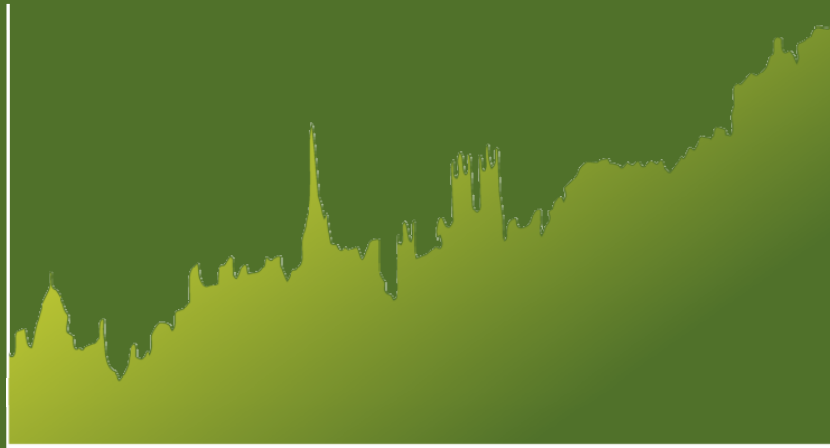




IBERDROLA
RENOVABLES

Investors'
Day 2008

Gleneagles, Scotland



Disclaimer and legal notice



DISCLAIMER

This document has been prepared by Iberdrola Renovables, S.A. (the "Company") exclusively for use during the first Iberdrola Renovables Investors Day. As a consequence thereof, this document may not be disclosed or published, nor used by any other person or entity, for any other reason without the express and prior written consent of Iberdrola Renovables, S.A.

Iberdrola Renovables, S.A. does not assume liability for this document if it is used with a purpose other than the above.

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. Neither Iberdrola Renovables, 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 Renovables, S.A. have been bought or sold in the past or about the yield on securities issued by Iberdrola Renovables, 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 the Spanish Securities Market Law (Law 24/1988, of July 28, as amended and restated from time to time), Royal Decree-Law 5/2005, of March 11, and/or Royal Decree 1310/2005, of November 4, and its 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.

In particular, 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 Renovables, 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 Renovables, 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 Renovables, S.A. believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of Iberdrola Renovables, 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 Renovables, 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 Renovables, S.A. to the 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 Renovables, 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 Renovables, 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 Renovables, S.A. on the date hereof. Except as required by applicable law, Iberdrola Renovables, 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.

Disclaimer and legal notice



DISCLAIMER

This document has been prepared by Iberdrola Renovables, S.A. (the "Company") in connection with the presentation of financial results of the first semester of the 2008 fiscal year.

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. Neither Iberdrola Renovables, 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.

IMPORTANT INFORMATION

This document does not constitute an offer or invitation to purchase or subscribe shares, in accordance with the provisions of the Spanish Securities Market Law (Law 24/1988, of July 28, as amended and restated from time to time), Royal Decree-Law 5/2005, of March 11, and/or Royal Decree 1310/2005, of November 4, and its 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.

In particular, 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 Renovables, 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.

Strategic Plan

Xabier Viteri, CEO
Gleneagles, July 3rd 2008

Agenda



Sectorial overview

Competitive advantages

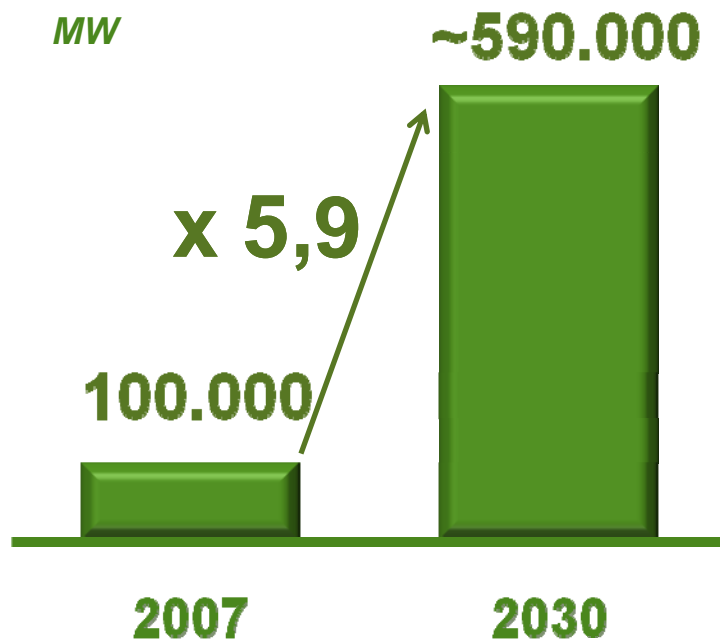
Strategic Plan

Conclusion

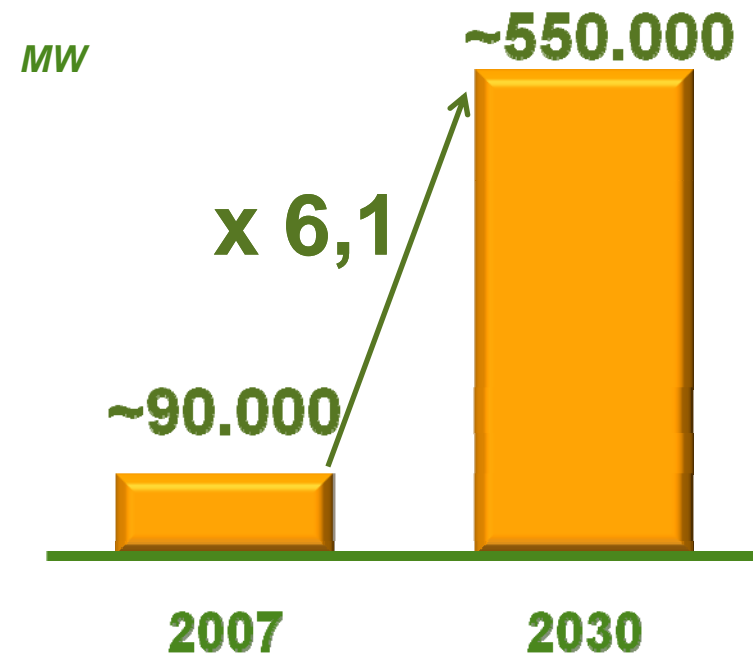
Sectorial overview: Targets 2030

Targets for 2030 provide very long term growth potential for renewable companies...

