First Quarter / 2015
Results Presentation

IBERDROLA

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ADDITIONAL INFORMATION AND WHERE TO FIND IT

Iberdrola USA, Inc. will file with the United States Securities and Exchange Commission ("SEC") a registration statement on Form S-4, in which a proxy statement will be included as a prospectus, and other documents in connection with the proposed merger. The UIL Holdings Corporation ("UIL") proxy statement/prospectus will be sent to the stockholders of UIL. STOCKHOLDERS OF UIL ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS, AND ANY OTHER FILINGS THAT MAY BE MADE WITH THE SEC IN CONNECTION WITH THE MERGER WHEN THEY BECOME AVAILABLE, AS THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE MERGER. The registration statement and proxy statement/prospectus and other documents which will be filed by Iberdrola USA, Inc. with the SEC, when filed, will be available free of charge at the SEC's website at www.sec.gov, on Iberdrola USA, Inc.'s website at http://www.iberdrolausa.com or by contacting Iberdrola's Investor Relations Department. Such documents are not currently available. You may also read and copy any reports, statements and other information filed by Iberdrola USA, Inc. and UIL with the SEC at the SEC public reference room at 100 F Street N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at (800) 732-0330 or visit the SEC's website for further information on its public reference room. Certain executive officers and directors of UIL have interests in the proposed transaction that may differ from interests of stockholders generally, including benefits conferred under retention, severance and change in control arrangements and continuation of director and officer insurance and indemnification. This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to appropriate registration or qualification under the securities laws of such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Highlights of the period

Highlights of the period

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EBITDA grows 8.8% to Eur 2,136 M
due to strong operational performance and F/X impact

Gross Margin up 6.8% to Eur 3,614 M
driven by Networks (+17.3%) and Renewables (+21.6%)

Operational efficiency improvement
Net Operating Expenses down 2.4% (excluding F/X impact)

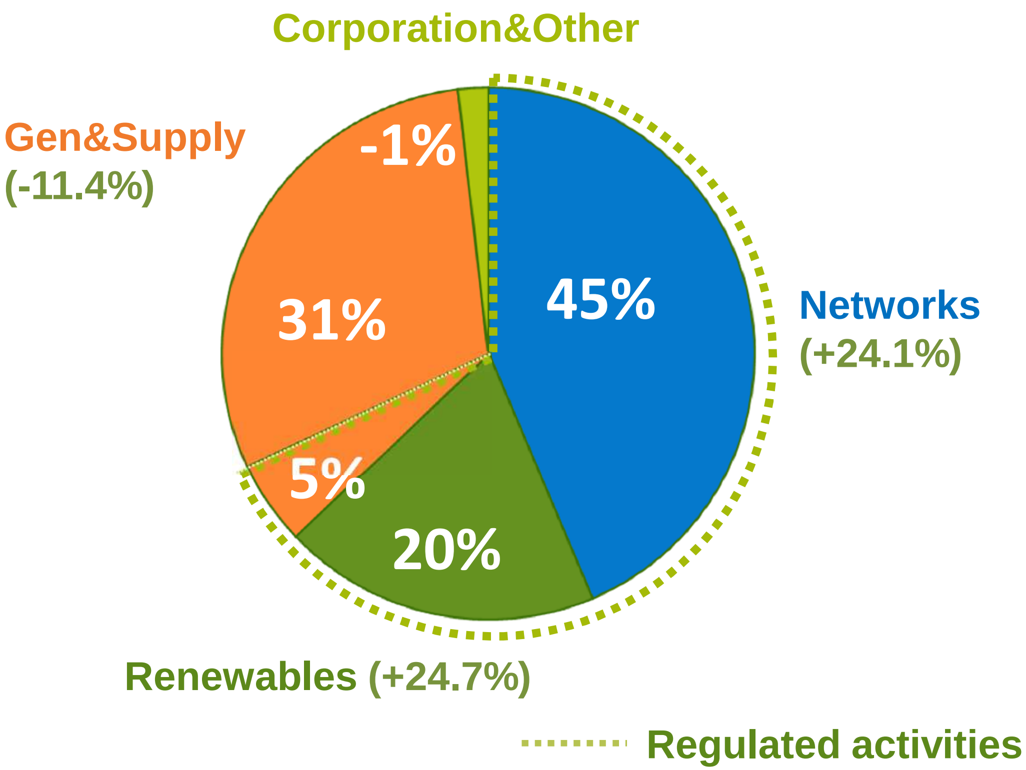
Operating Cash Flow (FFO) up 6.6% to Eur 1,658 M
Exceeding investments across all businesses

Improving financial ratios
Net Debt to EBITDA ratio improves to 3.7x

Recurring Net Profit increases 7.2% to Eur 796 M
and Net Profit reaches Eur 841 M

EBITDA up 8.8% to Eur 2,136 M…

EBITDA by business



Operating highlights

Networks ▲
- Improvements in all regions thanks to increased RAB
- Efficiency gains

Renewables ▲
- Higher prices in Spain
- Increased production in UK (offshore) and Latam

Generation & Supply ▼
- Generation mix (lower hydro production in Spain)
- Q1 2014 one-off positive results in gas business (Spain and US)

