

# Gas Natural Fenosa

## Condensed interim consolidated financial statements at 30 June 2017

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# Gas Natural Fenosa

## Interim Consolidated Balance Sheet

(Million Euros)

	30/06/2017	31/12/2016
<b>ASSETS</b>		
Intangible assets <i>(Note 5)</i>	10,538	10,920
Goodwill	4,953	5,036
Other intangible assets	5,585	5,884
Property, plant and equipment <i>(Note 5)</i>	23,125	23,627
Investments recorded using the equity method	1,548	1,575
Non-current financial assets <i>(Note 6)</i>	1,787	1,907
Deferred tax assets	899	872
<b>NON-CURRENT ASSETS</b>	<b>37,897</b>	<b>38,901</b>
Inventories	751	758
Trade and other receivables	4,691	4,999
Trade receivables	4,092	4,348
Other receivables	456	489
Current tax assets	143	162
Other current financial assets <i>(Note 6)</i>	306	389
Cash and cash equivalents	1,455	2,067
<b>CURRENT ASSETS</b>	<b>7,203</b>	<b>8,213</b>
<b>TOTAL ASSETS</b>	<b>45,100</b>	<b>47,114</b>
<b>NET EQUITY AND LIABILITIES</b>		
Share capital	1,001	1,001
Share premium	3,808	3,808
Reserves	9,894	9,549
Treasury shares	(21)	(21)
Net income for the period attributed to the equity holders of the parent company	550	1,347
Interim dividend	-	(330)
Adjustments for changes in value	(623)	(129)
Available-for-sale financial assets	15	7
Hedging operations	(5)	47
Currency translation differences	(633)	(183)
<b>Net equity attributed to the equity holders of the parent company</b>	<b>14,609</b>	<b>15,225</b>
<b>Non-controlling interests</b>	<b>3,637</b>	<b>3,780</b>
<b>NET EQUITY <i>(Note 8)</i></b>	<b>18,246</b>	<b>19,005</b>
Deferred income	847	842
Non-current provisions <i>(Note 9)</i>	1,236	1,248
Non-current financial liabilities <i>(Note 6)</i>	14,485	15,003
Borrowings	14,485	14,997
Other financial liabilities	-	6
Deferred tax liability	2,454	2,509
Other non-current liabilities	1,259	1,331
<b>NON-CURRENT LIABILITIES</b>	<b>20,281</b>	<b>20,933</b>
Current provisions <i>(Note 9)</i>	132	158
Current financial liabilities <i>(Note 6)</i>	2,857	2,599
Borrowings	2,737	2,437
Other financial liabilities	120	162
Trade and other payables	3,226	4,072
Trade payables	2,488	3,274
Other creditors	682	692
Current tax liabilities	56	106
Other current liabilities	358	347
<b>CURRENT LIABILITIES</b>	<b>6,573</b>	<b>7,176</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>45,100</b>	<b>47,114</b>

Notes 1 to 19 are an integral part of the condensed interim consolidated financial statements.

## Gas Natural Fenosa

### Interim Consolidated Income Statement

(Million Euros)

	For the six-month period ended 30 June	
	2017	2016
Sales (Note 10)	12,283	11,409
Procurements (Note 11)	(8,726)	(7,556)
Other operating income	115	110
Personnel costs (Note 12)	(501)	(506)
Other operating expenses (Note 13)	(1,080)	(1,163)
Depreciation, amortisation and impairment expenses (Note 5)	(843)	(868)
Release of fixed assets grants to income and others	21	21
Other results	-	-
<b>OPERATING INCOME</b>	<b>1,269</b>	<b>1,447</b>
Financial income	67	60
Financial expense	(412)	(475)
Variations in fair value of financial instruments	-	-
Net exchange gain/(losses)	(2)	-
<b>NET FINANCIAL INCOME/(EXPENSE) (Note 14)</b>	<b>(347)</b>	<b>(415)</b>
Profit/(loss) of entities recorded by equity method	7	(11)
<b>NET INCOME BEFORE TAXES</b>	<b>929</b>	<b>1,021</b>
Income tax expense (Note 15)	(218)	(240)
<b>NET INCOME FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>711</b>	<b>781</b>
Net income for the period from discontinued operations, net of taxes (Note 7)	-	<b>30</b>
<b>CONSOLIDATED NET INCOME FOR THE PERIOD</b>	<b>711</b>	<b>811</b>
Attributable to:		
Equity holders of the parent company	550	645
From continuing operations	550	631
From discontinued operations	-	14
Non-controlling interests	161	166
	<b>711</b>	<b>811</b>
Basic and diluted earnings per share in euros from continuing operations attributable to the equity holders of the parent company (Note 8)	0.55	0.63
Basic and diluted earnings per share in euros attributable to the equity holders of the parent company (Note 8)	0.55	0.64

Notes 1 to 19 are an integral part of the condensed interim consolidated financial statements

## Gas Natural Fenosa

### Interim Consolidated Statement of Comprehensive Income

(Million Euros)

	For the six-month period ended 30 June	
	2017	2016
<b>CONSOLIDATED NET INCOME FOR THE PERIOD</b>	<b>711</b>	<b>811</b>
<b>OTHER COMPREHENSIVE INCOME RECOGNISED DIRECTLY IN EQUITY</b>	<b>(628)</b>	<b>107</b>
<b>Items that will not be transferred to profit/(loss):</b>		
Actuarial gains and losses and other adjustments	(3)	(11)
Tax effect	1	3
<b>Items that will subsequently be transferred to profit/(loss):</b>		
Cash flow hedges	(54)	(35)
Available-for-sale financial assets	11	8
Currency translation differences	(552)	166
Tax effect	11	7
Equity-consolidated companies	(42)	(31)
<i>Cash flow hedges</i>	(3)	(16)
<i>Currency translation differences</i>	(39)	(15)
<i>Tax effect</i>	-	-
<b>RELEASES TO INCOME STATEMENT</b>	<b>(9)</b>	<b>71</b>
Cash flow hedges	(13)	92
Currency translation differences	-	-
Tax effect	3	(24)
Equity-consolidated companies	1	3
<i>Cash flow hedges</i>	1	4
<i>Currency translation differences</i>	-	-
<i>Tax effect</i>	-	(1)
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(637)</b>	<b>178</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>74</b>	<b>989</b>
Attributable to:		
Equity holders of the parent company	54	801
Non-controlling interests	20	188

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## Gas Natural Fenosa

### Interim Statement of Changes in Consolidated Net Equity

(Million Euros)

	Net equity attributable to the Company's equity holders					Subtotal	Non-controlling interests	Total Net equity
	Share capital	Share premium and reserves	Treasury shares	Results	Adjustments for changes in value			
<b>Balance at 01/01/2016</b>	<b>1,001</b>	<b>12,477</b>	-	<b>1,502</b>	<b>(613)</b>	<b>14,367</b>	<b>4,151</b>	<b>18,518</b>
Total comprehensive income for the period	-	(10)	-	645	166	<b>801</b>	188	<b>989</b>
Dividend distribution (Note 8)	-	909	-	(1,502)	-	<b>(593)</b>	(114)	<b>(707)</b>
Other changes	-	-	-	-	-	-	(7)	<b>(7)</b>
<b>Balance at 30/06/2016</b>	<b>1,001</b>	<b>13,376</b>	-	<b>645</b>	<b>(447)</b>	<b>14,575</b>	<b>4,218</b>	<b>18,793</b>
Total comprehensive income for the period	-	(20)	-	702	318	<b>1,000</b>	282	<b>1,282</b>
Dividend distribution (Note 8)	-	(330)	-	-	-	<b>(330)</b>	(100)	<b>(430)</b>
Other changes	-	1	(21)	-	-	<b>(20)</b>	(620)	<b>(640)</b>
<b>Balance at 31/12/2016</b>	<b>1,001</b>	<b>13,027</b>	<b>(21)</b>	<b>1,347</b>	<b>(129)</b>	<b>15,225</b>	<b>3,780</b>	<b>19,005</b>
Total comprehensive income for the period	-	(2)	-	550	(494)	<b>54</b>	20	<b>74</b>
Dividend distribution (Note 8)	-	676	-	(1,347)	-	<b>(671)</b>	(147)	<b>(818)</b>
Other changes	-	1	-	-	-	<b>1</b>	(16)	<b>(15)</b>
<b>Balance at 30/06/2017</b>	<b>1,001</b>	<b>13,702</b>	<b>(21)</b>	<b>550</b>	<b>(623)</b>	<b>14,609</b>	<b>3,637</b>	<b>18,246</b>

Notes 1 to 19 are an integral part of the condensed interim consolidated financial statements

## Gas Natural Fenosa

### Interim Consolidated Cash Flow Statement

(Million Euros)

