HIGHLIGHTS OF THE PERIOD

Operating Net Profit\(^1\) grows 27\% and Reported Net Profit reaches EUR 1,410 M

Net Investments reach to EUR 2,478 M with EUR 20 Bn in the last 5 years

Operational Efficiency speeding up: Net Operating Expenses to Gross Margin ratio improves 100 basis points to 27.5\% (vs 1H 2017)\(^2\)

EBITDA totals EUR 4,436 M, (+17\%) and grows in all businesses

Avangrid\(^3\): Adjusted Net Profit reaches USD 371 M. Increase in quarterly dividend to $0.44/share (vs $0.432) starting in 3Q

Neoenergia\(^4\): EBITDA grows 43\% to R$2,159 M. Net Profit reaches R$671 M, +144\%

During the first half, total new financing and credit lines raised reached EUR 11.8 Bn

23\% of our current total debt portfolio\(^5\) is green and 75\% of credit lines are linked to environmental factors

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\(^1\) 2017 excludes positive one off impacts of Gamesa merger and portfolio price revision in Gas Spain.

\(^2\) Excluding positive non-operating portfolio price revision in Gas Spain in 2017.

\(^3\) American subsidiary that is listed on the New York Stock Exchange and of which Iberdrola controls 81.5\%.

\(^4\) Brazilian subsidiary of which Neoenergia owns 52.45\%.

\(^5\) Including hybrids.