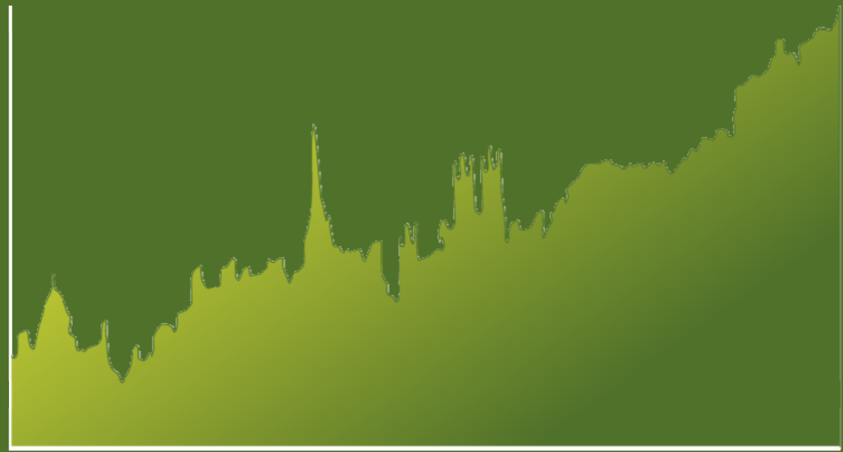
IBERDROLA RENOVABLES

Investors´ Day 2008

Gleneagles, Scotland



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Diversification

Susan Reilly, Executive Vice President Iberdrola US
Martín Múgica, Head of US Wind Business
Jamie Wilson, Head of ROW Business
Gleneagles, July 3rd 2008

Diversification strategy highlights

Diversification is a key competitive advantage for IBR…

…in terms of geography, taking advantage of different regulatory systems and present in high potential growth markets...

…in terms of technologies, selectively investing in offshore and solar to be prepared for the future…

..and IBR will improve its diversification during the Strategic Plan period

Geographical Diversification

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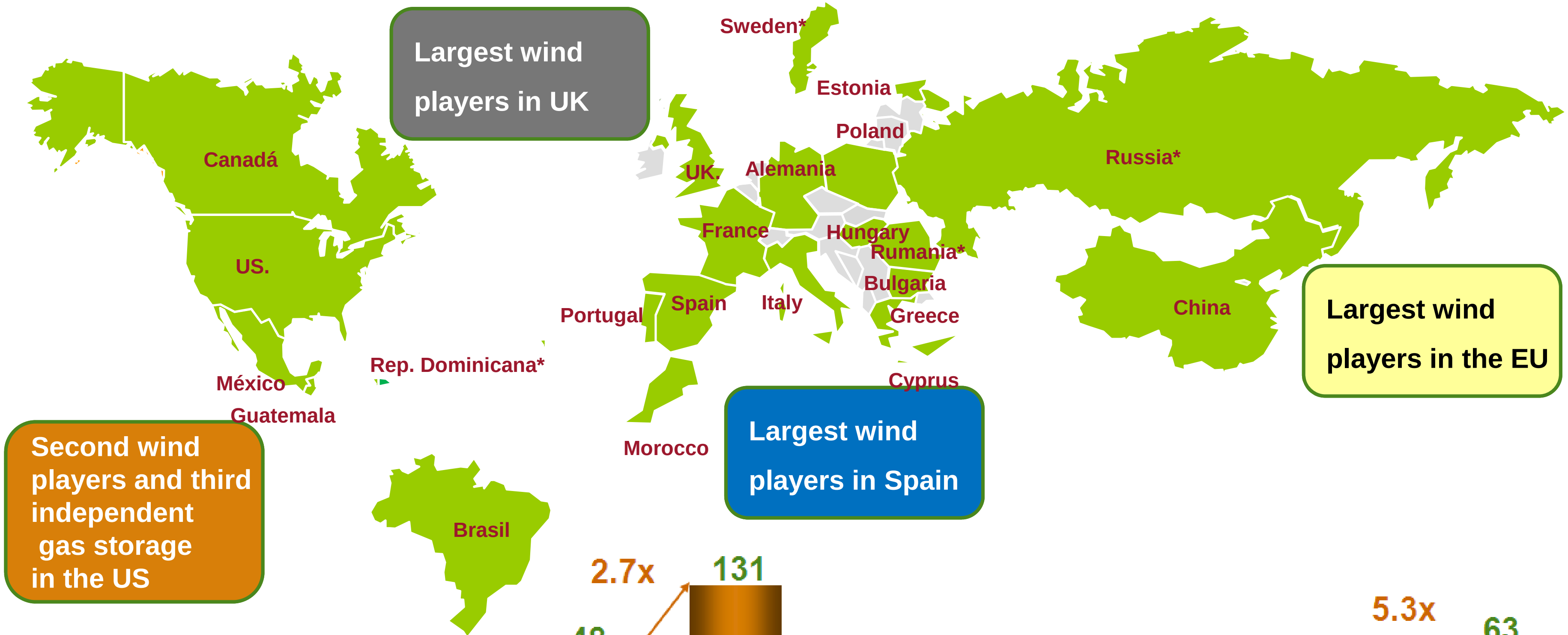
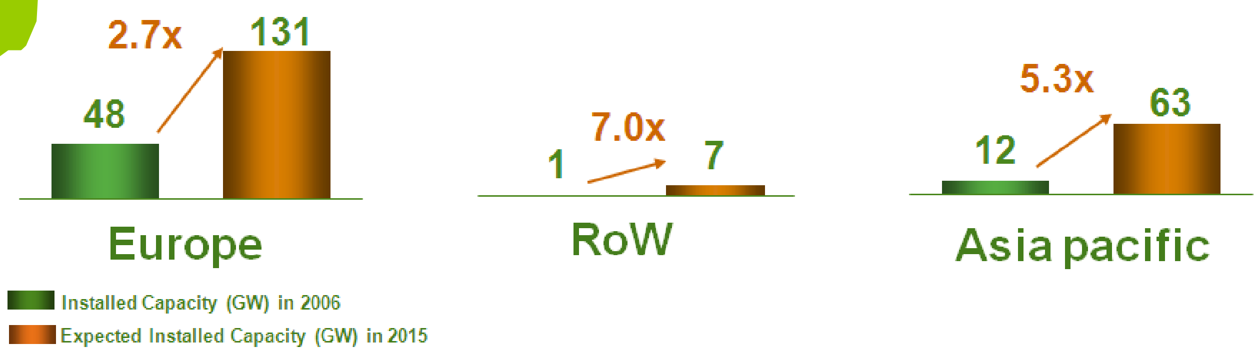
Focused on the diversified and organic growth with 4 main strategic markets… present in 23 countries…