... due to 14.5% increase in contribution from international businesses

Operating Cash Flow

First Quarter
/ 2015

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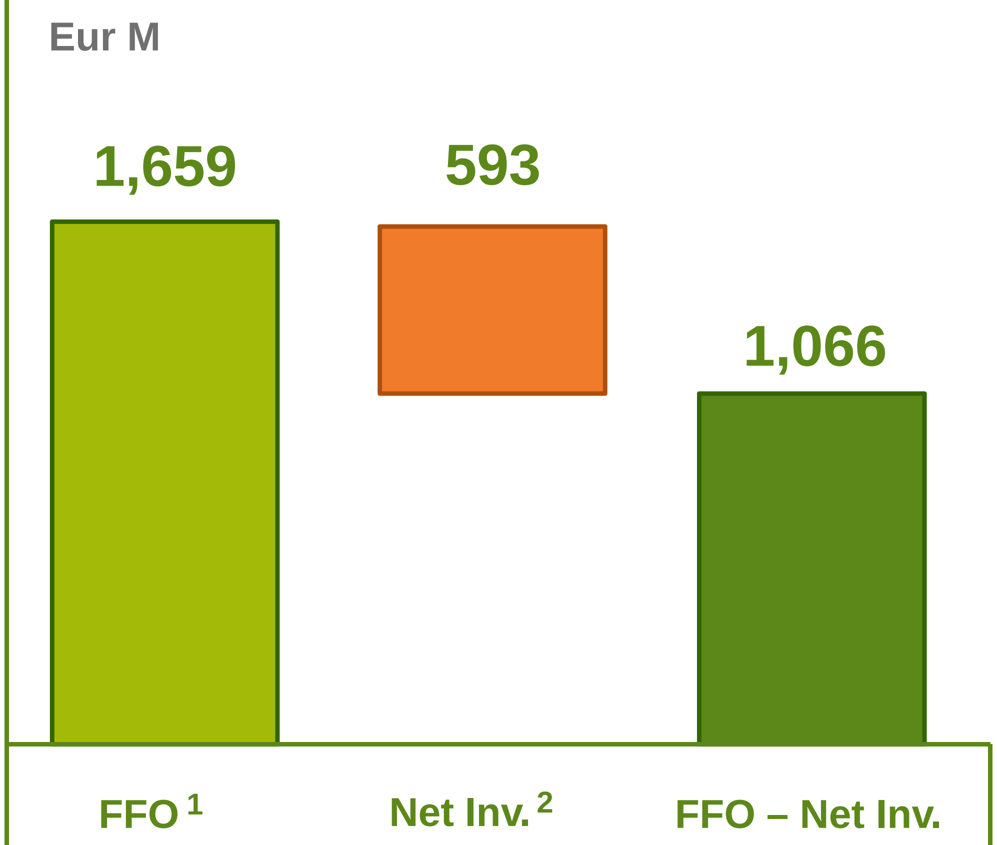
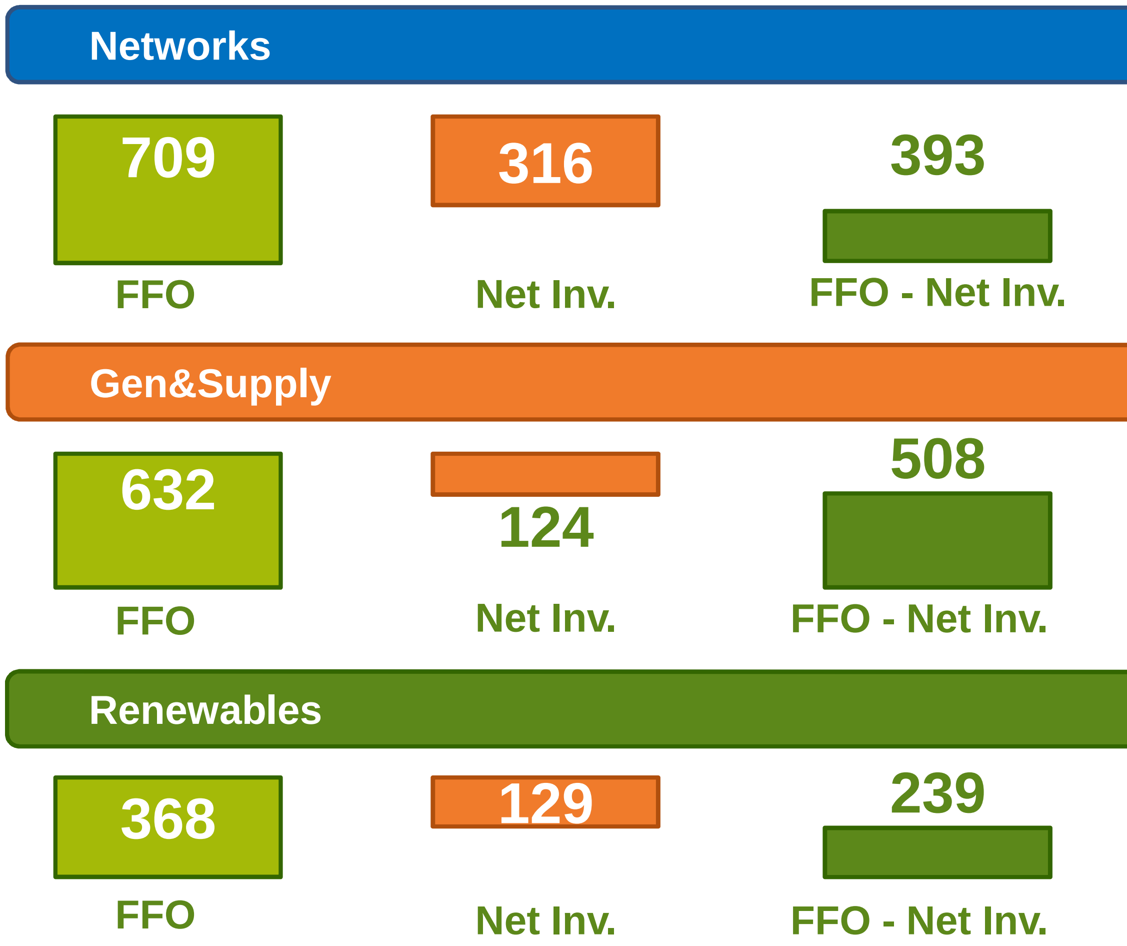
Operating Cash Flow (FFO) up 6.6% to Eur 1,658 M exceeding investment levels across all businesses



Global figures include Corporation and Other Businesses



1. *FFO = Net Profit + Minority Results + Amortiz.&Prov. – Equity Income – Net Non-Recurring Results + Fin. Prov.+ Goodwill deduction + Dividends from companies accounted via equity – /+ reversion of extraordinary tax provision*
2. *Investment net of grants and ex-capitalised costs*

Solid foundations for growth from 2015 onwards, focusing on Networks…

Networks

United Kingdom:

- ✓ Investments under DPCR5 completed on time and according to agreed conditions
- ✓ Increasing RAB through approved regulatory frameworks: RIIO-T1 for Transmission (2021) and RIIO-ED1 for Distribution (2023) with TOTEX of Eur 8.3 Bn

United States:

- ✓ Rate case approved in Maine
- ✓ 2015-2019 investment plan in Maine of Eur 800 M
- ✓ Rate case in New York in early stages of negotiation
- ✓ 2015-2019 investment plan in New York of Eur 2.6 Bn
- ✓ Several additional Transmission opportunities
- ✓ New York "Reforming Energy Vision" regulation underway
- ✓ Iberdrola USA-UIL Holdings merger expected to be closed in Q4 2015

Brazil:

- ✓ Extraordinary tariff update (February): +24% for Elektro and between 2-5% for Coelba, Cosern and Celpe
- ✓ Ordinary tariff reviews in April: Coelba (+11.4%), Cosern (+9.6%) and Celpe (11.2%)

… Renewables and contracted Generation, in countries with predictable regulation and growing demand

Renewables

United Kingdom:
- ✓ Onshore: 7 wind farms (450 MW) underway, entering operation in 2016-17
- ✓ New offshore wind farm awarded (East Anglia One, 714 MW) to be built over 2017-19

Germany:
- ✓ Wikinger offshore wind farm (350 MW) under construction, in operation in 2017

United States:
- ✓ Baffin wind farm (202 MW) completed
- ✓ Deerfield wind farm (in Vermont) under construction and c. 900 additional MWs qualified under PTC extension

Mexico:
- ✓ 2 wind farms under construction (136 MW), entering operation this year
- ✓ Pipeline of 1,500 MW (wind and solar PV)

Brazil:
- ✓ 2 auctions awarded (to build 174 MW), in operation in 2016-17
- ✓ Pipeline of 1,000 MW (wind)

Contracted Generation

Mexico:
- ✓ 2 CCGT plants and 2 cogenerations under construction (700 MW); new projects and new contracts with private customers in negotiation

Update on Iberdrola USA-UIL Holdings merger

The authorisation process continues as planned

Filing	Estimated date
Department of Justice and Federal Trade Commission under the Hart-Scott-Rodino Antitrust Act (HSR)	"Early termination" received April 7, 2015 ✓
Federal Communications Commission (FCC)	Q3 2015
Committee on Foreign Investments in the United States (CFIUS)	
Federal Energy Regulatory Commission (FERC)	
Connecticut Public Utilities Regulatory Authority (CT PURA)	
Massachusetts Department of Public Utilities (MA DPU)	Q4 2015
New York Stock Exchange (NYSE)	
S-4 Form Registration (SEC)	
UIL shareholders approval	

We expect to close the transaction in Q4 2015

Other highlights of the period

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General Shareholders' Meeting 2015

Quorum of 78.65%

Strong support for all the items on the Agenda

The Board of Directors approved on April 28th 2015:

Execution in July of scrip dividend program of at least

Eur 0.113 per share + Eur 0.03 per share in cash

to maintain annual shareholder remuneration floor of Eur 0.27/share

Capital reduction of 148,483,000 shares (2.324% of total capital) to maintain total number of shares at 6,240 million

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Conclusion

Q1 2015 Results allow us to confirm our 2015 guidance provided in February

Forecast operational evolution

- Gen&Supply: -
- Networks: +
- Renewables: +

Outlook 2015 vs. FY 2014

EBITDA	Higher
Recurring Net Profit	Higher
Financial ratios	Improved

Conclusion

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Now that we have concluded our phase of stability and financial strengthening, we are laying the foundations for future growth

Strong operating performance

Organic and non-organic investments

Sound financial position

Management focused on long-term sustainable value creation

Analysis of results

Results Group / IFRIC 21 Levies

IFRIC 21 (effective 01/01/2015) changes the timing of the recognition of liabilities that relate to the obligation to pay levies

Previously accrued on a linear basis and now will be recognised when payment is due

Due to this rule, 2014 figures have been re-stated for comparison purposes

Impact on Iberdrola Accounts in Q1 2014:

Earlier recognition for the liabilities corresponding to "Impuesto de Bienes Inmuebles (IBIs) and Property Tax
Impact progressively reduced during the year as most of the affected levies are paid in Q1

Eur M	Q1'14 reported	Q1'14 according to IFRIC 21	Var.
Ebitda	2,126.5	1,963.9	-162.7
Net Profit	952.6	847.0	-105.6

No impact on the annual financial statements, only the quarterly statements, due to timing differences

Income Statement / Group

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Eur M	Q1 2015	Q1 2014 (re-stated)	Var.	Var. %
Revenues	8,780.7	8,325.0	+455.7	+5.5
Gross Margin	**3,613.7**	**3,383.3**	**+230.4**	**+6.8**
Net Op. Expenses	-853.7	-815.1	-38.6	+4.7
Levies	-623.7	-604.3	-19.4	+3.2
EBITDA	**2,136.3**	**1,963.9**	**+172.4**	**+8.8**
Operating Profit (EBIT)	1,343.8	1,275.6	+68.2	+5.3
Net Financial Expenses	-295.5	-213.8	-81.7	+38.2
Recurring Net Profit	**795.9**	**742.4**	**-53.5**	**+7.2**
Reported Net Profit	**840.8**	**847.0**	**-6.2**	**-0.7**
Operating Cash Flow*	**1,658.5**	**1,556.1**	**102.4**	**+6.6%**

Strong operating results drive Recurring Net Profit up 7.2%
Reported Net Profit down 0.7% due to Eur +76 M capital gains in Q1 2014

*Net Profit + Minority Results + Amortiz.&Prov. – Equity Income – Net Non-Recurring Results + Fin. Prov.+ Goodwill deduction + Dividends from companies accounted via equity – /+ reversion of extraordinary tax provision

