



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

Bilbao, May 23, 2012

To the National Securities Market Commission

Re: Appointment on an interim basis of Mr. Francisco Pons Alcoy as external proprietary director of Iberdrola and member of its Executive Committee

Pursuant to 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, on the date hereof, the Board of Directors of Iberdrola, S.A. (the “**Company**”) has unanimously approved to appoint Mr. Francisco Pons Alcoy, on an interim basis, at the proposal of the significant shareholder “Banco Financiero y de Ahorros, S.A.” and following the issuance of a favourable report by the Nominating and Compensation Committee, as external proprietary director and member of the Executive Committee to fill the vacancy created by the resignation of Mr. José Luis Olivas Martínez. Mr. Francisco Pons Alcoy has accepted his appointment as member of the Board of Directors.

The term of office of Mr. Pons Alcoy will end on the date when the General Shareholders Meeting convened on June 22, 2012, on first call, and on June 23, 2012, on second call, is held, as that of the previous director, Mr. Olivas Martínez, whom he replaces, without prejudice to the proposal that will be submitted to the vote of the shareholders at the meeting under paragraph h) of item seven of the agenda to appoint Mr. Pons Alcoy as director of Iberdrola for the term of four years provided in the company’s by-laws.

After giving effect to the resignation and appointment referred above, the composition of the Board of Directors of the Company and its Executive Committee will be as indicated in the annex to this price-sensitive information notice.

Yours truly,

General secretary and secretary of the Board of Directors

Composition of the Board of Directors of Iberdrola, S.A.

Director	Title	Type of director
Mr. José Ignacio Sánchez Galán	Chairman & Chief Executive Officer	Executive
Mr. Víctor de Urrutia Vallejo	Vice Chairman	External independent
Mr. Julio de Miguel Aynat	Member	External independent
Mr. Sebastián Battaner Arias	Member	External independent
Mr. Xavier de Irala Estévez	Member	External proprietary
Mr. Íñigo Víctor de Oriol Ibarra	Member	External independent
Ms. Inés Macho Stadler	Member	External independent
Mr. Braulio Medel Cámara	Member	External independent
Ms. Samantha Barber	Member	External independent
Ms. María Helena Antolín Raybaud	Member	External independent
Ms. Santiago Martínez Lage	Member	External independent
Mr. José Luis San Pedro Guerenabarrena	Chief Operating Officer	Executive
Mr. Ángel Jesús Acebes Paniagua	Member	Other external
Mr. Francisco Pons Alcoy	Member	External proprietary
Mr. Julián Martínez-Simancas Sánchez	Secretary not member	

Composition of the Executive Committee of Iberdrola, S.A.

Director	Title	Type of director
Mr. José Ignacio Sánchez Galán	Chairman	Executive
Mr. Víctor de Urrutia Vallejo	Member	External independent
Mr. Xavier de Irala Estévez	Member	External proprietary
Ms. Inés Macho Stadler	Member	External independent
Mr. José Luis San Pedro Guerenabarrena	Member	Executive
Mr. Francisco Pons Alcoy	Member	External proprietary
Mr. Julián Martínez-Simancas Sánchez	Secretary not member	