World renewable capacity



World wind capacity

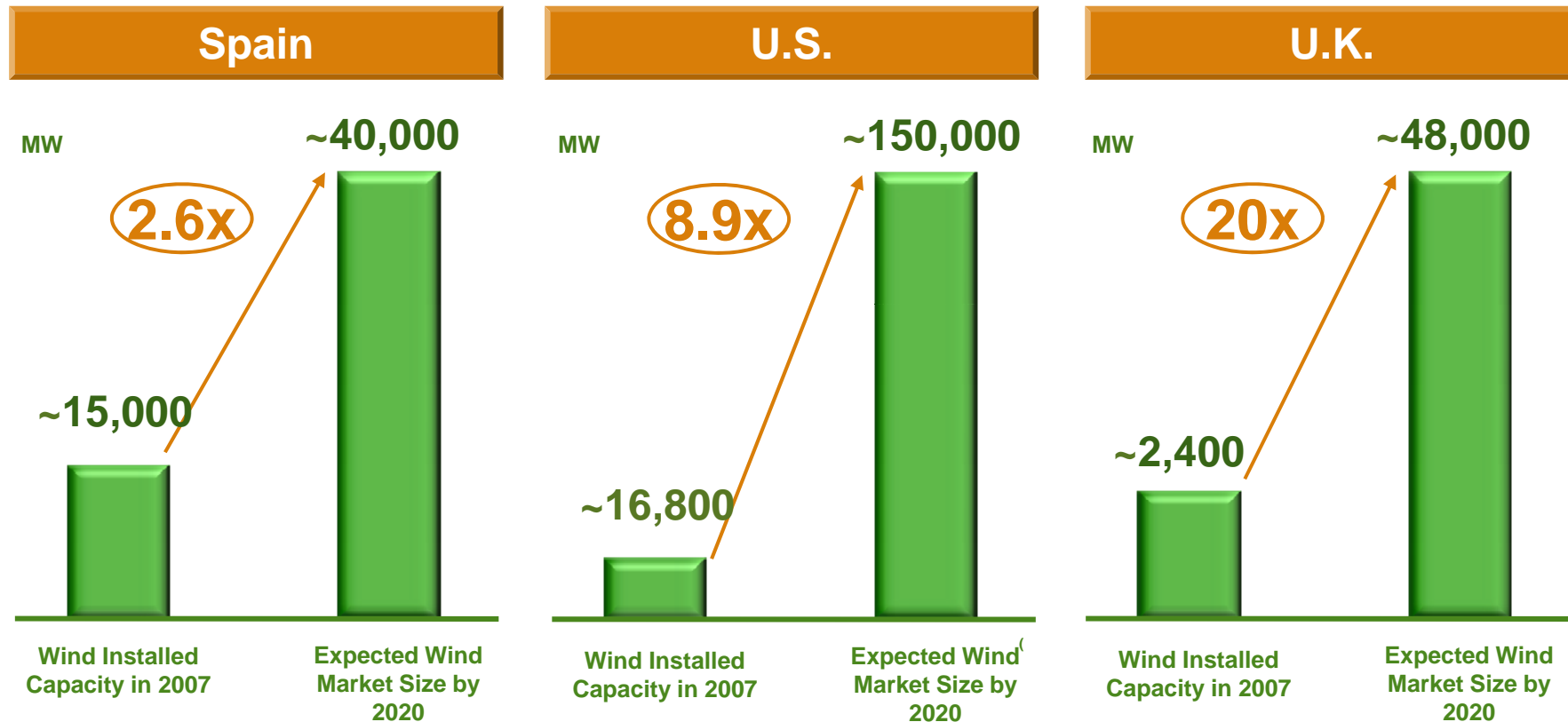


... that become critical to cover future energy needs

Sectorial overview: Targets 2020



Targets for 2020 show strong support in the main areas of IBR activities....



... with 238,000* MW expected installed capacity in 2020 in Spain, U.S. and U.K

* Sources, Spanish government, UK Government and EER

Agenda



Sectorial overview

Competitive advantages

Strategic Plan

Conclusion

Competitive advantages



Iberdrola Renovables is the World wide leader due to its competitive advantages...

...geographical diversification...

... growth visibility due to the pipeline...

... long term turbine supply agreements...

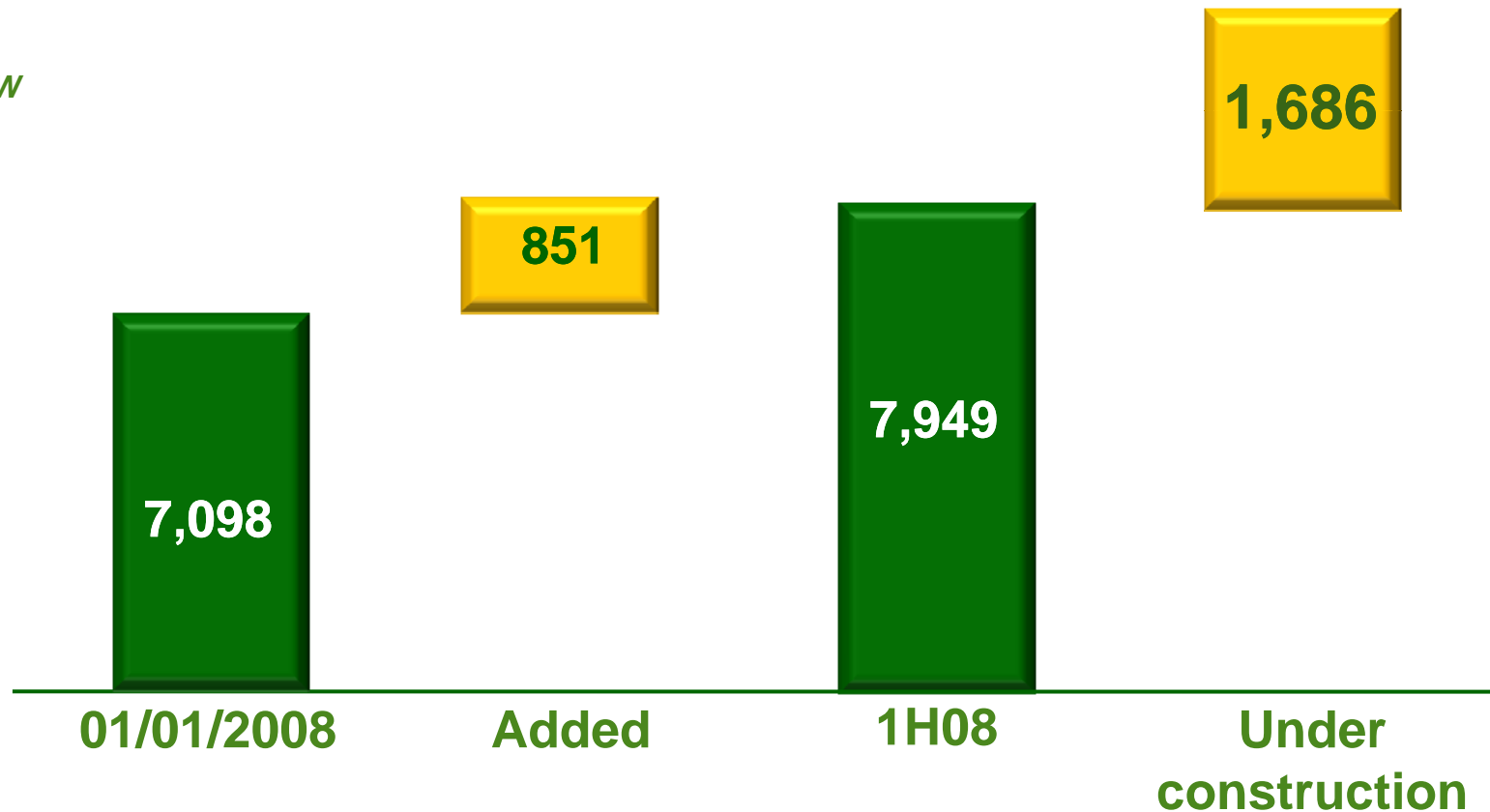
... human resources with a proven track record

