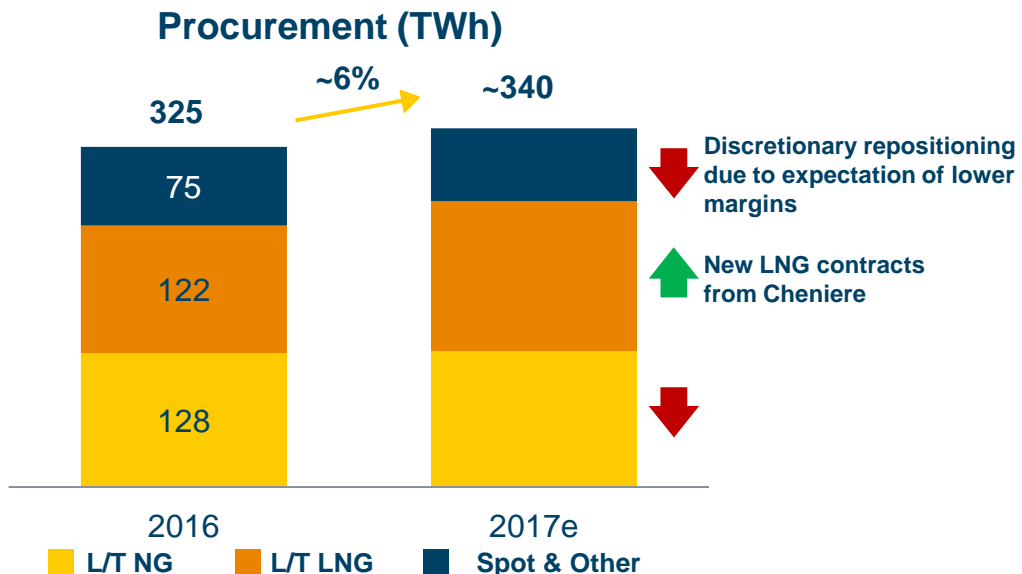
<sup>1</sup> In addition to the transformation of LPG connections, higher LPG sales are to be expected due to their acquisition in 4Q16

# Remuneration frameworks for regulated assets

	Tariff updates				Regulatory returns	
	2017	2018	2019	2020	Power distribution	Gas distribution
				 <sup>1</sup>	> 6.5% nominal pre-tax	
						> 6.1% real pre-tax
					> 14.6% nominal pre-tax in local currency	
					> 13.5% real pre-tax	> 16.1% real pre-tax <sup>2</sup>
		 Rio de Janeiro  Sao Paulo				> 9.6% real post-tax
						> 13–14% real pre-tax
						> Pending regulatory tariff system review
	 			 	> 10% real pre-tax	> 11% real post-tax cap <sup>3</sup>
					> 9.7% real pre-tax	

1. Gas distribution tariff review in Spain expected by 01/01/2021
2. Expected to be reviewed to in 2017 with a slight decrease
3. Parliament approval in December 2016, expected to be enacted during 1Q17

# Increased volumes in Gas supply



## Demand

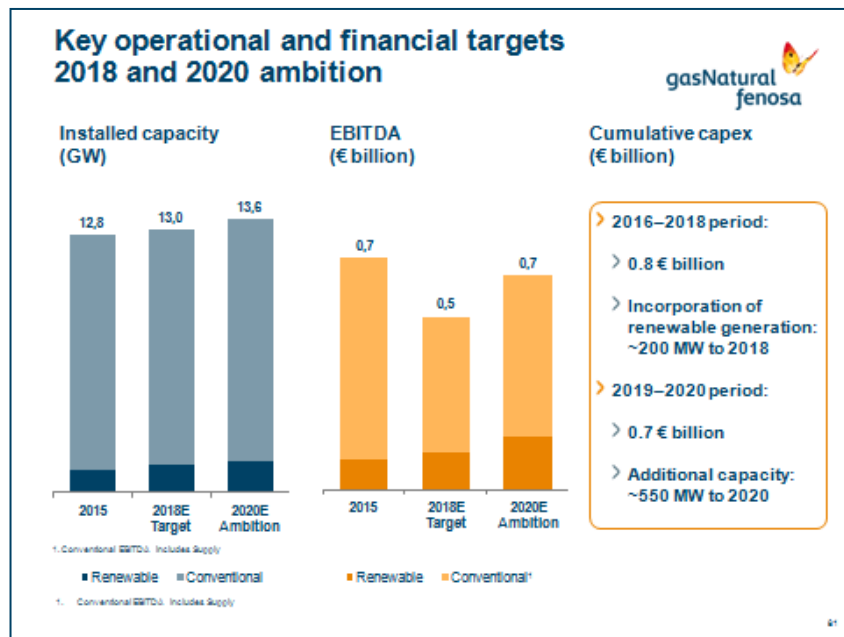
- Normalized retail sales after expectations of colder 2017 winter months
- Slight contraction in European markets with no material impact expected on margins
- Higher expected international LNG sales

✓ ~90% of volumes already contracted for 2017 at attractive margins even after adding Cheniere

