Press Release

General Meeting of Shareholders of Enagás 2007

- **The General Meeting of Shareholders has approved the distribution of a total gross dividend of 47 euro cents per share, 18% more than the dividend for 2005.**
- **The Chairman of Enagás stated that the company has a clear, ambitious and realistic business plan, which will enable an increase in profits of over 10% in the coming years.**
- **Since the start of 2007, investment project authorisations worth over 1,200 million euros have been expedited.**
- **The General Meeting approved modifications to the Company's regulations to comply with the recommendations from the Standardised Code of Good Governance.**

The General Meeting has approved all the proposed resolutions on the Agenda, which included the payment of a dividend of 47 euros cents per share, 18% higher than the dividend for 2005, which equates to growth of over 100% in the last five years. Further to this, the Board of Directors has decided to increase, from 2007, the net dividend percentage from the current 52% to 60%.

The General Meeting also approved the reappointment of all members of the Board of Directors, which includes: Bancaja, Caja de Ahorros del Mediterráneo and Carlos Egea, as controlling directors, Luis Javier Navarro as an external director and Jesús David Álvarez as an independent director.

The Chairman of Enagás, Antonio Llardén, stated that “2006 has been a good year for economic results, with major advances in terms of gas infrastructure brought into operation, and it has also been a very important year in strategic terms".

Strategic Plan 2007-2012

In addition, the Chairman reaffirmed Enagás's commitment to growth and summarised the main strategic points which would guide the Company's activities over the coming years.

To this end, he underlined the importance of the investments that the Company has made as essential elements for its strategic objectives "based on profitable growth over the longer term" and stated that from this year through to 2012 Enagás "faces the major challenge of investing over 4000 million euros". This investment plan will enable a record amount of infrastructure to be brought into operation in the 2007-2012 period. In the context of this major expansion in the network and the growth in operating capacity, the challenge for Enagás will be, in addition to meeting the growing demand for natural gas, to ensure security of supply during peak periods, which could increase at an annual rate of 10% until 2012.

This refinement of Enagás's strategy, its policy of improving efficiency and its high operational gearing, together with the cost control which the company is carrying out, makes it possible to forecast "an average annual rate of increase in net profits of 9% for the period 2007-2012".

The Chairman of Enagás stated that "the company has a clear, ambitious and realistic business plan, which will enable our Company to achieve the results that the shareholders expect". He also stated that "we are concentrating our efforts with the authorities to make it easier to process the authorisations and permits required to carry out the projects planned. So far this year, investment projects with a value of over 1,200 million euros have made significant progress through the administrative process".

Mr Llardén highlighted the three main objectives of these investments: "In the first place, to ensure supply, continuity and diversification of energy supply in Spain; second, to facilitate the activities and business plans of our clients from a position which is neutral and independent; and, finally, focussing on the international dimension, to develop infrastructure which will connect us to Europe in a more rational and effective way".

The Company's Chairman stated that the company has a solid financial structure which will enable it to meet these objectives.

Incorporation of the Standardised Code of Good Governance

In addition, during the course of the General Meeting of Shareholders, modifications to the company's Articles of Association and Regulations to incorporate the recommendations of the Standardised Code of Good Governance were agreed. Furthermore, the General Meeting was informed that the Regulations for the Organisation and Operation of the Board of Directors for the same purposes were agreed by the Board on 29 March. These changes involve the incorporation of many of the recommendations in the Standardised Code of Good Governance, which was approved by the Stock Exchange Commission in May 2006.

This new development, which is consistent with Enagás policies on Corporate Governance issues, shows the Company's commitment and continuous effort to apply principles of good governance and transparen

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