

## UPCOMING EVENTS

2006 FIRST HALF RESULTS: JULY 20th, 2006. MADRID. 9:30 a.m. Iberdrola Corporate Building. Video-broadcast live.

## IBERDROLA's Net Electricity Production (provisional) (\*)

SPAIN	April – June 2006			Year 2006		
	GWh	% Weight	Vs 2005	GWh	% Weight	Vs 2005
Hydro	2,604	17.4%	12.6%	4,756	14.6%	6.4%
Nuclear	5,765	38.6%	32.7%	12,427	38.0%	15.2%
Coal	933	6.3%	-26.2%	2,629	8.0%	-19.0%
Fuel-Oil	230	1.5%	-65.8%	787	2.4%	-58.0%
Combined Cycle	3,317	22.2%	-1.5%	7,379	22.6%	18.1%
Cogeneration	341	2.3%	-0.3%	715	2.2%	-0.6%
Renewables	1,735	11.6%	2.1%	3,988	12.2%	14.9%
Wind	1,570		4.2%	3,663		16.2%
<b>TOTAL</b>	<b>14,925</b>	<b>100.0%</b>	<b>6.6%</b>	<b>32,681</b>	<b>100.0%</b>	<b>6.1%</b>
Demand	23,408		1.6%	49,581		2.5%
Hydro Reservoir levels at 06.30.06				51.3% (5,788 GWh)		

LATAM	GWh	% Weight	Vs 2005	GWh	% Weight	Vs 2005
Hydro	288	5.1%	11.6%	518	4.7%	9.3%
Combined Cycle	5,231	92.9%	23.3%	10,266	93.2%	20.6%
Cogeneration	114	2.0%	-8.8%	236	2.1%	7.3%
<b>TOTAL</b>	<b>5,633</b>	<b>100.0%</b>	<b>21.8%</b>	<b>11,020</b>	<b>100.0%</b>	<b>19.7%</b>
Demand (managed)	6,985		4.8%	13,815		4.8%

GROUP	GWh	% Weight	Vs 2005	GWh	% Weight	Vs 2005
<b>TOTAL NET PRODUCTION</b>	<b>20,558</b>		<b>10.4%</b>	<b>43,701</b>		<b>9.2%</b>
<b>TOTAL DEMAND</b>	<b>30,393</b>		<b>2.4%</b>	<b>63,396</b>		<b>3.0%</b>

(\*) Production accorded to the consolidation method used

## Spanish Energy Balance (Provisional. Source: Red Eléctrica de España, S.A.)

	April – June 2006		Year 2006	
	GWh	Vs 2005	GWh	Vs 2005
Hydro	5,922	-4.6%	11,662	4.2%
Nuclear	13,299	13.4%	29,390	7.8%
Coal	14,892	-17.1%	33,384	-12.6%
Fuel-Oil	922	-58.2%	2,687	-53.8%
Combined Cycle	15,475	33.2%	31,571	44.3%
GROSS PRODUCTION O. Regime	50,510	1.6%	108,695	4.2%
Own consumption	-1,918	-8.0%	-4,209	-5.0%
Special Regime	12,274	-2.1%	25,830	0.2%
NET PRODUCTION	60,866	1.1%	130,316	3.7%
Pumping consumption	-1,011	-44.7%	-2,547	-26.0%
International Exchanges	-188	N/A	-1,956	N/A
DEMAND IN TRANSMISSION	59,668	1.5%	125,813	2.0%

## Wholesale Market data

	April – June 2006	Año 2006
Bilateral: average price (€ / MWh) (*)	42.35	42.35
Daily Market average price (€ / MWh)	51.40	64.03
Total Markets average price (€ / MWh)	62.53	68.30
Iberdrola's total market share (**)	24.5%	25.5%