Pipeline

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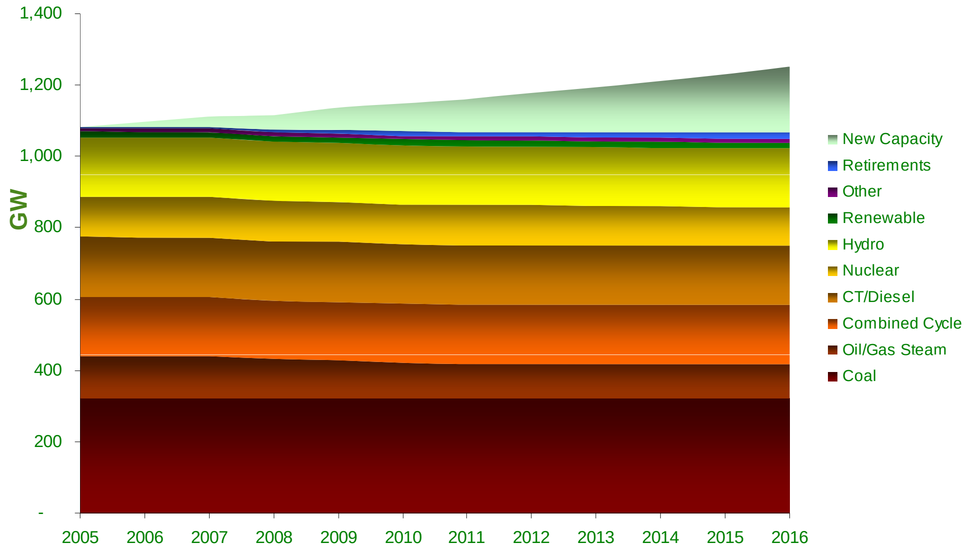
After the agreement, pipeline has increased up to 54 GW…

	2007	1H08
Pipeline	42 GW	54 GW
Spain	17%	24%
UK	13%	10%
US	52%	41%
Rest of World	18%	25%

…weight of ROW increases from 18% - 25%

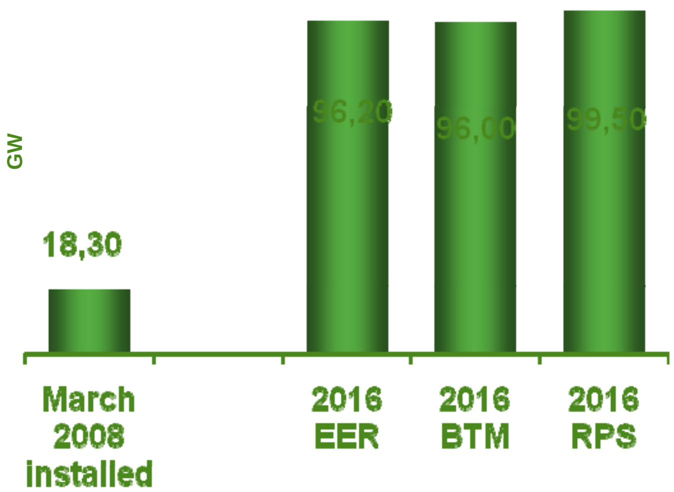
Wind US:
Market Growth Expectations

Estimated US Power Generating Capacity*



Source: EPIS, Inc.

Projected Wind Capacity for 2016



Source: AWEA, BTM, EER, Company estimate

New capacity additions: 17 GW p.a.

Total capacity grows 1.3% p.a.

New capacity expected: wind and gas

Driven by RPS requirements

5.7 times growth over nine years

DOE affirmed viability of 305 GW by 2030

Wind will be a significant part of US growth

* Includes portions of Canada and Mexico that are able to export to U.S.