... and strong financial position

Competitive advantages: Track Record

851 MW have been installed in the 1H08...

MW



... and 1,686 MW more are under construction

Competitive advantages: Geographical Diversification

IBR is present in countries where today the renewable business is a reality...



...and also in those with a promising future

Rokas' minorities' buy-out



Strengthened Iberdrola Renovables' position as leader in the Greek renewables market ...

Full control of Rokas

Greater flexibility and more efficient decision-taking processes

Greater ability to capture increasing market share in the fast growing Greek market

Full consolidation of profitable Greek operations

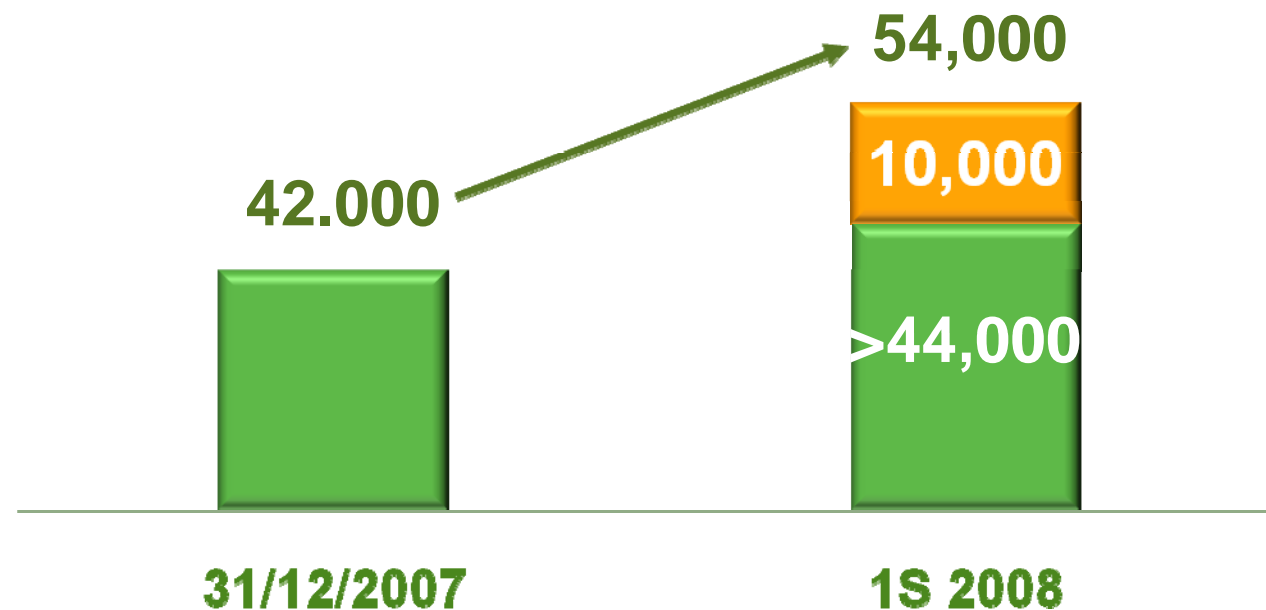
Complies with Iberdrola Renovables strategy and financial targets

... maximizing value creation opportunities

Competitive advantages: Pipeline

Growing visibility for the development plan for the next years...

