

Final Terms dated 25 October 2016

Enagás Financiaciones, S.A.U.

(Incorporated with limited liability in the Kingdom of Spain)

Issue of **€500,000,000 0.75 per cent. Notes due October 2026** (the “Notes”)

Guaranteed by

Enagás, S.A.

(Incorporated with limited liability in the Kingdom of Spain)

under the **€4,000,000,000**

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 11 May 2016 and the Prospectus supplement dated 18 October 2016 which together constitute a base prospectus for the purposes of Directive 2003/71/EC, as amended (the “Prospectus Directive”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus as so supplemented. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus as so supplemented. The Prospectus, the Final Terms and the Prospectus supplement have been published on the website of the Luxembourg Stock Exchange at www.bourse.lu and are available for viewing during normal business hours at Paseo de los Olmos, 19, 28005 Madrid, Spain (being the registered office of the Issuer and the Guarantor).

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| 1 | (i) Series Number: | 10 |
| | (ii) Tranche Number: | 1 |
| | (iii) Date on which the Notes become fungible: | Not Applicable |
| 2 | Specified Currency or Currencies: | Euro (€) |
| 3 | Aggregate Nominal Amount of Notes: | |
| | (i) Series: | €500,000,000 |
| | (ii) Tranche: | €500,000,000 |
| 4 | Issue Price: | 99.397 per cent. of the Aggregate Nominal Amount |
| 5 | (i) Specified Denominations: | €100,000 |
| | (ii) Calculation Amount: | €100,000 |

6	(i) Issue Date:	27 October 2016
	(ii) Interest Commencement Date	Issue Date
7	Maturity Date:	27 October 2026
8	Interest Basis:	0.75 per cent. Fixed Rate (see item 14 below)
9	Redemption/Payment Basis:	Subject to any purchase and calculation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.
10	Change of Interest Basis	Not Applicable
11	Put/Call Options:	Issuer Call
12	Date Board approval for issuance of Notes and Guarantee obtained:	17 and 18 October 2016
13	Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14	Fixed Rate Note Provisions	Applicable
	(i) Rate of Interest:	0.75 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	27 October in each year not adjusted, commencing on 27 October 2017, up to and including the Maturity Date
	(iii) Fixed Coupon Amount	€750.00 per Calculation Amount
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction:	Actual/Actual-ICMA
	(vi) Determination Dates:	27 October in each year
15	Floating Rate Note Provisions	Not Applicable
16	Zero Coupon Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

17 Call Option	Applicable
(i) Optional Redemption Date(s):	The date fixed for redemption specified in the irrevocable notice to the Noteholders, which date shall be no earlier than three months before the Maturity Date
(ii) Optional Redemption Amount(s) of each Note:	€100,000 per Calculation Amount
(iii) Make-whole Amount:	Not Applicable
(iv) If redeemable in part:	
(a) Minimum Redemption Amount:	Not Applicable
(b) Maximum Redemption Amount:	Not Applicable
(v) Notice period	Condition 6(d) applies
18 Put Option	Not Applicable
19 Final Redemption Amount of each Note	€100,000 per Calculation Amount

20 Early Redemption Amount

Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption: As per Conditions

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21 Form of Notes:	Bearer Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
22 New Global Note:	Yes
23 Financial Centre(s) or other special	Not Applicable

provisions relating to payment dates:

- 24** Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): No
- 25** Instruments where the Specified Currency is Renminbi: Party responsible for calculating the Spot Rate: Not Applicable

DISTRIBUTION

- 26** If syndicated, names of Managers: Banca IMI S.p.A.
Banco Bilbao Vizcaya Argentaria, S.A.
Banco Santander, S.A.
BNP Paribas
CaixaBank, S.A.
Citigroup Global Markets Limited
Crédit Agricole Corporate and Investment Bank
Mediobanca - Banca di Credito Finanziario S.p.A.
Mizuho International plc
Natixis
Société Générale
- 27** If non-syndicated, name of relevant Dealer: Not Applicable
- 28** U.S. Selling Restrictions: Reg. S Compliance Category 2;TEFRA D

Signed on behalf of Enagás Financiaciones, S.A.U.:

By: 

Duly authorised

LUIS ROS

Signed on behalf of Enagás, S.A.:

By: 

Duly authorised

CAROLINA BENITO

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

- (i) Admission to listing and trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to listing on the official list of the Luxembourg Stock Exchange with effect from the Issue Date.
Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: €5,750

2 RATINGS

- Ratings: The Notes to be issued have been rated:
S&P: A-
Fitch: A-
Each of Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies Inc. and Fitch Ratings Ltd is established in the EU and registered under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No. 513/2011 (the "CRA Regulation"). A list of registered credit rating agencies is published at the European Securities and Market Authority's website: www.esma.europa.eu.

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for (i) any fees payable to the Managers and (ii) so far as the Issuer is aware, no person involved in the issue/offer of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer, the Guarantor and any of their affiliates in the ordinary course of the business for which they may receive fees.

4 Fixed Rate Notes only – YIELD

- Indication of yield: 0.813 per cent. (*per annum*)
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5 OPERATIONAL INFORMATION

ISIN:	XS1508831051
Common Code:	150883105
Any clearing system(s) other than Euroclear Bank S.A./N.V. and number(s) and Clearstream Banking, société anonyme and the relevant identification number(s):	Not Applicable
Delivery:	Delivery against payment
Names and addresses of initial Paying Agent(s):	The Bank of New York Mellon, London Branch
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
Intended to be held in a manner which would allow Eurosystem eligibility	Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.