	For the six-month period ended 30 June	
	2017	2016
<b>Income before tax</b>	<b>929</b>	<b>1,021</b>
<b>Adjustments to income:</b>	<b>1,152</b>	<b>1,240</b>
Depreciation, amortization and impairment expenses	843	868
Other adjustments to net income	309	372
<b>Changes in working capital</b>	<b>(258)</b>	<b>199</b>
<b>Other cash flows generated from operations:</b>	<b>(675)</b>	<b>(661)</b>
Interest paid	(490)	(502)
Interest collected	15	13
Dividends collected	21	36
Income tax paid	(221)	(208)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>1,148</b>	<b>1,799</b>
<b>Cash flows into investing activities:</b>	<b>(1,005)</b>	<b>(912)</b>
Group companies, associates and business units	(14)	(2)
Property, plant and equipment and intangible assets	(945)	(857)
Other financial assets	(46)	(53)
<b>Proceeds from divestitures:</b>	<b>34</b>	<b>32</b>
Group companies, associates and business units	-	-
Property, plant and equipment and intangible assets	-	9
Other financial assets	34	23
<b>Other cash flows from investing activities:</b>	<b>24</b>	<b>24</b>
Other proceeds/(payments) from/(of) investing activities	24	24
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(947)</b>	<b>(856)</b>
<b>Receipts/(payments) on equity instruments:</b>	<b>(2)</b>	<b>-</b>
Issue	-	-
Acquisition	(2)	-
<b>Receipts/(payments) on financial liability instruments:</b>	<b>140</b>	<b>501</b>
Issue	3,956	3,900
Repayment and amortisation	(3,816)	(3,399)
<b>Dividends paid and remuneration on other equity instruments</b>	<b>(805)</b>	<b>(1,026)</b>
<b>Other cash flows from financing activities</b>	<b>(54)</b>	<b>(46)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(721)</b>	<b>(571)</b>
<b>Effect of changes in exchange rates</b>	<b>(92)</b>	<b>1</b>
<b>VARIATION IN CASH AND CASH EQUIVALENTS</b>	<b>(612)</b>	<b>373</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>2,067</b>	<b>2,390</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1,455</b>	<b>2,763</b>

Notes 1 to 19 are an integral part of the condensed interim consolidated financial statements

## **Notes to the condensed interim consolidated financial statements**

### **Note 1. General information**

Gas Natural SDG, S.A. is a public limited company that was incorporated in 1843. Its registered office is located at 1, Plaça del Gas, Barcelona.

Gas Natural SDG, S.A. and its subsidiary companies ("Gas Natural Fenosa") form a group that is mainly engaged in the supply, liquefaction, re-gasification, transport, storage, distribution and commercialisation of natural gas, as well as the generation, transport, distribution and commercialisation of electricity.

Gas Natural Fenosa operates mainly in Spain and also outside Spain, especially in Latin America, in the rest of Europe and Africa.

Note 4 includes financial information by operating segment and geographic area.

The shares of Gas Natural SDG, S.A. are listed on the four official Spanish stock exchanges, are traded simultaneously on all four ("mercado continuo"), and form part of the Ibex35.

### **Note 2. Regulatory framework**

Concerning the regulatory framework described in the consolidated annual accounts for the year ended 31 December 2016, the following should be noted in relation to the first half of 2017:

In Spain, Order ETU/130/2017 of the Ministry of Energy, Tourism and the Digital Agenda (MINETAD) which updated the remuneration parameters for standard facilities applicable to certain facilities that generate electricity from renewable sources, cogeneration and waste, for the purposes of their application to the regulatory semi-period commencing on 1 January 2017, was published on 22 February 2017.

Order IET/258/2017 of the MINETAD, laying down obligations relating to contributions to the National Energy Efficiency Fund in 2017, was published on 25 March 2017.

Royal Decree 359/2017, which provides for an auction for assigning the specific remuneration regime for new facilities for the generation of electricity from renewable energy sources in the mainland energy system, up to a maximum of 3,000 MW, was published on 1 April 2017. Subsequently, Order ETU/315/2017 regulating the assignment procedure was published on 8 April 2017. The auction was held on 17 May 2017, with 2979 MW being allocated to wind energy facilities, 1 MW to photovoltaic facilities and 20 MW to other technologies. GNF was awarded 667 MW, i.e. 22% of the energy auctioned. The Resolution containing the results of the auction was published on 26 May 2017.

The Resolution of the Secretariat of State for Energy laying down the procedure for the assignment of basic underground storage capacity and injection and extraction rights was published on 1 April 2017.

Royal Decree-Act 10/2017, which adopts urgent measures to palliate the effects of the drought in certain watersheds and amends the consolidated text of the Water Act, was published on 10 June. This Royal Decree-Act updated the rate of the levy for the use of inland waters for electricity production, as set out in the Water Act, from 22% to 25.5% in all districts that are the competency of the State (i.e. that fall in more than one autonomous region), so as to give the competent authorities and watershed bodies the necessary resources for the purposes of environmental protection and enhancement of public domain water resources. Subsequently, on 30 June, a Resolution of the Congress of Deputies was published which ratified that Royal Decree-Act and initiated the process of submitting the text to Parliament as an urgent bill.

Order ETU/555/2017 laying down the remuneration parameters for standard facilities applicable to facilities for the treatment and reduction of animal waste approved by Order IET/1045/2014, and which have been updated for the 2017- 2019 semi-period, was published on 15 June 2017.

Royal Decree 650/2017, which provides for a new quota of 3,000 MW of installed capacity for new facilities for the generation of electricity from renewable energy sources in the mainland energy system, to which the specific remuneration regime may be granted, was published on 17 June 2017. Order ETU/615/2017 which lays down the procedure for assigning the specific remuneration regime and the

relevant remuneratory parameters was published on 28 June 2017. Finally, the decision to convene a new auction to be held on 26 July 2017 was published on 1 July 2017.

In Argentina, a resolution establishing new natural gas and propane distribution prices was published on 30 March 2017, urging Enargas to release the tariff lists resulting from the comprehensive tariff review. In addition, on 30 March 2017 Enargas resolution No. I/4354-17 was published, which approved the distribution tariff lists arising from the comprehensive tariff review of Gas Natural BAN, S.A. effective from 1 April 2017, and a rise in the average tariff of 123% compared with the tariff in effect prior to that date.

In Moldova, the ANRE resolution was published on 24 March 2017, which included the electricity tariffs to be applied as from that date. Subsequently, the ANRE resolutions introducing changes in the prevailing methodologies for calculating electricity distribution and supply tariffs were published on 5 May 2017.

In Colombia, Resolution CREG 66-2017 was published on 21 June 2017, containing a new proposal for changing the method for remunerating gas distribution within the tariff review process that commenced with the publication of Resolution CREG 202-2013, which approved the gas distribution remuneration methodology.

### **Note 3. Basis of presentation and accounting policies**

#### **3.1. Basis of presentation**

The consolidated annual accounts of Gas Natural Fenosa for 2016 were approved by the General Meeting of Shareholders on 20 April 2017.

These condensed interim consolidated financial statements at 30 June 2017 of Gas Natural Fenosa were drawn up and signed by the Board of Directors on 25 July 2017, pursuant to IAS 34 "Interim financial reporting" and must be read together with the consolidated annual accounts for the year ended 31 December 2016, which were prepared in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council ("IFRS-EU").

As a result, it has not been necessary to repeat or update certain notes or estimates included in the consolidated annual accounts. Instead, the accompanying selected notes to the accounts include an explanation of significant events or movements, if applicable, in order to explain any changes in the consolidated financial situation and results of operations, comprehensive income, changes in equity and cash flows of Gas Natural Fenosa between 31 December 2016, the date of the above-mentioned consolidated annual accounts, and 30 June 2017.

The figures set out these condensed interim consolidated financial statements are expressed in million euro, unless otherwise stated.

#### **3.2 Main risks and uncertainties**

The main risks and uncertainties coincide with those disclosed in the consolidated annual accounts and consolidated directors' report for 2016 and have not changed significantly since they were issued. During the six-month period ended 30 June 2017 there have been no significant changes in the business or economic environment, or in the regulatory environment, that could lead to the impairment of the carrying amounts of the recognised non-current assets by Gas Natural Fenosa at 30 June 2017.

#### **3.3 Seasonality**

Demand for natural gas is seasonal, with gas supplies and sales in Europe generally being higher in the colder months, from October to March, and lower during the warmer months, from April to September. This seasonal nature is partially offset by the increase in demand in Latin America and in demand for natural gas for industrial uses and electricity generation, which is generally more stable throughout the year. As a result, revenues and profits from operations in the "Gas" segment are higher in the first and fourth quarters and lower in the second and third quarters. In addition, electricity demand tends to increase in summer in Spain, particularly in July and August, and therefore revenues and profits from



operations in the "Electricity" segment are higher in that period in Spain.

### **3.4 Accounting policies**

The accounting policies applied in these condensed interim consolidated financial statements are the same as those applied in the consolidated annual accounts for the year ended 31 December 2016.

#### **Entry into force of new accounting standards**

No new standards, interpretations or amendments applicable to these condensed interim consolidated financial statements had come into effect at 1 January 2017.

However, the IASB issued the following amendments taking effect for the financial years commencing on or after 1 January 2017 which have yet to be adopted by the European Union and therefore have not been applied in these condensed interim financial statements:

- IAS 12 (Amendment), "Recognition of deferred tax assets for unrealised losses";
- IAS 7 (Amendment), "Disclosure initiative";
- Annual improvements to IFRS, Cycle 2014-2016.

No significant impact is expected from the application of these amendments.

