Results Presentation

Nine Months
October 21, 2020
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Agenda

Highlights of the Period
Highlights of the period

Adjusted Net Profit grows 8.8% and Reported Net Profit rises 4.7%, to EUR 2,681 M

COVID-19: Progressive normalization of market conditions

Record investments, up to EUR 6,638 M (+22.9%)
4,600 MW installed y-o-y and 7,600 MW under construction

Expanding our geographical footprint and creating new growth platforms

Adjusted EBITDA grows 3.2 %, to EUR 7,561 M
Reported EBITDA reaches EUR 7,345 M

Maintaining interim shareholder dividend of EUR 0.168 per share

100% PNM Resources transaction for ~ USD 4.3 Bn cash
Corporate transaction

Avangrid-PNM Resources combination: accelerating growth in US

Iberdrola strategy

Growing renewables and regulated activities

Countries with high growths and good rating

Earnings per share accretion

Maintaining our financial strength

Adding to previous operations: Infigen, Aalto Power, Sweden and Japan…
Supporting future growth
Corporate transaction

Avangrid-PNM Resources combination: Electric utility in New Mexico and Texas

<table>
<thead>
<tr>
<th></th>
<th>Avangrid Pro forma 2019 figures (USD M)</th>
<th>Iberdrola Pro forma 2019 figures (EUR M)¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>2,453</td>
<td>10,601</td>
</tr>
<tr>
<td>Avangrid</td>
<td>1,867</td>
<td>10,104</td>
</tr>
<tr>
<td>PNM</td>
<td>586</td>
<td>498</td>
</tr>
<tr>
<td>Net Income</td>
<td>846</td>
<td>3,526²</td>
</tr>
<tr>
<td>Avangrid</td>
<td>673</td>
<td>3,406</td>
</tr>
<tr>
<td>PNM</td>
<td>173</td>
<td>120</td>
</tr>
</tbody>
</table>

More than 3% EPS accretion for both companies

¹USD/EUR exchange rate as of 6 October 2020 of 0.85
²Including 81.5% of PNM Net Income as per Iberdrola share in Avangrid
Business recuperation

Progressive normalization of market conditions

Monthly evolution electricity demand

<table>
<thead>
<tr>
<th>Month</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sept</th>
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<tbody>
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<td>Feb</td>
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</tbody>
</table>

-2%  -18% -9%  -2%

2021 forward price evolution

<table>
<thead>
<tr>
<th>Month</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
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</table>

(€/MWh)

44.5  40.8  44.9

(£/MWh)

41.8  39.7  46.9
Gross Investments

Accelerating investments up EUR 6,638 M (+23%) despite COVID-19 restrictions 54% of total investments allocated to renewables

9M Gross Investments by business

- **Generation & Supply** -21.1%
- **Renewables** +51.8%
- **Networks** +5.5%
- **Corporate & other** +1.9%

6,638 M EUR

Gross Investments by quarter (Bn Eur)

- Q1: 1.7
- Q2: 1.9
- Q3: 3.0

Reaffirming our target to invest EUR 10 Bn for 2020
Installed Capacity

More than 4,600 MW of new installed capacity in the last 12 months…

…and 7,600 MW under construction of which around 1,000 MW offshore wind

<table>
<thead>
<tr>
<th>Capacity under construction (MW)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Offshore wind</td>
<td>1,000</td>
</tr>
<tr>
<td>Onshore wind</td>
<td>2,200</td>
</tr>
<tr>
<td>Solar PV</td>
<td>2,700</td>
</tr>
<tr>
<td>Storage (Hydro &amp; Batteries)</td>
<td>1,250</td>
</tr>
<tr>
<td>Others</td>
<td>500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,650</strong></td>
</tr>
</tbody>
</table>

More than 70,000 MW of pipeline
EBITDA

Financial performance: adjusted EBITDA\(^1\) up +3.2%

**Adjusted EBITDA by business**

- **Generation & Supply**: 27%
- **Networks**: 49%
- **Renewables**: 24%

**7,561 M EUR**

**Networks**
- Negative impact of new regulatory period in Spain, as expected
- Results in US affected by items reconcilable in US GAAP that will be registered in IFRS in future years
- Brazil: Higher contribution in Transmission offsets impact of COVID in Distribution
- Higher revenues in UK due to larger rate base

**Renewables**
- Impact of new capacity installed
- Wind: EA1 fully operational (UK); higher availability and more capacity (US)
- Hydro: higher production in Spain and Brazil with Spain’s reserve levels ~50% above previous year

**Generation and supply**
- Lower procurements with prices hedged

**FX**
- USD and GBP appreciation partly mitigates BRL performance
- FX impact: 90% hedged at net profit level

COVID impact of EUR 216 M at EBITDA level

Adjusted EBITDA up 6.4% excluding FX impact

\(^1\)Adjusted EBITDA = Reported EBITDA + COVID Impact – 2019 Non Recurrent items
Operational efficiency

Net Operating Expenses improve by EUR 57 M...