✓ Levering on GNF's global flexibility in both logistics and gas portfolio

# Electricity Spain

As per Strategic Vision 2016-2020

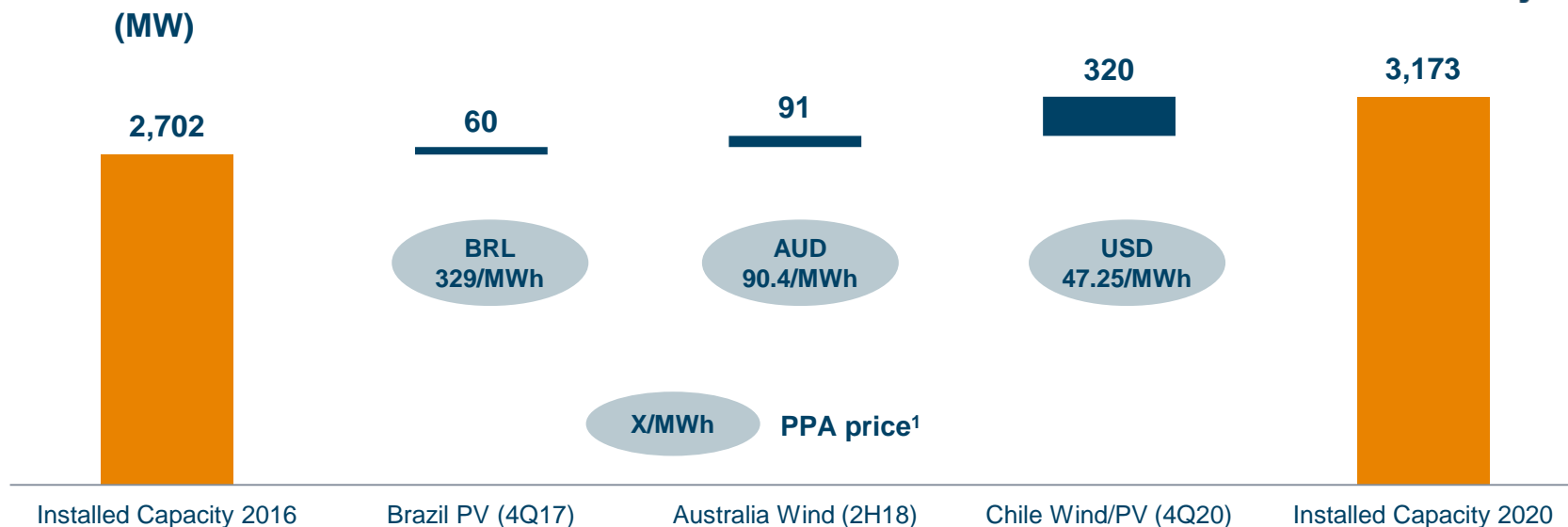


- **Strategic Vision 2016-2020 presented in 2Q16 after volatility started in pool prices**
- **Business performance subject to market price volatility**
- **In addition, social voucher expected to impact in 2017**

✓ **Business benefits from integrated nature providing stability and should capture value in scenarios of volatility of pool prices**



# GPG: Secured growth

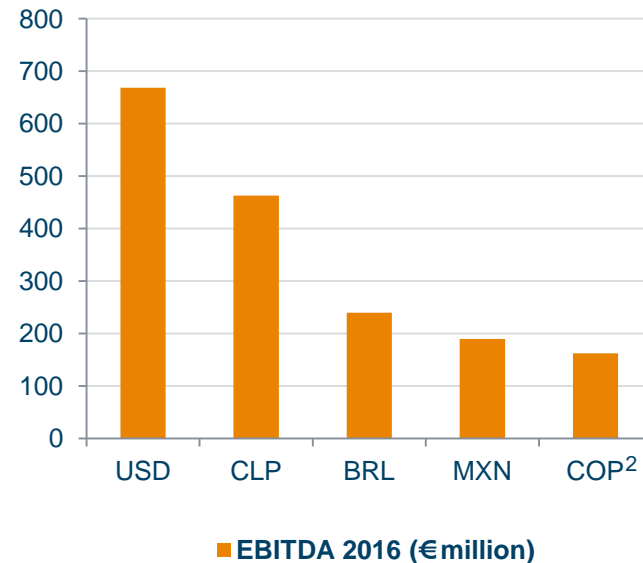
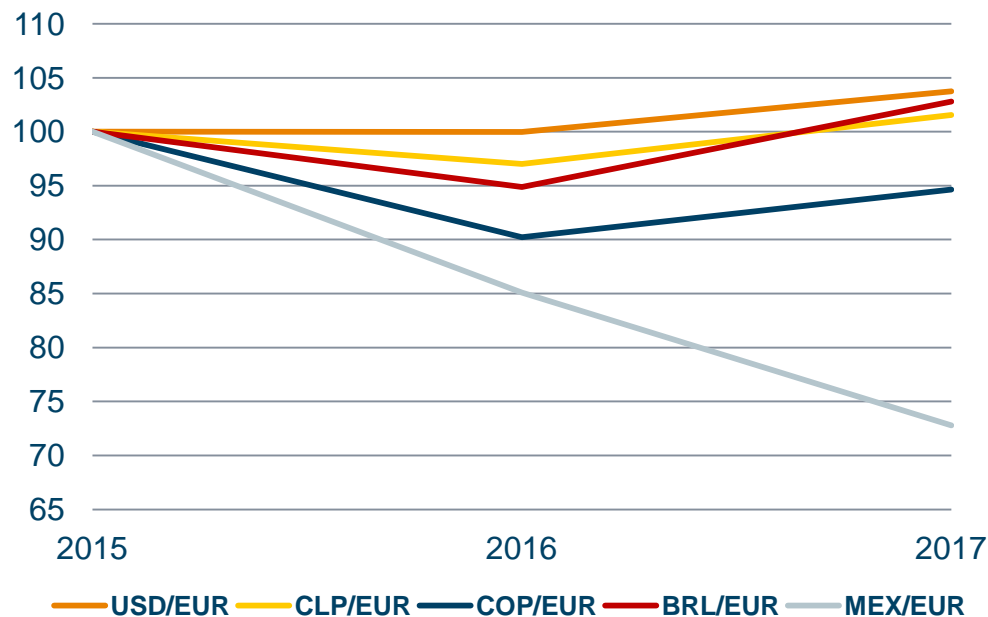


- **Accretive projects that will contribute to EBITDA with ~€60 million once in operation**

✓ **471 MW already secured. 2018 target met**

# Non-Euro currencies

FX rates<sup>1</sup>  
(Indexed to 100)



✓ **Currency environment currently favourable vs average 2016**

1. Average exchange rates for 2015 and 2016, forwards for 2017  
2. Not considering ECA

# Summary

4

# “Done and said”

## 2016

- FY16 results affected by:
  - Lower margins in Gas business
  - Negative currency translation effect mainly in LatAm Networks
- Compensated by the efficiency plan and non-recurrent results meeting the Strategic Vision target
- Asset sales of €756 million with capital gain of €111 million and Net asset rotation of €406 million

