



Enagás S.A.

Notice of Ordinary General Shareholders' Meeting

At its meeting of 15 February 2016, the Board of Directors of Enagás, S.A. (hereinafter, the "**Company**") agreed to call an Ordinary General Shareholders' Meeting, to be held upon first call on 17 March 2016 at 12:00 pm at Paseo de la Castellana no. 33, Madrid, (premises of Mutua Madrileña) and, if the shareholders then present fail to constitute a quorum as required by law and the Company's Articles of Association, **to be held upon second call on 18 March 2016 at 12:00 pm, also at Paseo de la Castellana 33, Madrid (premises of Mutua Madrileña)**, whereupon the cards issued for the original date and time will still be valid.

Shareholders are advised that the General Shareholders' Meeting is expected to be held upon second call. Should this not be the case, adequate advance notice will be given.

MEETING AGENDA

1. To examine and, if appropriate, approve the 2015 financial statements (balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the financial statements) and management report of Enagás S.A. and its Consolidated Group.
2. To approve, if applicable, the proposed distribution of Enagás, S.A.'s net income for the 2015 financial year.
3. To approve, if appropriate, the performance of the Board of Directors of Enagás, S.A. in 2015.
4. To appoint Ernst & Young, S.L. as Auditor of Enagás, S.A. and its Consolidated Group for 2016, 2017 and 2018.
5. To re-elect Sociedad Estatal de Participaciones Industriales (SEPI) as Director for the four-year term provided for in the Articles of Association. Sociedad Estatal de Participaciones Industriales (SEPI) will serve as proprietary director.
6. To amend articles 3, 23, 44, 45 and 50 of the Articles of Association. The following proposals shall be voted on separately:
 - 6.1.- Amendment to article 3 ("registered office, branches and electronic site") to adapt it to the new wording given in article 285.2 of the Spanish Limited Liability Companies Law by virtue of Law 9/2015 of 25 May on Emergency Insolvency Measures.
 - 6.2.- Amendment to article 23 ("exceptional convening") and of article 50 ("appointment of auditors") to adapt them to the new wording given in articles 169, 265 and 266 of the Spanish Limited Liability Companies Law by virtue of Law 15/2015 of 2 July on Voluntary Jurisdiction.
 - 6.3.- Amendment to article 44 ("Audit and Compliance Committee") to adapt it to the provisions of EU Regulation no. 527/2014 of 16 April and to the wording

given in article 529 quaterdecies of the Spanish Limited Liability Companies Law by virtue of Audit Law 22/2015 of 20 July.

6.4.- Amendment to article 45 ("Appointments, Remuneration and Corporate Social Responsibility Committee") to enable the Board of Directors to resolve, where applicable, the separation of that Committee into two committees in accordance with the Good Governance Code recommendations announced by the Spanish National Securities Market Commission (CNMV).

7. To approve, for the purpose of article 529 novodecies of the Spanish Limited Liability Companies Law, the director remuneration policy for 2016, 2017 and 2018.

8. To approve, for the purpose of article 219 of the Spanish Limited Liability Companies Law, a long-term incentive plan that includes distributing shares, which will be applicable to the executive directors, the members of the Management Committee and the management personnel of both the Company and its group of companies.

9. To submit the annual report on directors' remuneration referred to in article 541 ter of the Spanish Limited Liability Companies Law to an advisory vote.

10. To delegate the Board of Directors, for a maximum of five years and with express replacement powers, the power to resolve issuing, one or more times, any fixed-income securities or analogous simple or secured debt instruments for a maximum of 5 billion euros (5,000,000,000 euros).

To delegate to the Board of Directors, for a maximum of five years and with express replacement powers, the power to resolve issuing, one or more times, any fixed-income securities or analogous convertible debt instruments or those which give the right to subscribe to Company shares or which can be exchanged or give the right to buy shares of the Company or of other companies, for a maximum of one billion euros (1.000.000.000 euros); and to increase share capital by the necessary amount and exclude, where applicable, the pre-emptive subscription right up to a limit of 20% of share capital at the time of this delegation of powers.

12. To draft a report, which is not subject to vote, on amendments to the "Rules and Regulations of the Organisation and Functioning of the Board of Directors of Enagás, S.A." introduced since the last General Meeting of Shareholders for purposes of adapting them to the amendments introduced to the Spanish Limited Liability Companies Law by virtue of Audit Law 22/2015 of 20 July and to the Good Governance Code recommendations established by the Spanish National Securities Market Commission (CNMV).

13. To delegate authorisation to supplement, develop, implement, rectify and formalise the resolutions adopted at the General Meeting.