Wind US: Historical growth

30% CAGR Since 2000

US annual installed capacity

Significant average growth in last five years by 2.4 GW per annum

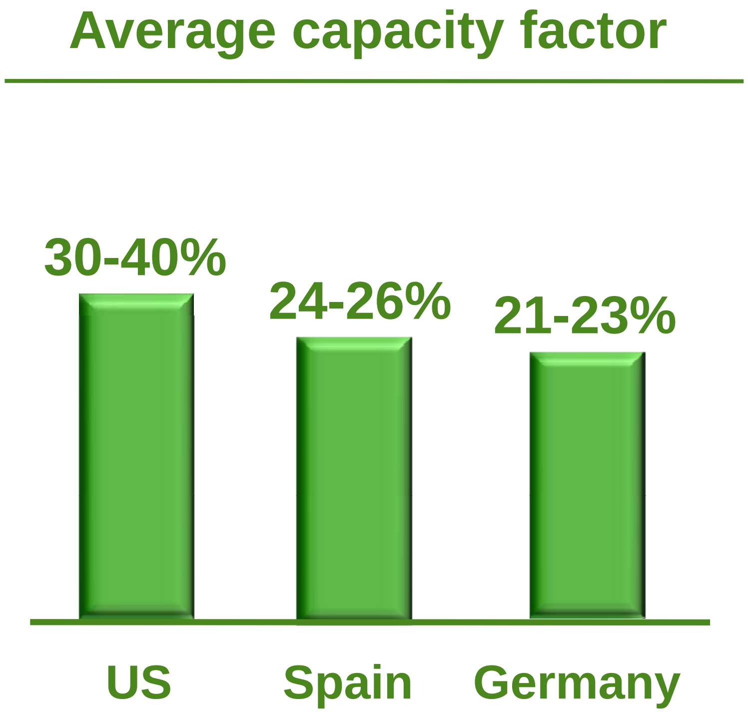
Record growth in 2007, 5.2 GWs placed in service

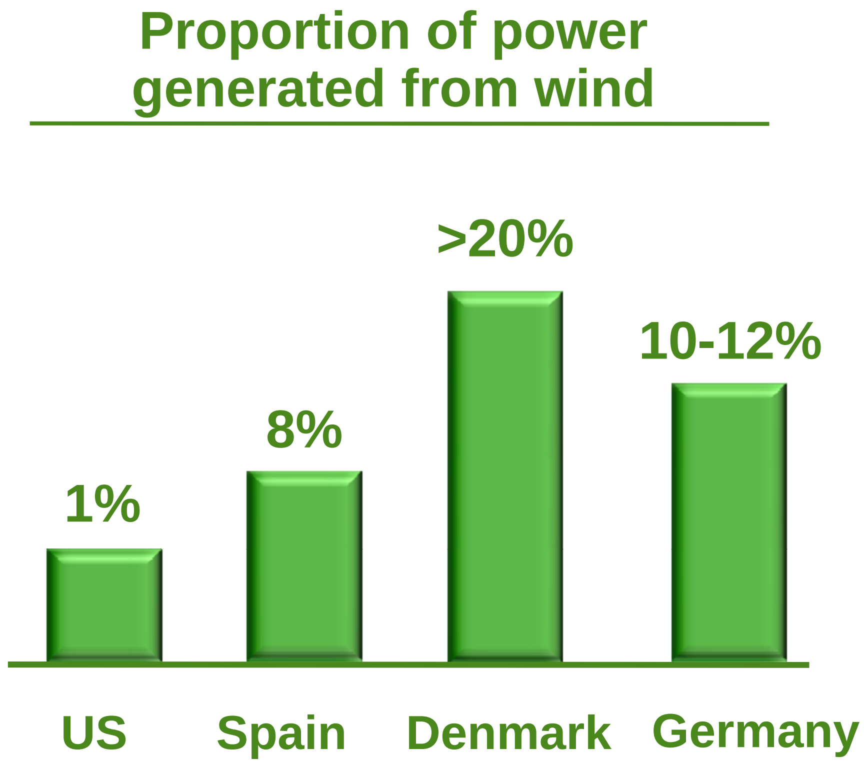
Plants under construction as of 3/31/08 over 5.7 GW