## Outlook for 2017

- Continuing organic growth in Networks
- No further negative impact expected from:
  - Lower margins in Gas business
  - Currency translation in LatAm
- Downward margin pressure in Electricity Spain
- Deconsolidation of EBITDA from ECA (€253 million in FY16)
- GNF will continue to sell non-core, sub-scale assets

✓ **Maintaining an attractive shareholder return with a 5.6% yield for 2016 (7.1% yield for dividend paid during 2016)**

✓ **Confirming Net income target for 2017 and 2018 of €1.3-1.4 billion and ~€1.6 billion, respectively**

# Appendices



# 1. Financials



# Consolidated income statement

(€million)	2016	2015	Change %
Net sales	23,184	26,015	(10.9)
Purchases	(15,420)	(17,997)	(14.3)
Gross Margin	7,764	8,018	(3.2)
Personnel, Net	(1,013)	(973)	4.1
Taxes	(483)	(484)	(0.2)
Other expenses, Net	(1,298)	(1,297)	0.1
EBITDA	4,970	5,264	(5.6)
Depreciation and impairment losses	(1,759)	(1,750)	0.5
Provisions	(327)	(258)	26.7
Other	122	5	-
Operating Income	3,006	3,261	(7.8)
Financial results, Net	(825)	(894)	(7.7)
Equity income	(98)	(4)	-
Income Before Tax	2,083	2,363	(11.8)
Corporate tax	(416)	(573)	(27.4)
Net income from discontinued operations	44	34	29.4
Non-controlling interests	(364)	(322)	13.0
Net Income	1,347	1,502	(10.3)

# EBITDA breakdown

(€million)	2016	2015	Change	
			€m	%
<b>Networks:</b>	<b>3,064</b>	<b>3,097</b>	<b>(33)</b>	<b>(1.1)</b>
Gas Distribution Europe	951	938	13	1.4
Gas Distribution LatAm	779	813	(34)	(4.2)
Electricity Distribution Europe	645	645	-	-
Electricity Distribution LatAm	689	701	(12)	(1.7)
<b>Power Generation:</b>	<b>972</b>	<b>1,002</b>	<b>(30)</b>	<b>(3.0)</b>
Spain	715	741	(26)	(3.5)
GPG	257	261	(4)	(1.5)
<b>Gas:</b>	<b>845</b>	<b>1,081</b>	<b>(236)</b>	<b>(21.8)</b>
Infrastructures	298	293	5	1.7
Supply	547	788	(241)	(30.6)
Other	89	84	5	6.0
<b>Total EBITDA</b>	<b>4,970</b>	<b>5,264</b>	<b>(294)</b>	<b>(5.6)</b>



# Net investments

(€million)	2016	2015	Change	
			€m	%
<b>Networks:</b>	<b>1,694</b>	<b>1,362</b>	<b>332</b>	<b>24.4</b>
Gas Distribution Europe	724	460	264	57.4
Gas Distribution LatAm	304	324	(20)	(6.2)
Electricity Distribution Europe	278	258	20	7.8
Electricity Distribution LatAm	388	320	68	21.3
<b>Power Generation:</b>	<b>193</b>	<b>162</b>	<b>31</b>	<b>19.1</b>
Spain	105	104	1	1.0
GPG	88	58	30	51.7
<b>Gas:</b>	<b>474</b>	<b>50</b>	<b>424</b>	<b>-</b>
Infrastructures	13	12	1	8.3
Supply	461	38	423	-
<b>Other</b>	<b>156</b>	<b>193</b>	<b>(37)</b>	<b>(19.2)</b>
<b>Total tangible + intangible</b>	<b>2,517</b>	<b>1,767</b>	<b>750</b>	<b>42.4</b>
<b>Financial</b>	<b>384</b>	<b>315</b>	<b>69</b>	<b>21.9</b>
<b>TOTAL GROSS</b>	<b>2,901</b>	<b>2,082</b>	<b>819</b>	<b>39.3</b>
<b>Disposals and other</b>	<b>(676)</b>	<b>(660)</b>	<b>(16)</b>	<b>2.4</b>
<b>TOTAL NET</b>	<b>2,225</b>	<b>1,422</b>	<b>803</b>	<b>56.5</b>

# A comfortable debt maturity profile<sup>1</sup>



- Average life of Net debt ~5 years
- 80% of Net debt maturing from 2019 onwards

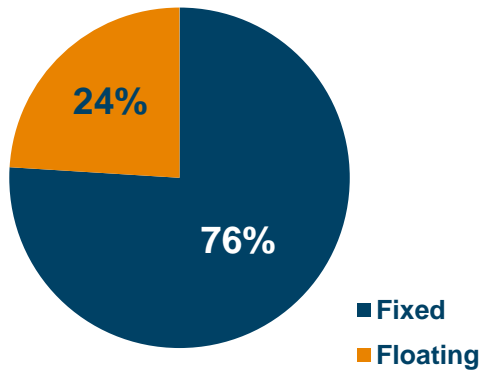
✓ All financial needs covered until 2020

1 €1bn new issuance in January 2017 not included  
2 Includes accrued interest and ECP maturities in 2017

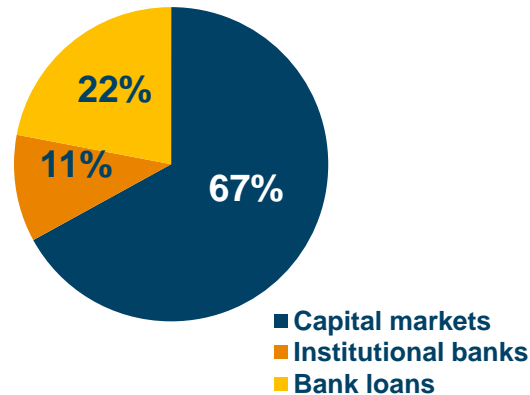
# An efficient net debt structure

As of December 31, 2016

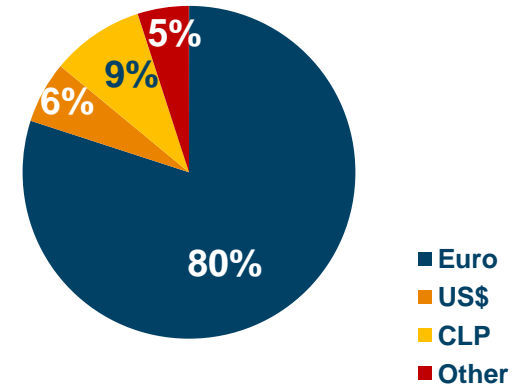
Majority of debt at fixed rates  
with very competitive cost



