



Julián Martínez-Simancas
Secretary of the Board of Directors

Bilbao, 30 November 2018

To the National Securities Market Commission

Subject: Completion of the transfer of the equity stake of Iberdrola Renovables Castilla-La Mancha, S.A. (Sociedad Unipersonal) in, and assignment of the loan granted by Iberdrola Financiación, S.A. (Sociedad Unipersonal) to, Iberdrola Energía Solar de Puertollano, S.A.

Dear Sirs,

Pursuant to article 17 of Regulation (EU) No. 596/2014 on market abuse and article 226 of the restated text of the Securities Market Law approved by the Royal Legislative Decree 4/2015, of 23 October (*texto refundido de la Ley del Mercado de Valores aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre*) and related provisions, we hereby inform you of the consummation, on the date hereof, of (i) the completion of the sale by Iberdrola Renovables Castilla-La Mancha, S.A. (Sociedad Unipersonal) of all its shares of Iberdrola Energía Solar de Puertollano, S.A. ("**Ibersol**"), representing 90 % of its share capital; and (ii) the assignment by Iberdrola Financiación, S.A. (Sociedad Unipersonal) of the loan granted by it to Ibersol (the "**Loan**"). Both transactions were disclosed by means of a significant event dated 18 October 2018 (official registry number 270615).

It is hereby disclosed, for the appropriate purposes, that the purchaser of Ibersol's shares and the assignee of the Loan is Ence Energía Solar, S.L. (Sociedad Unipersonal), a subsidiary of Ence Energía, S.L., an entity belonging to the group of which Ence Energía y Celulosa, S.A. is the parent company.

The definitive transaction consideration has been of approximately EUR 181.3 million. This figure does not include the amount corresponding to an earn-out of up to EUR 6.3 million which may be accrued. The transaction is not expected to have a meaningful impact on the consolidated profit and loss account of the Iberdrola group for 2018.

This transaction is framed within the EUR 3,000 million assets rotation strategy announced in the Investors Day held in February 2018.

This information is provided to you for the appropriate purposes.

Yours faithfully,

Secretary of the Board of Directors

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This communication contains forward-looking information and statements about Iberdrola, S.A., including financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future transactions, capital expenditures, synergies, products and services, and statements regarding future performance. Forward-looking statements are statements that are not historical facts and are generally identified by the words “expects”, “anticipates”, “believes”, “intends”, “estimates” and similar expressions.

Although Iberdrola, S.A. believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of Iberdrola, S.A. shares are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Iberdrola, S.A., that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the public documents sent by Iberdrola, S.A. to the Comisión Nacional del Mercado de Valores.

Forward-looking statements are not guarantees of future performance. They have not been reviewed by the auditors of Iberdrola, S.A. You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date they were made. All oral or written forward-looking statements hereby made or otherwise attributable to Iberdrola, S.A. or any of its members, directors, officers, employees or any persons acting on its behalf are expressly qualified on its entirety by the cautionary statement above. All the forward-looking statements included herein are based on information available to Iberdrola, S.A. on the date hereof. Except as required by applicable law, Iberdrola, S.A. does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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