



Julián Martínez-Simancas
Secretary of the Board of Directors

Bilbao, 24 April 2019

To the National Securities Market Commission

Subject: Commencement of the process for the initial public offering of Neoenergía, S.A. in Brazil

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 yesterday Neoenergía, S.A. ("**Neoenergía**"), company of which Iberdrola holds 52.45 % of its share capital via its subsidiary Iberdrola Energía, S.A. (*Sociedad Unipersonal*), communicated the passing by the Board of Directors, among others in preparation of the transaction, of the resolution to call an Extraordinary General Shareholders Meeting to approve, as the case may be, its initial public offering in Brazil.

In particular, amongst the resolutions regarding the transaction which will be submitted to the Extraordinary General Shareholders Meeting of Neoenergía, called to be held on 29 April 2019, are: (i) to apply to the Brazilian *Comissão de Valores Mobiliários* for the registration of a public offering of shares of Neoenergía, (ii) to apply for admission to listing of its shares in the special trading segment so-called "*Novo Mercado*", and (iii) to amend its by-laws to bring them in line with the rules of the "*Novo Mercado*" and the practice of listed companies.

The outcome of this process will be reported to the market in due course.

This information is provided to you for the appropriate purposes.

Yours faithfully,

Secretary of the Board of Directors

NOTICE: This document is a translation of a duly approved Spanish-language document, and is provided for informational purposes only. In the event of any discrepancy between the text of this translation and the text of the original Spanish-language document which this translation is intended to reflect, the text of the original Spanish-language document shall prevail.



Take care of the environment.
Printed in black and white and only if necessary



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. or Neoenergia, 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.

This communication 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 public documents sent by Iberdrola, S.A. to the *Comisión Nacional del Mercado de Valores*.

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 oral or written forward-looking statements hereby made or otherwise attributable to Iberdrola, S.A. or any of its members, directors, officers, employees or any persons acting on its behalf are expressly qualified on its entirety by the cautionary statement above. All the 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.

NOTICE: This document is a translation of a duly approved Spanish-language document, and is provided for informational purposes only. In the event of any discrepancy between the text of this translation and the text of the original Spanish-language document which this translation is intended to reflect, the text of the original Spanish-language document shall prevail.



Take care of the environment.
Printed in black and white and only if necessary