Results Group / Exchange rate impact

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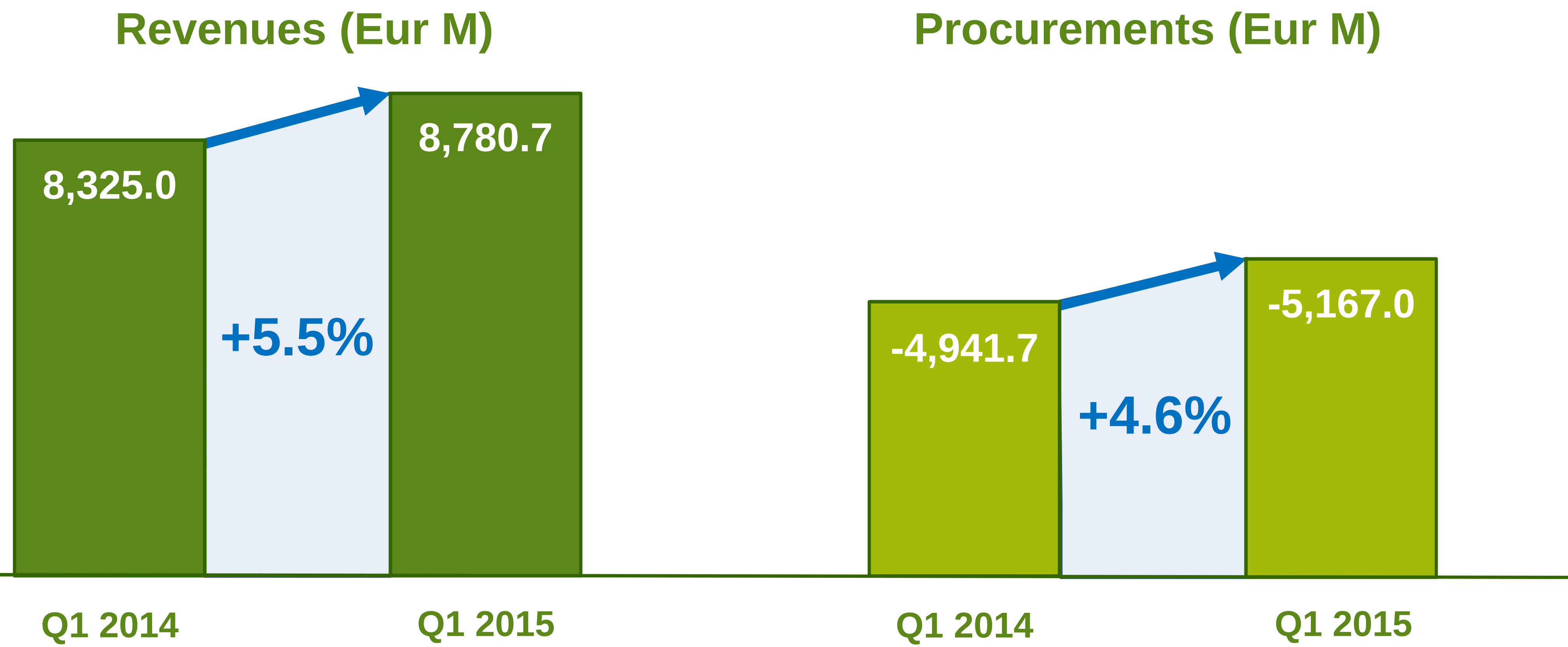
Excluding FX impacts, underlying EBITDA grows 1.9% driven by efficiency gains

Eur M	Q1 2015	vs Q1'14	vs Q1'14 (exc. FX)
Gross Margin	3,613.7	+6.8%	-0.3%
Net Operating Expenses	-853.7	+4.7%	-2.4%
EBITDA	2,136.3	+8.8%	+1.9%

GBP/Eur: +9.7%, USD/Eur: +16.2%, BRL/Eur: +1.7%

Gross Margin / Group

Gross Margin up 6.8%, to Eur 3,613.7 M



Revenues +5.5% (Eur 8,780.7 M), and Procurements +4.6% (Eur -5,167.0 M) due to lower hydro

Net Operating Expenses* / Group

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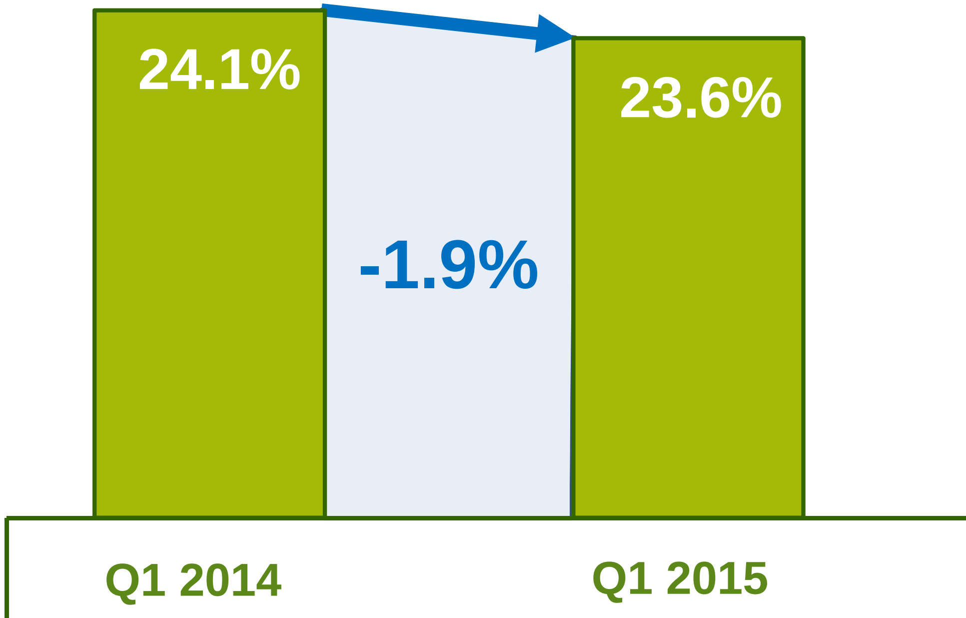
Net Operating Expenses up 4.7%, to Eur -853.7 M

