



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

Bilbao, March 15, 2011

**To the National Securities Market Commission**

**Re: Admission to trading of the new shares of IBERDROLA, S.A. issued in the context of the share capital increase subscribed for by QATAR HOLDING LUXEMBOURG II S.À R.L.**

Dear Sirs,

We refer to our notice of significant event (*hecho relevante*) dated March 14, 2011 (registry number 140,127), relating to the execution of a Strategic Memorandum of Understanding by and between IBERDROLA, S.A. (“**Iberdrola**”) and QATAR HOLDING LLC and the acquisition of an interest of 6.16% (post capital increase) in the share capital of Iberdrola by QATAR HOLDING LUXEMBOURG II S.À R.L. (a wholly-owned subsidiary of QATAR HOLDING LLC).

Pursuant to the provisions of Section 82 of Law 24/1988, of July 28, on the Securities Market (*Ley 24/1988, de 28 de julio, del Mercado de Valores*) and related provisions, we hereby advise you that, subject to compliance with all legal requirements (in particular, the verification of such compliance by this Commission), the three hundred and thirty-eight million three hundred and fifty-three thousand (338,353,000) new shares are expected to be admitted to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges (through the Automated Quotation System - Electronic Market), on March 15, 2011 and that ordinary trading of the referred shares is expected to commence on March 16, 2011.

Please be advised of all of the foregoing for such purposes as may be appropriate.

Yours truly,

General Secretary and Secretary of the Board of Directors

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## **IMPORTANT INFORMATION**

This communication does not constitute an offer to purchase, sell or exchange or the solicitation of an offer to purchase, sell or exchange any securities. The shares of IBERDROLA, S.A. may not be offered or sold in the United States of America except pursuant to an effective registration statement under the Securities Act or pursuant to a valid exemption from registration.