(\*) Since 03/03/06. Includes all items

(\*\*) Iberdrola's total Production over Total Demand in Spain

## IBERDROLA's Installed Capacity (provisional)

SPAIN	H1 2005		H1 2006	
	MW	% Weight	MW	% Weight
Hydro	8,820	38.2%	8,819	35.7%
Nuclear	3,335	14.5%	3,344	13.5%
Coal	1,247	5.4%	1,253	5.1%
Fuel-Oil	2,888	12.5%	2,889	11.7%
Combined Cycle	3,200	13.9%	4,000	16.2%
Cogeneration	295	1.3%	387	1.6%
Renewables	3,280	14.2%	4,004	16.2%
<b>TOTAL</b>	<b>23,065</b>	<b>100.0%</b>	<b>24,696</b>	<b>100.0%</b>

LATAM	H1 2005		H1 2006	
	MW	% Weight	MW	% Weight
Hydro	299	9.1%	307	9.3%
Combined Cycle	2,897	88.1%	2,897	87.9%
Cogeneration	93	2.8%	93	2.8%
<b>TOTAL</b>	<b>3,289</b>	<b>100.0%</b>	<b>3,297</b>	<b>100%</b>

GROUP	H1 2005		H1 2006	
	MW	% Weight	MW	% Weight
Hydro	9,119	34.6%	9,126	32.6%
Nuclear	3,335	12.7%	3,344	11.9%
Coal	1,247	4.7%	1,253	4.5%
Fuel-Oil	2,888	11.0%	2,889	10.3%
Combined Cycle	6,097	23.1%	6,897	24.6%
Cogeneration	388	1.5%	480	1.7%
Renewables	3,280	12.4%	4,004	14.3%
<b>TOTAL INSTALLED CAPACITY</b>	<b>26,354</b>	<b>100.0%</b>	<b>27,993</b>	<b>100%</b>

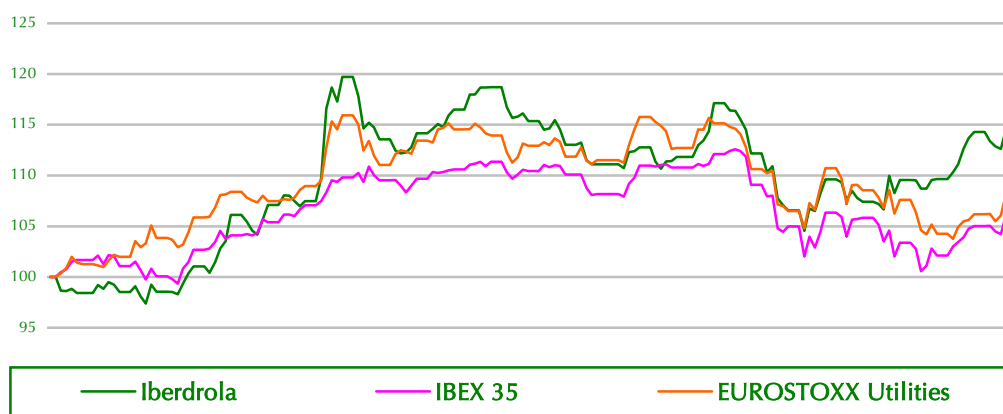
## IBERDROLA's Emissions Indicators (provisional)

	H1 2005	H1 2006
CO2 emissions over the period (gr. CO2 /KWh): Total	260	231
CO2 emissions over the period (gr. CO2 /KWh): Spain	231	189
Emission-free production: total (GWh)	19,201	21,689
Emission-free production: Spain (GWh)	18,727	21,171
Ratio of emission-free production to total production (%)	48.0%	49.6%
Ratio of emission-free production in Spain to total production (%)	60.8%	64.8%
Total emission-free installed capacity: Total (MW)	15,742	16,474
Total emission-free installed capacity: España (MW)	15,435	16,167
Emission-free installed capacity: Total (%)	59.7%	58.9%
Emission-free installed capacity: España (%)	66.9%	65.5%

