

IBERDROLA's Net Electricity Production (provisional)

TOTAL GROUP	Oct-Dec 2016			Year 2016		
	GWh	% Weight	vs. 2015	GWh	% Weight	vs. 2015
Hydro	3,888	11.5%	27.5%	20,545	15.0%	45.7%
Nuclear	5,767	17.0%	7.7%	24,381	17.8%	5.4%
Coal	982	2.9%	-68.3%	3,803	2.8%	-67.0%
Combined Cycle	13,425	39.7%	18.9%	48,447	35.3%	4.8%
Cogeneration	1,802	5.3%	-7.7%	6,675	4.9%	0.2%
Renewables	7,990	23.6%	-4.7%	33,487	24.4%	2.4%
TOTAL	33,854	100%	2.2%	137,339	100%	2.2%
Demand	57,886		3.2%	229,816		2.3%

*Note: For operational purposes IFRS 11 is not being applied

SPAIN	Oct-Dec 2016			Year 2016		
	GWh	% Weight	vs. 2015	GWh	% Weight	vs. 2015
Hydro	3,098	21.3%	18.3%	18,325	29.2%	48.2%
Nuclear	5,767	39.7%	7.7%	24,381	38.8%	5.4%
Coal	982	6.8%	-9.6%	2,084	3.3%	-42.8%
Combined Cycle	1,878	12.9%	132.0%	3,709	5.9%	62.1%
Cogeneration	605	4.2%	5.6%	2,290	3.6%	5.1%
Renewables	2,202	15.2%	-18.4%	11,994	19.1%	0.8%
Wind	2,106		-18.7%	11,236		0.7%
TOTAL	14,532	100%	10.6%	62,784	100%	13.1%
Demand*	22,778		1.3%	92,308		-0.4%
Hydro Reservoir levels at 30.12.16	42% (4,774 GWh)					

*DSO Distributed Energy (Energy Generated in Power Plants busbars - Transmission Network Losses)

U.K.	Oct-Dec 2016			Year 2016		
	GWh	% Weight	vs. 2015	GWh	% Weight	vs. 2015
Hydro	164	4.4%	-30.1%	590	4.3%	-16.7%
Coal	0	0.0%	-100.0%	1,719	12.5%	-78.2%
Combined Cycle	2,682	71.8%	83.6%	8,341	60.7%	31.7%
Cogeneration	0	0.0%	N/A	0	0.0%	N/A
Renewables	891	23.8%	-12.8%	3,087	22.5%	-16.8%
TOTAL	3,738	100%	-20.9%	13,737	100%	-26.3%
Demand (managed)	9,550		-0.4%	35,704		-1.5%

USA*	Oct-Dec 2016			Year 2016		
	GWh	% Weight	vs. 2015	GWh	% Weight	vs. 2015
Hydro	86	1.9%	-1.9%	327	1.8%	-10.7%
Combined Cycle	3	0.1%	N/A	26.2	0.1%	N/A
Cogeneration	675	14.5%	-29.2%	2,557	14.3%	-8.0%
Renewables	3,885	83.6%	-0.6%	15,002	83.8%	5.2%
TOTAL	4,649	100%	-6.1%	17,912	100%	2.9%
Demand (managed)	9,437		18.7%	39,079		16.0%

*100% Avangrid Inc. (81.5% owned by Iberdrola S.A.)