In addition, the IASB issued the following standards and amendments that will come into force on 1 January 2018, 2019 and 2021 and are pending adoption by the European Union:

- IFRS 16, "Leases";
- IFRS 15 (Clarifications), "Revenue from contracts with customers";
- IFRS 2 (Amendment), "Classification and measurement of share-based payments";
- IFRS 4 (Amendment), "Application of IFRS 9 Financial Instruments with IFRS 4 Insurance contracts";
- IAS 40 (Amendment), "Transfers of investment property";
- IFRIC 22, "Transactions and advance payments in foreign currency";
- IFRS 17, "Insurance contracts".
- IFRIC 23, "Uncertainty over Income Tax Treatments"

Additionally, in 2016 the European Union adopted the following standards which come into force for periods commencing on or after 1 January 2018:

- IFRS 15, "Revenue from contracts with customers";
- IFRS 9, "Financial instruments".

Gas Natural Fenosa continues analyzing the impact of all these standards, interpretations and amendments, and considers that the only ones that could have any an impact on the consolidated financial statements could be IFRS 9 and IFRS 15, which are expected to enter force on 1 January 2018, and IFRS 16, to enter force on 1 January 2019. Gas Natural Fenosa will not adopt earlier these standards.

To date, the main issues analysed are the following:

#### **IFRS 9 - "Financial instruments"**

Valuation of financial assets: Gas Natural Fenosa will measure its financial assets at amortised cost, except for investments in equity instruments and derivative financial instruments, which will be measured at fair value. To date, Gas Natural Fenosa has still not determined whether the changes in fair value of each investment in equity instruments will be recognised against income or net equity.

Impairment of financial assets: Gas Natural Fenosa will apply the general expected loss model for financial assets, except for trade receivables, to which Gas Natural Fenosa will apply the simplified expected loss model, irrespective of the financial component that these assets might contain. In view of the credit risk management policies applied by Gas Natural Fenosa and the high credit quality of its debtors, Gas Natural Fenosa considers that the impact of the application of the expected loss model will not be material.

Hedge accounting: IFRS 9 aligns accounting with financial risk management, without impact in actual hedges, but allowing the application, after the entry into force, of hedge accounting to financial hedges that are not allowed under the current standard, such as, for instance, the hedging of non-financial components of contracts (e.g. commodities). No substantial amendments are expected in Gas Natural Fenosa's hedging model.

Gas Natural Fenosa considers that the application of IFRS 9 will not have a material impact in the consolidated annual accounts.

### **IFRS 15 - "Revenue from contracts with customers"**

In relation to the entry into force of IFRS 15, no significant differences between the internal policies regarding revenue recognition for the different customers agreements types and the model of revenue recognition established by the new standard have been identified. Relating to accounting record of incremental costs incurred in customer contracts assignment IFRS 15 establishes that an asset must be recognized that will be systematically amortised in line with the transfer to the customer of the contracted goods or services. Gas Natural Fenosa considers that an impact relating to customer loyalty costs capitalization could arise on the consolidated annual accounts which would not be material.

### **IFRS 16 - "Leases"**

Gas Natural Fenosa has started analysing the impacts of IFRS 16 "Leases", which provides that right-of-use assets and liabilities derived from operating leases must be recognised in the consolidated balance sheet (except for short-term leases and those relating to low-value assets). In addition, there will be a change in the policy for recognising the lease expense, which will be recorded as a depreciation expense for the relevant asset and a financial expense due to the revaluation of the lease liability.

The analysis is still under way at the date of these condensed interim consolidated financial statements. Gas Natural Fenosa is gathering the data needed concerning its operating lease contracts to be able to assess the relevant impacts. However, considering the negligible volume of commitments for lease contracts held by the Group (Note 35 to the consolidated annual accounts at 31 December 2016), Gas Natural Fenosa does not expect IFRS 16 to have a material impact on the consolidated financial statements.

## **3.5 Consolidation scope**

### 2017

There have been no significant changes in the consolidation scope in the six-month period to 30 June 2017.

### 2016

In 2016 the main changes in the consolidation scope related to the sale by Unión Fenosa Gas of the shares in Gasifica, S.A. (April 2016) and Planta de Regasificación de Sagunto, S.A. (June 2016), the purchase of Vayu Limited (July 2016), the sale of Gasco S.A. together with the purchase of an additional 37.88% in Gas Natural Chile S.A. (August 2016), the sale of the holding in GNL Quintero, S.A. (November 2016) and the deconsolidation of the holding in Electricaribe following the loss of control (December 2016).

Appendix I includes the changes in the consolidation scope arising in the first half of 2017 and in 2016.

### **Note 4. Segment financial information**

An operating segment is a component that carries on business activities from which it may obtain ordinary revenue and incur costs, whose operating results are reviewed regularly by the Gas Natural SDG, S.A. Board of Directors when taking the company's operating decisions in order to decide on the resources that must be allocated to the segment and to evaluate its performance, in respect of which separate financial information is available.

#### *a) Segment information*

The operating segments of Gas Natural Fenosa are:

- Gas distribution. This segment encompasses the regulated gas distribution business in Spain, Italy and Latin America.

The gas distribution business in Spain includes the regulated gas distribution activity, the services for third-party access to the network, as well as the activities related to distribution. This also includes the liquefied petroleum gas (LPG) business.

Gas distribution in Italy consists of regulated gas distribution.

The gas distribution business in Latin America (Argentina, Brazil, Chile, Colombia, Mexico and Peru) includes the regulated gas distribution activity and sales to customers at regulated prices. In Chile the gas supply and commercialisation business is also included.

- Electricity distribution. This segment encompasses the regulated electricity distribution business in Spain, Moldova and Latin America.

The electricity distribution business in Spain includes the regulated electricity distribution business, network services and other activities related to third party access to the distribution network.

The electricity distribution business in Moldova consists of the regulated distribution of electricity and commercialisation at the relevant tariff in that country.

The electricity distribution business in Latin America consists of the regulated electricity distribution activity in Argentina, Chile, Panama and Colombia (Until 31 December 2016 in the case of Colombia).

- Gas. Includes the activity arising from the gas Infrastructure, the supply activity and Unión Fenosa Gas.

The infrastructure business includes operation of the Maghreb-Europe gas pipeline and the regassification process, and gas exploration, production and storage.

The commercialization business includes wholesale gas procurement and supply both in the Spanish liberalised market and in other countries, maritime transportation, retail supply of gas and other related products and services in the liberalised market in Spain and Italy, and supply of gas at the last-resort tariff (TUR) in Spain. It also includes the maritime transportation activity which was previously included in the infrastructures area, easing comparison with 2016.

Unión Fenosa Gas' business (50%-owned by Gas Natural Fenosa and 50% by another shareholder, consolidated using the equity method) includes the Damietta (Egypt) liquefaction activities, maritime transportation and gas supply activities.

- Electricity. It includes the electricity generation and commercialisation in Spain and the International Electricity activities.

The Electricity business in Spain includes electricity production activity through combined cycle, coal, nuclear, hydro, co-generation and wind farm plants and other special regime technologies, the supply of electricity to wholesale markets and the wholesaling and retailing of electricity in the deregulated Spanish market and electricity supply at the Small Consumer Voluntary Price (PVPC).

The International Electricity business mainly includes the international generation activities in Latin America (Mexico, Costa Rica, Dominican Republic, Panama, Brazil, Chile and Puerto Rico, the latter consolidated using the equity method through EcoEléctrica, L.P.) and other countries (Kenya and Australia).

- Rest. This includes the exploitation of the coal field owned by Kangra Coal (Proprietary), Ltd. in South Africa, the assets/liabilities and operating costs of the corporation and its sales to the

different lines of business on the basis of utilisation, as well as other remaining activities.

Net financial income and income tax expense are not allocated to the operating segments, since both financing activities and the income tax effects are managed jointly.

Segment results and investments for the periods of reference are as follows:

6-month period ended 30 June 2017	Gas distribution				Electricity distribution				Gas				Electricity			Rest	Eliminations	TOTAL
	Spain	Italy	Latin America	Total	Spain	Moldova	Latin America	Total	Infrastructures	Supply	UF GAS	Total	Spain	International Electricity	Total			
Sales consolidated	581	43	2,263	2,887	399	110	1,683	2,192	43	4,660	-	4,703	1,968	458	2,426	75	-	12,283
Sales intersegments	57	-	-	57	21	-	31	52	121	689	-	810	518	8	526	118	-	1,563
Sales segments	638	43	2,263	2,944	420	110	1,714	2,244	164	5,349	-	5,513	2,486	466	2,952	193	(1,563)	12,283
Segment procurements	(50)	-	(1,606)	(1,656)	-	(84)	(1,299)	(1,383)	-	(4,903)	-	(4,903)	(1,915)	(259)	(2,174)	(92)	1,482	(8,726)
Net personnel costs	(39)	(6)	(68)	(113)	(50)	(4)	(73)	(127)	(3)	(41)	-	(44)	(68)	(20)	(88)	(129)	-	(501)
Other operating income/expenses	(110)	(8)	(175)	(293)	(68)	(6)	(114)	(188)	(8)	(133)	-	(141)	(313)	(39)	(352)	13	81	(880)
EBITDA	439	29	414	882	302	16	228	546	153	272	-	425	190	148	338	(15)	-	2,176
Other results	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation, amortization and impairment expenses	(148)	(12)	(88)	(248)	(113)	(3)	(63)	(179)	(25)	(38)	-	(63)	(224)	(64)	(288)	(65)	-	(843)
Transfers to provisions	(4)	-	(13)	(17)	-	-	(14)	(14)	-	(20)	-	(20)	(11)	-	(11)	(2)	-	(64)
Operating income	287	17	313	617	189	13	151	353	128	214	-	342	(45)	84	39	(82)	-	1,269
Net financial income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(347)
Equity-method results	-	-	7	7	-	-	10	10	-	-	(48)	(48)	8	29	37	1	-	7
Net income before tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	929
Income tax expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(218)
Net income for the period from continuing operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	711
Net income for the period from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	711
Investments in PP&E and intangible assets (Note 5) (1)	82	15	155	252	106	3	177	286	5	25	-	30	53	90	143	26	-	737

