




Legal Note



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.

FORWARD-LOOKING STATEMENTS

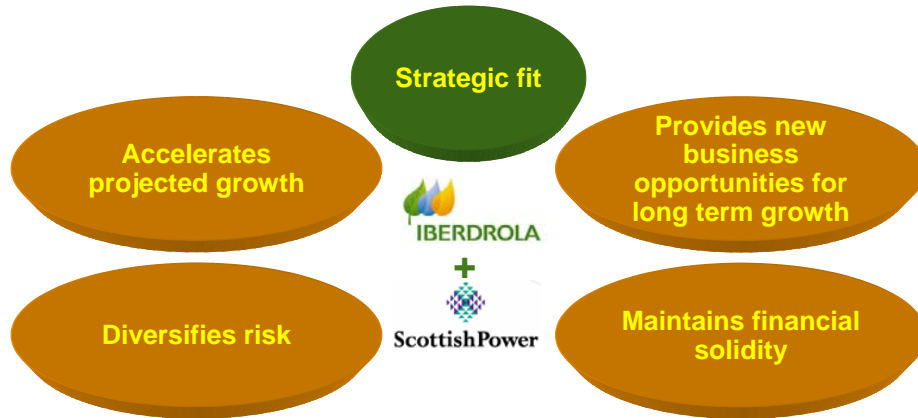
This communication contains forward-looking information and statements about Iberdrola, S.A. and otherwise, including financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, capital expenditures, synergies, products and services, and statements regarding future performance. Forward-looking statements are statements that are not historical facts and are generally identified by the words "expects," "anticipates," "believes," "intends," "estimates" and similar expressions.

Although Iberdrola, S.A. believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of Iberdrola, S.A. shares are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Iberdrola, S.A., that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the public documents sent by Iberdrola, S.A. to the Comisión Nacional del Mercado de Valores.

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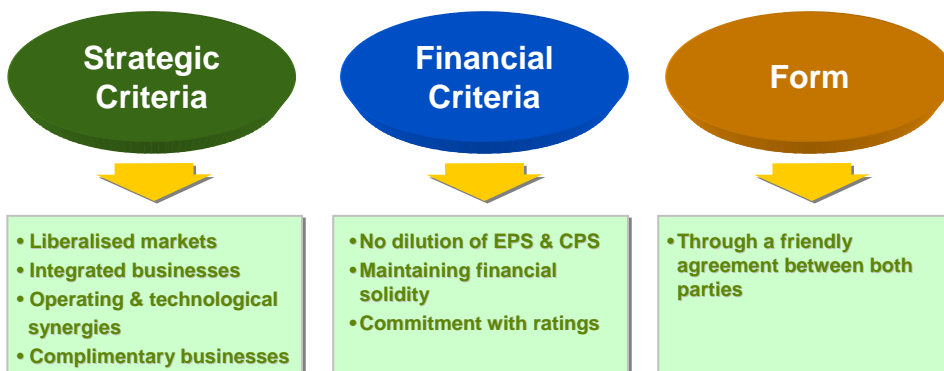
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A combination aligned with the principles of Iberdrola's strategy ...



... that will generate more value for shareholders

Fulfilling the established criteria for non-organic growth



Fully supported by the shareholders of both companies ...



99.5%



- Of shareholders voted in favour
- 77.3% attendance record

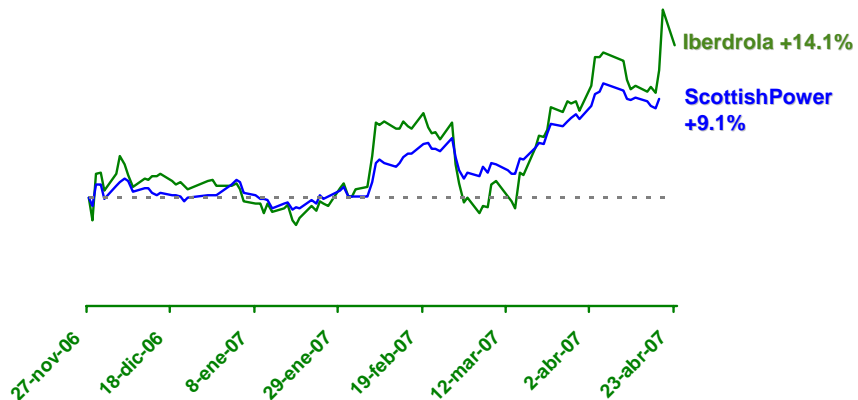


97.6%



- Of attending capital voted in favour

... and by the market ...



... with over Eur 4.0 Bn* of value creation since announcement

* As of 23-April-07

One of the largest
electricity companies in the world ...



Over 67 Bn Eur
of enterprise
value

... and one of the largest transactions
in the Spanish business history

Major global presence ...



... with operations in over 30 countries worldwide

Well positioned for further growth ...



North America: main growth opportunity for the Group

- Leading energy player (wind, gas, other...)

