



Julián Martínez-Simancas
General Secretary and Secretary of the Board of Directors

Bilbao, October 6th, 2010

To the National securities Market Commission

SUBJECT: Issuance of notes in the Euromarket

Dear Sirs,

We are pleased to inform you that Iberdrola, S.A., through its subsidiary Iberdrola Finanzas, S.A., has closed as of the date hereof an issuance of notes in the euromarket guaranteed by Iberdrola, S.A., out of its Euro Medium Term Note Programme, for an amount of 750 million Euros.

The Notes mature on October 2016, has an annual coupon of 3,50% and are being issue at a price of 99,856% of their nominal value.

The issuance of the notes has been managed and distributed by Barclays, Bank of America/Merrill Lynch, ING Bank, Banco Bilbao Vizcaya Argentaria, S.A. and Caja Madrid.

Yours faithfully,

General Secretary and Secretary of the Board of Directors

NOTICE. This document is a translation of a duly approved Spanish-language document, and is provided for informational purposes only. In the event of any discrepancy between the text of this translation and the text of the original Spanish-language document which this translation is intended to reflect, the text of the original Spanish-language document shall prevail.