Diversified financing  
sources



Conservative currency exposure  
policy



- Efficiency of debt structure as key pillar for value creation despite a challenging financial environment

# Strong liquidity position

As of December 31, 2016 (€ million)	Limit	Withdrawn	Available
Committed credit lines	7,485	365	7,120
Uncommitted credit lines	707	185	522
EIB loan	352	–	352
Cash	–	–	2,067
<b>TOTAL</b>	<b>8,544</b>	<b>550</b>	<b>10,061</b>

- Additional capital market capabilities of ~€6,500 million both in Euro and LatAm (Mexico, Chile, Panama and Colombia) programs
- €1 billion 10-year bond issuance (coupon 1.375%) in January 2017
- Enough liquidity available to cover needs for more than 24 months

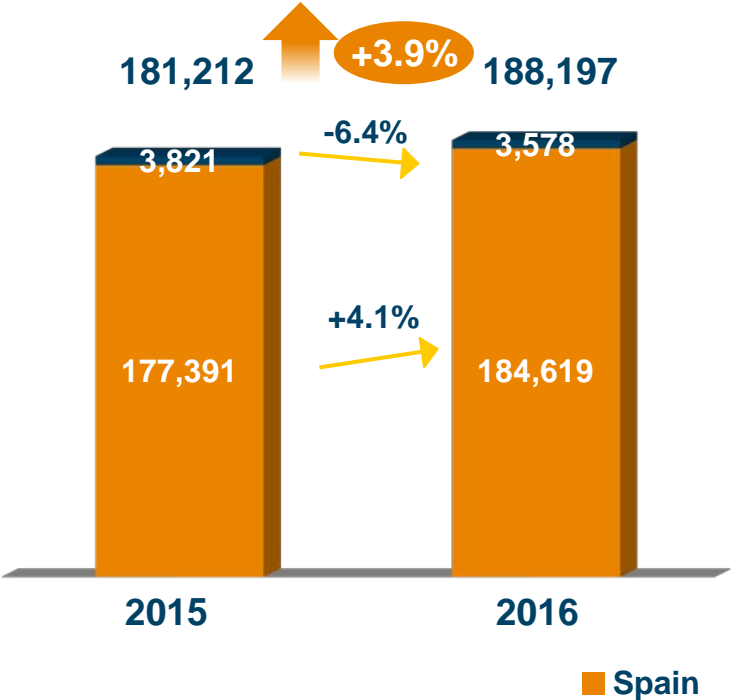
## 2. Operating figures



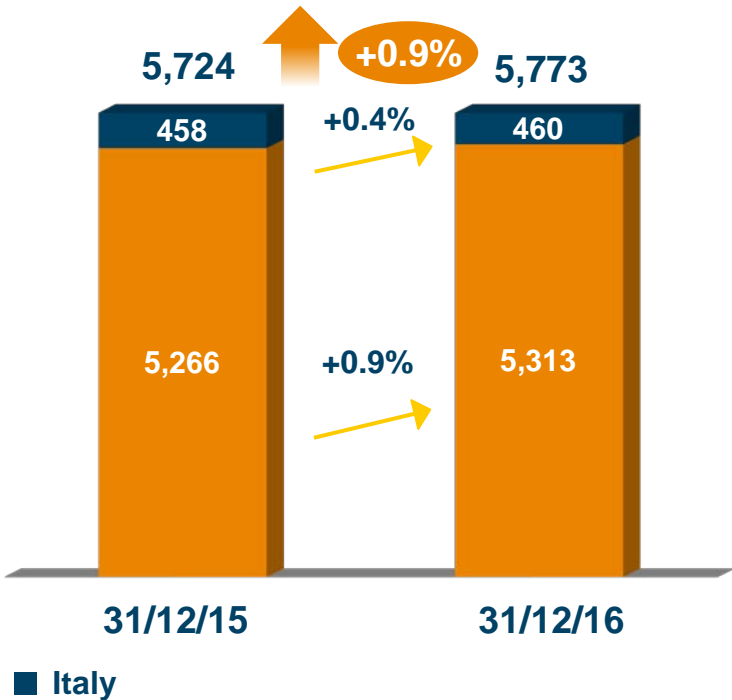
# Networks – Gas Distribution Europe



Gas sales (GWh)



