

**NATIONAL SECURITIES  
MARKET COMMISSION**

Markets Area  
Pº de La Castellana, 19  
28046 MADRID

Madrid, 23 March 2012

Dear Sir/Madam,

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

In its meeting on 22 March 2012, the Company's Board of Directors resolved to leave without effect the proposed resolutions relating to sections four, five and six of Point Five ("*Re-election and appointment of the Company's directors*") of the Agenda of the Company's forthcoming Annual Shareholders' Meeting, called through the notice published in the BORME (Companies Registry Gazette), the Company's website and the website of the National Securities Market Commission (significant event 160258) on 15 March 2012, and in the El País and Expansión newspapers on 16 March 2012, in relation to the appointments as Directors, as a Nominee Director, on behalf of the shareholder Sociedad Estatal de Participaciones Industriales (SEPI), of Guillermo Kessler Sáiz, and as Independent Directors, of Alberto Nadal Belda and Ignacio López del Hierro Bravo, respectively, given that the said candidates have formally rejected the appointment.

During the same meeting and following a report by the Corporate Responsibility and Governance Committee, in the case of the proposal of appointment as a Nominee Director, and at the proposal of the said Committee, in the case of the proposals of appointments as Independent Directors, the Board of Directors resolved to approve in their place the following proposed resolutions to be submitted to the Annual Shareholders' Meeting:

**Proposed resolutions on sections four, five and six of Item Five of the Agenda of the Company's forthcoming Annual Shareholders' Meeting on "Re-election and appointment of the Company's directors":**

**Section four - Appointment of Mr.Fernando Fernández Méndez de Andés as a Company Director.**

*To appoint Mr.Fernando Fernández Méndez de Andés as a Nominee Director of Red Eléctrica Corporación, S.A for the four-year period stipulated in the Corporate Bylaws.*

**Section five - Appointment of Ms.Paloma Sendín de Cáceres as a Company Director.**

*To appoint Ms.Paloma Sendín de Cáceres as Independent Director of Red Eléctrica Corporación, S.A for the four-year period stipulated in the Corporate Bylaws.*

**Section six – Appointment of Ms.Carmen Gómez de Barreda Tous de Monsalve as a Company Director.**

*To appoint Ms.Carmen Gómez de Barreda Tous de Monsalve as Independent Director of Red Eléctrica Corporación, S.A., for the four-year period stipulated in the Corporate Bylaws.*

The proposals were approved by the Board of Directors after formalising the candidates' commitment to renounce, in case of being appointed by the General Meeting, where necessary, pursuant to prevailing legislation and the requirements established in the Company's corporate governance rules, any existing commitments, positions or responsibilities held, as applicable, that could be prohibited, or incompatible or in conflict with the Company's interests, or which could hinder their ability to perform their duties as Directors thereof.

Yours sincerely,

Signed: Rafael García de Diego Barber  
Secretary to the Board of Directors