Net Operating Expenses

Eur M	Q1 2015	Q1 2014	% vs Q1'14
Net Personnel Expenses	-446.7	-417.9	+6.9%
Net External Services	-407.1	-397.2	+2.5%
Total Net Op. Expenses	-853.7	-815.1	+4.7%

Net Op. Exp. / Gross Margin



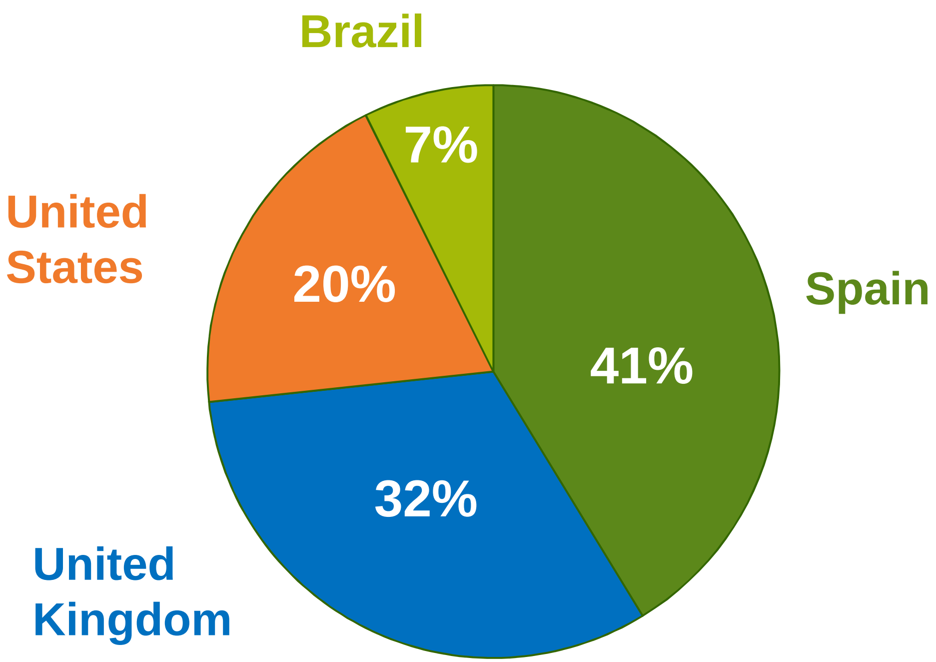
Operational efficiency improves 1.9% vs. Q1 2014

*Excludes Levies

Results By Business / Networks

Networks EBITDA up 24.1% to Eur 966.8 M

EBITDA by Geography (%)



Financial Highlights (Eur M)

	Q1 2015	% vs Q1'14
Gross Margin	1,506.8	+17.3%
Net Op. Exp.	-299.6	-0.1%
EBITDA	966.8	+24.1%

With growth in all geographies

Results By Business / Networks EBITDA

Spain	**EBITDA Eur 398.9 M**, improving from last year as a consequence of investments made, positive settlements and efficiency measures
UK	**EBITDA GBP 231.1 M**, with higher revenues as a result of increasing asset base, due to greater investments
US	**EBITDA USD 214.1 M**, with results improving primarily due to lower costs (storms & others)
Brazil	**EBITDA BRL 226.8 M**, as in Q1'15 no drought impact has been recorded vs BRL -78 M in Q1'14

Results By Business / Generation & Supply

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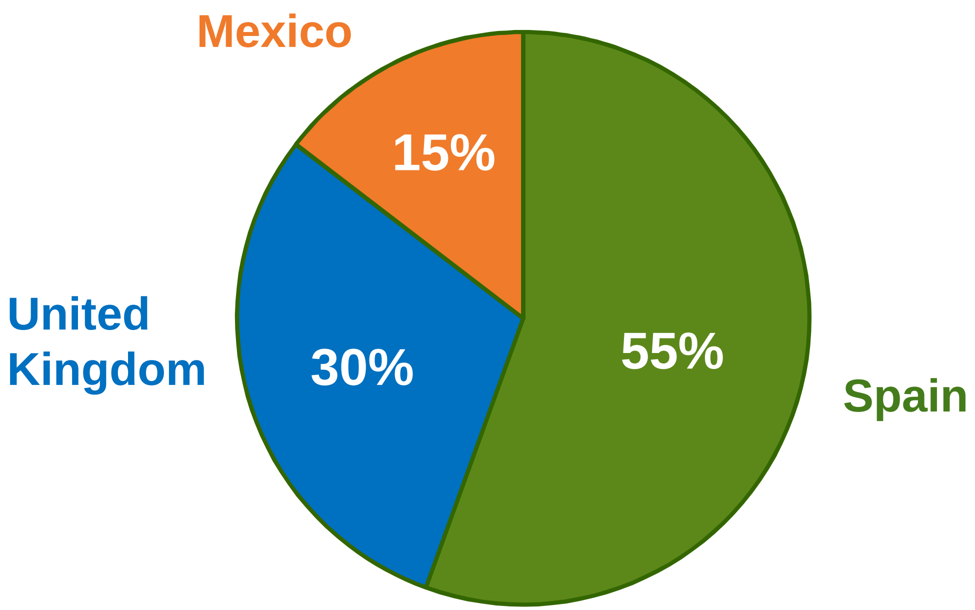
Generation & Supply EBITDA falls 11.4% to Eur 781.4M

EBITDA by Geography (%)



Financial Highlights (Eur M)

	Q1 2015	% vs Q1'14
Gross Margin	1,425.0	-7.0%
Net Op. Exp.	-366.5	+8.6%
Levies	-277.1	-11.4%
EBITDA	781.4	-11.4%

Due to the strong hydro output in Spain in Q1'14 and positive gas impacts in Spain and US accounted for in Q1'14 (Eur +80 M)

Results By Business / Generation & Supply EBITDA

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Spain

EBITDA Eur 432.2 M

+ Lower output (-17.0%*) and higher costs related to production mix
- Eur 43 M positive impact in Gas business accounted for in Q1'14
+ Eur 37 M from several legal resolutions in Levies