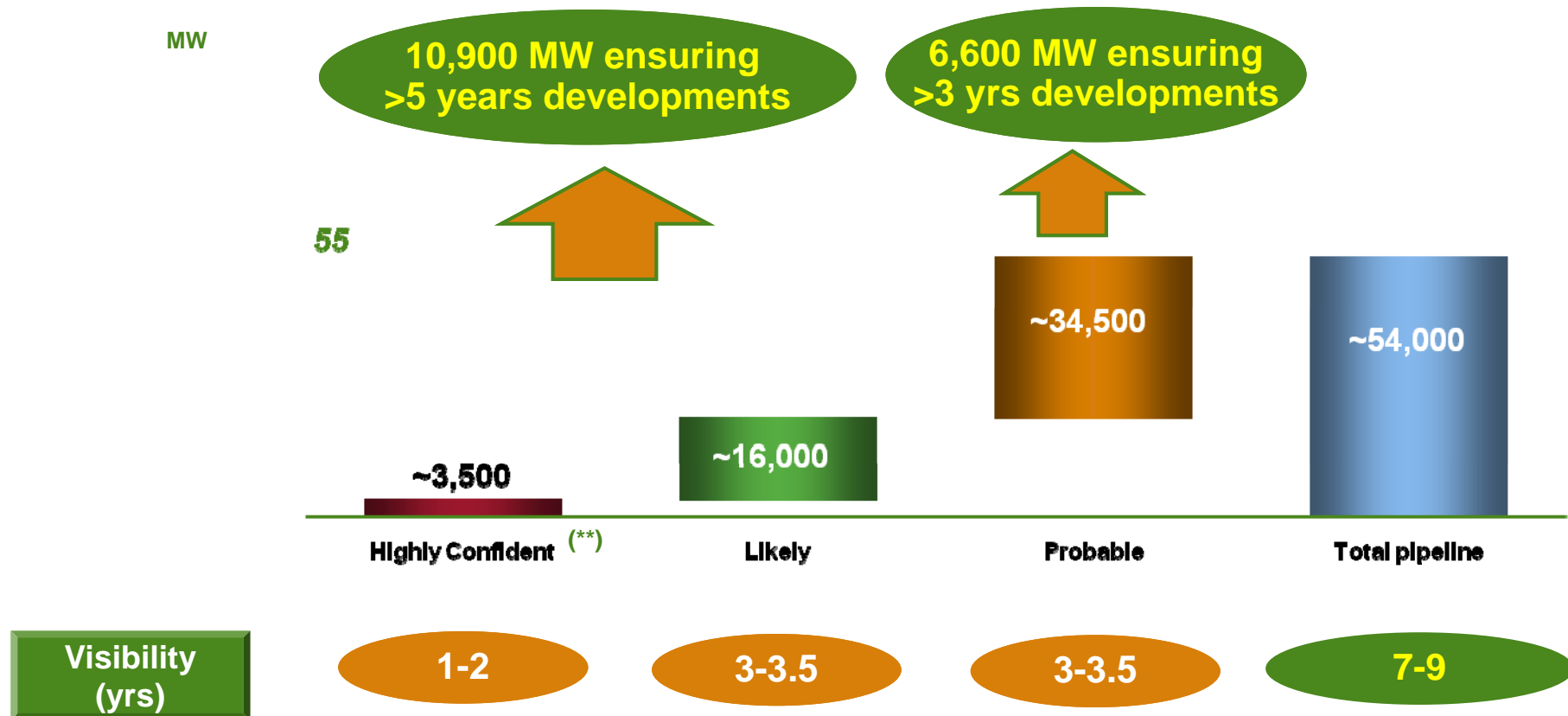
MW



... reinforced due to the recent strategic agreement

Competitive advantages: Growth Visibility

The 54 GW (*) pipeline gives visibility to growth for more than 7 years



...ensuring > 2,000 MW p.a.

(*) 30 June 2008

(**) Includes 1,686 under construction

Competitive advantages: Turbine supply

Turbine agreements cover needs for 5 years...



2008-2009

100%



2010

100%



2011-2012

>70%

SIEMENS

ALSTOM

10,000 MW

... balanced with pipeline gives more visibility to the plan

Competitive advantages: Human Resources

Experienced team, more than 1,700 people...

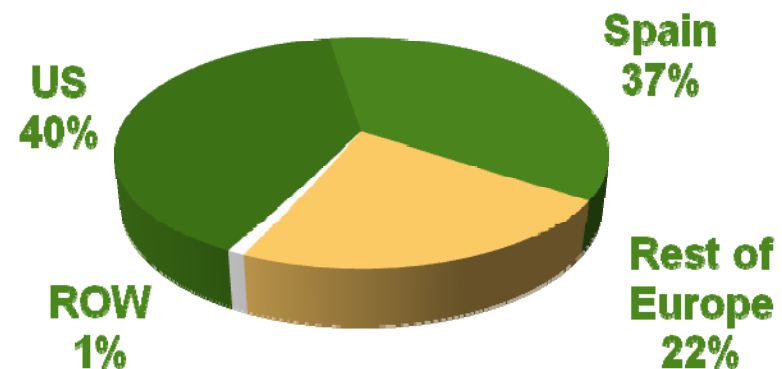
**Balanced distribution among
countries...**

