MEDGAZ

PRESS RELEASE

MEDGAZ celebrates its first year of activity with 100% disponibility.

- **The operation of the system has been stable during the first year of imports of natural gas into Spain**
- **The Board of Directors commemorates the ephemeris at the meeting held today in Almeria.**
- **MEDGAZ has its headquarters and employs 60 people in Almeria**

Almeria, May 30, 2012-MEDGAZ completed on the last 1 May the first year of the beginning of the commercial operations of importing natural gas from Algeria to Spain through its gas pipeline, and the anniversary has been commemorated in the Board of Directors Celebrated today, May 30, at its headquarters in Almeria. During the session, it was reminded with satisfaction that the gas pipeline is technically stable with 100% availability during its already 400 days.

MEDGAZ connected its gas pipeline to the Spanish gas system on March 5, 2011 and began commercial operations on April 1. In this line, MEDGAZ has successfully incorporated itself into the set of alternative gas infrastructures for entry, with a similar degree of utilization during 2011. The expected technical life of the pipeline exceeds 50 years, reason why it is planned to cover the demands of natural gas in the long term.

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PRESS RELEASE

Employment in Almeria

The Company is nowadays one hundred percent from Almeria, after moving its headquarters from Madrid to Almeria, where the Reception Terminal, its offices and the control room are located. This fact means that it pays its taxes in Andalusia, with the consequent benefits for the province. At the same time, through the Port of Almeria, the company manages its maintenance and logistic activities.

In the same way MEDGAZ has opted for local staff, with the creation of 60 jobs in Almeria, with an average age between 30 and 35 years old, and a special incidence among women. These are highly qualified professionals, who participate in ongoing technical and language training programs. Another objective of MEDGAZ, within its social responsibility, is the reconciliation of the work and family life of its workers.

MEDGAZ, which has Sonatrach (36%), Cepsa (20%), Iberdrola (20%), Endesa (12%) and Gaz De France Suez (12%), as shareholders, is the Company responsible for the construction of the gas pipeline Algeria- Europe, via Spain, as well as its transportation. It Imports natural gas directly from Beni Saf, on the Algerian coast, to Almeria. Its entry into operation has meant an improvement in security of supply, a more direct and therefore cost-effective way of supplying southern Europe and a positive contribution to the objectives set out in the Kyoto Protocol by bringing closer clean energy, as is natural gas.

The construction of MEDGAZ has been an innovation in engineering, as it is the first Mediterranean submarine gas pipeline built at more than 2,000 meters depth, specifically 2,160 meters. Its length is 201 km. To perform this infrastructure some of

the best companies in this sector in the world have participate. More than 900 million euros have been invested.

As part of MEDGAZ's commitment to sustainability, the Company has obtained the certification that recognizes the environmental quality of its infrastructure and all the processes that integrate the project management. In this regard, it has successfully passed the certification process in accordance with the ISO 14001 International Environment Management Standard. It also has the Quality management certificate ISO 9001. In the same way, and due to its concerns and respect for industrial safety and hygiene, it has been recognized by OSHAS 18001 International Standard. At the same time, it has signed a collaboration agreement with the Port of Almeria and the University of Almeria (UAL), for which it is developing a research program on environmental management.

MEDGAZ: Tecnical Data

- Capacity: 8 bcm / año
- Length: 210 Km (entre Beni Saf y Almería).
- Diameter: 24 inches (610 mm).
- Maximum depth of the water: 2.160 m.
- Installation on shore:
  - Compression Station (Algeria)
  - Reception Terminal (Almeria).
- Investment: 900 million euros.
- Shareholders: SONATRACH (36%), CEPSA (20%), IBERDROLA (20%), ENDESA (12%) and GAZ DE FRANCE SUEZ (12%)

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