Source: U.S. Department of Energy, AWEA

Wind US:
Comparative growth Potential

Growth potential of U.S. market is vast…

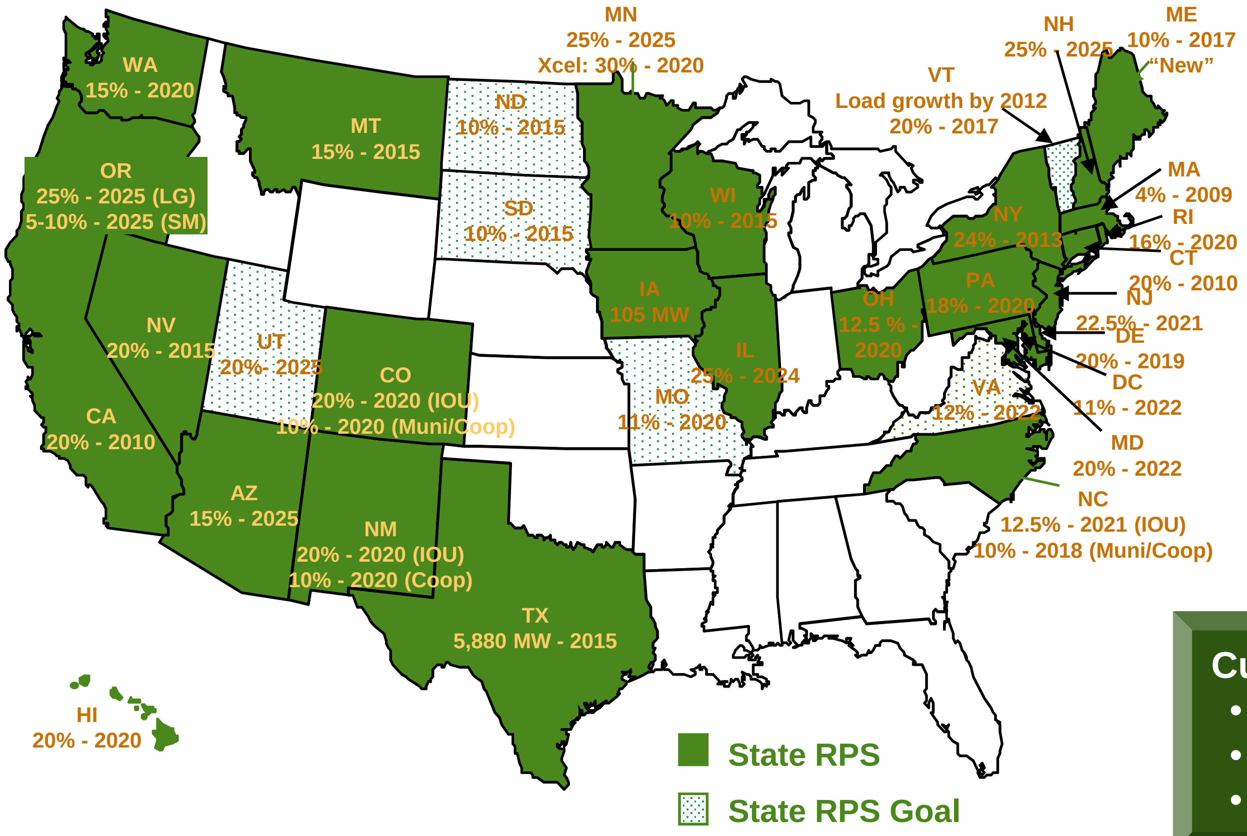




…and Department of Energy study confirmed viability of c. 300 GW of Wind Energy by 2030

Wind US:
Renewable Portfolio Standards

… RPS providing clear defined growth targets for US …



26 States have adopted a Renewable Portfolio Standard

States with RPS represent 60-70% of US load

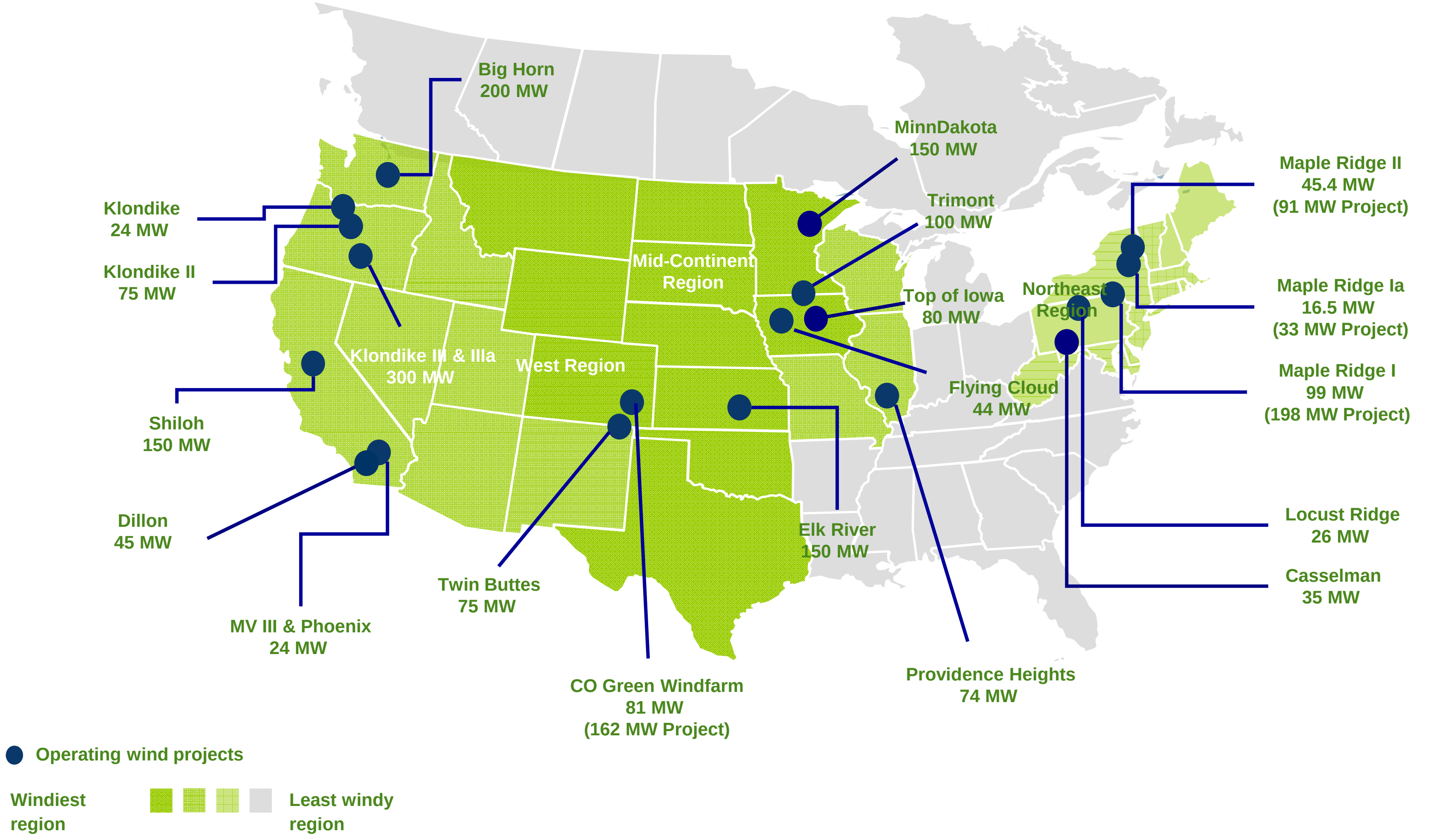
US Utility PPAs support new wind construction