UK

EBITDA GBP 173.5 M

- Wholesale & Generation results fall due to higher costs (Carbon Tax)
+ Retail business improves primarily as a result of higher volumes in gas sold due to demand increase

Mexico

EBITDA USD 130.2 M

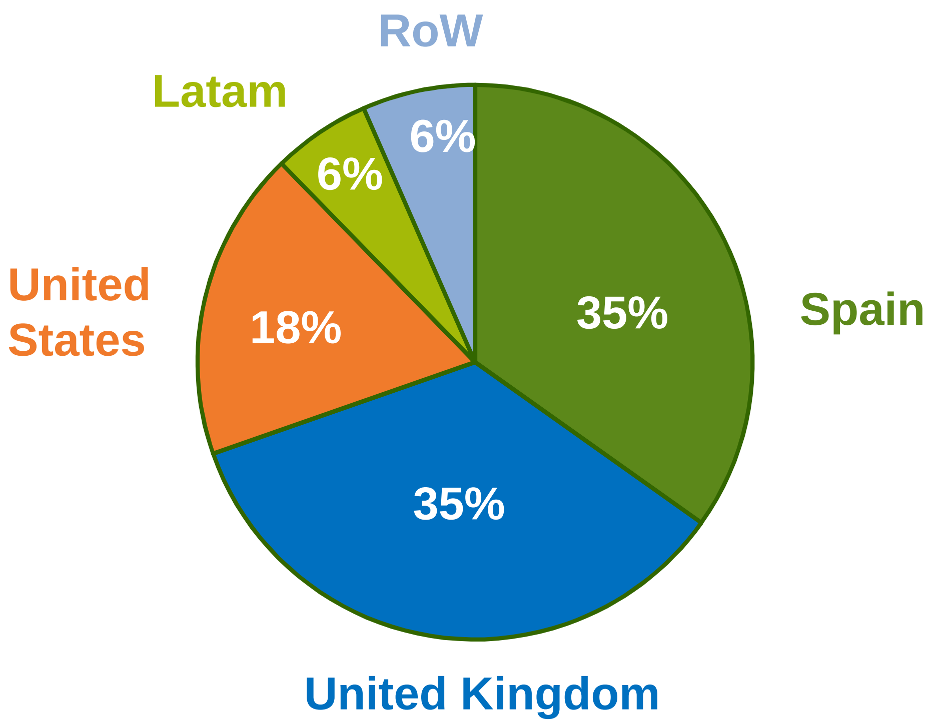
+ Improvement of USD +7.7 M resulting from the new contracts with private customers and the renegotiation of older contracts

** Includes cogeneration*

Results By Business / Renewables

EBITDA up 24.7% to Eur 428.3 M…

EBITDA by Geography (%)



Financial Highlights (Eur M)

	Q1 2015	% vs Q1'14
Gross Margin	651.7	+21.6%
Net Op. Exp.	-146.2	+13.9%
EBITDA	428.3	+24.7%

… driven by the recovery in Spanish business, UK and Latam

Results By Business / Renewables

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Op. capacity* up 5% and load factor of 30.7% (-4.2 p.p.)
Output -9.1%, due to last year strong wind conditions in Spain and US …

Spain	**EBITDA Eur 149.2 M**, with lower output (-14.7%) compensated by higher prices
UK	**EBITDA GBP 111.2 M**, due to higher output (+14.7%) including positive impact from contribution of West of Duddon Sands offshore wind farm
US	**EBITDA USD 88.6 M**, affected by lower output (-13.2%) vs Q1 2014, and lower prices in local currency (-5%)
Latam	**EBITDA EUR 24.5 M,** as a consequence of higher output (+26.2%) due to stronger load factor in Mexico and a substantial increase in consolidated capacity in Brazil
RoW	**EBITDA EUR 28.2 M**, underpinned by a better load factor that increased production by 10.7%

… compensated by better average prices due to extraordinary low spot price in Spain in Q1 2014 and offshore

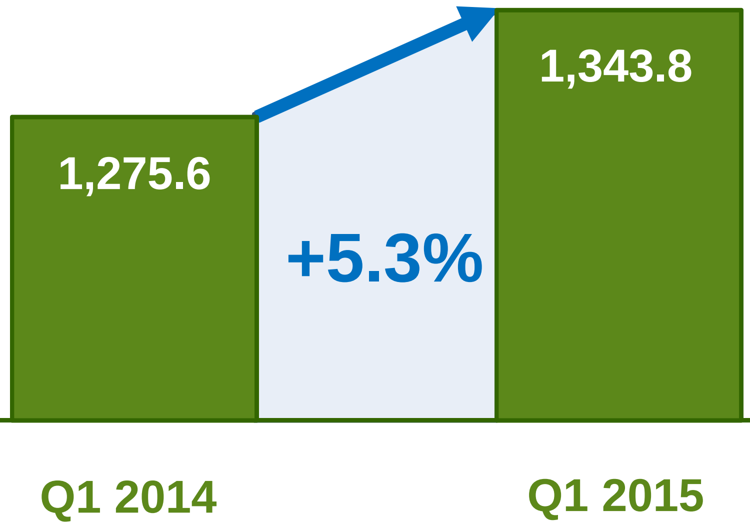
** 13,991 MW of operating capacity according to IFRS 11*

EBIT / Group

Group EBIT totals Eur 1,343.8 M (+5.3%) …

Eur M

EBIT



	Q1 2015	Q1 2014	Q1'15 vs Q1'14
D&A	-754.5	-643.3	-111.2
Provisions	-38.0	-45.0	+7.0
Total	-792.5	-688.3	-104.2

… with Amortisations growing 17% due to exchange rate impact (Eur +54 M) and new renewable capacity in operation