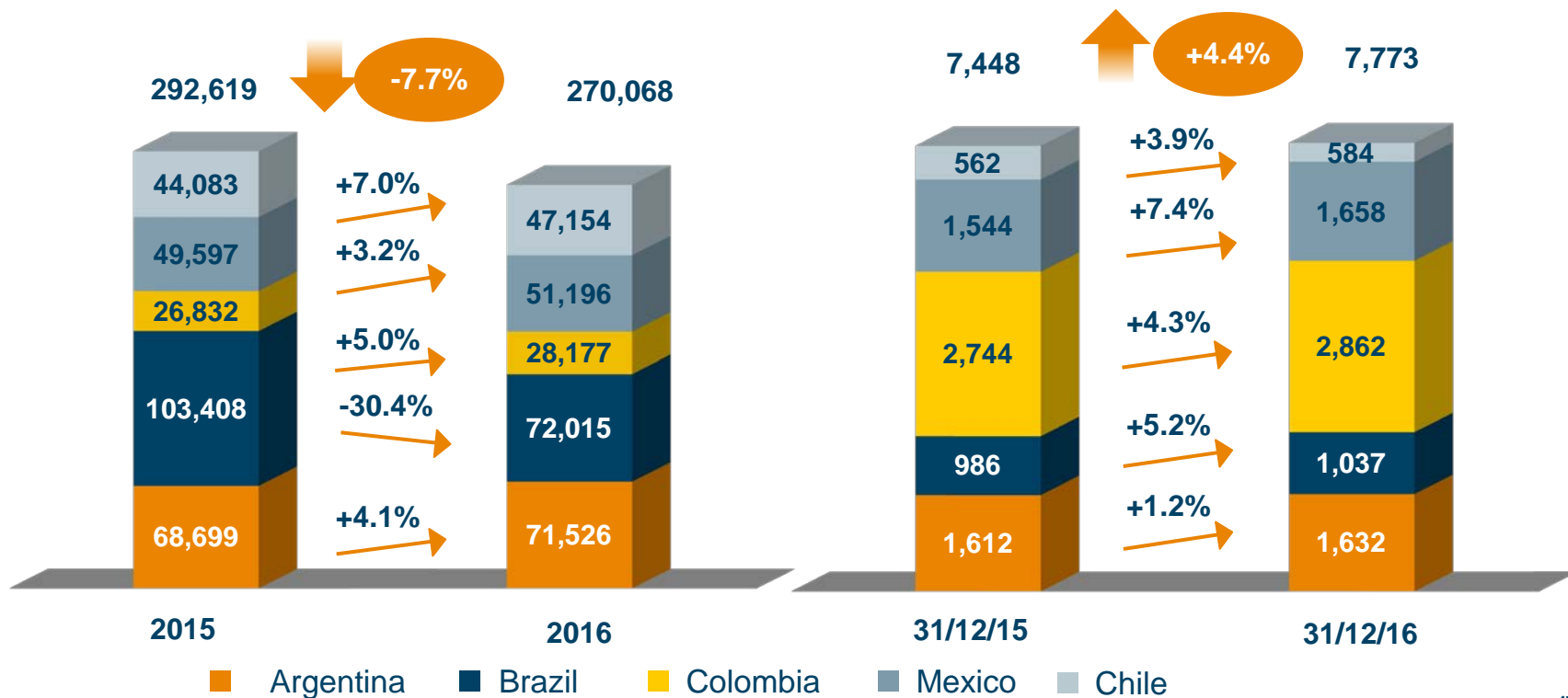
Connection points ('000)



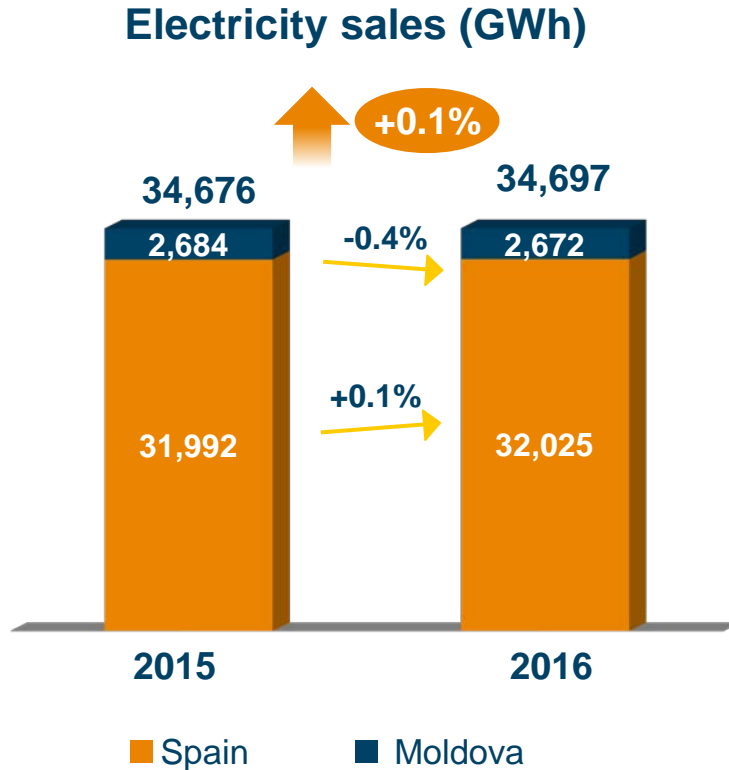
# Networks – Gas distribution LatAm

## Gas sales (GWh)

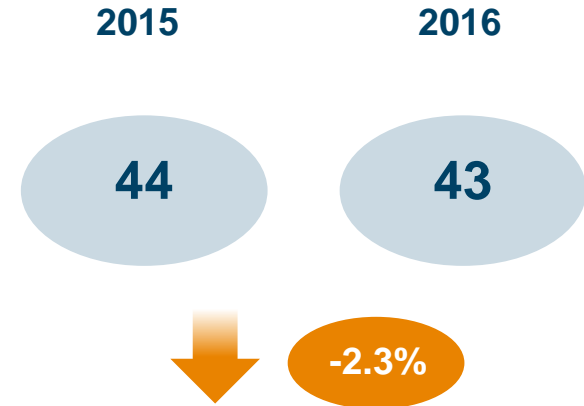
## Connection points ('000)