Current REC values
- WECC/MISO/ERCOT $6 - $7
- PJM $11 - $19
- NEPOOL $50 - $52

… and being supported by the industry as the preferred supporting mechanism for renewable

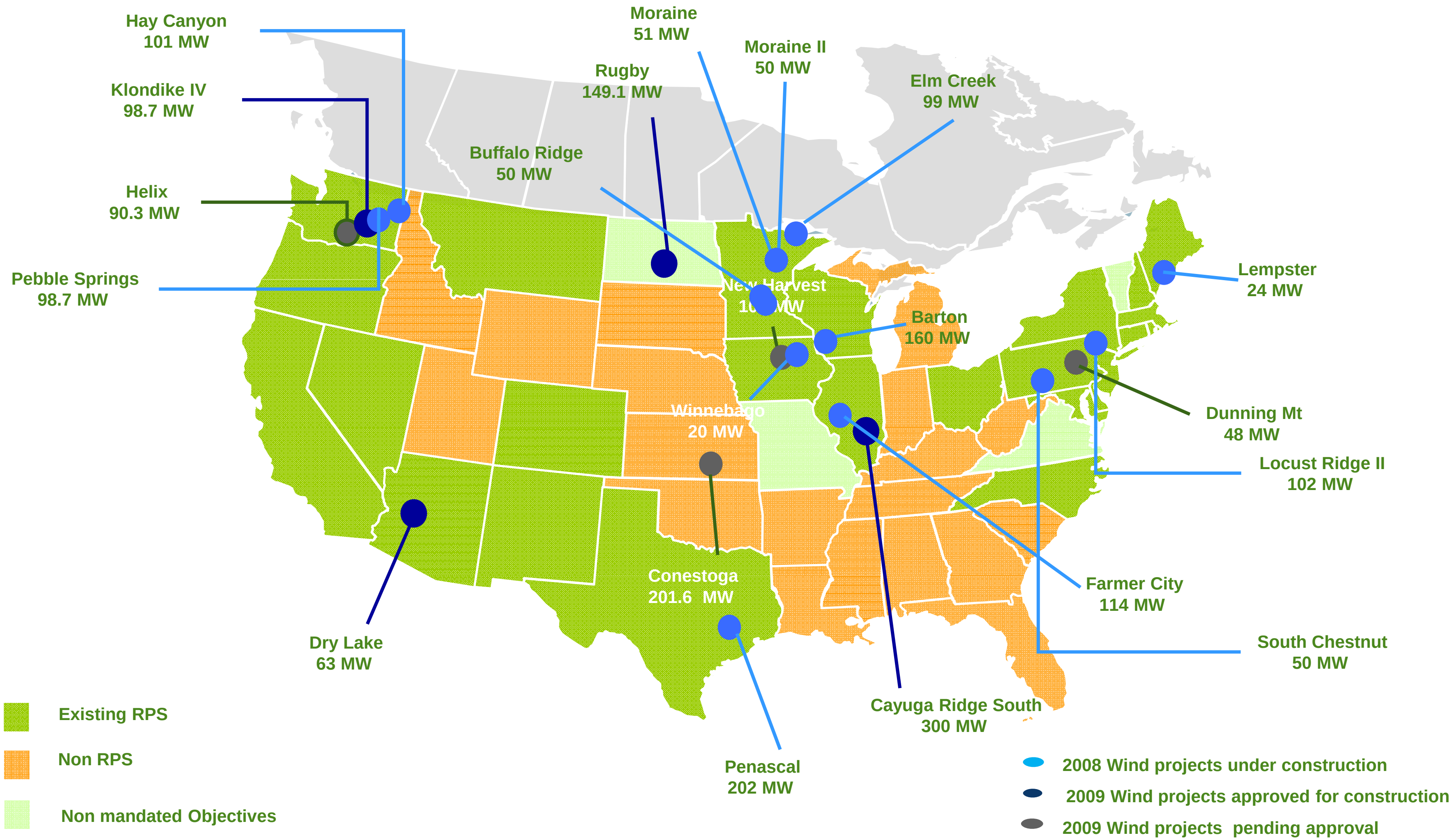
Wind US:
A Diversified Operating Assets

… 1,982 MW as of 1H08, in optimal balance between wind, transmission and energy prices



Wind US:
2008 and 2009 projects well diversified

… 2000 MW in optimal balance between wind, transmission and energy prices, and in states with strong RPS

