

**COMISIÓN NACIONAL DEL
MERCADO DE VALORES**

Att. D. Antonio Mas Sirvent
Director de Área de Mercados
Pº de la Castellana, 19
28046 MADRID

Madrid, May 14, 2008

Dear Sir,

In compliance with article 82 of the Spanish Securities Market Law (*Ley del Mercado de Valores*) further to the notice sent on April 18, 2008, related to the call for the Annual Shareholders' Meeting to be held on May 21 and 22, 2008, we enclose the following significant event related to Red Eléctrica de España, S.A.:

The Board of Directors of this Company, at the meeting it held on May 14, 2008, has decided to submit to the approval of the Shareholders' Meeting, as item five on the agenda "Reelection and appointment of directors" (sections 5.1, 5.2, 5.3, 5.4, 5.5 and 5.6), pursuant to the report and the proposal issued by the Appointments, Remuneration and Corporate Governance Committee, at the meeting it held on May 13, 2008, the following proposals of resolutions:

5.1. Reelection of Mr. Antonio Garamendi Lecanda as independent director.

To reelect, in compliance with the legal provisions and bylaws in force, Mr. Antonio Garamendi Lecanda (whose personal particulars shall be recorded for their entry at the Commercial Registry) as independent director of Red Eléctrica de España, S.A., for the term of four years established in the Bylaws, pursuant to the report and proposal issued by the Appointments, Remuneration and Corporate Governance Committee.

5.2. Appointment of Mr. José Rodrigues Pereira dos Penedos as independent director.

To appoint, in compliance with the legal provisions and bylaws in force, Mr. José Rodrigues Pereira dos Penedos (whose personal data will be recorded for their entry at the Commercial Registry) as independent director of Red Eléctrica de España, S.A., for the term of four years established in the bylaws, pursuant to the report and proposal issued by the Appointments, Remuneration and Corporate Governance Committee.

5.3. Appointment of Mr. José Folgado Blanco as independent director.

To appoint, in compliance with the legal provisions and bylaws in force, Mr. José Folgado Blanco (whose personal data will be recorded for their entry at the Commercial Registry) as independent director of Red Eléctrica de España, S.A., for the term of four years established in the bylaws, pursuant to the report

and proposal issued by the Appointments, Remuneration and Corporate Governance Committee.

5.4. Appointment of Ms. Arantza Mendizábal Gorostiaga as independent director.

To appoint, in compliance with the legal provisions and bylaws in force, Ms Arantza Mendizábal Gorostiaga (whose personal data will be recorded for their entry at the Commercial Registry) as independent director of Red Eléctrica de España, S.A., for the term of four years established in the bylaws, pursuant to the report and proposal issued by the Appointments, Remuneration and Corporate Governance Committee.

5.5 Reelection of Mr. Manuel Alves Torres as nominee director.

To reelect, in compliance with the legal provisions and bylaws in force, at the proposal of the shareholder of the Company (Sociedad Estatal de Participaciones Industriales –SEPI-) Mr. Manuel Alves Torres (whose personal data will be recorded for their entry at the Commercial Registry) as nominee director of Red Eléctrica de España, S.A., for the term of four years established in the bylaws, pursuant to the report and proposal issued by the Appointments, Remuneration and Corporate Governance Committee.

5.5. Appointment of Ms. María Jesús Álvarez González as nominee director.

To appoint, in compliance with the legal provisions and bylaws in force, Ms. María Jesús Álvarez (whose personal data will be recorded for their entry at the Commercial Registry) as independent director of Red Eléctrica de España, S.A., for the term of four years established in the bylaws, pursuant to the report and proposal issued by the Appointments, Remuneration and Corporate Governance Committee.

Yours sincerely,

Signed, Esther M^a Rituerto Martínez