



CALL NOTICE FOR THE ORDINARY SHAREHOLDERS' MEETING

The Board of Directors of this Company, at the meeting held on April 14, 2010, has agreed to call the Ordinary Shareholders' Meeting, to be held on first call on May 19, 2010 at **12.30 p.m.** at **Teatro Auditorio Ciudad de Alcobendas**, Calle Blas de Otero 4, Alcobendas, Madrid and, as the case may be, on second call on **May 20, 2010**, at the same time and venue, with a view to discussing and resolving on the items contained on the following

AGENDA

I. ITEMS FOR APPROVAL

One. Examination and approval, as the case may be, of the Financial Statements (balance sheet, income statement, statement of changes in equity, cash flow statement and notes to financial statements) and the Management Report of Red Eléctrica Corporación, S.A. for the year ended December 31, 2009.

Two. Examination and approval, as the case may be, of the Consolidated Financial Statements (consolidated balance sheet, consolidated income statement, consolidated overall income statement, consolidated statement of changes in equity, consolidated cash flow statement and notes to the consolidated financial statements) and the Consolidated Management Report of the Consolidated Group of Red Eléctrica Corporación, S.A. for the year ended December 31, 2009.

Three. Examination and approval, as the case may be, of the proposed distribution of income at Red Eléctrica Corporación, S.A. for the year ended December 31, 2009.

Four. Examination and approval, as the case may be, of the management carried out by the Board of Directors of Red Eléctrica Corporación, S.A. in 2009.

Five. Reappointment and appointment of Directors:

- 5.1 Reappointment of Mr. Francisco Javier Salas Collantes as an Independent Director.
- 5.2 Appointment of Mr. Miguel Boyer Salvador as an Independent Director.
- 5.3 Appointment of Mr. Rui Manuel Janes Cartaxo as an Independent Director.

Six. Amendment of Article 9 ("Shareholders' Preemptive Right") of the Corporate Bylaws.

Seven. Delegation to the Board of Directors, for a period of five (5) years, of the power to increase the capital stock, at any time, on one or more occasions, up to a maximum amount of one hundred and thirty-five million, two hundred and seventy thousand euros (€135,270,000), equal to half of the current capital stock, in the amount and at the issue price decided on in each case by the Board of Directors, with the power to exclude, in whole or in part, the preemptive subscription right and with express authorization to redraft, as the case may be, Article 5 of the Corporate



Bylaws and to request, as the case may be, the admission, continued listing and delisting of the shares on organized secondary markets.

Eight. Delegation of powers to the Board of Directors, for a period of five (5) years and with an aggregate limit of five thousand million euros (€5,000,000,000), to issue, on one or more occasions, directly or through companies of the Red Eléctrica Group, debentures, bonds and other fixed-income instruments or debt instruments of an analogous nature, both nonconvertible and convertible or exchangeable for shares of the Company, of other companies in the Red Eléctrica Group or of other companies not related to same, including, without limitation, promissory notes, securitization bonds, preferred participations and warrants giving entitlement to the delivery of shares of the Company or of other companies in the Red Eléctrica Group, whether newly-issued or in circulation, with the express power to exclude, in whole or in part, the pre-emptive subscription right; authorization to enable the Company to secure new issues of fixed-income securities (including convertible or exchangeable securities) made by companies of the Red Eléctrica Group; authorization to redraft, as the case may be, Article 5 of the Corporate Bylaws and to request, as the case may be, the admission, continued listing and delisting of the shares on organized secondary markets.

Nine. Authorization granted to Board of Directors for the derivative acquisition of treasury stock:

- 9.1 Authorization for the derivative acquisition of treasury stock by the Company or by the companies of the Red Eléctrica Group, and for the direct delivery of treasury stock to employees and Executive Directors of the Company and of the companies of the Red Eléctrica Group, as compensation.
- 9.2 Approval of a Compensation Plan for members of senior management and the Executive Directors of the Company and of the companies of the Red Eléctrica Group.
- 9.3 Revocation of previous authorizations.

Ten. Compensation of the Board of Directors:

- 10.1 Approval of the report on the compensation policy for the Board of Directors of Red Eléctrica Corporación, S.A.
- 10.2 Ratification of the resolutions of the Board of Directors of Red Eléctrica Corporación, S.A., establishing its compensation for 2009.

Eleven. Delegation of authority to the Board of Directors to fully implement the resolutions adopted at the Shareholders' Meeting.

II. ITEMS OF INFORMATION

Twelve. Information to the Shareholders' Meeting on the 2009 Annual Corporate Governance Report of Red Eléctrica Corporación, S.A.

Thirteen. Information to the Shareholders' Meeting on the elements contained in the Management Report relating to Article 116 *bis* of the Securities Market Law.



Fourteen. Information to the Shareholders' Meeting on the amendments made to the Board Regulations.

RIGHT TO ATTEND AND RIGHT OF REPRESENTATION

According to the Corporate Bylaws and the Shareholders' Meeting Regulations, shareholders may attend the Shareholders' Meeting if they evidence their share ownership, by way of certification in their name, in the accounting register of book entries five days before the meeting is due to be held.

Shareholders may request, through any of the member institutions (banks, savings banks, financial institutions, in general) of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear), the corresponding certificate of authorization or equivalent document from the accounting record of book entries of the Company's securities. Shareholders who are entitled to attend may be represented at the Shareholders' Meeting by another shareholder who is entitled to attend, on the terms and with the exceptions established in Articles 106 to 108 of the Corporations Law. Proxies must be conferred in writing and specifically for this Meeting.