Latin America: presence in highest growth areas (Mexico, Brazil)

- Growing organically with potential additional opportunities



Europe: a reference player in the future Single Energy Market ...

- Benefiting from EU liberalization & integration
- Spain & UK as platforms for further expansion
- Playing a leading role in wind energy

... with a large portfolio of projects

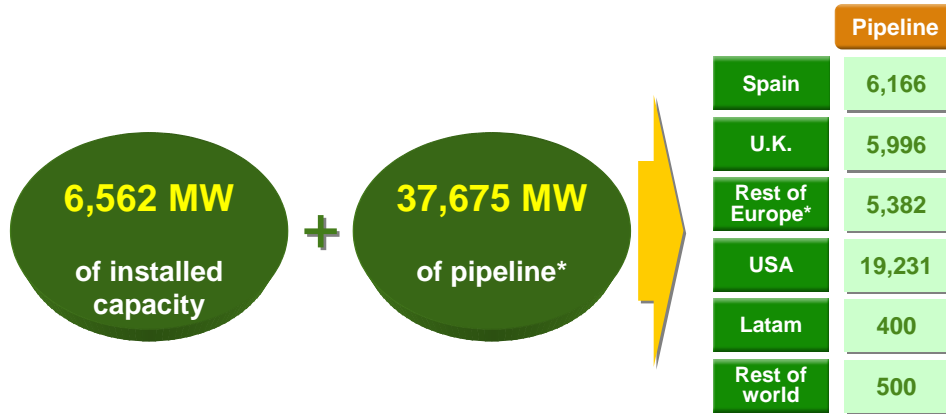
A larger Iberdrola ...

	IBE		IBE + SPW	
Conventional Generation (MW)	25,950		32,524	+25%
Wind Energy* (MW)	4,552		6,562	+44%
Total Installed Capacity (MW)	30,502		39,086	+28%
Points of Supply	18.4		21.8	+18%

... with significant expansion in all business areas

* Includes mini-hydro & other renewable energy technologies

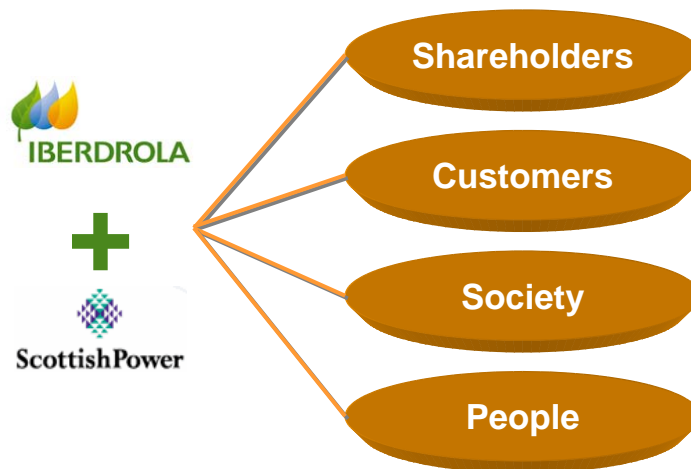
Worldwide leader in wind energy ...



... with a huge pipeline that provides for future growth

* Includes mini-hydro & other renewable energy technologies

The combination strengthens our commitments ...



... based on a powerful business platform



Worldwide leader in wind energy

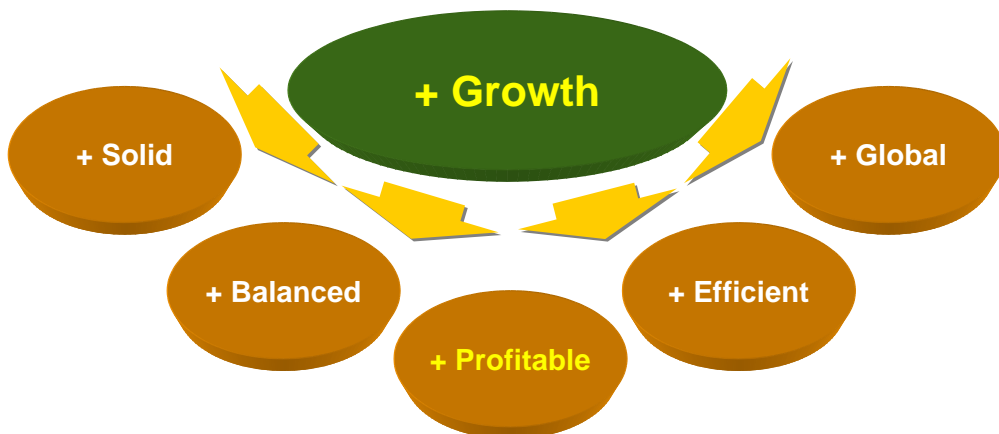
Low cost & low emissions mix

Low external dependency

Benchmark in efficiency

Financial solidity

Iberdrola + ScottishPower:
a worldwide leader emerges



Together we will grow more