**Strong commitment with
execution**

Proved competence

**Young, skilled and
experienced team**

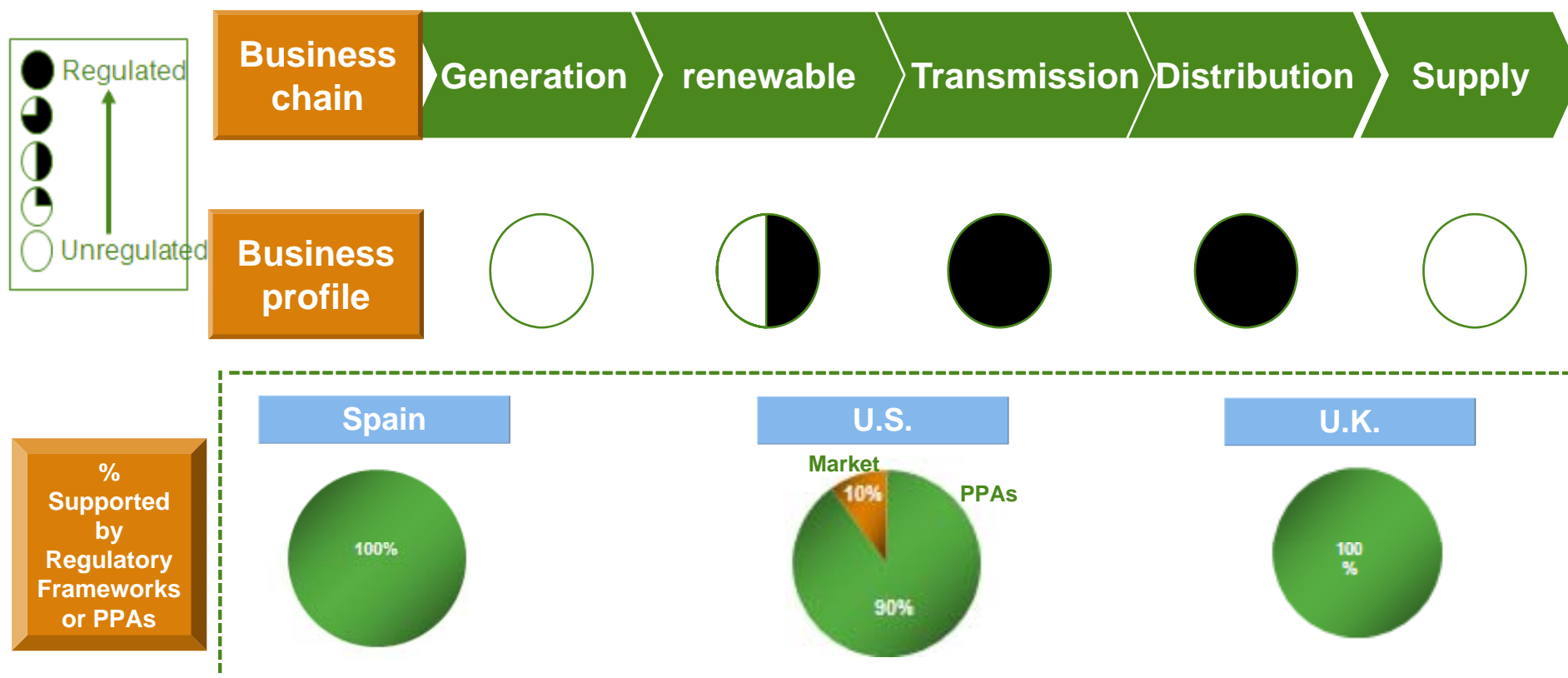
Geographical distribution



... diversified geographically

Competitive advantages: Low Risk Profile

Iberdrola Renovables' risk business profile is more skewed towards that of regulated T&D...



...and majority of Revenues supported by the Specific Regulatory Framework or by Long Term PPAs

Competitive advantages



Solid balance structure to finance growth plan...

...keeping leverage < 50% in 2012

... Iberdrola parent company financial support

...financial risk coverage policy

...providing financial strength and flexibility for future growth

Competitive advantages

A great growth potential due to...