6-month period ended 30 June 2016	Gas distribution				Electricity distribution				Gas				Electricity			Rest	Eliminations	TOTAL
	Spain	Italy	Latin America	Total	Spain	Moldova	Latin America	Total	Infrastructures	Supply	UF GAS	Total	Spain	International Electricity	Total			
Sales consolidated	529	43	1,765	2,337	394	119	2,305	2,818	13	3,685	-	3,698	2,041	343	2,384	172	-	11,409
Sales intersegments	52	-	-	52	22	-	-	22	146	683	-	829	532	10	542	103	-	1,548
Sales segments	581	43	1,765	2,389	416	119	2,305	2,840	159	4,368	-	4,527	2,573	353	2,926	275	(1,548)	11,409
Segment procurements	(9)	-	(1,185)	(1,194)	-	(86)	(1,696)	(1,782)	(1)	(3,936)	-	(3,937)	(1,834)	(166)	(2,000)	(112)	1,469	(7,556)
Net personnel costs	(39)	(6)	(60)	(105)	(45)	(3)	(100)	(148)	(2)	(37)	-	(39)	(68)	(22)	(90)	(124)	-	(506)
Other operating income/expenses	(109)	(8)	(143)	(260)	(68)	(5)	(169)	(242)	(10)	(118)	-	(128)	(295)	(41)	(336)	(3)	79	(890)
EBITDA	424	29	377	830	303	25	340	668	146	277	-	423	376	124	500	36	-	2,457
Other results	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation, amortization and impairment expenses	(144)	(12)	(79)	(235)	(110)	(3)	(76)	(189)	(24)	(28)	-	(52)	(263)	(65)	(328)	(64)	-	(868)
Transfers to provisions	-	-	(13)	(13)	-	-	(85)	(85)	-	(23)	-	(23)	(20)	-	(20)	(1)	-	(142)
Operating income	280	17	285	582	193	22	179	394	122	226	-	348	93	59	152	(29)	-	1,447
Net financial income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(415)
Equity-method results	-	-	7	7	-	-	4	4	-	-	(43)	(43)	-	21	21	-	-	(11)
Net income before tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,021
Income tax expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(240)
Net income for the period from continuing operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	781
Net income for the period from discontinued operations	-	-	30	30	-	-	-	-	-	-	-	-	-	-	-	-	-	30
Net income for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	811
Investments in PP&E and intangible assets (Note 5) (1)	132	13	112	257	106	2	144	252	2	12	-	14	39	37	76	30	-	629

(1) Includes investment in property, plant and equipment and intangible assets (Note 5).

b) *Reporting by geographic area*

Gas Natural Fenosa's sales for the six-month periods ended in 2017 and 2016 by country of destination is analysed below:

	<b>2017</b>	<b>2016</b>
Spain	5,283	5,104
Rest of Europe	1,620	1,287
Latin American	4,736	4,665
Rest of the world	644	353
<b>Total</b>	<b>12,283</b>	<b>11,409</b>

**Note 5. Intangible assets and property, plant and equipment**

Movements in intangible assets and property, plant and equipment during the six-month period ended 30 June 2017 are as follows:

	<b>Goodwill</b>	<b>Other intangible assets</b>	<b>Total intangible assets</b>	<b>Property, plant and equipment</b>
<b>Net carrying value at 31.12.16</b>	<b>5,036</b>	<b>5,884</b>	<b>10,920</b>	<b>23,627</b>
Gross cost	5,036	9,038	14,074	35,727
Depreciation and impairment expenses	-	(3,154)	(3,154)	(12,100)
<b>Net carrying value at 1.1.17</b>	<b>5,036</b>	<b>5,884</b>	<b>10,920</b>	<b>23,627</b>
Investment	-	137	137	600
Divestitures	-	-	-	(13)
Depreciation and impairment charge	-	(166)	(166)	(677)
Translation differences	(83)	(270)	(353)	(421)
Reclassifications and other	-	-	-	9
<b>Net carrying value at 30.06.2017</b>	<b>4,953</b>	<b>5,585</b>	<b>10,538</b>	<b>23,125</b>
Gross cost	4,953	8,774	13,727	35,988
Depreciation and impairment expenses	-	(3,189)	(3,189)	(12,863)
<b>Net carrying value at 30.06.2017</b>	<b>4,953</b>	<b>5,585</b>	<b>10,538</b>	<b>23,125</b>

Note 4 provides a breakdown of investments by operating segment, the most significant being the recurring investments made in the planning and development of the gas and electricity distribution network and the investment in the International Electricity business.

At 30 June 2017, Gas Natural Fenosa records fixed asset investment commitments totalling Euros 613 million, basically for the construction of various renewable generation facilities in Brazil, Australia and Spain, the development of the distribution network and other gas infrastructures, development of the electricity grid and construction of four methane tankers under finance leases.

During the first quarter of 2017 Gas Natural Fenosa concluded the technical studies it was carrying out on the estimation of the useful life of combined cycle plants and, in line with the practice followed by the main operators in the industry, the useful life of the combined cycle plants has been changed on a prospective basis from 25 to 35 years, with effect from 1 January 2017. The effect of this change in estimated useful life on "Depreciation, amortisation and impairment losses" in the consolidated income statement for the six-month period to 30 June 2017 was a reduction of Euros 44 million in the depreciation charge. This change is expected to result in a reduction of approximate Euros 88 million in the annual depreciation charge in 2018.

## Note 6. Financial instruments

### a) Financial assets

Set out below is a breakdown of financial assets, excluding “Trade and other receivables” and “Cash and cash equivalents”, at 30 June 2017 and 31 December 2016, by nature and category:

At 30 June 2017	Available for sale	Loans and other receivables	Investments held to maturity	Hedging derivatives	Total
Equity instruments	625	-	-	-	625
Derivatives	-	-	-	60	60
Other financial assets	-	1,101	1	-	1,102
<b>Non-current financial assets</b>	<b>625</b>	<b>1,101</b>	<b>1</b>	<b>60</b>	<b>1,787</b>
Derivatives	-	-	-	9	9
Other financial assets	-	296	1	-	297
<b>Current financial assets</b>	<b>-</b>	<b>296</b>	<b>1</b>	<b>9</b>	<b>306</b>
<b>Total financial assets at 30.06.2017</b>	<b>625</b>	<b>1,397</b>	<b>2</b>	<b>69</b>	<b>2,093</b>

At 31 December 2016	Available for sale	Loans and other receivables	Investments held to maturity	Hedging derivatives	Total
Equity instruments	619	-	-	-	619
Derivatives	-	-	-	111	111
Other financial assets	-	1,175	2	-	1,177
<b>Non-current financial assets</b>	<b>619</b>	<b>1,175</b>	<b>2</b>	<b>111</b>	<b>1,907</b>
Derivatives	-	-	-	1	1
Other financial assets	-	388	-	-	388
<b>Current financial assets</b>	<b>-</b>	<b>388</b>	<b>-</b>	<b>1</b>	<b>389</b>
<b>Total financial assets at 31.12.2016</b>	<b>619</b>	<b>1,563</b>	<b>2</b>	<b>112</b>	<b>2,296</b>

At 30 June 2017, “Available-for-sale financial assets” includes the 14.9% shareholding in Medgaz, S.A., the company that operates the submarine gas pipeline between Algeria and Spain, amounting to Euros 97 million (Euros 90 million at 31 December 2016) and the 85.4% shareholding in Electricadora del Caribe, S.A. ESP (“Electricaribe”) amounting to Euros 475 million (Euros 475 million at 31 December 2016).

During 2016 Electricaribe experienced major cash difficulties due to the acts and omissions of the Republic of Colombia in relation to the non-payment of a considerable number of customer invoices, mostly with obligatory supply arrangements, as well as a significant consumption fraud. As a result, within the framework of the Treaty for the reciprocal protection of investments between Spain and Colombia, on 12 July 2016 Gas Natural Fenosa commenced discussions to seek a negotiated solution to the extremely difficult situation in which Electricaribe found itself. In the event of an expropriation or similar event, the treaty demands that the corresponding indemnity be equivalent to the fair market value of the investment prior to the expropriation.

