

Bilbao, 12 August 2019

To the National Securities Market Commission

Subject: Sale of a minority stake in the share capital of the owner company of East Anglia One offshore wind farm project

Dear Sirs,

Pursuant to article 227 of the restated text of the Securities Market Law approved by the Royal Legislative Decree 4/2015, of 23 October (*texto refundido de la Ley del Mercado de Valores aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre*), and related provisions, we hereby inform you that ScottishPower Renewables (UK) Limited (“**SPRUK**”), subsidiary company of the parent of the renewable business of the Iberdrola group in the United Kingdom, ScottishPower Renewable Energy Ltd., entered yesterday into an agreement regarding the acquisition by Bilbao Offshore Holding Ltd., a company belonging to the group of which Macquarie Group Limited is the parent company, of a stake of 40% in the share capital of East Anglia One Ltd. (“**East Anglia One**”), owner of the offshore wind farm project *East Anglia One* in the United Kingdom (the “**Transaction**”). SPRUK will maintain control of the company and will continue providing the services necessary for the construction, as well as those of operation and maintenance required for the operation of the project.

The consideration for the Transaction is of approximately 1,630 million pounds sterling (approximately 1,756 million euros¹) for the stake of 40%, that will consider customary adjustments in this kind of transactions. This consideration includes the pro-rata portion of the total investments, to be carried out to complete the construction of East Anglia One. The implied valuation after the Transaction, considering the 100% of the company, will be around 4,100 million pounds sterling (approximately 4,417 million euros¹). The closing of the Transaction is subject to the authorization of the Crown Estate.

The Transaction, which is framed within the €3,500 million assets rotation strategy announced in the Investors Day held in February 2018 and updated in February 2019, will not have a relevant impact in the consolidated results of the Iberdrola group for fiscal year 2019.

This information is provided to you for the appropriate purposes.

Yours faithfully,

Secretary of the Board of Directors

¹ Calculated on the basis of the euro/pounds sterling exchange rate as of 9 August 2019, which was 1.07735 euros per 1 pound sterling.





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.

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