# Networks – Electricity distribution Europe



### TIEPI<sup>1</sup> (Spain) (minutes)



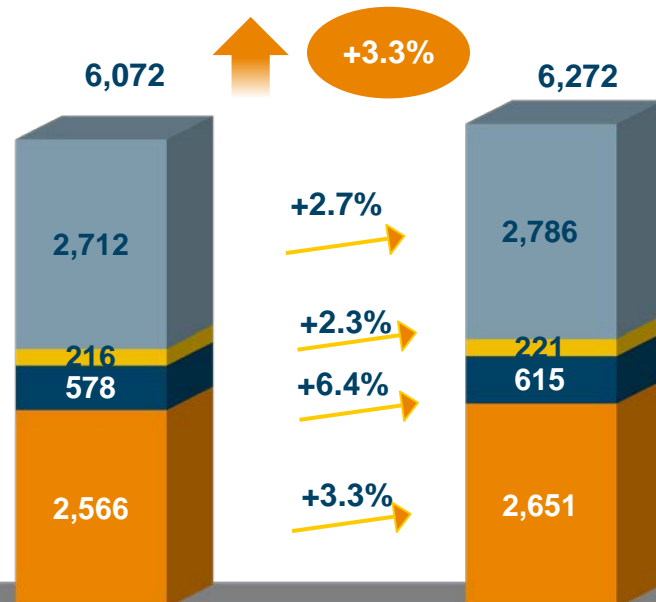
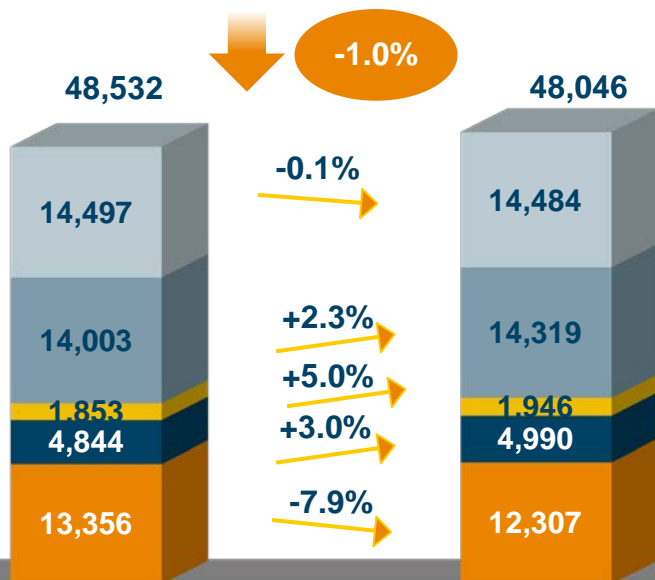
Note:  
1 “Tiempo de interrupción equivalente de la potencia instalada” = Equivalent time of power supply interruption for the installed capacity



# Networks – Electricity distribution LatAm

## Electricity sales (GWh)

## Connection points ('000)



2015

2016

31/12/15

31/12/16

Colombia<sup>1</sup>

Panama

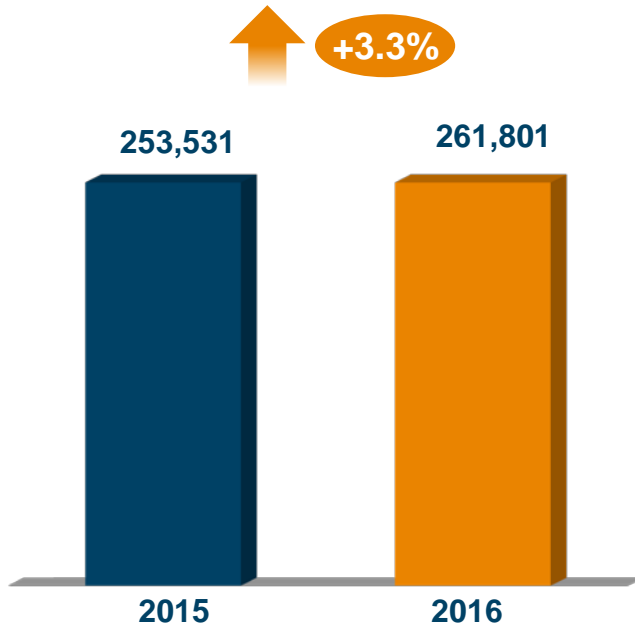
Argentina

Chile distribution

Chile transmission

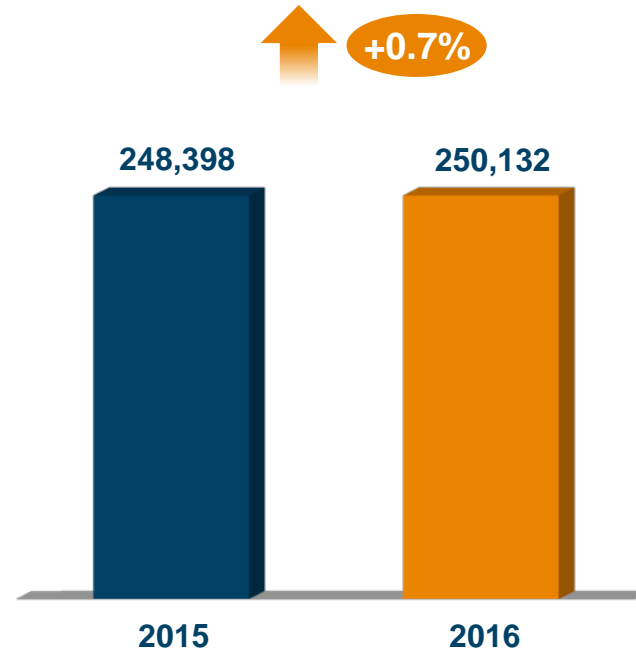
# Gas and electricity demand in Spain

Conventional gas demand  
(GWh)



Source: Enagas

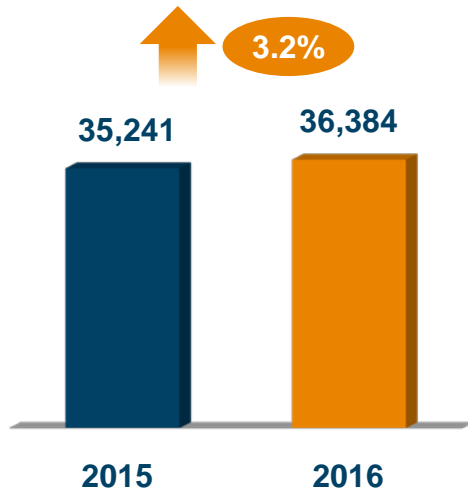
Electricity demand  
(GWh)