On 14 November 2016 the Superintendence for Residential Public Services of the Republic of Colombia (“the Superintendence”) ordered, as a necessary measure to ensure the provision of electrical energy services, the intervention of Electricaribe, as well as the separation of the members of the governing body and the general manager, and their replacement by a special agent appointed by the Superintendence. In the fulfilment of his functions, this agent replaced the executive personnel appointed by Gas Natural Fenosa and centralised decision-making on the information to be supplied to Gas Natural Fenosa. Therefore, at 31 December 2016 Gas Natural Fenosa had lost control and any significant influence over Electricaribe as it does not take part in, and has no direct information about, material business activities or decisions. On 11 January 2017 the Superintendence agreed to extend this takeover until 14 March 2017, announced that Electricaribe would be liquidated on that date.

On 22 March 2017 Gas Natural Fenosa submitted the documentation required to commence arbitration proceedings before the Tribunal of the United Nations Commission on International Trade Law (UNCITRAL) in order to recover the company within a feasible regulatory framework or, failing that, to receive compensation in accordance with the fair value of the company, estimated at over Euros 1,000 million. The formal commencement of arbitration has been requested before the Tribunal of the UNCITRAL which, like the World Bank International Centre for the Settlement of Investment Disputes

(ICSID), is regarded as the most suitable forum for resolving disagreements in the bilateral treaty for the reciprocal promotion and protection of investments between the Republic of Colombia and Spain.

In the light of the above events and in accordance with IFRS 10, on 31 December 2016 Electricaribe ceased to be consolidated on the consolidated balance sheet of Gas Natural Fenosa. Its assets, liabilities and non-controlling interests were derecognised for a net amount of Euros 475 million and the relevant negative exchange differences amounting to Euros 30 million were transferred to the income statement. In addition, under IAS 39, the investment in Electricaribe was recorded at fair value (Euros 475 million) under Available-for-sale financial assets. As the investment in Electricaribe involves unlisted equity instrument and therefore no quoted share price is available, it was valued on Level 3 and a prudent approach was applied in the valuation due to the uncertainty surrounding the current situation, resulting in an amount that does not differ from its carrying amount. The assumptions used in the valuation were similar to those described in Note 3.3.5. of the consolidated annual accounts at 31 December 2016. However, Gas Natural Fenosa believes that the final amount that may reasonably be expected to be recognised by the agencies and courts that may decide on the applicable price or indemnity based on fair market value will be higher than the figure mentioned above.

At 30 June 2017 there has been no change in the parameters to which the main assumptions for the measurement of the holding in Electricaribe refer or in the processes described above that could lead to a better evaluation of its fair value. As a result, the amount recorded under "Available-for-sale financial assets" has not changed.

A breakdown of the assets, liabilities and non-controlling interests of Electricaribe recorded in the consolidated balance sheet of Gas Natural Fenosa which were derecognised at 31 December 2016 is as follows:

	<b>At 31.12.2016</b>
Intangible assets	6
Property, plant and equipment	929
Non-current financial assets	63
Deferred tax assets	157
<b>NON-CURRENT ASSETS</b>	<b>1,155</b>
Trade and other receivables	633
Other current financial assets	20
Cash and cash equivalents	42
<b>CURRENT ASSETS</b>	<b>695</b>
<b>TOTAL ASSETS</b>	<b>1,850</b>
<b>NON-CONTROLLING INTERESTS</b>	<b>70</b>
Non-current provisions	265
Non-current financial liabilities	85
Deferred tax liability	4
<b>NON-CURRENT LIABILITIES</b>	<b>354</b>
Current financial liabilities	493
Trade and other payables	450
Other current liabilities	8
<b>CURRENT LIABILITIES</b>	<b>951</b>
<b>TOTAL NON-CONTROLLING INTERESTS AND LIABILITIES</b>	<b>1,375</b>



The income statement contributed by Electricaribe in the six-month period ended 30 June 2016 is as follows:

	<b>For the period ended 30 June 2016</b>
Sales	714
Procurements	(488)
Other operating income	2
Personnel costs	(22)
Other operating expenses	(157)
Depreciation, amortisation and impairment expenses	(18)
<b>OPERATING INCOME</b>	<b>31</b>
Financial income	2
Financial expense	(29)
Net exchange gain/(losses)	1
<b>NET FINANCIAL INCOME</b>	<b>(26)</b>
<b>NET INCOME BEFORE TAXES</b>	<b>5</b>
Income tax expense	(7)
<b>CONSOLIDATED NET INCOME FOR THE PERIOD</b>	<b>(2)</b>
Attributable to:	
The equity holders of the parent company	(2)
Non-controlling interests	-

At 30 June 2017, the heading “Loans and receivables” includes temporary mismatches between gas system revenues and costs for periods commencing as from 2014, financed by Gas Natural Fenosa pursuant to Law 18/2014 (17 July), generating a recovery right, over the following 15 years, to the definitive 2014 deficit, and over the following five years, to the remain amount financed, plus interest at a market rate. Euros 340 million of that financing has been recognised under “Other non-current financial assets” and Euros 47 million under “Other current financial assets” (Euros 357 million and Euros 144 million, respectively, at 31 December 2016) based on the estimated period of recovery through system settlements.

At 30 June 2017, “Other current financial assets” includes temporary mismatches between electricity system revenues and costs financed by Gas Natural Fenosa pursuant to Law 24/2013 (26 December) in the amount of Euros 93 million (Euros 106 million at 31 December 2016), generating a recovery right over the following five years and interest at a market rate. The amount of this financing has been entirely recognised as a short-term item on the understanding that it is a temporary mismatch that will be recovered through system settlements within one year.

Financial assets recognised at fair value at 30 June 2017 and at 31 December 2016 are classified as follows:

Financial assets	30 June 2017				31 December 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Available for sale	-	-	625	625	-	-	619	619
Hedging derivatives	-	69	-	69	-	112	-	112
Fair value through profit or loss	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>69</b>	<b>625</b>	<b>694</b>	-	<b>112</b>	<b>619</b>	<b>731</b>

## b) Financial liabilities

Set out below is a breakdown of financial liabilities, excluding "Trade and other payables", at 30 June 2017 and 31 December 2016, by nature and category:

At 30 June 2017	Creditors and payables	Hedging derivatives	Total
Loans from financial institutions	4,617	-	4,617
Issuing of debentures and other negotiable securities	9,823	-	9,823
Derivatives financial instruments	-	45	45
Other financial liabilities	-	-	-
<b>Non-current financial liabilities</b>	<b>14,440</b>	<b>45</b>	<b>14,485</b>
Loans from financial institutions	945	-	945
Issuing of debentures and other negotiable securities	1,789	-	1,789
Derivatives financial instruments	-	3	3
Other financial liabilities	120	-	120
<b>Current financial liabilities</b>	<b>2,854</b>	<b>3</b>	<b>2,857</b>
<b>Total financial liabilities at 30.06.2017</b>	<b>17,294</b>	<b>48</b>	<b>17,342</b>

At 31 December 2016	Creditors and payables	Hedging derivatives	Total
Loans from financial institutions	4,837	-	4,837
Issuing of debentures and other negotiable securities	10,098	-	10,098
Derivatives financial instruments	-	62	62
Other financial liabilities	6	-	6
<b>Non-current financial liabilities</b>	<b>14,941</b>	<b>62</b>	<b>15,003</b>
Loans from financial institutions	856	-	856
Issuing of debentures and other negotiable securities	1,563	-	1,563
Derivatives financial instruments	-	18	18
Other financial liabilities	162	-	162
<b>Current financial liabilities</b>	<b>2,581</b>	<b>18</b>	<b>2,599</b>
<b>Total financial liabilities at 31.12.2016</b>	<b>17,522</b>	<b>80</b>	<b>17,602</b>

Financial liabilities recognised at fair value at 30 June 2017 and at 31 December 2016 are classified as follows:

Financial liabilities	30 June 2017				31 December 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Fair value through profit or loss	-	-	-	-	-	-	-	-
Hedging derivatives	-	48	-	48	-	80	-	80
<b>Total</b>	-	48	-	48	-	80	-	80

The carrying amounts and fair value of the non-current borrowings are as follows:

	Carrying amount		Fair value	
	At 30.06.2017	At 31.12.2016	At 30.06.2017	At 31.12.2016
Issuing of debentures and other negotiable securities	9,823	10,098	10,953	11,389
Loans from financial institutions and others	4,617	4,843	4,655	4,874

The fair value of the listed bond issues is estimated on the basis of their quoted price (Level 1). The fair value of loans with fixed interest rates is estimated on the basis of the discounted cash flows over the remaining terms of such debt. The discount rates were determined based on market rates available at 30 June 2017 and 31 December 2016 on borrowings with similar credit and maturity characteristics. These valuations are based on the quotation price of similar financial instruments in an official market or on observable information in an official market (Level 2).