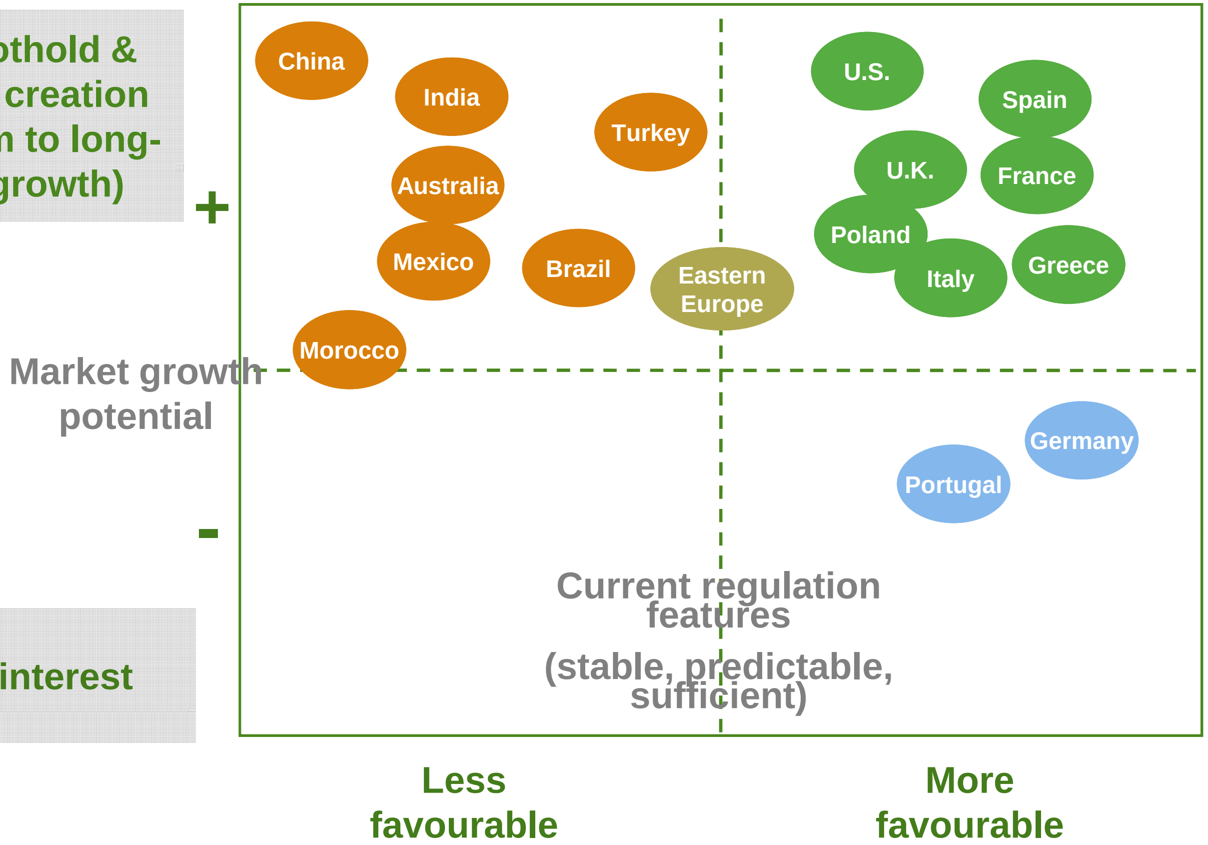


Wind Europe and Others: Targeting countries

Accelerating profitable growth being present in Key Geographies focus on markets with high growth potential and favourable regulatory frameworks

Set foothold & market creation (medium to long-term growth)

Expansive growth (short to medium term)



Opportunistic growth (short to medium term)

