

**NATIONAL SECURITIES  
MARKET COMMISSION**

Attn.: Mr. Rodrigo Buenaventura  
Director of Markets Area  
Pº de La Castellana, 19  
28046 MADRID

Madrid, February 25, 2011

Dear Sir,

In accordance with Article 82 of the Securities Market Law, we set forth below the following event relating to Red Eléctrica Corporación, S.A.:

**CALL NOTICE FOR THE ANNUAL SHAREHOLDERS' MEETING**

Taking into consideration the resolutions proposed by the Board of Directors at its meeting on February 24, 2011, it is proposed:

To call an Annual Shareholders' Meeting, to be held on first call on April 12, 2011 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 **April 13, 2011**, at the same time and venue, with a view to deliberating 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, 2010.

**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, 2010.

**Three.** Examination and approval, as the case may be, of the proposed distribution of income of Red Eléctrica Corporación, S.A. for the year ended December 31, 2010.

**Four.** Examination and approval, as the case may be, of the conduct of management by the Board of Directors of Red Eléctrica Corporación, S.A. in 2010.

**Five.** Appointment of the auditors of the Parent Company and of the Consolidated Group.

**Six.** Amendment of the Corporate Bylaws to update their provisions as a result of various legislative reforms relating to corporations:

- 6.1** Amendments of adaptation to the latest legislative reforms and other amendments of a formal or stylistic nature to make the wording of the Corporate Bylaws more precise: amendment of Article 1 ("Name and legal regime"), Article 6 ("Accounting record of shares"), Article 7 ("Rights attaching to shares"), Article 8 ("Increase and reduction of capital stock"), Article 11 ("Shareholders' Meeting"), Article 12 ("Types of Shareholders' Meetings"), Article 14 ("Quorum"), Article 15 ("Right to information and attendance of Shareholders' Meetings"), Article 17 ("Presiding Panel, deliberations"), Article 18 ("Minutes"), Article 20 ("Board of Directors"), Article 22 ("Board Committees and delegation of powers"), Article 23 ("Audit Committee"), Article 24 ("Appointments and Compensation Committee"), Article 29 ("Accounts Audit"), Article 32 ("Rules and method of liquidation") and Article 33 ("Scope of these Bylaws") of the Corporate Bylaws.
- 6.2** Amendment of the Bylaws not only to adapt them to the latest legislative reforms, but also to add flexibility to the venue for holding Shareholders' Meetings: amendment of Article 13 ("Call to the Shareholders' Meeting") of the Corporate Bylaws.

**Seven.** Amendment of the Regulations of the Shareholders' Meeting to update their provisions as a result of various legislative reforms relating to corporations:

- 7.1** Amendments of adaptation to the latest legislative reforms and other amendments of a formal or stylistic nature to make the wording of the Regulations of the Shareholders' Meeting more precise: deletion of the introductory paragraph. Amendment of Article 1 ("Purpose and entry into force of the Regulations"), Article 2 ("Company website"), Article 3 ("Powers of the Shareholders' Meeting"), Article 6 ("Shareholders' rights"), Article 8 ("Shareholders' right to information"), Article 9 ("Right to attend"), Article 11 ("Quorum"), Article 15 ("Constitution, deliberation and adoption of resolutions"), and Article 16 ("Minutes of the Shareholders' Meeting and certificate") of the Regulations of the Shareholders' Meeting.
- 7.2** Amendment of the Regulations of the Shareholders' Meeting not only to adapt them to the latest legislative reforms, but also to add flexibility to the venue for holding Shareholders' Meetings: amendment of Article 5 ("Call") of the Regulations of the Shareholders' Meeting.

**Eight.** Authorizations granted to Board of Directors for the derivative acquisition of treasury stock:

- 8.1** Authorization for the derivative acquisition of treasury stock by the Company or by companies of the Red Eléctrica Group, and for the direct award of treasury stock to employees and Executive Directors of the Company and of the companies of the Red Eléctrica Group, as compensation.
- 8.2** Approval of a Compensation Plan for members of Management and the Executive Directors of the Company and of the companies of the Red Eléctrica Group.
- 8.3** Revocation of previous authorizations.

**Nine.** Compensation of the Company's Board of Directors:

- 9.1** Approval of the report on the compensation policy for the Board of Directors of Red Eléctrica Corporación, S.A.
- 9.2** Approval of the compensation of the Board of Directors of Red Eléctrica Corporación, S.A. for 2010.

**Ten.** Delegation of authority to fully implement the resolutions adopted at the Shareholders' Meeting.

## **II. ITEMS FOR INFORMATION**

**Eleven.** Information to the Shareholders' Meeting on the 2010 Annual Corporate Governance Report of Red Eléctrica Corporación, S.A.

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

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**EXPLANATORY NOTE:** In accordance with the legislation in force, the official call notice will be published shortly in the Official Gazette of the Mercantile Registry, in various media, and on the Company website ([www.ree.es](http://www.ree.es)), at which time the documentation relating to the Annual Shareholders' Meeting will be placed at the disposal of the shareholders and also be made available on the Company website.

Very truly yours,

Rafael García de Diego Barber  
Secretary of the Board of Directors