BRAZIL	Oct-Dec 2016			Year 2016		
	GWh	% Weight	vs. 2015	GWh	% Weight	vs. 2015
Hydro	539	42.4%	406.2%	1,303	33.4%	96.7%
Combined Cycle	423	33.2%	12.9%	1,575	40.4%	27.2%
Cogeneration	43	3.4%	5.3%	174	4.5%	-1.3%
Renewables	267	21.0%	83.3%	848	21.7%	56.8%
TOTAL	1,273	100%	90.5%	3,901	100%	49.0%
Demand (managed)	16,122		0.2%	62,726		1.0%

MEXICO	Oct-Dec 2016			Year 2016		
	GWh	% Weight	vs. 2015	GWh	% Weight	vs. 2015
Combined Cycle	8,439	90.8%	-2.4%	34,795	92.6%	-4.4%
Cogeneration	479	5.2%	24.2%	1,654	4.4%	8.6%
Renewables	377	4.1%	54.3%	1,119	3.0%	51.6%
TOTAL	9,295	100%	0.2%	37,569	100%	-2.8%

RoW	Oct-Dec 2016			Year 2016		
	GWh	% Weight	vs. 2015	GWh	% Weight	vs. 2015
Renewables	368	100%	-0.1%	1,437	100%	-7.9%
TOTAL	368	100%	-0.1%	1,437	100%	-7.9%

IBERDROLA's Installed Capacity (Provisional)

GROUP	12M 2016		12M 2015	
	MW	% Weight	MW	% Weight
Hydro	11,161	24.7%	11,076	23.9%
Nuclear	3,410	7.5%	3,410	7.4%
Coal	874	1.9%	3,178	6.9%
Combined Cycle	13,278	29.3%	12,671	27.3%
Cogeneration	1,267	2.8%	1,239	2.7%
Renewables	15,256	33.7%	14,787	31.9%
TOTAL	45,246	100%	46,361	100%

*Note: Total MW under management. For operational purposes IFRS 11 is not being applied

SPAIN	12M 2016		12M 2015	
	MW	% Weight	MW	% Weight
Hydro	9,715	37.1%	9,712	37.1%
Nuclear	3,410	13.0%	3,410	13.0%
Coal	874	3.3%	874	3.3%
Combined Cycle	5,695	21.8%	5,695	21.7%
Cogeneration	364	1.4%	390	1.5%
Renewables	6,104	23.3%	6,106	23.3%
TOTAL	26,161	100%	26,187	100%

UK	12M 2016		12M 2015	
	MW	% Weight	MW	% Weight
Hydro	563	12.4%	563	8.7%
Coal	0	0.0%	2,304	35.6%
Combined Cycle	1,967	43.4%	1,967	30.4%
Cogeneration	1	0.0%	1	0.0%
Renewables	2,006	44.2%	1,630	25.2%
TOTAL	4,537	100%	6,465	100%

USA*	12M 2016		12M 2015	
	MW	% Weight	MW	% Weight
Hydro	118	1.7%	118	1.8%
Combined Cycle	209	3.0%	9	0.1%
Cogeneration	636	9.3%	636	9.8%
Renewables	5,912	86.0%	5,695	88.2%
TOTAL	6,875	100%	6,458	100%

*100% Avangrid Inc. (81.5% owned by Iberdrola S.A.)

BRAZIL	12M 2016		12M 2015	
	MW	% Weight	MW	% Weight
Hydro	764	61.3%	682	58.6%
Combined Cycle	208	16.7%	208	17.8%
Cogeneration	29	2.3%	29	2.5%
Renewables	246	19.7%	246	21.1%
TOTAL	1,247	100%	1,165	100%

MEXICO	12M 2016		12M 2015	
	MW	% Weight	MW	% Weight
Combined Cycle	5,200	89.6%	4,793	89.7%
Cogeneration	236	4.1%	183	3.4%
Renewables	367	6.3%	367	6.9%
TOTAL	5,804	100%	5,343	100%

RoW	12M 2016		12M 2015	
	MW	% Weight	MW	% Weight
Renewables	621	100%	744	100%
TOTAL	621	100%	744	100%