Net Financial Expenses / Group

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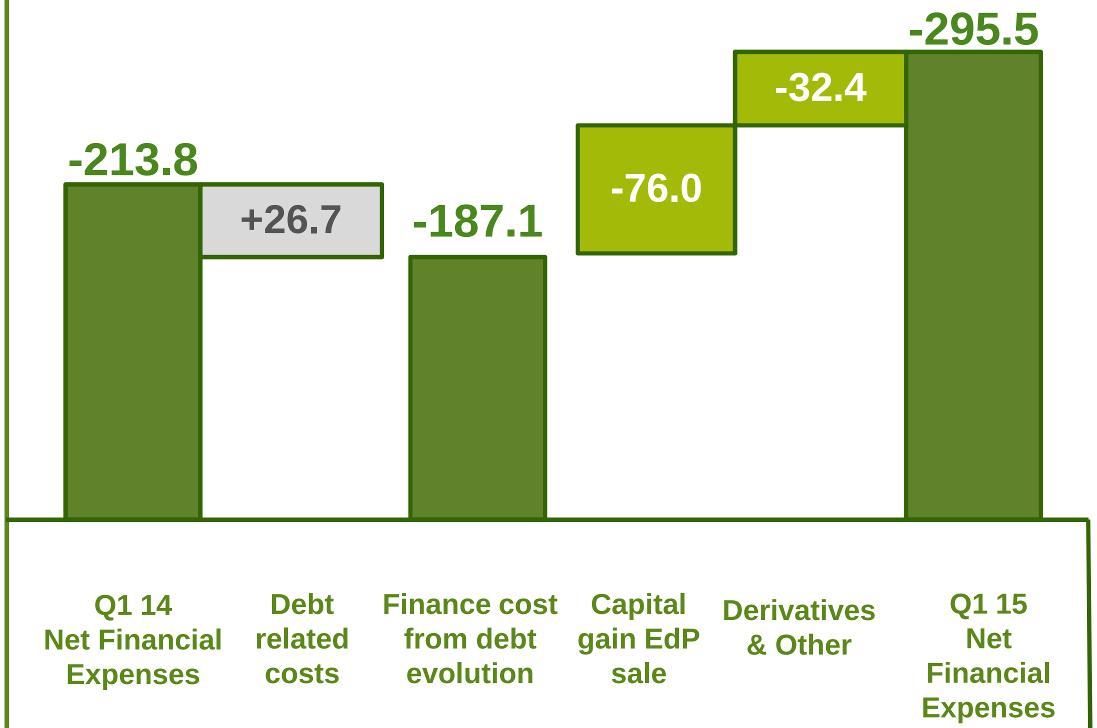
Despite improvement in debt-related costs Net Financial Costs up 38.2% to Eur -295.5 M …

Net Financial Exp. evolution (Eur M)



Financial Highlights

3% decrease in average net debt and 30 bp lower cost to 4.22% improve debt-related costs by Eur +26.7 M

Eur 76.0 M gross capital gain on part of EdP stake sale recognised in Q1'14

Eur -29.3 M MtM on derivatives hedging foreign currency results

… due to EdP capital gain registered last year and MtM FX derivative hedges

Results / Group

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Recurring Net Profit up 7.2% to Eur 795.9 M
and Reported Net Profit down 0.7% to Eur 840.8 M

Eur M	Q1 2015	Q1 2014	% vs Q1'14
Recurring Net Profit	795.9	742.4	+7.2%
Non Recurring & Other (mainly EdP)	44.9	104.6	-57.1%
Reported Net Profit	840.8	847.0	-0.7%

Operating Cash Flow up 6.6% to Eur 1,658.5 M

Financing

Financing / Regulatory receivables Spain

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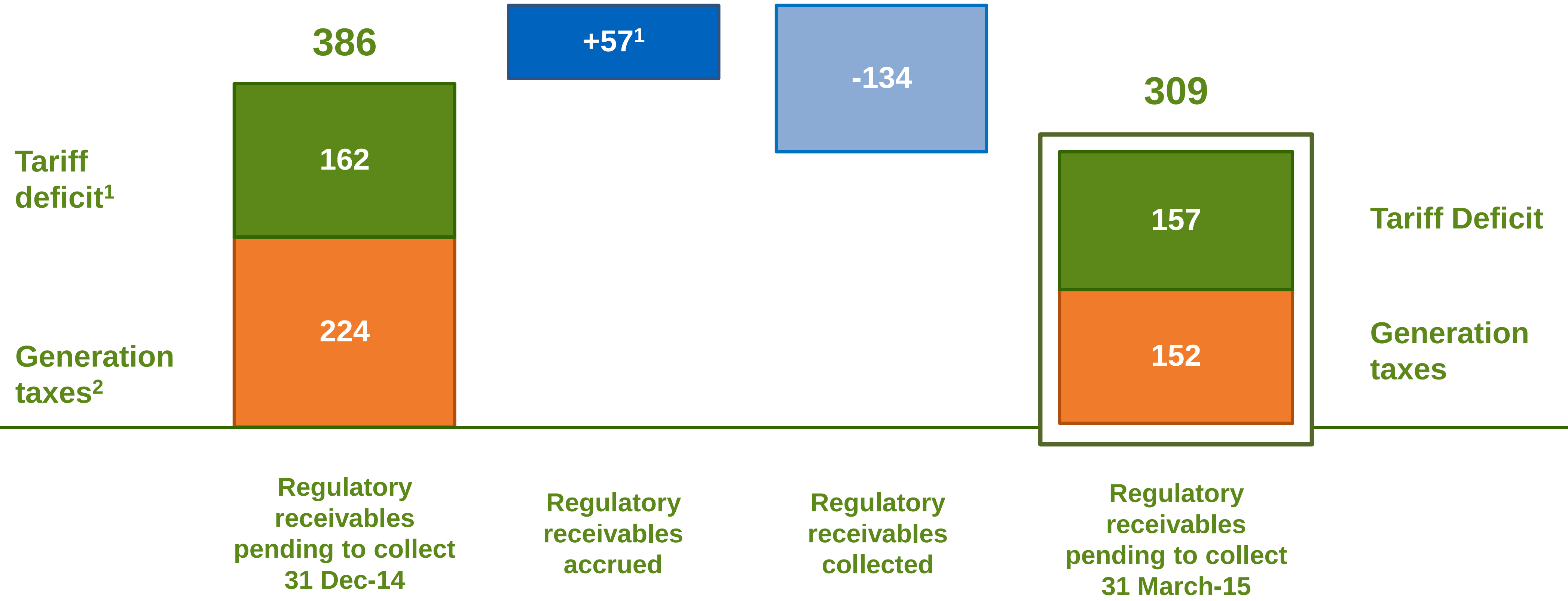
At the end of March, temporary deficit pending collection is Eur 309 M …