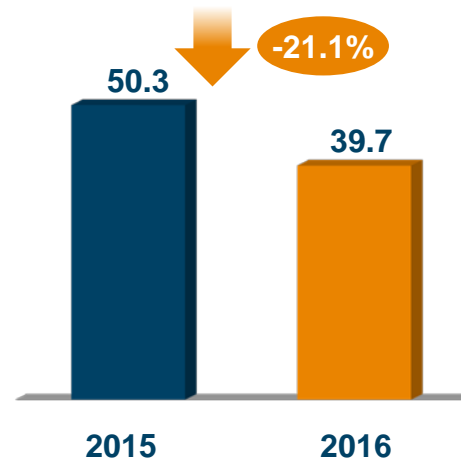
Source: REE

# Electricity – Spain (I)

## Electricity sales (GWh)



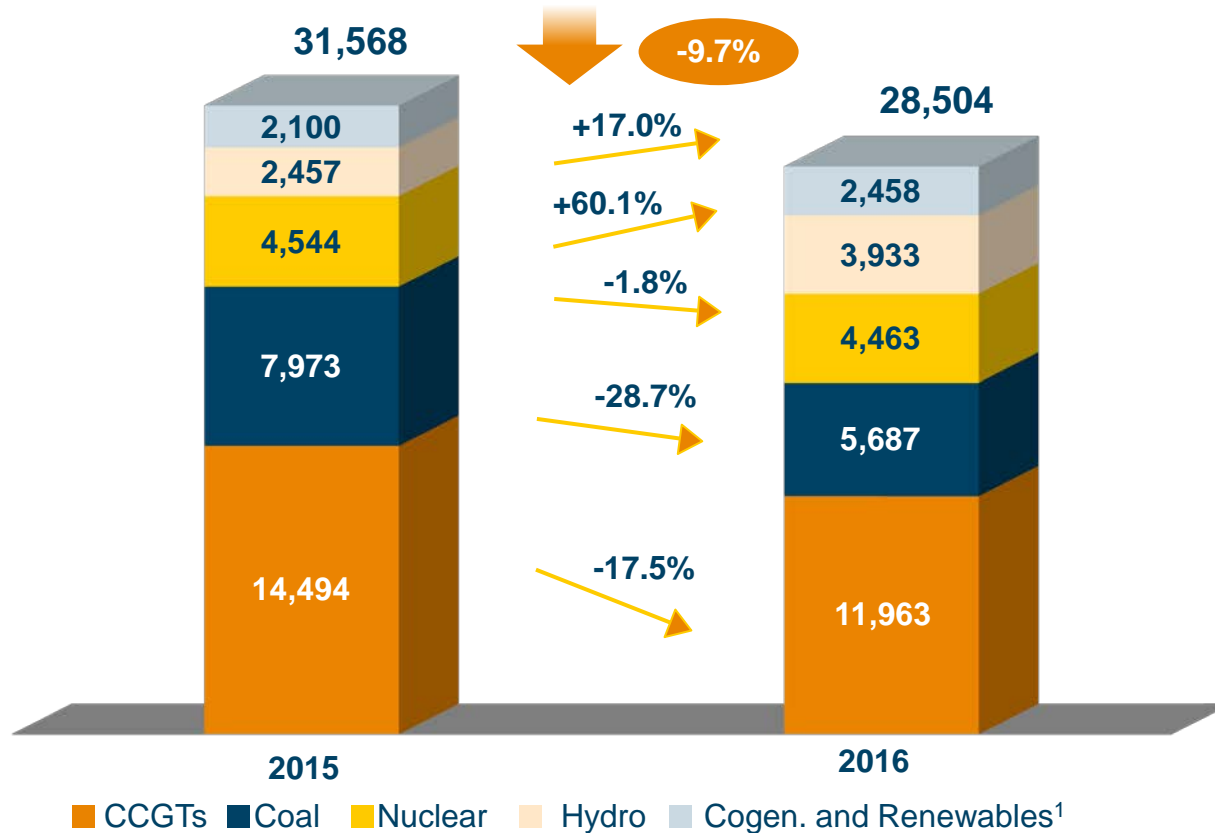
## Average pool price (€/MWh)



Source: REE

# Electricity – Spain (II)

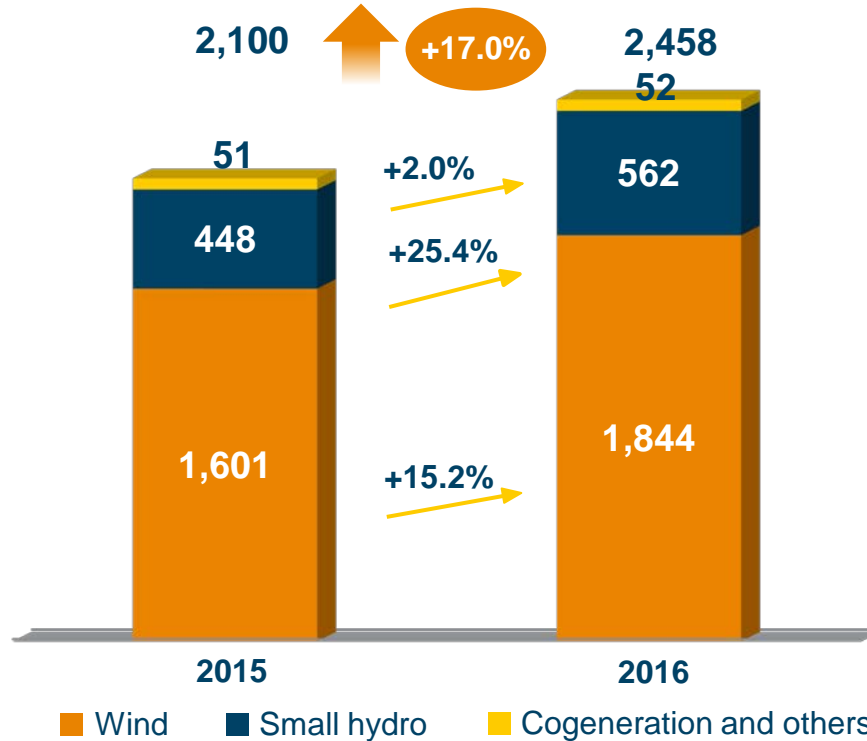
GNF's total production (GWh)