SUPPLEMENT TO NOTICE OF GENERAL MEETING AND SUBMISSION OF NEW PROPOSALS

In accordance with article 519 of the Spanish Limited Liability Companies Law, shareholders holding at least three percent of the Company's share capital are hereby advised that they may, by certified notice received at the registered office of the Company (Enagás, S.A. Secretaría General, Paseo de los Olmos, 19, 28005 Madrid) within five days of publication of this Notice, require that a supplement to the Notice be published adding one or more items to the agenda, providing that the new items are accompanied by the rationale for each item or, where appropriate, by a proposed resolution and its rationale. Any such supplement to the Notice shall be published at least fifteen days in advance of the scheduled date of the General Shareholders' Meeting.

Shareholders representing at least this same percentage may, within the time limit and in the manner indicated in the foregoing paragraph, present well-founded proposals for resolutions on matters already included or that should be included on the Agenda.

PRESENCE OF A NOTARY AT THE MEETING

In accordance with Article 203 of the Spanish Limited Liability Companies Law, Article 33 of the Articles of Association and Article 14 of the Rules and Regulations of General Meetings, the Board of Directors has arranged for a civil-law notary to be present to take the minutes of the General Shareholders' Meeting.

ATTENDANCE AND VOTING RIGHTS

In accordance with article 27 of the Company's Articles of Association and articles 9 and 11.1 of the Rules and Regulations of General Meetings, the right to attend and vote at a General Shareholders' Meeting rests with those shareholders who, five days prior to the Meeting held upon first call, are holders of the shares registered in the corresponding accounting ledger. Notwithstanding the foregoing, the shareholders entitled to attend cannot vote on the resolutions in which they have a conflict of interest. It is considered that shareholders have a conflict of interest when the resolution is aimed at: i) releasing them from an obligation or granting them a right; ii) providing them with any type of financial assistance, including guarantees in their favour; or iii) exempting them from their obligations arising from their duty of loyalty in accordance with article 230 of the Spanish Limited Liability Companies Law. The shares held by the shareholder in a situation of conflict of interest will be deducted from the share capital for the purposes of calculating the voting quorum in each case.

Shareholders entitled to attend must prove their entitlement by any of the following forms of evidence: a) The appropriate attendance and voting card to be issued by member entities of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores [Spanish central securities clearing house] or such body as may replace it in the future, properly filled out for the purpose, or b) the electronic attendance and voting certificate issued by the entity entrusted with the register of dematerialised shares or the authorised share certificates depository entity, properly filled out for the purpose.

The share capital is divided into TWO HUNDRED AND THIRTY-EIGHT MILLION, SEVEN HUNDRED AND THIRTY-FOUR THOUSAND, TWO HUNDRED AND SIXTY voting shares of the same class and series. Pursuant to the thirty-first additional provision of the Hydrocarbons Industry Act 34/1998 of 7 October and Article 6 bis of the Articles of Association, no natural person or body corporate may hold voting rights of over 3% in Enagás, S.A., and under no circumstances may shares be syndicated. Those parties that operate within the gas sector, including those natural persons or bodies corporate that directly or indirectly possess equity holdings in the former of more than 5%, may not exercise voting rights in Enagás, S.A. in excess of 1%. These restrictions do not apply to direct or indirect interests held by public sector enterprises.

Registration of attendance and voting cards shall start at 10.00 am. Accreditations shall be accepted up to 12.00 pm, when the meeting is scheduled to begin. To ensure registration and meeting arrangements are conducted smoothly, shareholders are kindly asked to arrive well in advance.

Shareholders with the right to vote can do so in person or by proxy by any of the procedures set forth in article 11 of the Rules and Regulations of the General Shareholders' Meeting:

1.- By attending and voting at the meeting in person, with an attendance and voting card properly filled out and signed for the purpose.

2.- By postal vote, enclosing a duly signed and completed attendance and voting card, or by means of electronic communication according to the established procedures, making use of the forms available for this purpose on the Company's website (www.enagas.es).

3. By voting at the Shareholder Office, submitting an attendance and voting card duly signed and filled out.

A vote cast by either of the last two procedures above will only be null and void if:

a) It is later expressly revoked by the same means used for the originally casting the vote', within the time limit established casting votes; or

b) The shareholder casting the vote is present at the General Shareholders' Meeting in person.

Any sale of voting shares effected at least five days before the scheduled date of the Meeting shall render votes cast prior to such sale null and void.

If shareholders validly cast their vote using the same or different means of remote communication, the vote received last will prevail and override any votes received previously.

PROXY RIGHTS

Any shareholder entitled to attend the meeting may procure to be represented at the General Meeting by another person, who need not be a shareholder, provided that the established requirements and formalities are fulfilled. Representation will be valid only for the particular meeting in question, conferred in writing, by post or through electronic means, and provided that the identity of the proxy is properly assured and the security of the electronic communications is guaranteed.