## Stock Market

	Iberdrola	Ibex 35	EuroStoxx Utilities
April- June 2006			
Max (Date)	27.04 (05/05/06)	12,083.3 (05/09/06)	439.88 (04/21/06)
Min (Date)	24.14 (05/22/06)	10,797.5 (06/13/06)	394.31 (06/19/06)
Quartely Change	+1.09 %	-2.58 %	-2.35 %
Year 2006			
Max (Date)	27.64 (02/24/06)	12,083.3 (05/09/06)	440.46 (02/24/06)
Min (Date)	22.49 (01/18/06)	10,665.60 (01/24/06)	379.97 (01/01/06)
Yearly Change	+16.63 %	+7.59 %	+10.29 %

**Iberdrola, Ibex35 & EuroStoxx Utilities in 2006  
(January 1 - June 30)**



Ratios		Dividend Information	
Market Capitalization (06/30/06)	24,279	Gross Interim (01/02/06)	0.367
P/E (price at 06/30/06 / EPS 05)	17.6	Gross Final (06/03/07)	0.518
P/BV (price at 06/30/06 / Equity 05)	2.6	Dividend Yield (Div. paid / Close price 05)	3.8%

## Financials

		T1 2006	
		MME	Vs. T1 2005 (%)
Gross Margin		1,493.9	+21.8
EBITDA		1,056.6	+21.3
EBIT		788.4	+24.5
Profit before taxes		630.7	+16.9
Net profit		403.2	+16.3

		MME	Vs. Dec. 2005
Total Assets		31,712	+1,233
Equity		9,486	+71
Net Debt		13,031	+820
Capex		435	+15

		T1 2006	T1 2005
EPS		0.45	0.38
CFPS		0.74	0.63
Gearing		57.9%	56.5%

		Senior Unsecured Debt Credit Rating	Outlook
S&P		A+	Credit watch negative
Moody's		A2	Credit watch negative
Fitch		AA-	Credit watch negative

(\*) By virtue of the agreement for the acquisition of assets signed with Gas Natural and subject to the approval of the pertinent authorities:

- S&P has placed IBERDROLA Senior Unsecured Debt Credit Rating at "credit watch with negative implications"
- Moody's has placed IBERDROLA Senior Unsecured Debt Credit Rating at "review for a possible downgrade"
- After Government approval of Gas Natural bid over Endesa, Fitch placed the Senior Unsecured Debt Credit Rating of IBERDROLA at "credit watch negative" (RWN). On February of 2006, it upgraded such rating from A+ to AA- as a result of a change in its analysis methodology.

## Sustainability

	Rating / Situation
<b>Sostenibilidad</b>	
Dow Jones Sustainability World Index 05	77 points / Group of leaders: Among the top 3 in the <i>Worldwide Utilities</i> category
Dow Jones Sustainability Stoxx Index 05	77 points / Group of leaders: Among the top 3 in the <i>European Utilities</i> category
OEKOM	B- / Group of leaders: Top Spanish company and among the top 3 in the <i>Worldwide Utilities</i> category
Global 100 Most Sustainable Corporations in the Wo	IBERDROLA among the 100 most sustainable companies in the world
Pacific Sustainability Index (PSI)	Group of leaders: Among the top 3 in the <i>Energy &amp; Utilities Sectors</i> category
Carbon Disclosure Project	Member of the Climate Leadership Index 2005
Business Week, Climate Group	Group of leaders: Among the top 3 in the ranking of most outstanding companies in the management of greenhouse gases
INNOVEST	Included in group 5 "Best in Class" in the utilities industry.
VIGEO	Ranking of from neutral to positive in the main categories
EIRIS - Evaluator of FTSE4GOOD	IBERDROLA is in the process of evaluation
Corporate reputation	
MERCO 2006	Leader in the energy, gas, and water industry
Corporate governance	
FTSE ISS Corporate Governance Index (CGI)	Iberdrola has been included in the index