	Oct-Dec 2016		Year 2016	
	GWh	vs. 2015	GWh	vs. 2015
Hydro	5,600	-4.0%	39,127	25.3%
Nuclear	13,208	2.1%	56,095	2.4%
Coal	13,783	2.0%	35,179	-30.9%
Combined Cycle	10,136	48.9%	25,861	2.3%
Renewables and cogeneration	19,433	-8.4%	92,269	0.1%
NET PRODUCTION	62,160	3.1%	248,531	-2.3%
Pumping consumption	-916	-30.6%	-4,811	6.4%
Balearic - Peninsula interconnection	-235	-11.3%	-1,251	-6.4%
International Exchanges	857	-52.4%	7,662	N/A
DEMAND IN TRANSMISSION	61,866	2.2%	250,131	0.7%

IBERDROLA's Emissions Indicators (Provisional)

	12M 2016	12M 2015
C02 emissions over the period (gr. CO2 /KWh): Total	176	225
C02 emissions over the period (gr. CO2 /KWh): Spain	81	94
C02 emissions over the period (gr. CO2 /KWh): UK	358	532
C02 emissions over the period (gr. CO2 /KWh): USA	58	64
Emission-free production: Total (GWh)	78,413	69,952
Emission-free production: Spain (GWh)	54,700	47,404
Ratio emission-free production to total production: Total (%)	57%	53%
Ratio emission-free production to total production: Spain (%)	87%	85%
Emission-free installed capacity: Total (MW)	29,826	29,273
Emission-free installed capacity: Spain (MW)	19,229	19,228
Emission-free installed capacity: Total (%)	66%	63%
Emission-free installed capacity: Spain (%)	74%	73%
Ratio high-emission technologies production: Total (%)	3%	8%
Ratio low-emission technologies production: Total (%)	40%	39%

Provisional data

Stock Market

	Iberdrola	Ibex 35	EuroStoxx Utilities
Oct-Dec 2016			
Max (Date)	6.270 (27/10/2016)	9,451.8 (16/12/2016)	252.85 (24/10/2016)
Min (Date)	5.526 (02/12/2016)	8,513.7 (05/12/2016)	222.04 (18/11/2016)
Quarterly Change	3.28%	6.86%	-2.13%

Year 2016			
Max (Date)	6.597 (29/01/2016)	9,451.8 (16/12/2016)	291.52 (24/06/2016)
Min (Date)	4.800 (24/06/2016)	7,580.2 (27/06/2016)	222.04 (18/11/2016)
Yearly Change	-4.82%	-2.01%	-7.75%

IBERDROLA share performance vs Indices



RATIOS

Market Capitalization (30/12/16)	39,661
PER (price at 30/12/16 / EPS 15)	16.41
P/BV (price at 30/12/16 / Equity 15)	0.97

DIVIDENDS PAID

Gross Interim (12/01/16)	0.127
Gross Final (08/07/16 & 22/07/2016)*	0.154
Attendance premium	0.005
Dividend Yield (Div. Paid**/Close price)	4.6%

(*) Scrip Dividend + 0.03 Eur in cash

(**) Dividends paid in the last 12 months+attendance premium

Financials

	9M 2016	
	€ M	vs. 2015
Gross Margin	9,741	2.3%
EBITDA	5,730	4.2%
EBIT	3,257	7.6%
Profit Before Taxes	2,764	16.4%
Net Profit	2,042	6.4%

	€ M	2015
	Total Assets	103,264
Equity	39,428	40,956
Net Financial Debt	28,418	28,607
Capex	3,040	2,096

	9M 2016	vs. 2015
	EPS	0.32
CFPS	0.7	0.73
Gearing ⁽¹⁾	41.9%	40.7%

(1) Net debt/(Net debt + Shareholders' equity)

	Senior Unsecured Debt Credit Rating	Outlook
	S&P	BBB+
Moody's	Baa1	Positive
Fitch	BBB+	Stable

