



Direction of Investor Relations

The National Energy Commission Requires amendments to Company By-laws

On February 4, Enagas received a notice from the National Energy Commission (CNE) regarding the adaptation of the Company By-laws to the provisions of Additional Provision Twenty of Law 34/1998 of October 7. The aforementioned notice advises Enagas to adopt the resolutions necessary to amend the By-laws and prevent shareholders with a stake of over 5% in the company share capital from exercising the related political rights.

With this in view, Enagas sent the National Energy Commission's notice to those shareholders who, according to the company records, hold a stake of over 5% in the company share capital.

At its session held today, February 17 2005, the Board of Directors of the Company studied the content of the aforesaid notice.

As it had previously communicated to the CNE, the Board of Directors considers that Enagas' By-laws, in the terms approved by the General Shareholders' Meeting on April 30, 2004, comply with Additional Provision Twenty of Law 34/1998.

Without prejudice to the foregoing, in light of the National Energy Commission's position in this respect and admitting the possibility that the aforementioned By-laws may be interpreted in different manners, the Board of Directors has now re-evaluated the issue. Accordingly, it has decided to submit the CNE's recommended amendments to the By-laws to the General Shareholders' Meeting scheduled for April 22, 2005.

The resolution was adopted with the favourable vote of all the members of the Board of Directors of Enagas, S.A.

Therefore, the call for the upcoming General Shareholders' Meeting, which is on the agenda for the next Board Meeting on March 17, will include a proposal from the Board of Directors to eliminate the Single Transitory Provision currently included in the Enagas By-laws.

Madrid, 17 February, 2005

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