

**Final Terms dated 19 March 2009**

**NATIONAL GRID GAS PLC**

Issue of GBP 24,000,000 6.00 per cent. Instruments due May 2038  
(the "**Instruments**")

(to be consolidated and form a single series with the GBP 300,000,000 6.00 per cent.  
Instruments due May 2038 issued on 13 May 2008, the GBP 55,000,000 6.00 per cent.  
Instruments due May 2038 issued on 8 July 2008, the GBP 24,000,000 6.00 per cent.  
Instruments due May 2038 issued on 24 July 2008, the GBP 30,000,000 6.00 per cent.  
Instruments due May 2038 issued on 8 December 2008 and the GBP 11,000,000 6.00 per cent.  
Instruments due May 2038 issued on 19 January 2009)  
under the Euro 10,000,000,000 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 terms and conditions (the "**Conditions**") contained in the Trust Deed dated 26 February 2008 and set forth in the Prospectus dated 26 February 2008 and incorporated by reference into the Prospectus dated 24 February 2009 and which are attached hereto. This document constitutes the Final Terms of the Instruments described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**") and must be read in conjunction with the Prospectus dated 24 February 2009 which constitutes a base prospectus for the purposes of the Prospectus Directive. The Prospectuses are available for viewing at, and copies may be obtained from, the registered address of the Issuer at 1-3 Strand, London WC2N 5EH and the office of the Issuing and Paying Agent at One Canada Square, London E14 5AL and are available for viewing on the website of Regulatory News Services operated by the London Stock Exchange at [www.londonstockexchange.com/en-gb/pricesnews/marketnews](http://www.londonstockexchange.com/en-gb/pricesnews/marketnews).

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|----|-----------------------------------|---|
| 1. | Issuer:                           | National Grid Gas plc   |
| 2. | (i) Series Number:                | 65  |
|    | (ii) Tranche Number:              | 6   |
| 3. | Specified Currency or Currencies: | Sterling (" <b>GBP</b> ")   |
| 4. | Aggregate Nominal Amount:         |   |
|    | (i) Series:                       | GBP 444,000,000   |
|    | (ii) Tranche:                     | GBP 24,000,000 (to be consolidated and form a single series with the GBP 300,000,000 6.00 per cent. Instruments due May 2038 issued on 13 May 2008, the GBP 55,000,000 6.00 per cent. Instruments due May 2038 issued on 8 July 2008, the GBP 24,000,000 6.00 per |

cent. Instruments due May 2038 issued on 24 July 2008, the GBP 30,000,000 6.00 per cent. Instruments due May 2038 issued on 8 December 2008, and the GBP 11,000,000 6.00 per cent. Instruments due May 2038 issued on 19 January 2009 on exchange of the temporary Global Instrument for the permanent Global Instrument (which is expected to be 40 days after the Issue Date subject to certification of non-U.S. beneficial ownership))

5. Issue Price: 92.578 per cent. of the Aggregate Nominal Amount plus 314 days accrued interest from and including 13 May 2008 to but excluding 23 March 2009
6. (i) Specified Denominations: GBP 50,000 and integral multiples of GBP 1,000 in excess thereof up to and including GBP 99,000. No Instruments in definitive form will be issued with a denomination above GBP 99,000.
- (ii) Calculation Amount: GBP 1,000
7. (i) Issue Date: 23 March 2009
- (ii) Interest Commencement Date: 13 May 2008
8. Maturity Date: 13 May 2038
9. Interest Basis: 6.00 per cent. per annum Fixed Rate  
(further particulars specified below)
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest or Redemption/Payment Basis: Not Applicable
12. Put/Call Options: Not Applicable
13. Status of the Instruments: Senior
14. Method of distribution: Non-syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. **Fixed Rate Instrument Provisions** Applicable

(i)	Rate of Interest:	6.00 per cent. per annum payable annually in arrear
(ii)	Interest Payment Date(s):	13 May in each year commencing on 13 May 2009
(iii)	Fixed Coupon Amount(s):	GBP 60.00 per Calculation Amount
(iv)	Broken Amount(s):	Not Applicable
(v)	Day Count Fraction (Condition 3.2.4(i)):	Actual/Actual - ICMA
(vi)	Determination Dates (Condition 3.2.4(i)):	13 May in each year
(vii)	Other terms relating to the method of calculating interest for Fixed Rate Instruments:	Not Applicable
16.	<b>Floating Rate Instrument Provisions</b>	Not Applicable
17.	<b>Zero Coupon Instrument Provisions</b>	Not Applicable
18.	<b>Index-Linked Interest Instrument</b>	Not Applicable
19.	<b>Dual Currency Instrument Provisions</b>	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

20.	<b>Call Option</b>	Not Applicable
21.	<b>Put Option</b>	Not Applicable
22.	<b>Final Redemption Amount of each Instrument</b>	GBP 1,000 per Calculation Amount
23.	<b>Early Redemption Amount</b>	
(i)	Early Redemption Amount(s) of each Instrument payable on redemption for taxation reasons (Condition 5.2) or on Event of Default (Condition 9) or other early redemption and/or the method of calculating the same (if required or if different from that set out in the	As per the Conditions.