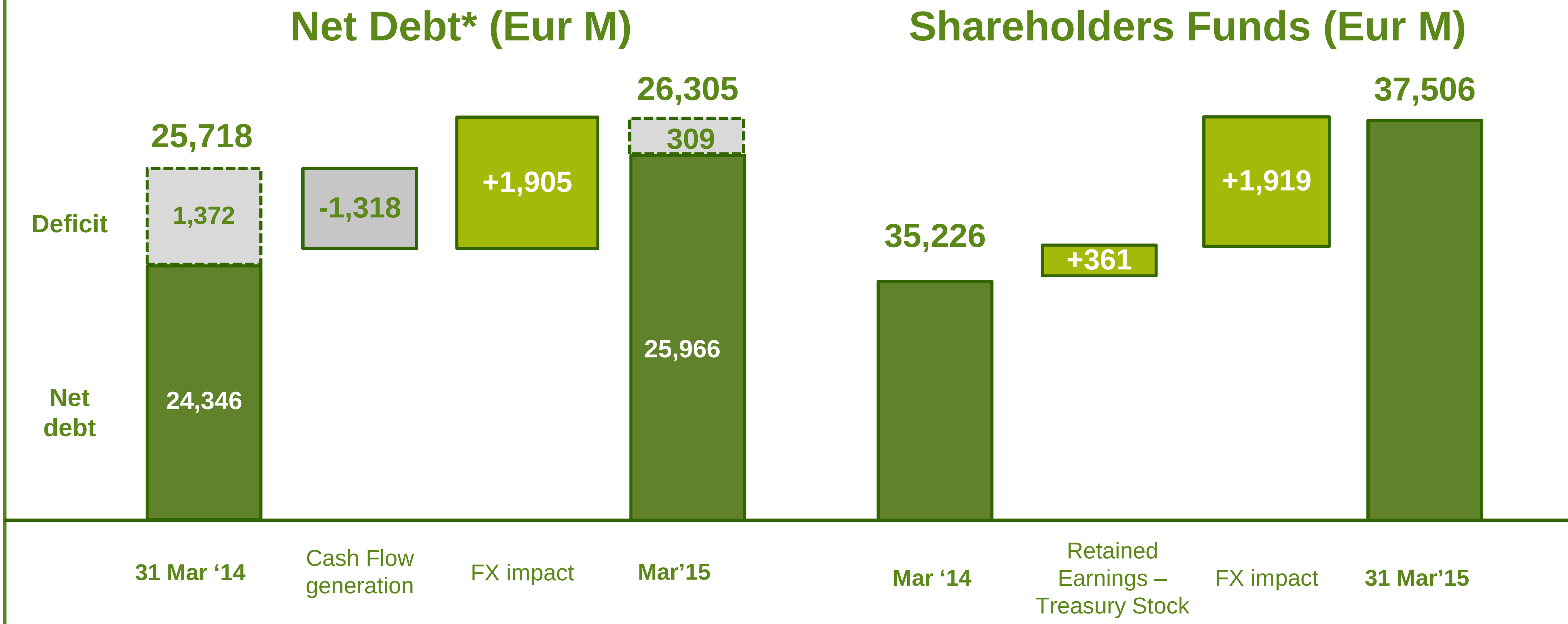
… which will occur in 2015 trough the CNMC settlements

[1] *Iberdrola finances circa 14% of current deficit*

[2] *Taxes collected by Spanish Administration via new energy production, pending to be applied to reduce regulatory receivables outstanding balance. Iberdrola estimate*

Financing / Leverage

Leverage continues to improve and now stands at 41.2% at end Q1 2015 vs 42.2% at Q1 2014 …



… thanks to positive free cash flow and despite negative EUR depreciation effects on debt

** All debt figures include TEI*

Financing / Financial Ratios[1]

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Sound solvency and liquidity ratios, as 2.3% rise in Net Debt is lower than the 8.8% growth in EBITDA

	Q1 2015
Net Debt / EBITDA	3.7x
FFO / Net Debt	21.1%
RCF / Net Debt	17.8%

Strong liquidity position of over Eur 8.5 bn, covering 27 months of financing needs

Cash and equivalents plus cash flow generation → No new net financing needs in 2015. Active liability management will continue

Average Debt maturity > 6.5 years

(1) FFO = Net Profit + Minority Results + Amortiz.&Prov. – Equity Income – Net Non-Recurring Results + Fin. Prov.+ Goodwill deduction + Dividends from companies accounted via equity– /+ reversion of extraordinary tax provision . It includes TEI but excludes Rating Agencies Adjustments.

(2) RCF = FFO – Dividends paid in cash to shareholders – Net interest on hybrid debt issue.

Annex: Scrip dividend calendar proposal

July 2015

Scrip dividend calendar proposal July'15

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28 APRIL
- Board agreement for the execution of the Second capital Increase and final calendar
- Relevant fact filed

24, 25, 26, 29, 30 JUNE
Closing prices considered for determining the average price used to calculate number of rights

1 JULY
- Chairman and CEO approve the calculation for the capital incease and execution
- Relevant fact filed
- Publication of the number of rights/share and commitment price to acquire rights by IBE

2 JULY
- Record Date
- Reference date for rights allocation

3 JULY
- Commencement of the trading period
- Commencement of the right's-purchase commitment
- Payment of cash dividend: Eur 0.03/share

Trading Period

14 JULY
Last date to request remuneration in cash (sale of rights to IBE)

17 JULY
- Last day of rights trading period
- Acquisition of rights by IBE from those shareholders who request cash
- Close of scrip issue

22 JULY
Payment of cash for the sale of rights

29 JULY
Commencement of the trading of the new shares

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