In the first half of 2017 and 2016, debt security issues evolved as follows:

	At 1.1.2017	Issuances	Buy-backs or redemptions	Business combinations	Interests, exch. rates & other	At 30.6.2017
Issued in a European Union Member State which required the filing of a prospectus	10,262	3,133	(2,833)	-	(300)	10,262
Issued in a European Union Member State which did not require the filing of a prospectus	-	-	-	-	-	-
Issued outside a European Union Member State	1,399	-	-	-	(49)	1,350
<b>Total</b>	<b>11,661</b>	<b>3,133</b>	<b>(2,833)</b>	<b>-</b>	<b>(349)</b>	<b>12,612</b>

	At 1.1.2016	Issuances	Buy-backs or redemptions	Business combinations	Interests, exch. rates & other	At 30.6.2016
Issued in a European Union Member State which required the filing of a prospectus	10,857	3,335	(2,535)	-	(113)	11,544
Issued in a European Union Member State which did not require the filing of a prospectus	-	-	-	-	-	-
Issued outside a European Union Member State	1,466	-	(119)	-	22	1,369
<b>Total</b>	<b>12,323</b>	<b>3,335</b>	<b>(2,654)</b>	<b>-</b>	<b>(91)</b>	<b>12,913</b>

In the first half of 2017, the following bond issues were completed under the Euro Medium Term Notes (EMTN) programme:

Issue	Nominal	Maturity	Coupon %
January 2017	1,000	2027	1.375
April 2017	1,000	2024	1.125

The total amount utilised in the programme stands at Euros 10,105 million (Euros 10,205 million at 31 December 2016). The programme limit at 30 June 2017 is Euros 14,000 million (Euros 14,000 million at 31 December 2016).

In April 2017 Gas Natural Fenosa issued bonds under its EMTN programme amounting to Euros 1,000 million maturing in seven years and with a coupon of 1.125%. This amount was used to implement the repurchase of debentures for Euros 1,000 million maturing in 2018, 2020 and 2021.

In the first half of 2017, issues under the Euro Commercial Paper (ECP) programme totalling Euros 2,133 million (Euros 2,435 million in the same period 2016) were carried out. The outstanding balance of issues under the ECP programme stands at Euros 500 million (Euros 100 million at 31 December 2016).

In addition, bilateral bank operations amounting to Euros 3,624 million have been renegotiated during the period, referring Euros 684 million to loans and the rest to credits.

#### **Note 7. Non-current assets and disposal groups of assets held for sale and discontinued operations**

On 18 December 2015 Gas Natural Fenosa, which owned a controlling interest through CGE of 56.62% in the Chilean company Gasco, S.A., entered into an agreement with a group of shareholders with an interest of 22.4% in Gasco S.A., named "Familia Perez Cruz", to split Gasco, S.A. into two companies, one devoted to the natural gas business which would remain under the control of Gas Natural Fenosa and the other to the liquefied petroleum gas business (LPG) which would be controlled by the Perez Cruz Family. Following completion of the split, on 6 July 2016 each party launched a public share offering in order to obtain a 100% interest in its company in order to carry out its own independent project. On 8 August 2016 Gas Natural Fenosa reported the sale of the shares in Gasco S.A. totalling 160,197 million Chilean pesos (Euros 220 million), generating a net capital gain of Euros 4 million, in addition to the success of the takeover bid for Gas Natural Chile, S.A. acquiring an additional 37.88% for a total of 223,404 million Chilean pesos (Euros 306 million). As a result, Gas Natural Fenosa's controlling interest in Gas Natural Chile, S.A. increased to 94.50%.

A breakdown by nature of the heading "Profit/(loss) for the year from discontinued operations after taxes" in the consolidated income statement relating to the LPG business in Chile at 30 June 2016 is as follows:

	<b>30.06.2016</b>
Sales	287
Procurements	(186)
Other operating income	2
Personnel costs	(22)
Other operating expenses	(31)
Depreciation, amortisation and impairment expenses	-
<b>OPERATING INCOME</b>	<b>50</b>
Financial income	1
Financial expense	(13)
<b>NET FINANCIAL INCOME</b>	<b>(12)</b>
<b>NET INCOME BEFORE TAXES</b>	<b>38</b>
Income tax expense	(8)
<b>NET INCOME FOR THE PERIOD FROM DISCONTINUED OPERATIONS</b>	<b>30</b>
Attributable to:	
The equity holders of the parent company	14
Non-controlling interests	16

Set out below is a breakdown of the total comprehensive income from this business during the six-month period ended 30 June 2016:

	<b>30.06.2016</b>
Consolidated profit/(loss) for the year	30
Income and expenses recognised directly in net equity:	18
Currency translation differences	18
Cash flow hedges	-
<b>Total comprehensive income for the year</b>	<b>48</b>

## Note 8. Equity

### Share capital and share premium

There were no movements in the number of shares or in the accounts "Share capital" and "Share premium" during the first half of 2017 or during 2016.

### Treasury shares

Movements during the first half of 2017 and 2016 involving the treasury shares of Gas Natural SDG, S.A. are as follows:

	Number of shares	In million euro	% Capital
<b>At 01 January 2017</b>	<b>750,545</b>	<b>13</b>	<b>0.1%</b>
Acquisitions	3,030,164	60	0.3%
Share Acquisition Plan	(336,625)	(7)	-
Disposals	(3,062,734)	(58)	(0.3%)
<b>At 30 June 2017</b>	<b>381,350</b>	<b>8</b>	<b>-</b>

	Number of shares	In million euro	% Capital
<b>At 01 January 2016</b>	-	-	-
Acquisitions	912,162	16	0.1%
Disposals	(912,162)	(16)	(0.1%)
<b>At 30 June 2016</b>	-	-	-

In the first half of 2017 the profit made on transactions involving treasury shares of Gas Natural Fenosa amounted to Euros 0.5 million, recognised under "Other reserves" (Euros 0.3 million profit in the first half of 2016).

In accordance with the resolutions adopted by the shareholders of Gas Natural SDG, S.A. at the General Meeting held on 20 April 2017, the Share Acquisition Plan 2017-2018-2019 for 2017, aimed at Gas Natural Fenosa employees in Spain who decide voluntarily to take part in the Plan, was set in motion. The Plan enables participants to receive part of their remuneration for 2017 in the form of shares in Gas Natural SDG, S.A., subject to an annual limit of Euros 12,000. During the first half of 2017, 336,625 of the Company's own shares were acquired for Euros 7 million to be handed over to the employees taking part in the Plan.

Movements during the first half of 2017 in treasury shares of Compañía General de Electricidad, S.A. break down as follows (no movements in the first half of 2016):

	Number of shares	In million euro	% Capital
<b>At 01 January 2017</b>	<b>8,695,395</b>	<b>8</b>	<b>0.4%</b>
Acquisitions	5,105,914	5	0.3%
Disposals	-	-	-
<b>At 30 June 2017</b>	<b>13,801,309</b>	<b>13</b>	<b>0.7%</b>

The shares recorded in 2016 were acquired following the merger in which Compañía General de Electricidad, S.A. was absorbed into Gas Natural Fenosa Chile, S.A., as a result of which the shareholders of both companies obtained a right of withdrawal under which they were able to sell their shares to the company. This right was exercised by 44 shareholders holding 8,695,395 shares in Compañía General de Electricidad, S.A., equivalent to 0.4% of capital.

On 14 December 2016 an extraordinary shareholders' meeting was held which approved the merger by absorption of Transnet, S.A. into Compañía General de Electricidad, S.A. On 8 February 2017 the withdrawal period for dissenting shareholders of Compañía General de Electricidad, S.A. and Transnet, S.A. with respect to said merger expired. Twelve shareholders owning 5,098,044 shares in Compañía General de Electricidad, S.A. and six shareholders owning 7,870 shares in Transnet, S.A. exercised their withdrawal right.

Treasury shares resulting from the right of withdrawal must be disposed of in the securities market within a maximum of one year, at the end of which they must be redeemed if they have not been sold.

## Earnings per share

Earnings per share are calculated by dividing “Net income attributable to the equity holders of the parent company” by the average weighted number of ordinary shares in issue during the year.

	At 30.06.2017	At 30.06.2016
Net income attributable to equity holders of the parent company	550	645
Weighted average number of ordinary shares in issue	1,000,518,692	1,000,689,341
Earnings per share from continuing operations (in euro):		
- Basic	0.55	0.63
- Diluted	0.55	0.63
Earnings per share from discontinued operations (in euro):		
- Basic	-	0.01
- Diluted	-	0.01

The average weighted number of ordinary shares used in the calculation of earnings per share in the first half of 2017 is as follows:

	2017
Weighted average number of ordinary shares	1,000,689,341
Weighted average number of treasury shares	(170,649)
Weighted average number of shares in issue	1,000,518,692

The Parent Company has no financial instruments that could dilute the earnings per share.

## Dividends

Set out below is a breakdown of the payments of dividends made in the six months to 30 June 2017 and 2016:

	30.06.2017			30.06.2016		
	% of Nominal	Euros per share	Amount	% of Nominal	Euros per share	Amount
Ordinary shares	67%	0.67	671	100%	1.00	1,001
Other shares (without voting rights, redeemable, etc.)	-	-	-	-	-	-
<b>Total dividends paid</b>	<b>67%</b>	<b>0.67</b>	<b>671</b>	<b>100%</b>	<b>1.00</b>	<b>1,001</b>
a) Dividends charged to income statement	67%	0.67	671	100%	1.00	1,001
b) Dividends charged to reserves or share premium account	-	-	-	-	-	-
c) Dividends in kind	-	-	-	-	-	-

### 30 June 2017

The General Shareholders Meeting held on 20 April 2017 approved a complementary dividend of Euros 0.670 per share for a total of Euros 671 million, paid on 27 June 2017.

The Board of Directors has approved the payment of an interim dividend of Euros 0.330 per share out of 2017 results, payable as from 27 September 2017

### 30 June 2016

This included the payment of an interim dividend of Euros 0.408 per share out of 2015 profits, for a total amount of Euros 408 million, agreed on 30 October 2015 and paid on 8 January 2016.