**Track record and
Worldwide presence**

Operating Assets base

Human resources

**Quality Pipeline covered with
turbine agreements**

Strong financial structure

Strategic Vision  **Strategic Plan**

Agenda



Sectorial overview

Competitive advantages

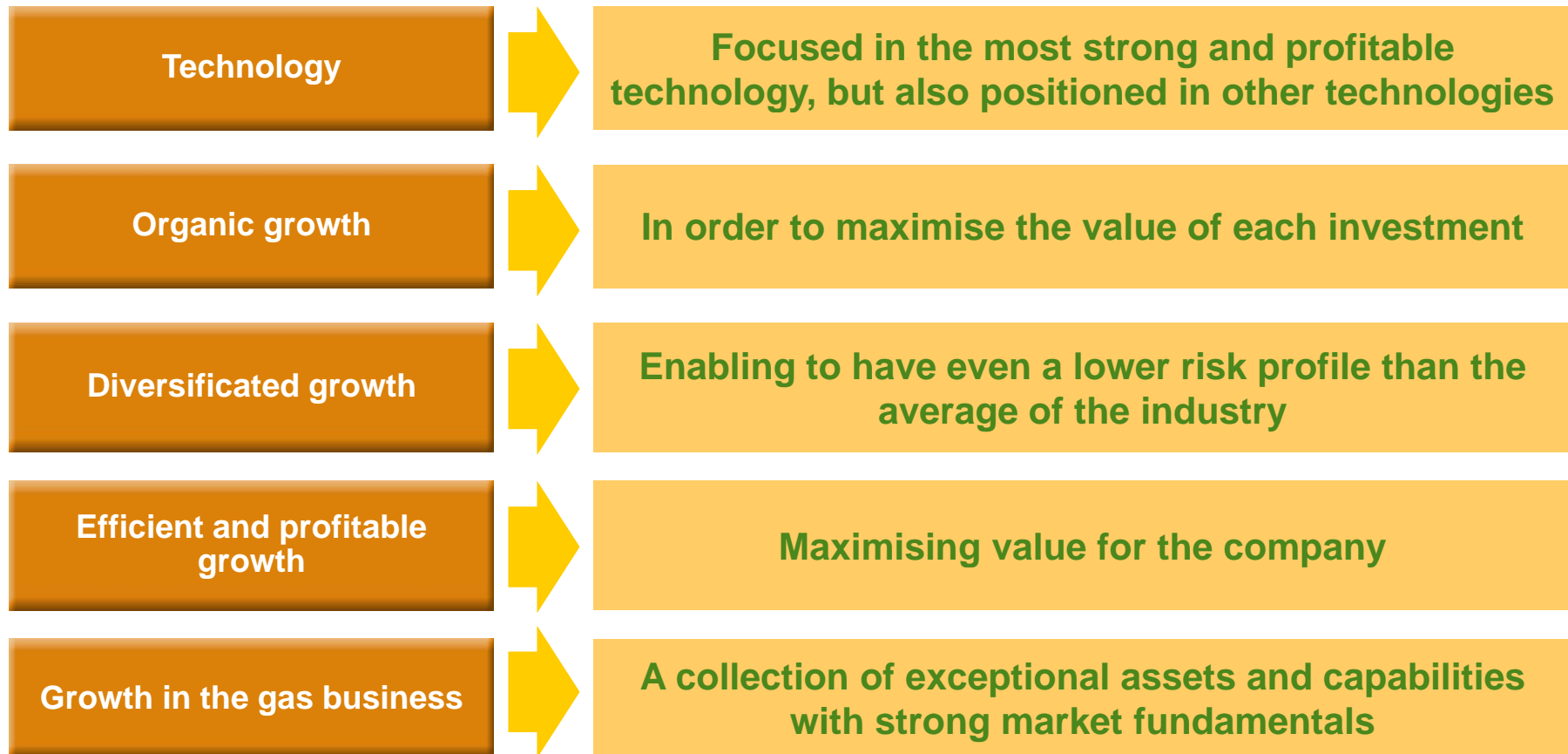
Strategic Plan

Conclusion

Strategic Vision



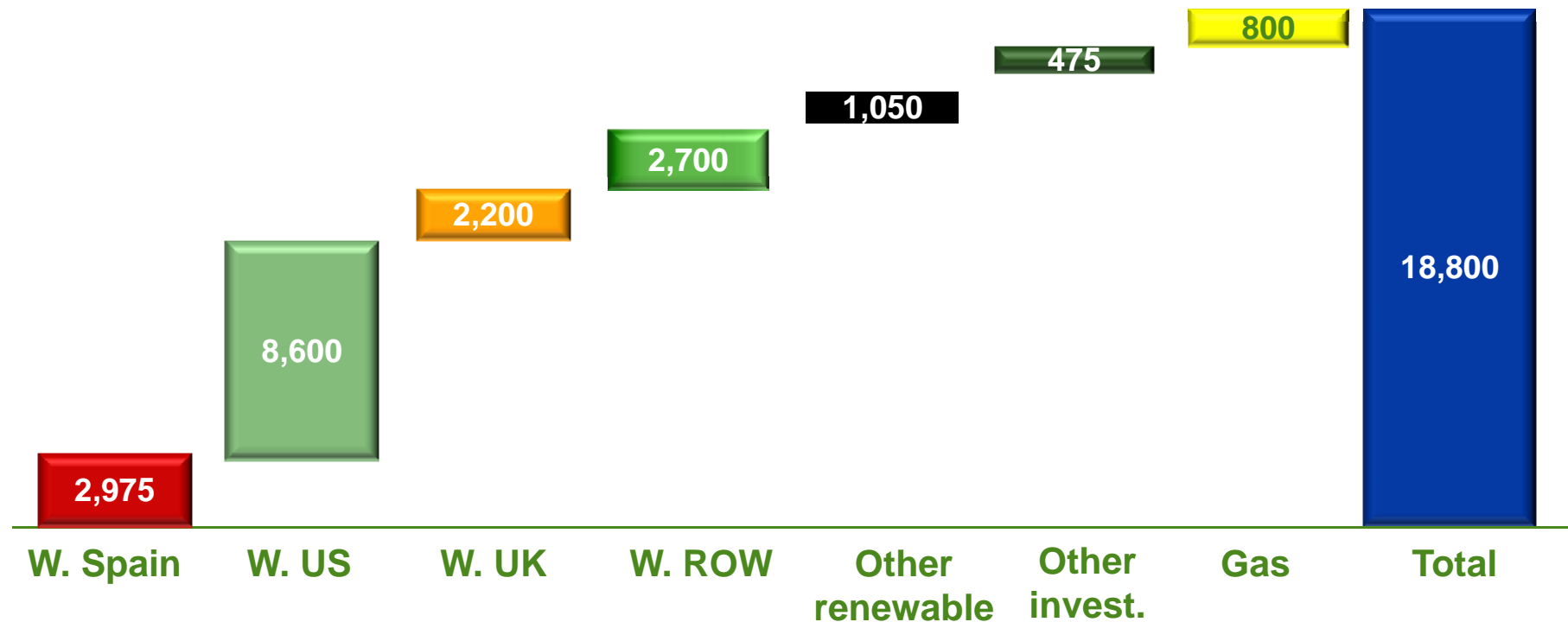
2008-2010 strategic guidelines



Strategic Plan: Investments



**The total investment during the period 2008-2012 will be over
Eur 18,800 million...**



...with more than the 80% of the investment in wind business

Strategic Plan: Final installed capacity

Final installed capacity to multiply by X2.5...

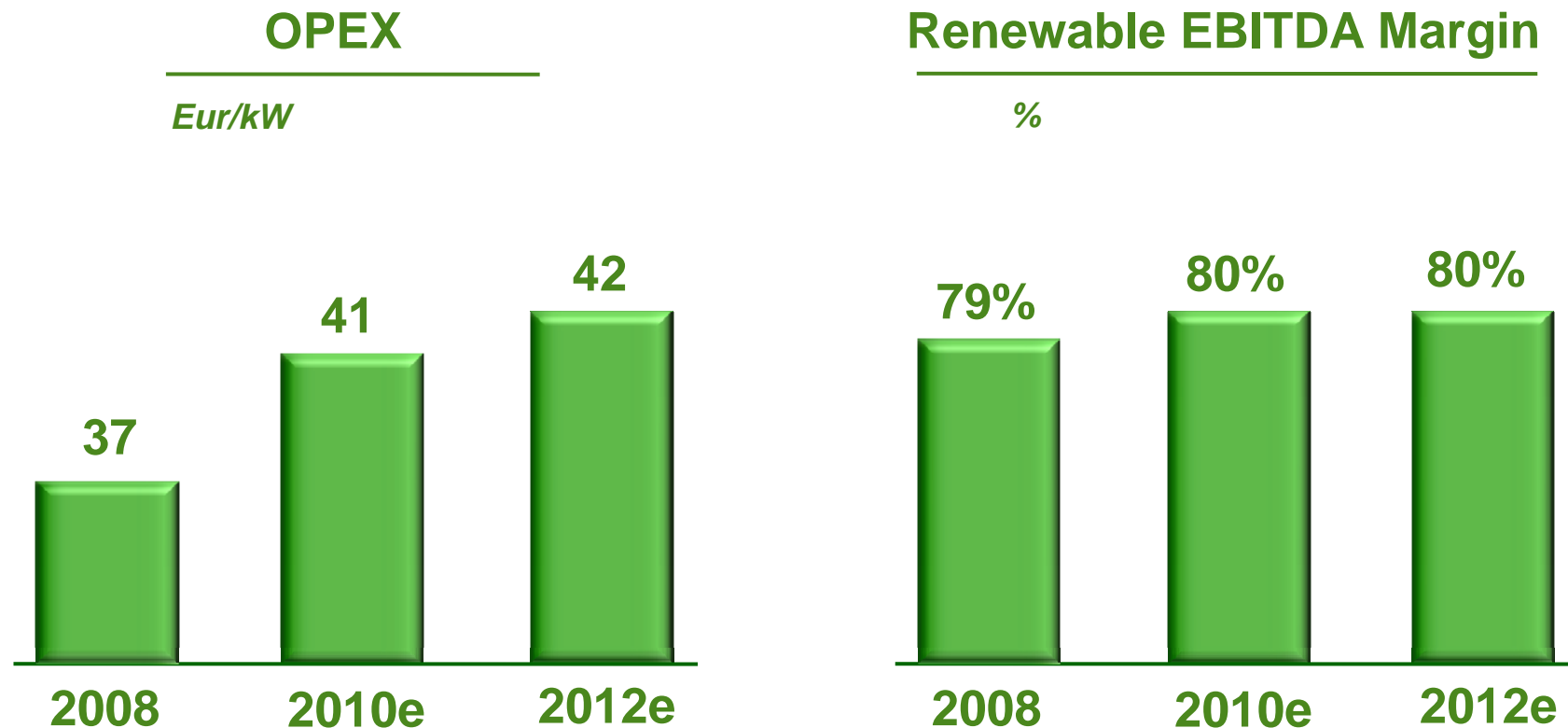
| | | 2007 | 2010 | 2012 |
|-------------------------------|-----------------|-------|--------|--------|
| Total capacity (MW) | | 7,100 | 13,600 | 18,000 |
| <div>2007-2012 X2.5</div> | Wind | 6,760 | 13,050 | 17,250 |
| | Spain | 4,230 | 5,300 | 6,200 |
| | US | 1,550 | 4,900 | 6,900 |
| | UK | 380 | 1,250 | 1,800 |
| | ROW | 600 | 1,600 | 2,350 |
| | Other renewable | 340 | 550 | 750 |
| | Minihydro | 340 | 400 | 450 |
| | Thermosolar | - | 150 | 250 |
| | Biomass | - | - | 50 |