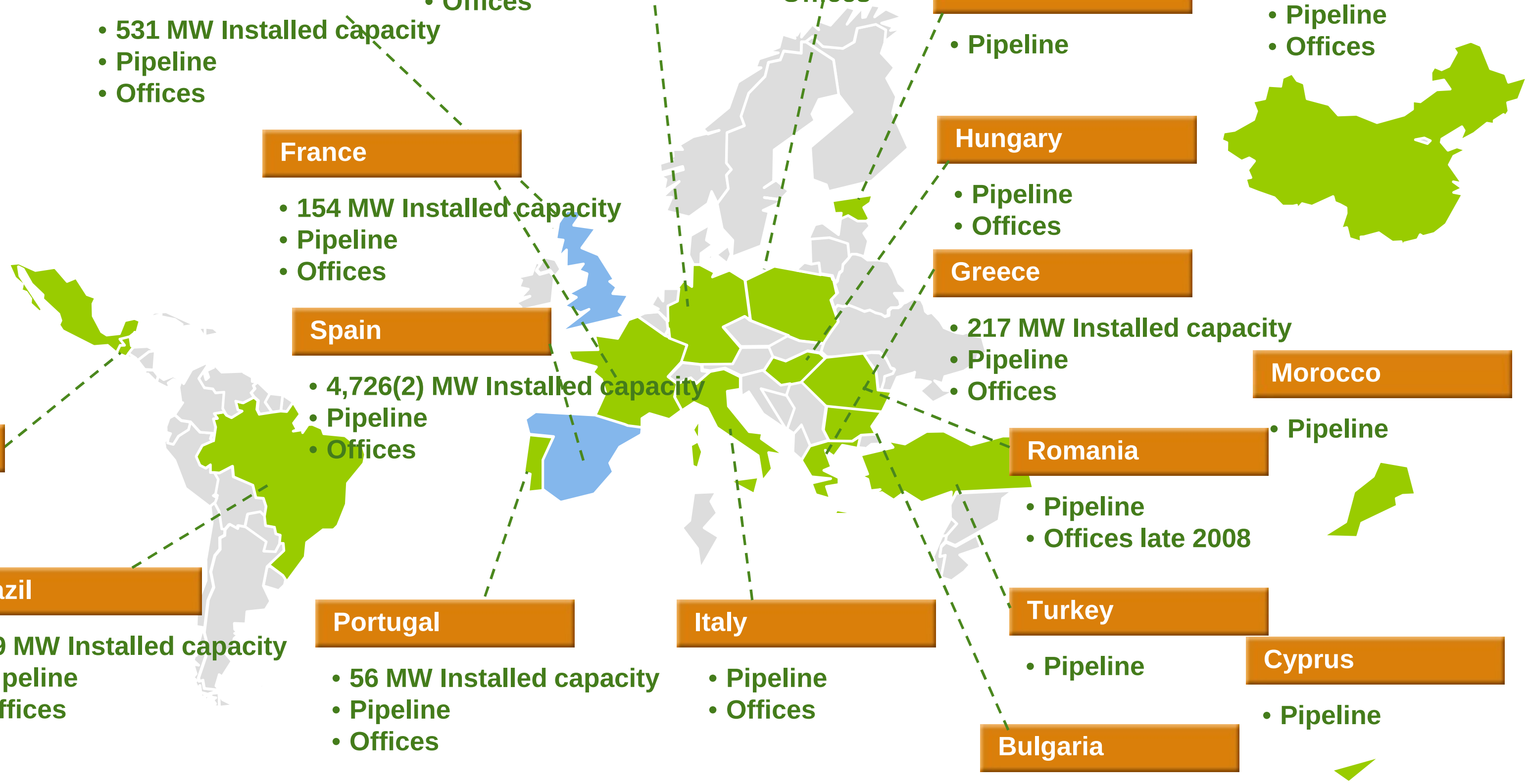
Low interest

Well positioned to quickly diversify further and capture value as Regulatory and market conditions improve

Source Company data

Wind Europe and Others: Geographical diversification

More than 100 locally based staff around the world (1) in order to capture all the growth



Germany
- 63MW Installed capacity
- Pipeline
- Offices

Poland
- 123 MW Installed capacity
- Pipeline
- Offices

UK
- 531 MW Installed capacity
- Pipeline
- Offices

Estonia
- Pipeline

China
- Pipeline
- Offices

France
- 154 MW Installed capacity
- Pipeline
- Offices

Hungary
- Pipeline
- Offices

Mexico
- Pipeline
- Offices

Spain
- 4,726(2) MW Installed capacity
- Pipeline
- Offices

Greece
- 217 MW Installed capacity
- Pipeline
- Offices

Morocco
- Pipeline

Guatemala
- Pipeline

Romania
- Pipeline
- Offices late 2008

Brazil
- 49 MW Installed capacity
- Pipeline
- Offices

Portugal
- 56 MW Installed capacity
- Pipeline
- Offices

Italy
- Pipeline
- Offices

Turkey
- Pipeline

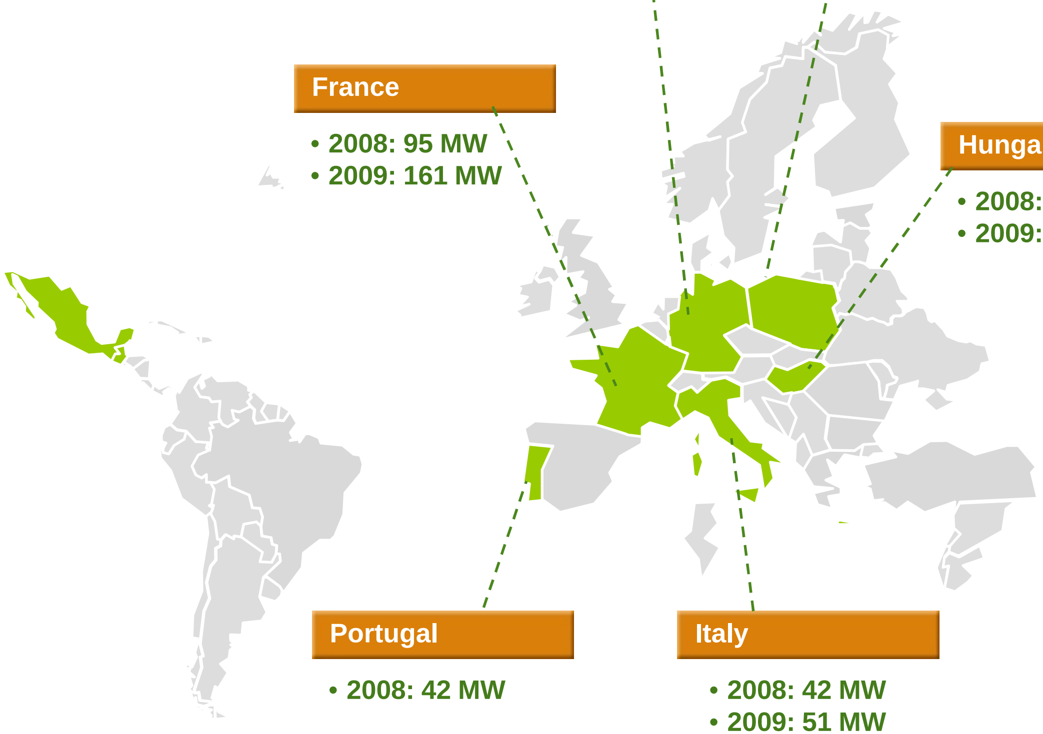
Cyprus
- Pipeline

Bulgaria
- Pipeline

Note (1) IBR ROW business only. Excludes Spain, US and UK and Gamesa Strategic Agreement
(2) Includes 342 MW of MiniHydro.

