



PRESS RELEASE

MEDGAZ changes its registered and tax address to Almería

- **Pedro Miró, MEDGAZ Chairman, states that “it is a key step in our contributions towards sustainable development and the social, cultural and economic progress of Almería”**
- **Pedro Miró met the Regional Minister of Innovation, Martín Soler, today, 6th November**

Almería, 6 November 2009- MEDGAZ, the company in charge of designing, building and operating the Algerian-Spanish submarine gas pipeline, has decided to change its registered and tax address to Almería, a decision in line with its target of “contributing to sustainable development and the social, cultural and economic progress of Almería”. The Regional Minister of Innovation, Science and Enterprise, Martín Soler of Almería, was informed of this decision by the Chairman of the company, Pedro Miró, during a meeting held today at the Government Office in Almería.

This means in practice that MEDGAZ will pay taxes in Andalusia, so benefiting the province. Likewise, it has established its head office and control room in Almería, thus fostering local job creation. Pedro Miró emphasized that “MEDGAZ adopts this decision with the intention to stay and create value in Almería”.

MEDGAZ, whose shareholders are Sonatrach, Cepsa, Iberdrola, Endesa and Gaz De France Suez, is in charge of building the first gas ultra-deep water (over 2000 meters) pipeline crossing the Mediterranean Sea from Algerian to Spain. Therefore, its settlement in Almeria will enable this province to be promoted abroad and be linked with an innovative project and clean energy.



PRESS RELEASE

As mentioned above, the commitment of the company with Almería also will result in local job creation. MEDGAZ expects to create about 60 direct jobs in the operational phase, notably among young graduates and women.

In this regard the Andalusian Government's Provincial Office for Employment and MEDGAZ organized a Professional Development and Occupational Training (FPO) course aimed at training MEDGAZ potential employees to become industrial plant panel operators, with a commitment from MEDGAZ to hire at least 60% of those who successfully finished the course.

Finally, it benefits the companies of Almería, which will have a closer access to this clean energy provided by MEDGAZ to the Spanish gas system.

MEDGAZ is also active in the province of Almería by both its membership of Fundación Mediterránea Empresa-Universidad, and the cooperation agreement with the Port Authority and the University of Almería to develop an environment management program.

Today's meeting attendees included Pedro Miró, Chairman, Juan Vera, General Manager, and, Joaquín Leirado, Director of Support and Institutional Relations of MEDGAZ; and Martín Soler, Andalusian Minister of Innovation, Science and Enterprise, Miguel Corpas, Andalusian Government Representative for Almería, and Sonia Rodríguez, Provincial Representative for Innovation, Science and Enterprise. Andrés Heras, maximum representative of the Spanish Government in Almería, also attended this meeting.

MEDGAZ is the company in charge of building and operating the Algerian-European Pipeline, via Spain. With an initial capacity of 8 BCM/year, MEDGAZ will transport natural gas from Beni Saf on the Algerian coast up to landfall in Almería. Its

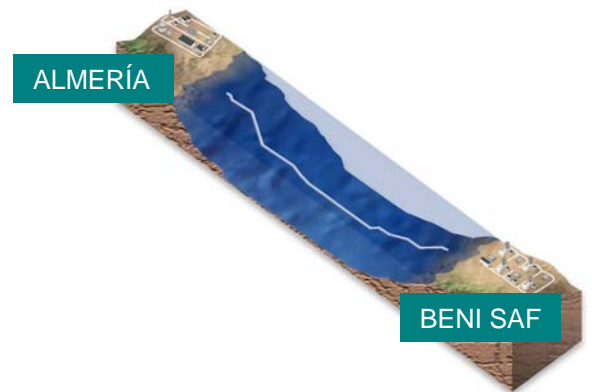


PRESS RELEASE

start-up will improve security of supply, provide a more direct and therefore cost-effective way of delivering gas to southern Europe and make a positive contribution towards the targets set out in the Kyoto Protocol through the use of cleaner energies such as natural gas

MEDGAZ: Technical Data Sheet

- ❖ Capacity: 8 bcm/year
- ❖ Length: 210 Km (between Beni Saf and Almería).
- ❖ Diameter: 24 inches (610 mm).
- ❖ Maximum water depth: 2,160 m.
- ❖ Land based facilities: Compressor Station (Algeria) and Receiving Terminal (Almería).
- ❖ Investment: 900 million euros.
- ❖ Shareholders: SONATRACH (36%), CEPSA (20%), IBERDROLA (20%), ENDESA (12%) and GAZ DE FRANCE SUEZ (12%).



MEDGAZ SA
External Relations
Tel. +34 950 24 23 47
www.medgaz.com