Strategic Plan: Final installed capacity

A fourfold increase production to exceed 42,000 GWh

| | 2007 | 2010e | 2012e |
|--|--------------|---------------|---------------|
| Total average capacity (MW) | 4.900 | 11.900 | 16.300 |
| <div> <div>2007-2012 X3.3</div> <div> <i>Wind</i> <i>Other renewable</i> </div> </div> | 4.600 | 11.450 | 15.650 |
| | 350 | 450 | 650 |
| Production (GWh) | 9,900 | 30,000 | 42,300 |
| <i>Wind</i> | 9,400 | 29,000 | 40,700 |
| <i>Other renewable</i> | 500 | 1,000 | 1,600 |

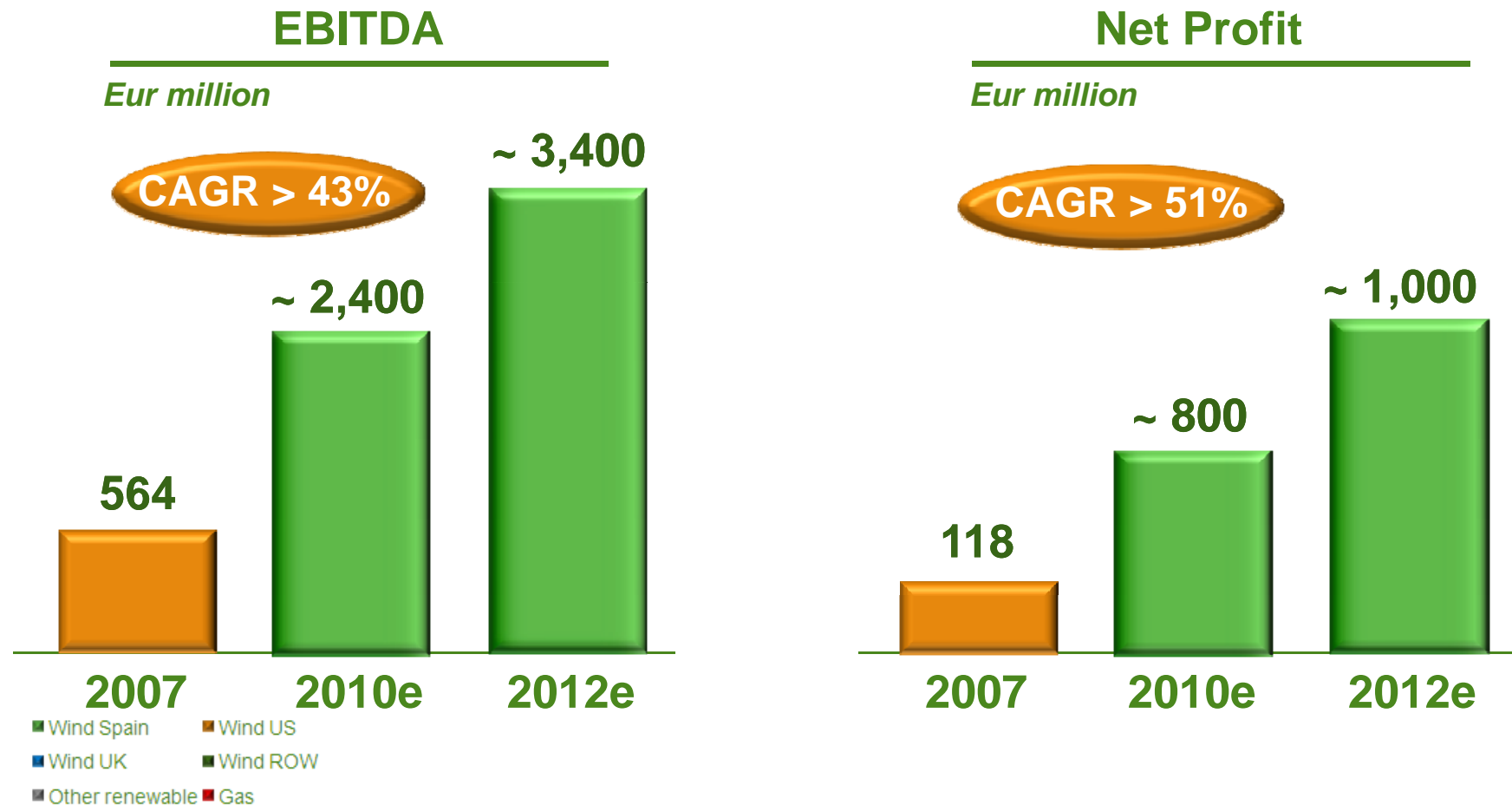
Slight increase in OPEX costs...



...driving to increasing EBITDA margins up to 79% in 2012

Strategic Plan: EBITDA and Net profit

EBITDA will rise up to Eur 3,400 MM in 2012 ...