The General Shareholders Meeting held on 4 May 2016 approved a complementary dividend of Euros 0.592 per share for a total of Euros 593 million, paid on 30 June 2016.

The Board of Directors agreed an interim dividend for 2016 of Euros 0.330 per share, for a total of Euros 330 million, which was fully paid on 27 September 2016.

### Adjustments for changes in value

Adjustments for changes in value movements are presented in the Consolidated statement of comprehensive income for each concept showing a breakdown of the tax effect.

The item "Currency translation differences" includes the exchange differences described in the 2016 Consolidated Annual Accounts Note 3.3.2 as a result of the euro's fluctuation against the main currencies of Gas Natural Fenosa's foreign companies, mainly the Chilean Peso and the Brazilian Real.

### Non-controlling interests

Movements in non-controlling interests during the six-month period ended 30 June 2017 are as follows:

<b>Balance at 31.12.2016</b>	<b>3,780</b>
Total comprehensive income for the year	20
Distribution of dividends	(147)
Payments for remuneration on subordinated perpetual debentures	(17)
Other changes	1
<b>Balance at 30.06.17</b>	<b>3,637</b>

### Note 9. Provisions

The breakdown of provisions at 30 June 2017 and 31 December 2016 is as follows:

	At 30.06.2017	At 31.12.2016
Provisions for employee obligations	483	489
Other provisions	753	759
<b>Total non-current provisions</b>	<b>1,236</b>	<b>1,248</b>
<b>Total current provisions</b>	<b>132</b>	<b>158</b>
<b>Total</b>	<b>1,368</b>	<b>1,406</b>

The heading "Other provisions" mainly includes provisions set up to cover obligations derived from decommissioning and tax claims, as well as lawsuits and arbitration, insurance and other liabilities. Note 18 includes further information on contingent liabilities.

### Note 10. Sales

Set out below is a breakdown of this heading for the six-month periods ended 30 June 2017 and 2016:

	For the period ended 30 June	
	2017	2016
Sales of gas and access to distribution networks	7,119	5,718
Sales of electricity and access to distribution networks	4,398	4,954
Rental of facilities, maintenance and other services	726	709
Other sales	40	28
<b>Total</b>	<b>12,283</b>	<b>11,409</b>

## Note 11. Procurements

Set out below is a breakdown of this heading for the six-month periods ended 30 June 2017 and 2016:

	For the period ended 30 June	
	2017	2016
Energy purchases	7,357	6,165
Access to transmission networks	1,059	1,075
Other purchases and changes in inventories	310	316
<b>Total</b>	<b>8,726</b>	<b>7,556</b>

## Note 12. Personnel costs

Set out below is a breakdown of this heading for the six-month periods ended 30 June 2017 and 2016:

	For the period ended 30 June	
	2017	2016
Wages and salaries	432	421
Social security costs	70	68
Defined contribution plans	23	20
Own work capitalised	(58)	(46)
Other	34	43
<b>Total</b>	<b>501</b>	<b>506</b>

The average number of employees of Gas Natural Fenosa for the six-month periods ended 30 June 2017 and 2016 is the following:

	For the period ended 30 June	
	2017	2016
Men	12,256	14,398
Women	4,847	5,376
<b>Total</b>	<b>17,103</b>	<b>19,774</b>

In addition, the average number of employees for equity-method companies stands at 837 persons at 30 June 2017 (936 persons at 30 June 2016).

The calculation of the average number of employees at 30 June 2017 in Gas Natural Fenosa does not take into account the average number of employees of Electricaribe (1,481 persons) which were included at 30 June 2016 (1,512 persons).



### Note 13. Other operating expenses

Set out below is a breakdown of this heading for the six-month periods ended 30 June 2017 and 2016:

	For the period ended 30 June	
	2017	2016
Taxes	234	236
Operation and maintenance	182	185
Advertising and other commercial services	163	152
Transfers to provisions	64	142
Professional services and insurance	87	84
Supplies	49	57
Construction or refurbishment services	71	55
Services to customers	42	36
Leases	33	35
Other	155	181
<b>Total</b>	<b>1,080</b>	<b>1,163</b>

### Note 14. Net financial income

Set out below is a breakdown of this heading for the six-month periods ended 30 June 2017 and 2016:

	For the period ended 30 June	
	2017	2016
Dividends	10	8
Interest income	15	14
Other financial income	42	38
<b>Total financial income</b>	<b>67</b>	<b>60</b>
Cost of borrowings	(335)	(388)
Interest expenses pension plans	(4)	(14)
Other financial expense	(73)	(73)
<b>Total financial expense</b>	<b>(412)</b>	<b>(475)</b>
Fair-value measurement of financial derivatives:	-	-
Derivative financial instruments	-	-
Net exchange differences	(2)	-
Gains/(losses) on disposals of financial instruments	-	-
<b>Net financial income</b>	<b>(347)</b>	<b>(415)</b>

## Note 15. Tax situation

The corporate income tax expense is as follows:

	For the period ended 30 June	
	2017	2016
Current-year tax	187	201
Deferred tax	31	39
<b>Total</b>	<b>218</b>	<b>240</b>

Corporate income tax expense is recognised based on the best estimate of the effective tax rate forecast for the whole year. The effective rate estimated for the first half of 2017 is 23.5% the same that the one of the same period in 2016.

## Note 16. Information on transactions with related parties

Related parties are as follows:

- Significant shareholders of Gas Natural Fenosa, i.e. those directly or indirectly owning an interest of 5% or more, and those who, though not significant, have exercised the power to propose the appointment of a member of the Board of Directors.

Based on this definition, the significant shareholders of Gas Natural Fenosa are Fundació Bancaria Caixa d'Estalvis i Pensions de Barcelona ("la Caixa"), Repsol, S.A. (Repsol) and Global Infrastructure Partners III (GIP) and subsidiaries.

- Directors and executives of the company, and their immediate families. The term "director" means a member of the Board of Directors; "executive" means a member of the Management Committee of Gas Natural Fenosa and the Internal Audit Director. Operations with directors and executives are disclosed in Note 17.
- Transactions between Group companies form part of ordinary business activities and are effected at arm's length. Group company balances include the amount that reflects Gas Natural Fenosa's share of the balances and transactions with companies consolidated under the equity method.

The aggregates for operations with significant shareholders are as follows, in thousand euro:

Expense and Income (thousand euros)	For the six-month period ended 30 June 2017				For the six-month period ended 30 June 2016		
	Significant shareholders			Group companies	Significant shareholders		Group companies
	"la Caixa"	Repsol	GIP (*)		"la Caixa"	Repsol	
Financial expenses	816	-	-	25	992	-	7
Leases	-	-	-	2	-	-	3
Receipt of services	7,669	7,930	-	5,671	7,226	3,274	15,429
Purchases of goods	-	196,731	-	172,710	-	122,159	188,630
Other expenses (1)	10,753	-	-	-	10,126	-	-
<b>Total expenses</b>	<b>19,238</b>	<b>204,661</b>	<b>-</b>	<b>178,408</b>	<b>18,344</b>	<b>125,433</b>	<b>204,069</b>
Financial income	330	-	-	108	180	-	255
Leases	-	-	-	-	-	-	-
Provision of services	224	127	-	11,163	215	1,282	14,072
Sales of goods (finished or in progress)	484	382,516	-	34,995	-	304,015	16,667
Other income	-	-	-	1,187	-	-	1,006
<b>Total income</b>	<b>1,038</b>	<b>382,643</b>	<b>-</b>	<b>47,453</b>	<b>395</b>	<b>305,297</b>	<b>32,000</b>

Other transactions (in thousand Euros)	For the six-month period ended 30 June 2017				For the six-month period ended 30 June 2016		
	Significant shareholders			Group companies	Significant shareholders		Group companies
	"la Caixa"	Repsol	GIP (*)		"la Caixa"	Repsol	
Acquisition of property, plant and equipment, intangible assets or other assets (2)	-	10,147	-	-	-	-	-
Financing agreements, loans and capital contributions(lender) (3)	362,737	-	-	3,995	613,530	-	11,026
Sale of property, plant and equipment, intangibles or other assets (4)	157,220	-	-	-	113,065	-	-
Financing agreements: loans and capital contributions (borrower) (5)	121,325	-	-	-	147,814	-	-
Warranties and guarantees received	137,500	-	-	-	201,667	-	-
Dividends and other profits distributed	163,854	134,575	134,092	-	311,716	273,873	-
Other operations (6)	472,100	-	-	-	429,770	-	-

(\*) Since 21 September 2016.

- (1) Includes contributions to pension plans, group insurance policies, life insurance and other expenditure.
- (2) Basically includes the purchase of LPG supply points under the agreement with Repsol Butano dated 30 September 2015, that are located in the area of influence of its existing distribution zones and which is completed as the relevant administrative authorisations are obtained.
- (3) Includes cash and cash equivalents.
- (4) Basically includes the assignment of accounts (factoring without recourse) with "La Caixa" Group each year.
- (5) At 30 June 2017, credit facilities arranged with "la Caixa" Group amounted to Euros 569,000 thousand (Euros 569,000 thousand at 30 June 2016), no amounts having been utilised at 30 June 2017 or 2016. At 30 June 2017, other loans amounted to Euros 121,325 thousand (Euros 147,814 thousand at 30 June 2016).
- (6) At 30 June 2017, the heading "Other transactions" with "la Caixa" Group includes Euros 345,037 thousand in respect of foreign exchange hedges (Euros 496,465 thousand at 30 June 2016) and Euros 127,063 thousand in respect of interest rate hedges (Euros 33,305 thousand at 30 June 2016).