Sustainability

	Ranking
Dow Jones Sustainability World Index 2016	World Leader utility sector 2016. Iberdrola member in all editions
Global 100	Selected in 2016
FTSE4Good	First utility with nuclear assets to meet standards for FTSE 4Good. 6 years in a row selected
CDP Index 2016	A category
Global Roundtable on Climate Change	IBERDROLA one of the developers
Sustainability Yearbook Robeco Sam 2016	Classified as "Silver Class" in the electricity sector.
MERCO 2016	Leader among Spanish utilities: electricity, gas, and water industry
Euronext Vigeo index: Eurozone 120 & Europe 120	Iberdrola selected
Nesweek and Green Rankings 2015	Iberdrola first Spanish utility and fourth worldwide
MSCI Global Sustainability Index Series	Iberdrola selected AAA
2015 World's Most Ethical Company	Iberdrola selected. Only Spanish utility
Fortune Global 500	Iberdrola selected
Stoxx ESG Leaders/Eurostoxx Sustainability 40	Iberdrola selected

LEGAL NOTICE

DISCLAIMER

This document has been prepared by Iberdrola, S.A. in connection with the presentation of financial results of the 2016 fiscal year.

Except for the financial information included in this document (which has been extracted from the annual financial statements of Iberdrola, S.A. corresponding to the fiscal year ended on 31 December 2016, as audited by Ernst & Young, S.L.), the information and any opinions or statements made in this document have not been verified by independent third parties; therefore, no express or implied warranty is made as to the impartiality, accuracy, completeness or correctness of the information or the opinions or statements expressed herein.

This document contains forward-looking information and statements about Iberdrola, S.A., 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 documents sent by Iberdrola, S.A. to the Spanish *Comisión Nacional del Mercado de Valores*, which are accessible to the public.

Forward-looking statements are not guarantees of future performance. They have not been reviewed by the auditors of Iberdrola, S.A. You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date they were made. All subsequent oral or written forward-looking statements attributable to Iberdrola, S.A. or any of its members, directors, officers, employees or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements included herein are based on information available to Iberdrola, S.A. on the date hereof. Except as required by applicable law, Iberdrola, S.A. does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Neither Iberdrola, S.A. nor its subsidiaries or other companies of the Iberdrola Group or its affiliates assume liability of any kind, whether for negligence or any other reason, for any damage or loss arising from any use of this document or its contents. Neither this document nor any part of it constitutes a contract, nor may it be used for incorporation into or construction of any contract or agreement.

Information in this document about the price at which securities issued by Iberdrola, S.A. have been bought or sold in the past or about the yield on securities issued by Iberdrola, S.A. cannot be relied upon as a guide to future performance.

IMPORTANT INFORMATION

This document does not constitute an offer or invitation to purchase or subscribe shares, in accordance with the provisions of (i) the restated text of the Securities Market Law approved by Royal Legislative Decree 4/2015, of 23 October; (ii) Royal Decree-Law 5/2005, of 11 March; (iii) Royal Decree 1310/2005, of 4 November; and (iv) their implementing regulations.

In addition, this document does not constitute an offer of purchase, sale or exchange, nor a request for an offer of purchase, sale or exchange of securities, nor a request for any vote or approval in any other jurisdiction.

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 of 1933 or pursuant to a valid exemption from registration.

This document and the information presented herein was prepared by Iberdrola, S.A. solely with respect to the consolidated financial results of Iberdrola, S.A. and was prepared and is presented in accordance with the International Financial Reporting Standards (“IFRS”). This document does not contain, and the information presented herein does not constitute, an earnings release or statement of earnings of Avangrid, Inc. (“**Avangrid**”) or Avangrid’s financial results. Neither Avangrid nor its subsidiaries assume responsibility for the information presented herein, which was not prepared and is not presented in accordance with United States Generally Accepted Accounting Principles (“**U.S. GAAP**”), which differs from IFRS in a number of significant respects. IFRS financial results are not indicative of U.S. GAAP financial results and should not be used as an alternative to, or a basis for anticipating or estimating, Avangrid’s financial results. For information regarding Avangrid’s financial results for the 2016 fiscal year, please see Avangrid investor relations website at www.avangrid.com and the Securities and Exchange Commission (“SEC”) website at www.sec.gov.