Proxies must identify themselves by their Spanish national identity card (DNI) or their passport and produce a printed copy of the postal or electronic delegation, duly signed by both the proxy and the principal.

A proxy may be revoked at any time. A proxy granted will be considered to be revoked if the principal is present at the Meeting in person. Any votes cast by remote means of communication will render any proxy granted electronically or by post ineffective, and the proxy will be deemed to have been revoked if granted previously, or not to have been granted at all if granted subsequently.

Shareholders who are legally under-age or incapacitated and body corporate shareholders will be represented by persons vested with duly documented powers of representation.

A shareholder may not have more than one representative at a meeting, whether as an appointed proxy or as a representative as determined by law.

If the principal has given voting instructions, the proxy will cast the principal's vote according to said instructions and will be bound to safeguard the instructions for one year starting from the date of the meeting convened. The proxy may represent more than one shareholder, and there are no restrictions on the number of shareholders that can be represented. When a proxy represents various shareholders, the proxy may vote in more than one direction based on the instructions of each shareholder.

In accordance with article 526 of the Spanish Limited Liability Companies Law concerning potential conflict of interest situations, a Director to whom a shareholder has granted proxy may not exercise the voting rights corresponding to the amount of share capital represented on items on the Agenda where there exists a conflict of interest in the case of that Director, unless the Director has received specific voting instructions concerning said items from the principal.

In accordance with the provisions of Article 523 of the Spanish Limited Liability Companies Law and Article 10 of the Rules and Regulations of General Meetings, proxies must inform the respective principal in detail of any conflict of interest prior to their designation. If the conflict arises after the appointment and the proxy holder had not advised the represented shareholder of the possible existence thereof, the proxy holder must inform the shareholder immediately. In both cases, if the proxy holder does not receive new precise voting instructions for each of the matters upon which the proxy holder must vote on behalf of the shareholder, the proxy holder must abstain from casting a vote.

In accordance with the provisions of Article 524 of the Spanish Limited Liability Companies Law, entities appearing as legitimated shareholders according to the register of shareholders but acting on behalf of different persons, may in all cases split the voting rights and exercise them in opposing ways in adherence to divergent voting instructions, should they have received such. These intermediary entities may grant proxy to each of the indirect shareholders or to third-parties designated by same, with no restrictions placed on the number of proxies granted.

PROXY REPRESENTATION AND VOTING BY REMOTE MEANS PRIOR TO THE GENERAL MEETING

Votes cast at the Shareholder Office

If shareholders decide to cast their vote in person or by proxy at the Shareholder Office, they shall submit an attendance and voting card clearly stating the shareholder's identity, number of shares held and vote on each item on the agenda, bearing their written signature, and shall also present their national identity card or passport, if the shareholder is a natural person. In the case of representation, the proxy must present a document accrediting proxy representation, whether the shareholder is a body corporate or a natural person.

Proxy representation and voting by post

In order to appoint a proxy or vote by post, a duly signed and completed attendance and voting card must be sent in a sealed envelope to the Company's registered office (Enagás, S.A. – Shareholder Office – Paseo de los Olmos 19, 28005 Madrid).

Proxy representation and voting by electronic means

Shareholders wishing to grant a proxy or vote electronically must do so the section devoted to the General Meeting on the "Investor relations" page of the Company's website (www.enagas.es), by following the instructions provided for that purpose on each of the windows of said website and filling out the forms provided. To this end, they must provide proof of their identity using: (i) an Electronic User Certificate issued by the Spanish National Mint's Public Certification Authority (CERES) concerning which no revocation has been recorded, or (ii) the recognised electronic certificate incorporated in the Spanish national identity card issued pursuant to Royal Decree 1553/2005 of 23 December regulating the issuance of national identity cards and electronic signature certificates- The certificate must be obtained by the shareholder at no charge to the Company and must be valid at the time of voting.

Common rules

For further information on the procedures and rules relating to these methods of proxy representation and voting, shareholders are referred to the document "Process for voting and appointment of proxies by remote communication for General Shareholders' Meetings", passed by the Board of Directors at its meeting held on 15 February 2016, and available in the section on the General Shareholders' Meetings on the "Investor relations" page on the Company's website (www.enagas.es).

To be valid, appointment of a proxy or vote cast by the aforesaid means must be received at the Company's registered offices (Enagás, S.A. – Shareholder Office – Paseo de los Olmos 19, 28005 Madrid), or through the Company's website (www.enagas.es) in the case of electronic proxy appointments or votes, between the day of Notice of Meeting and no later than twenty-four hours prior to the scheduled date and time of the General Shareholders' Meeting at second call.

After this time, only proxy appointments in writing presented at the shareholder registration desks on the date and time specified for the General Meeting will be admitted.