1 Formerly "Special Regime"

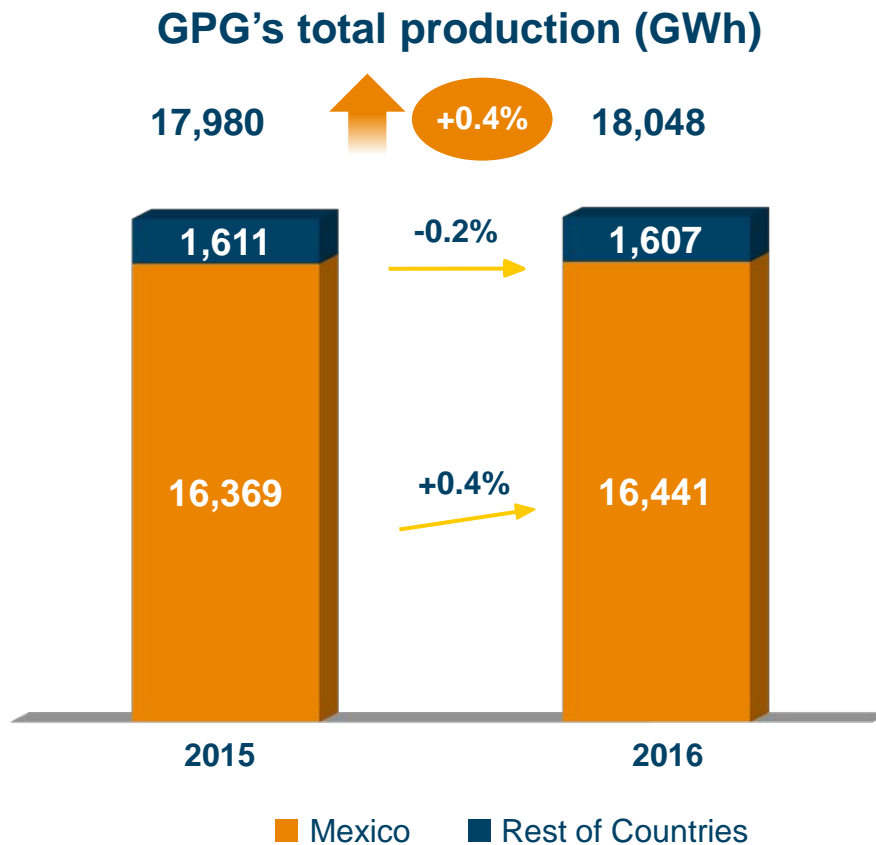
# Electricity – Spain (III)

GNF's total production in cogeneration and renewables<sup>1</sup> (GWh)



1 Formerly "Special Regime"

# Electricity - GPG



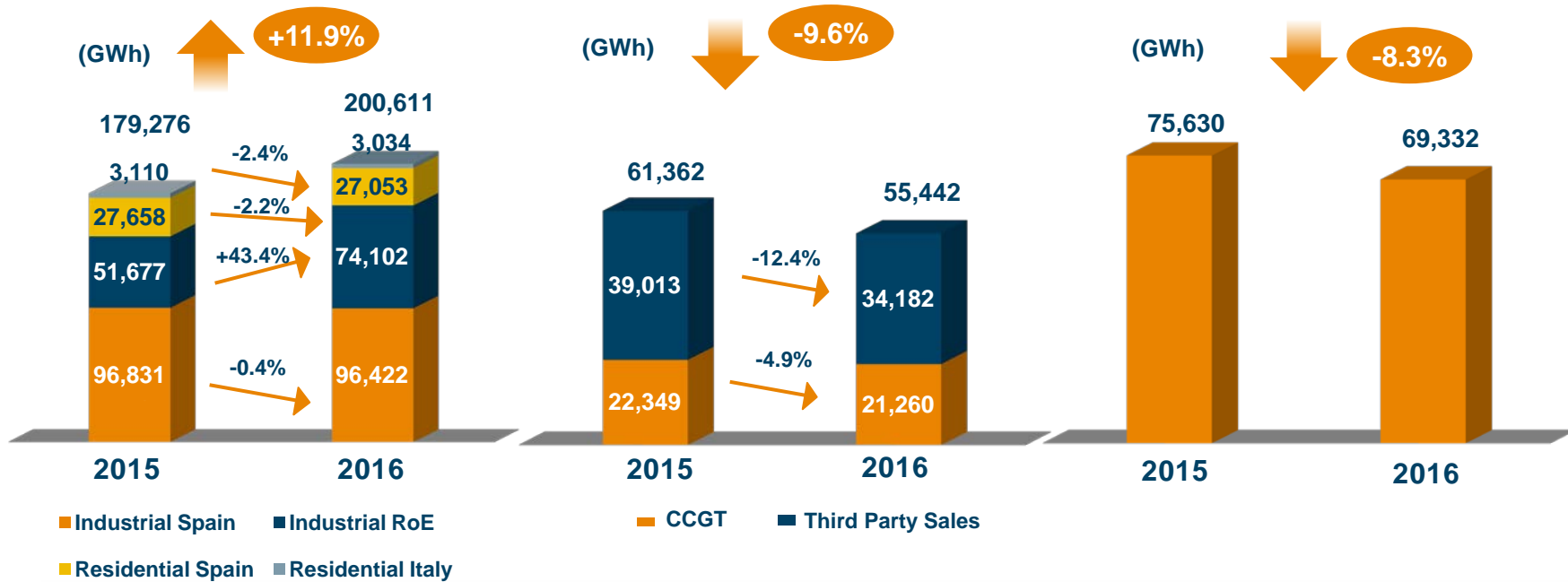
# Gas

## Gas sales by markets

European industrial and residential sales

Other sales Spain

International LNG sales



✓ Total sales of 325,384 GWh (+2.9% vs 2015)

# Thank you

This presentation is the property of Gas Natural Fenosa. Both its subject matter and its graphic design are for the exclusive use of its staff.

©Copyright Gas Natural SDG, S.A.

## INVESTOR RELATIONS

tel. 34 912 107 815

tel. 34 934 025 897

e-mail: [relinversor@gasnaturalfenosa.com](mailto:relinversor@gasnaturalfenosa.com)

website: [www.gasnaturalfenosa.com](http://www.gasnaturalfenosa.com)

