

Bilbao, 21 June 2011

To the National Securities Market Commission

Re: Appointment of internal positions of the Audit and Risk Supervision Committee and of the new Counsel to the Board of Directors

Dear Sirs:

We hereby advise you that, as of the date hereof, the Board of Directors of Iberdrola, S.A. (“**Iberdrola**”) has unanimously approved, following the proposal of his Chairman and Chief Executive Officer, the following resolutions:

- (i) Due to the forthcoming expiration of the period for which Mr. Sebastián Battaner Arias was appointed as Chairman of the Audit and Risk Supervision Committee, to appoint Mr. Julio de Miguel Aynat, Secretary of said Committee to date, as new Chairman of the Audit and Risk Supervision Committee.
- (ii) Appointment of Mr. Santiago Martínez Lage, member of the Audit and Risk Supervision Committee, as new Secretary of said Committee, replacing Mr. Julio de Miguel Aynat.

Therefore, from now on, the Audit and Risk Supervision Committee will be formed as follows:

Director	Title
Mr. Julio de Miguel Aynat	Chairman
Mr. Santiago Martínez Lage	Secretary
Mr. Sebastián Battaner Arias	Member

- (iii) Appointment of Mr. Rafael Mateu de Ros Cerezo as new Counsel to Iberdrola’s Board of Directors, replacing Mr. Federico San Sebastián Flechoso.

Yours truly,

General Secretary and Secretary of the Board of Directors