

SPANISH SECURITIES MARKET COMMISSION

Attn.: Mr Rodrigo Buenaventura
Head of Markets
Pº de La Castellana, 19
28046 MADRID

Madrid, 14 December 2010

Dear Sir

Pursuant to the provisions of Article 82 of the Securities Market Law, please see the following **RELEVANT EVENT**:

1. The 13th December 2010, Red Eléctrica de España, S.A.U. and Endesa Distribución Eléctrica, S.L. have proceed to formalised the close of the Sale and Purchase Agreement regarding the acquisition of the electricity transport network assets, subscribed the 1st July 2010, in accordance to the terms of the Ninth Temporary Provision of Law 17/2007 dated 4 July, amending Electricity Sector Law 54/97.
2. The price amounts to Euro 1,412 million.
3. Red Eléctrica de España, S.A.U. and Endesa Distribución Eléctrica, S.L. will collaborate during a sensible transitory period for the adequate electricity service providing, in order to optimise the application of the new set of rules.

Yours sincerely,

Signed: Esther M^a Rituerto Martínez