## **Note 17. Information on members of the Board of Directors and senior management personnel**

### **Remuneration of the Board of Directors**

Remuneration accrued to the members of the Board of Directors of Gas Natural SDG, S.A. by reason of their membership of the Board and Board committees totalled Euros 2,546 thousand at 30 June 2017 (Euros 2,293 thousand at 30 June 2016). As the remuneration for belonging to the Board of Directors and the various Board Committees has remained unchanged, the increase is due solely to the higher number of Committee members as a result of changes in the company's corporate governance following the alteration in September 2016 of the company's shareholder structure. In this respect, the Executive Committee has increased by two members, the Audit Committee has increased by four members and the Appointments and Remuneration committee has increased by two members.

In the first half of 2017, the Chief Executive Officer did not receive remuneration due to his position as a Board member of the other investee company (Euros 48 thousand at 30 June 2016). These amounts are deducted from the CEO's annual variable remuneration.

The amounts accrued to the Chief Executive Officer for executive functions in respect of fixed remuneration, annual variable remuneration, multi-year variable remuneration and other items totalled Euros 642 thousand, Euros 526 thousand, Euros 428 thousand and Euros 4 thousand, respectively, at 30 June 2017 (Euros 606 thousand, Euros 553 thousand, Euros 430 thousand and Euros 4 thousand at 30 June 2016).

Contributions to pension plans and group insurance policies, together with life insurance premiums paid, totalled Euros 167 thousand at 30 June 2017 (Euros 159 thousand at 30 June 2016).

### **Senior management remuneration**

For the sole purposes of the information contained in this section, "senior management personnel" refers to the members of the Management Committee, excluding the CEO, whose remuneration has been included in the previous section, and the Internal Audit Director.

During the first half of 2017 a total of 11 persons have formed part of the Management Committee. One person joined the committee in April 2017.

Remuneration accrued to senior management personnel totalled Euros 4,859 thousand at 30 June 2017 (Euros 4,917 thousand at 30 June 2016).

Contributions to pension plans and group insurance policies, together with life insurance premiums paid, totalled Euros 1,327 thousand at 30 June 2017 (Euros 1,248 thousand at 30 June 2016).

### **Transactions with members of the Board of Directors and senior management personnel**

The Board members and senior management personnel have not carried out any transactions outside the ordinary course of business or on non-arm's length terms with Gas Natural SDG, S.A. or with Group companies.

## **Note 18. Contingent liabilities**

In relation to the information on lawsuits and arbitration included in Note 34 "Commitments and contingent liabilities" in the consolidated annual accounts for the year ended 31 December 2016, there have been no material changes in their status during the first six months of 2017.

**Note 19. Events after the reporting date**

On 5 July 2017 Gas Natural Fenosa concluded a Euros 450 million loan agreement with the European Investment Bank (EIB) which will be used to finance part of the electricity distribution business and the development of renewable energy projects in Spain.

On 17 July 2017 Gas Natural Fenosa arranged a loan with the Official Credit Institute (ICO) for Euros 200 million with a term of 12 years that will be used to finance part of the investment plan included in the strategic vision 2016-2020, specifically focusing on growth in distribution networks and renewable energy generation.

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## APPENDIX I: CHANGES IN CONSOLIDATION SCOPE

The main consolidation scope changes during the first half of 2017 are as follows:

<b>Company name</b>	<b>Operation category</b>	<b>Effective date of operation</b>	<b>Voting rights acquired /eliminated (%)</b>	<b>Voting rights after the operation (%)</b>	<b>Consolidation method after the operation</b>
Línea Trasmisión Cabo Leones, S.A.	Disposal	1 January	50.0	-	-
Proyectos Balmes México, S.A. DE C.V.	Incorporation	1 January	100.0	100.0	Full
Gas Natural Fenosa LNG Singapore PTE. LTD.	Incorporation	1 January	100.0	100.0	Full
Vayu Energy, BV	Liquidation	28 February	100.0	-	-
Arte Contemporáneo y Energía, A.I.E.	Liquidation	26 April	100.0	-	-
Lanzagorta y Palmes 2, S.L.	Acquisition	7 June	100.0	100.0	Full

The main consolidation scope changes during 2016 were as follows:

Company name	Operation category	Effective date of operation	Voting rights acquired /eliminated (%)	Voting rights after the operation (%)	Consolidation method after the operation
Renovables Aragón, S.L.U	Acquisition	1 March	100.0	100.0	Full
Alas Capital Gas Natural, S.A.	Disposal	11 March	40.0	-	-
Gas Natural Chile, S.A.	Incorporation	30 March	56.6	56.6	Full
Sociedad Inversiones Atlántico, S.A.	Incorporation	31 March	55.1	55.1	Full
Energías Especiales de Extremadura, S.L.	Liquidation	25 April	99.0	-	-
Regasificadora del Noroeste, S.A.	Disposal	28 April	11.6	-	-
Leo-Ras, S.L.	Acquisition	15 May	100.0	100.0	Full
Aprovisionadora Global de Energía, S.A.	Incorporation	1 June	36.9	36.9	Full
Unión Fenosa Financial Services USA, Llc	Liquidation	29 June	100.0	-	-
Union Fenosa Wind Australia Pty, Ltd.	Acquisition	20 July	0.2	96.7	Full
Gas Natural Redes GLP, S.A.	Incorporation	21 July	100.0	100.0	Full
Enervent, S.A.	Disposal	28 July	26.0	-	-
Infraestructuras de Gas, S.A.	Disposal	29 July	85.0	-	-
Planta de Regasificación de Sagunto, S.A.	Disposal	31 July	50.0	-	-
Vayu Ltd	Acquisition	2 August	100.0	100.0	Full
Vayu Energy, Ltd	Acquisition	2 August	100.0	100.0	Full
Vayu Energy, Ltd (UK)	Acquisition	2 August	100.0	100.0	Full
Vayu Energy B.V.	Acquisition	2 August	100.0	100.0	Full
LNG GOM Limited	Acquisition	2 August	100.0	100.0	Full
LNG International Resources Ltd	Acquisition	2 August	100.0	100.0	Full
LNG Marketing Ltd	Acquisition	2 August	100.0	100.0	Full
Gas Natural Wind 6, S.L.	Liquidation	2 August	60.0	-	-
Gas Natural Chile, S.A.	Acquisition	8 August	37.9	94.5	Full
Gasco S.A.	Disposal	8 August	55.1	-	-
Gasco GLP S.A.	Disposal	8 August	55.1	-	-
Gasmar S.A.	Disposal	8 August	35.2	-	-
Hualpén Gas S.A.	Disposal	8 August	17.6	-	-
Autogasco S.A.	Disposal	8 August	55.1	-	-
Transportes e Inversiones Magallanes S.A.	Disposal	8 August	46.9	-	-
Automotive Gas Systems S.A.	Disposal	8 August	55.1	-	-
Inversiones Invergas S.A.	Disposal	8 August	55.1	-	-
Inversiones Atlántico S.A.	Disposal	8 August	55.1	-	-
Campanario Generación S.A.	Disposal	8 August	11.0	-	-
Inversiones GLP S.A.S. E.S.P.	Disposal	8 August	38.6	-	-
JGB Inversiones S.A.S. E.S.P.	Disposal	8 August	38.6	-	-
Unigas Colombia S.A. E.S.P.	Disposal	8 August	27.0	-	-
Montagas S.A. E.S.P.	Disposal	8 August	12.9	-	-
Energas S.A. E.S.P.	Disposal	8 August	10.9	-	-
Tecnet, S.A.	Disposal	9 August	100.0	-	-
Infraestructuras Eléctricas La Mudarra, S.L.	Incorporation	31 August	39.6	39.6	Equity
CGE Gas Natural, S.A.	Incorporation	14 October	100.0	100.0	Full
GNL Quintero, S.A.	Disposal	8 November	20.0	-	-
Union Fenosa Wind Australia Pty, Ltd.	Acquisition	15 December	0.2	97.0	Full
Hormigones del Norte, S.A.	Disposal	16 December	100.0	-	-
Sobral i Solar Energía SPE, Ltda	Acquisition	19 December	85.0	85.0	Full
Sertao i Solar Energía SPE, Ltda	Acquisition	19 December	85.0	85.0	Full
Inca de Varas I	Acquisition	20 December	100.0	100.0	Full
Inca de Varas II	Acquisition	20 December	100.0	100.0	Full
Gasifica, S.A.	Liquidation	27 December	100.0	-	-
Gas Galicia SDG, S.A.	Acquisition	29 December	6.9	68.5	Full
Electrificadora del Caribe S.A, E.S.P.	Loss of control	31 December	85.4	-	-
Energía Empresarial de la Costa, S.A., E.S.P.	Loss of control	31 December	85.4	-	-
Energía Social de la Costa S.A. E.S.P.	Loss of control	31 December	85.4	-	-

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