Wind Europe and Others: 2008-2009 projects

2008- 2009 projects are well diversified in Europe



Germany
- 2008: 3 MW

Poland
- 2008 :29 MW
- 2009: 95 MW

France
- 2008: 95 MW
- 2009: 161 MW

Hungary
- 2008: 32 MW
- 2009: 41,4 MW

Mexico
- 2008 31 MW
- 2009: 31 MW

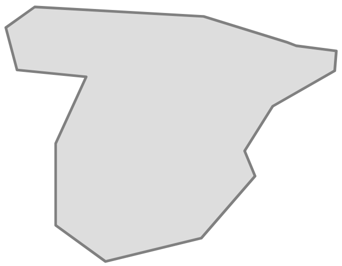
Portugal
- 2008: 42 MW

Italy
- 2008: 42 MW
- 2009: 51 MW

Note (1) IBR ROW business only. Excludes Spain, US and UK and Gamesa Strategic Agreement

Wind Europe and Others: Key Markets – "Now"

Spain



- Since 2001
- 4,384 MW installed capacity
- [#1] in country

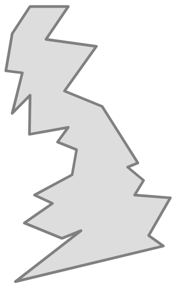
Greece(1)

- Since 2004
- 217 MW installed capacity
- [#1] in country

France

- Since 2004
- 154 MW installed capacity
- [#2] in country

UK



- Since 2003
- 531 MW installed capacity
- [#1] in country

Poland

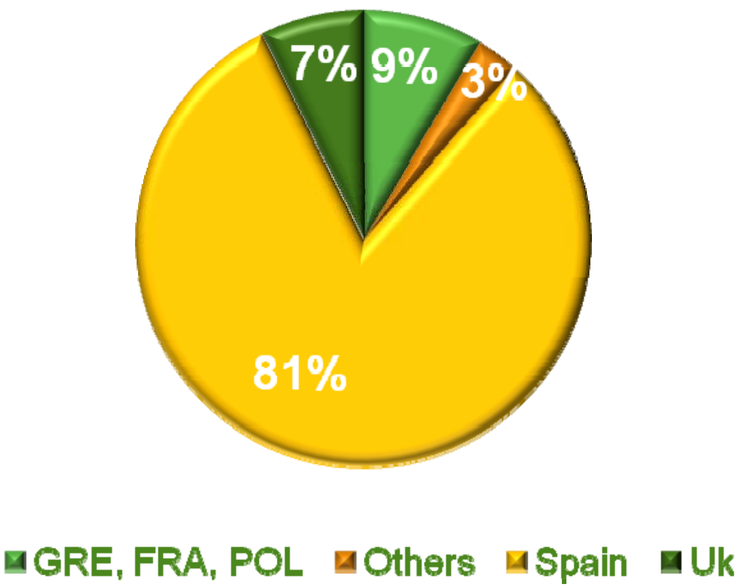
- Since 2005.
- 123 MW installed capacity
- [#1] in country

Wind Europe and Others:
Key Markets – "Future…"

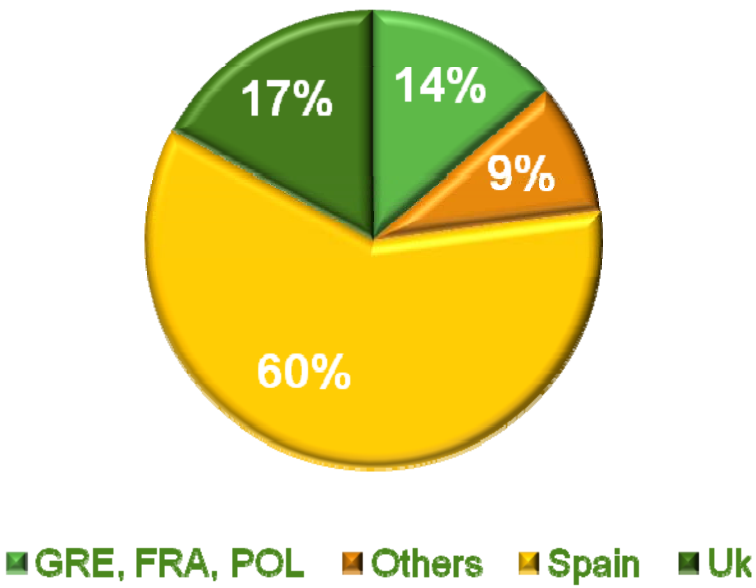
**A diversified mix by geography,
with an increasing contribution from newer markets**

Installed Capacity

Wind Europe and Others 2007



Wind Europe and Others 2012



Transferring successful country "models" to newer markets