Conditions):

- (ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates (Condition 5.2): Yes
- (iii) Unmatured Coupons to become void upon early redemption (Condition 6.5): Yes

#### GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

24. **Form of Instruments:**

**Bearer Instruments:**

Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for Definitive Instruments in the limited circumstances specified in the Permanent Global Instrument.

Upon issue of the temporary Global Instrument, the temporary ISIN and Common Code will be those set out in paragraphs 8(ii) and 8(iv), respectively, of Part B of these Final Terms.

Upon exchange of the temporary Global Instrument for the permanent Global Instrument, the Instruments will be consolidated and form a single series with the GBP 300,000,000 6.00 per cent. Instruments due May 2038 issued on 13 May 2008, the GBP 55,000,000 6.00 per cent. Instruments due May 2038 issued on 8 July 2008, the GBP 24,000,000 6.00 per cent. Instruments due May 2038 issued on 24 July 2008, the GBP 30,000,000 6.00 per cent. Instruments due May 2038 issued on 8 December 2008 and the GBP 11,000,000 6.00 per cent. Instruments due May 2038 issued on 19 January 2009 and the ISIN and Common Code will be those set out in paragraphs 8(i) and 8(ii), respectively, of Part B of these Final Terms.

New Global Note intended to be Not Applicable

held in a manner which would allow  
Eurosystem eligibility:

- |     |   |  |
|-----|---|--|
| 25. | Financial Centre(s) or other special provisions relating to Payment Dates (Condition 6.6):  | London                                 |
| 26. | Talons for future Coupons or Receipts to be attached to Definitive Instruments (and dates on which such Talons mature):   | Yes. Talons will mature on 13 May 2033 |
| 27. | Details relating to Partly Paid Instruments: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Instruments and interest due on late payment: | Not Applicable                         |
| 28. | Details relating to Instalment Instruments:   | Not Applicable                         |
| 29. | Redenomination, renominatisation and reconventioning provisions:  | Not Applicable                         |
| 30. | Consolidation provisions:   | Not Applicable                         |
| 31. | Other final terms:  | Not Applicable                         |

#### **DISTRIBUTION**

- |     |                                       |                                       |
|-----|---------------------------------------|---------------------------------------|
| 32. | (i) If syndicated, names of Managers: | Not Applicable                        |
|     | (ii) Stabilising Manager(s) (if any): | Not Applicable                        |
| 33. | If non-syndicated, name of Dealer:    | Royal Bank of Canada Europe Limited   |
| 34. | U.S. Selling Restrictions:            | Reg. S Compliance Category 2; TEFRA D |
| 35. | Additional selling restrictions:      | Not Applicable                        |

**PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue and admission to trading on the Regulated Market of the London Stock Exchange of the Instruments described herein pursuant to the Euro Medium Term Note Programme of National Grid Gas plc and National Grid Gas Finance (No 1) plc.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By:  .....  
Duly authorised

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Listing: London
- (ii) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on the London Stock Exchange plc's Regulated Market with effect from 23 March 2009.
- (iii) Estimate of total expenses related to admission to trading: GBP 300

### 2. RATINGS

- Ratings: Long term senior debt of the Issuer has been rated:
- Standard & Poor's: A-
- Moody's: A3 (negative outlook)
- Fitch: A
- The Instruments have not been specifically rated.

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

So far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer.

### 4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

Not Applicable

### 5. YIELD

- Indication of yield: 6.577 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.

### 6. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING

Not Applicable

### 7. PERFORMANCE OF RATES OF EXCHANGE

Not Applicable

8. **OPERATIONAL INFORMATION**

- (i) ISIN Code: XS0363511873
- (ii) Temporary ISIN Code: XS0418805114
- (iii) Common Code: 036351187
- (iv) Temporary Common Code: 041880511
- (v) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the identification number(s): Not Applicable
- (vi) Delivery: Delivery against payment
- (vii) Names and addresses of initial Paying Agent(s): The Bank of New York Mellon (formerly The Bank of New York)  
One Canada Square  
E14 5AL
- (viii) Names and addresses of additional Paying Agent(s) (if any): Not Applicable

9. **GENERAL**

The aggregate principal amount of Instruments issued has been translated into Euro at the rate of EUR 1 = GBP 0.92115, producing a sum of (for Instruments not denominated in Euro): Euro 26,054,388.54

Additional steps that may only be taken following approval by an Extraordinary Resolution in accordance with Condition 11.1: Not Applicable