RIGHT TO INFORMATION

Pursuant to articles 197, 287, 518 and 520 of the Spanish Limited Liability Companies Law, shareholders are advised that they may examine the following information at the registered office of Enagás, S.A. (Paseo de los Olmos, 19, 28005, Madrid), or request that said information be submitted or sent to them free of charge:

- The 2015 annual accounts (balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the financial statements), management report and audit report for both Enagás, S.A. and its Consolidated Group.
- The full text of the Notice of General Meeting, setting out the resolutions proposed for adoption by the Board of Directors, including the full text of each of the resolutions to amend the Articles of Association and, if applicable, the supplement to the Notice of General Meeting and the proposals as presented by the shareholders along with any documentation attached.
- Total number of shares and voting rights at the date of the Notice.
- The attendance and voting card.
- Identity, curriculum vitae, and category of members of the Board of Directors nominated for re-election, along with the proposal and reports as referred to in Article 529 of Spanish Limited Liability Companies Law.
- The report issued by the Board of Directors pursuant to Article 286 of the Spanish Limited Liability Companies Law containing the rationale for the amendments to the Articles of Association referred to in item 6 on the agenda.
- The director remuneration policy for 2016, 2017 and 2018 that is submitted for approval by the General Shareholders' Meeting as item 7 on the Agenda for purposes of article 529 novodecies of the Spanish Limited Liability Companies Law, and the report from the Appointments, Remuneration and Corporate Social Responsibility Committee regarding that policy.
- The Annual Report on Director's Remuneration.
- The report drafted by the Board of Directors in relation to the proposed delegation of power to issue any fixed-income securities or analogous simple or secured debt instruments referred to item 10 on the Agenda.

- The report drafted by the Board of Directors for the purposes of that established in articles 286, 297.1.b) and 511 of the Spanish Limited Liability Companies Law, justifying the proposed delegation of power to issue any fixed-income securities or analogous debt instruments which can be converted into or give the right to subscribe to shares of the Company or of other shares, with the power to increase share capital by the necessary amount and exclude, where applicable, the preferential subscription right up to a limit of 20% of share capital, as referred to in item 11 on the Agenda.
- The report issued by the Board of Directors on amendments made to the "Regulations on the organisation and functioning of the Board of Directors of Enagás, S.A.".
- Annual Report 2015
- The Annual Corporate Governance Report (including the Report on the Activities of the Audit and Compliance Committee).
- The report on the activities of the Appointments, Remuneration and Corporate Responsibility Committee.
- The report from the Audit and Compliance Committee on the independent of the external auditor.
- The report from the Audit and Compliance Committee on related-party transactions.
- The procedures for voting and granting proxies at the General Shareholders' Meeting by remote means of communication approved by the Board of Directors.
- The rules of use of the "Electronic Shareholder Forum" approved by the Board of Directors.

All the above information is available on the "Investor relations" page of the Company's website (www.enagas.es).

In accordance with articles 197 and 520 of the Spanish Limited Liability Companies Law, shareholders are informed that up to the fifth day prior to the General Meeting, or orally during the Meeting itself, they may request from the Directors any information or clarification they deem appropriate, or submit in writing the questions they judge relevant, and request any clarifications concerning any information accessible to the general public which the Company has supplied to the *Comisión Nacional del Mercado de Valores* (Spanish National Securities Market Commission) since the last General Meeting, and also concerning the Auditors' Report.

Pursuant to article 539 of the Spanish Limited Liability Companies Law, an "Electronic Shareholder Forum" has been created on the "Investor relations" tab of the Company's website (www.enagas.es). The rules of use of the forum were approved by the Board of Directors at its meeting on 15 February 2016.

Any other information on the General Shareholders' Meeting not expressly set out in this Notice may be consulted in the Rules and Regulations of General Meetings and in the "Process for voting and appointment of proxies by remote communication for General Shareholders' Meetings" on the "Investor relations" tab of the Company's website (www.enagas.es).

Madrid, 17 February 2016
Secretary to the Board of Directors
Rafael Piqueras Bautista
Enagás, S.A.

NOTE: Shareholders are informed that, as of **7 March and until 17 March**, both inclusive, the customary gift and the documents mentioned in this Notice of Meeting will be available from the **Shareholder Office** at the Company's registered office, Paseo de los Olmos 19, 28005 Madrid, from 10.00 am to 2.00 pm and from 4.00 pm to 6.00 pm, Monday to Friday, on presentation of the attendance and voting card.

Shuttle bus service: Enagás will provide a clearly marked complimentary shuttle bus service for shareholders on **18 March 2016**, departing from the Company's registered offices, located at Paseo de los Olmos, 19, 28005 Madrid, at 11.00 am. After the conclusion of the General Shareholders' Meeting, the shuttle bus will return to its point of departure.