Except for cases of public proxies, which are subject to the prevailing legal provisions, pursuant to Additional Provision Three of Law 17/20007, of July 4, 2007, and the Corporate Bylaws, no person may accumulate proxy votes that together with their own votes give them voting rights exceeding three percent of share capital. Parties that engage in activities in the electricity industry and those individuals or legal entities that directly or indirectly hold more than five percent of their capital, may not exercise more than one percent of voting rights. Pursuant to the Electricity Industry Law, the above limits will not apply to the State Industrial Holdings Company (*Sociedad Estatal de Participaciones Industriales* "SEPI").

RIGHT TO INFORMATION

Pursuant to the provisions of the Corporations Law, the Corporate Bylaws and the Shareholders' Meeting Regulations, any shareholders who so wish may examine and obtain, as from publication of this notice, at the registered office (Paseo del Conde de los Gaitanes, 177, 28109 Alcobendas, Madrid) and from the Shareholder Information Office, as from May 3, 2010 (Hotel Aitana AC, Paseo de la Castellana, 152), and request the delivery or sending, immediately and free of charge, of: the individual and consolidated financial statements and management reports to be submitted for approval by the Shareholders' Meeting, together with the respective auditor's reports; any proposed resolutions already adopted by the Board of Directors, without prejudice in this last-mentioned case to the fact that they may be modified up to the date of the Shareholders' Meeting, where legally possible; all documentation on the proposed resolutions contained under Item Six on the Agenda, relating to the amendment of Article 9 of the Corporate Bylaws, and under Items Seven and Eight, relating to the delegation of powers to the Board of Directors in the areas of capital increase and issuance of fixed-income securities (including convertible and/or exchangeable debentures) and, in particular, the Directors' Report in this regard; the Annual Corporate Governance Report and the report on the compensation policy of the Board of Directors; and the amendments to the Board Regulations. In relation to the reporting requirements of Article 116 *bis* of the Securities Market Law (LMV), the Company has incorporated the full text of the Annual Corporate Governance Report



as a schedule to the Management Report. This information can also be found on the Company website (www.ree.es) in the Shareholders and Investors section.

Pursuant to the provisions of the Corporations Law and the Shareholders' Meeting Regulations, up to the seventh day before the date scheduled for the Shareholders' Meeting, shareholders may pose questions or request information or clarification in relation to the items on the agenda or to all information available to the public furnished by the Company to the National Securities Market Commission since May 21, 2009, the date of the last Ordinary Shareholders' Meeting.

REMOTE VOTING AND PROXIES

The exercise of voting and proxy rights by way of postal or electronic correspondence shall be in accordance with the rules approved by the Board of Directors at its meeting of April 14, 2010, which are published on the Company's website (www.ree.es) in the section on remote voting covering proxies, voting and information by remote means. The period for voting and proxies by electronic means will commence at 00:00 hours on May 3, 2010 and will end at 24:00 hours on May 18, 2010. Personal attendance at the meeting by the shareholder or its proxy will revoke the vote cast using any remote procedure. The approved procedure covers the basic priority rules between remote proxies and voting and attendance in person or by proxy.

PERSONAL DATA PROTECTION

The Company informs shareholders that personal data obtained during the procedure for proxies, votes and information by remote means will be incorporated into a computerized filing system, controlled by the Company, with a view to managing the control of and compliance with the existing shareholder relationship. The obtainment of such data by the Company is revocable and does not have retroactive effect, pursuant to the provisions of personal data protection legislation. Shareholders may exercise their rights of access, rectification, cancellation and objection concerning the data obtained by the Company by applying in writing to the registered office, located at Paseo del Conde de los Gaitanes, 177, 28109 Alcobendas, Madrid, through the Shareholder Information Office or through the Company website.

PRESENCE OF A NOTARY AT THE SHAREHOLDERS' MEETING

The Board of Directors has resolved to require the presence of a Notary to take the Minutes of the Shareholders' Meeting.

GENERAL INFORMATION

For all aspects relating to the Ordinary Shareholders' Meeting not contained in this call notice, shareholders may consult the Shareholders' Meeting Regulations available on the Company website (www.ree.es). In addition, as from **May 3, 2010, a Shareholder Information Office will be available (Hotel Aitana AC, Paseo de la Castellana, 152)** with the following timetable: Monday to Friday from 10:00 to 14:30 and from 16:00 to 19:30, and Saturdays from 10:00 to 14:00. Shareholder Information Offices will also be available at the registered office, the regional offices (La Coruña,



Barcelona, Bilbao, Seville, Valencia and Zaragoza) and the Balearic Islands and Canary Islands offices, with the following timetable: Monday to Thursday from 09:00 to 14:00 and from 15:00 to 18:00, Fridays from 09:00 to 14:00. **For further information, please call the Shareholder Hotline: 900 100 182 or send an e-mail to: accionistas@ree.es - www.ree.es**

To facilitate access to the venue for the Shareholders' Meeting, a bus service will be in operation, departing from Hotel Aitana AC at 11:15, 11:30, 12:00 and 12:15 on May 20, 2010.

EXPECTED DATE OF SHAREHOLDERS' MEETING

Shareholders are informed that, in light of previous years' experience, the Shareholders' Meeting is expected to be held on **SECOND CALL** on **May 20, 2010**, at the time and venue stipulated above.

Alcobendas (Madrid), April 15, 2010
The Secretary to the Board of Directors
Rafael García de Diego Barber