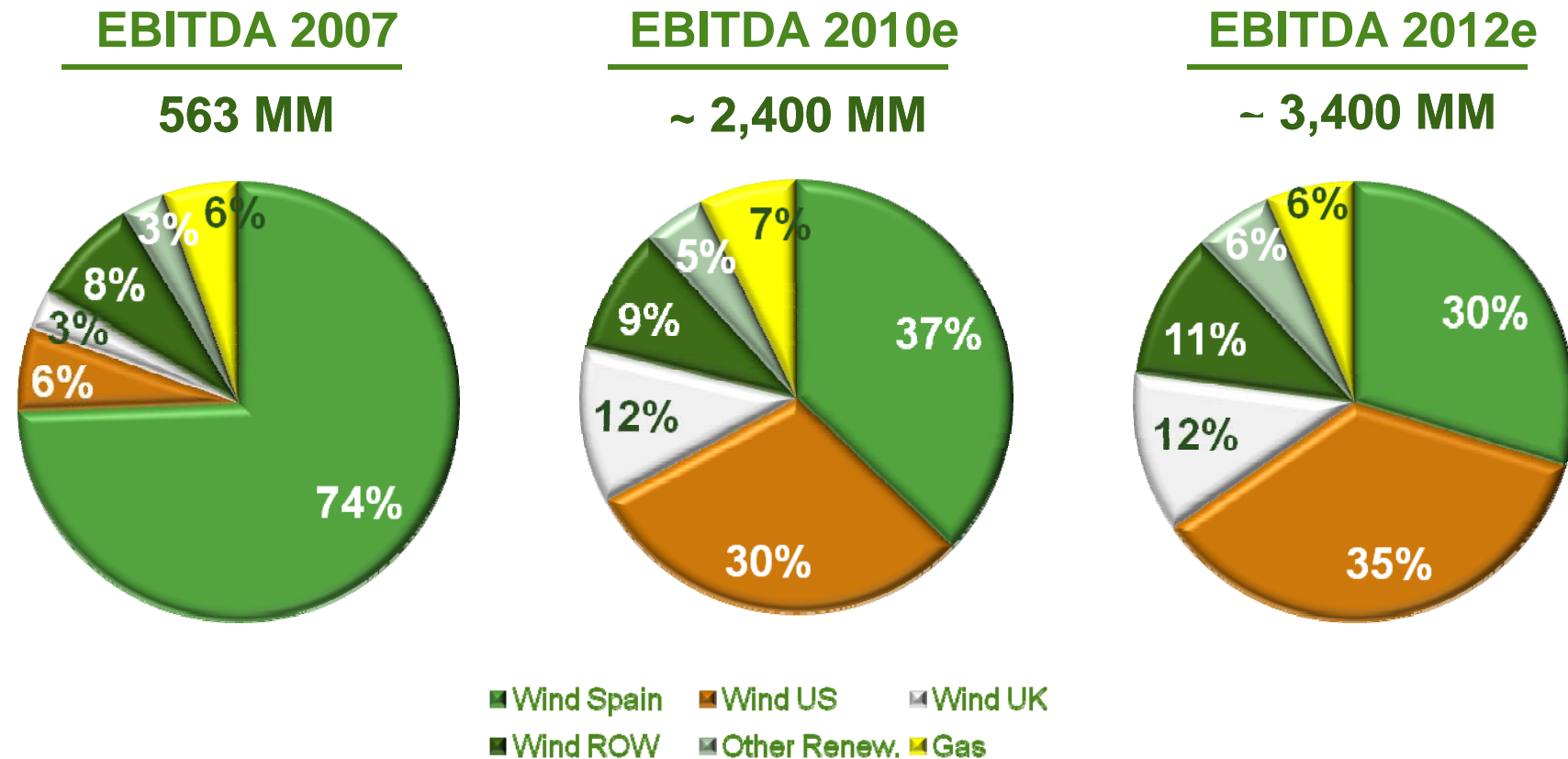


...boosting Net Profit X8 in 5 years

Strategic Plan: EBITDA



Increasing EBITDA diversification ...



...reaching a very balanced position already in 2010

Strategic Plan: Gas Investments

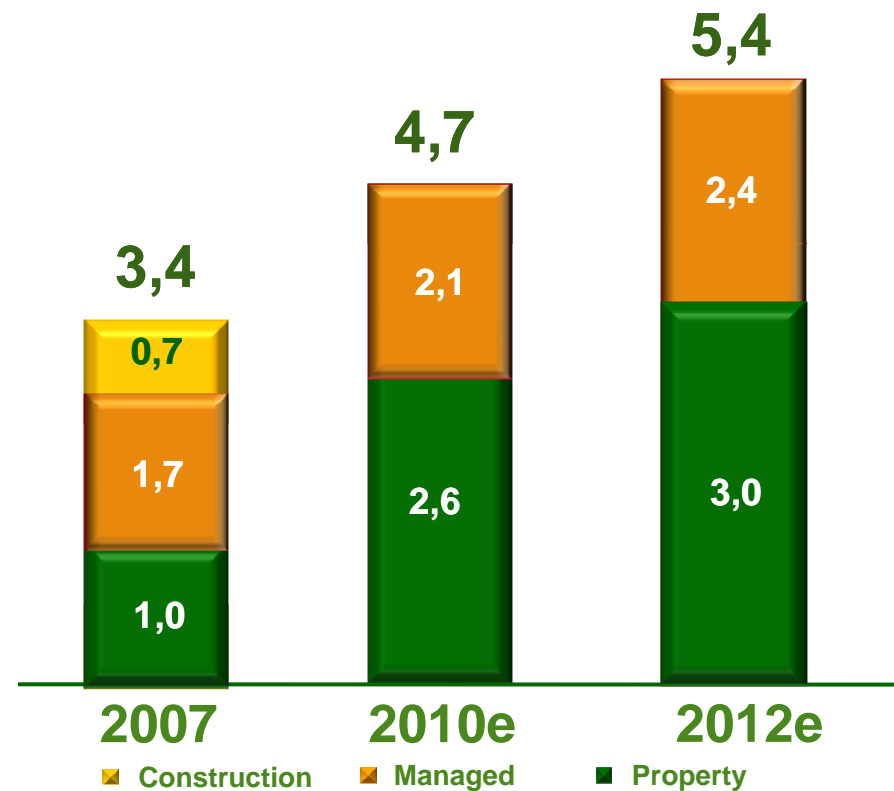
Financial synergies with renewable business...

3.4 bcm managed,
more than double of spanish
current storage capacity

Freebird and Caledonia:
recent acquisitions

2 projects under development:
0,7 bcm

Gas storage capacity (bcm)



and develops its own growth plan

Strategic Plan: R+D+i



Aim to future challenges of the renewable energies...

R+D+i Strategic Plan 2008 - 2012

Vehicle for emerging technologies

Improve efficiency

... with a budget of Eur 120 MM for 2008-2012

Agenda



Sectorial overview

Competitive advantages

Strategic Plan

Conclusion

Conclusion

IBR is a company with strong competitive advantages

Excelent Track record

Diversified asset base and Pipeline

Turbines Available

Human resources

Strong financial position