...even after considering EUR 43 M expenses\(^1\) related to COVID

\(^1\) Related mainly to donations of healthcare materials
Financial Strength

Cash flow up 2.3%, driving an improvement of financial ratios

FFO / Adjusted Net Debt

+20 bp

21.7%
21.9%

Q3 2019
Q3 2020

Maintaining full access to capital markets
Recovery plans and increasing investments

A massive opportunity ahead in our current markets

- **Emissions reduction** by 2030: 55% vs 40%

- **Share of renewables** by 2030: 65% vs 55%

- **Hydrogen** by 2030: 40GW

- **Coronavirus recovery fund** by 2030: 140 Bn Eur

- **Share of renewables** by 2030: 65% vs 55%

- **Hydrogen strategy** by 2030: 4GW

- **Coronavirus recovery fund** by 2030: 72 Billion by 2023
  - 37% Green Transition
  - 33% Digital Transformation

- **Offshore wind** by 2030: 40GW vs 30

- **Floating offshore wind** by 2030: 1GW

- **Hydrogen strategy** by 2030: 8.9 Billion by 2030

- **Offshore wind auctions in NY & NJ** in 2020 & 2021: 4.9GW

- **Offshore wind target in Virginia**: 5.2GW
Expanding our geographical footprint and creating new growth platforms

New growth platforms

USA:
- PNM Resources
- Increase of renewable pipeline

Brazil:
- Increasing pipeline of renewables projects

UK and Continental Europe:
- Increase of renewable pipeline

Sweden:
- 9GW of offshore wind pipeline

Japan:
- 3.3 GW of offshore wind pipeline

France:
- Acquisition of 118 MW of onshore wind and 636 MW renewable under development
- 100% ownership of Saint Brieuc offshore wind farm

Australia:
- Infigen

Adding 14,000 MW to pipeline (~90% offshore wind) for a total of more than 70,000 MW
Other milestones

Multiple regulatory measures under development

- Electric vehicle program in NY
- New York rate case on track (tariffs applied retroactively from April)
- Interconnection with Canada progressing to start construction
- NY offshore auction up to 2,500 MW: bid submitted on October 20th

- RIIO T2 process ongoing.
  - CMA draft decision rising on water companies (Final decision by December)
  - Auctioning of new offshore lease areas in England, Wales and Scotland up to 18 GW in 9 different areas

- BRL ~1,664 M Off-balance sheet COVID system loans paid by September
- Public Hearing about Extraordinary tariff review ongoing
Analysis of Results
COVID impact / Group

Two main direct COVID impacts considered, totalling EUR 308 M in 9M 2020, ...

<table>
<thead>
<tr>
<th>EUR M</th>
<th>DEMAND(^{(1)})</th>
<th>BAD DEBT(^{(2)})</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Networks</td>
<td>Generation &amp;Supply</td>
</tr>
<tr>
<td>SPAIN</td>
<td>8</td>
<td>28</td>
</tr>
<tr>
<td>UK</td>
<td>23</td>
<td>34</td>
</tr>
<tr>
<td>US</td>
<td>61(^{(3)})</td>
<td>-</td>
</tr>
<tr>
<td>MEXICO</td>
<td>-</td>
<td>11</td>
</tr>
<tr>
<td>BRAZIL</td>
<td>30</td>
<td>2</td>
</tr>
<tr>
<td>IEI</td>
<td>-</td>
<td>19</td>
</tr>
<tr>
<td>TOTAL</td>
<td>122</td>
<td>94</td>
</tr>
</tbody>
</table>

... **Demand** (EUR 216 M) at EBITDA level and **bad debt** (EUR 92 M) at EBIT level

---

\(^{(1)}\) Accounted for within EBITDA  
\(^{(2)}\) Accounted for in Provisions  
\(^{(3)}\) Includes EUR 59 M corresponding to the delay of NY Rate Case
COVID impact / Group

Several measures underway in order to offset COVID impacts

**Networks**
- Expected recovery of impacts in UK and US,
- and under negotiation in Brazil

**Generation & Supply**
- Bad debt impacts managed through commercial activity
- Proposal to OFGEM in UK for recognition of impacts in SVT

Improving the impact in the second half of the year after removal of lockdown measures

COVID Impact at Net Profit level by quarters

<table>
<thead>
<tr>
<th>Quarter</th>
<th>(EUR M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>17</td>
</tr>
<tr>
<td>Q2</td>
<td>136</td>
</tr>
<tr>
<td>Q3</td>
<td>50</td>
</tr>
</tbody>
</table>
Income Statement / Group

Reported Net Profit grows 4.7%, to EUR 2,681.0 M. Adjusted Net Profit grows +8.8%

<table>
<thead>
<tr>
<th>EUR M</th>
<th>9M 2020</th>
<th>9M 2019</th>
<th>%</th>
<th>9M 2020 (Adjusted)</th>
<th>% Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>24,248.0</td>
<td>26,457.5</td>
<td>-8.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Margin</td>
<td>11,841.3</td>
<td>12,086.7</td>
<td>-2.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Operating Expenses</td>
<td>-3,100.9</td>
<td>-3,158.2</td>
<td>-1.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Levies</td>
<td>-1,395.2</td>
<td>-1,429.6</td>
<td>-2.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>7,345.2</td>
<td>7,498.9</td>
<td>-2.0</td>
<td>7,561.5</td>
<td>+3.2</td>
</tr>
<tr>
<td>EBIT</td>
<td>3,987.9</td>
<td>4,488.9</td>
<td>-11.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Financial Expenses</td>
<td>-640.8</td>
<td>-890.4</td>
<td>-28.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non Recurring Results</td>
<td>514.7</td>
<td>122.4</td>
<td>n/a</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes and Minorities</td>
<td>-1,161.6</td>
<td>-1,138.8</td>
<td>+2.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reported Net Profit</td>
<td>2,681.0</td>
<td>2,560.9</td>
<td>+4.7</td>
<td>2,553.2</td>
<td>+8.8</td>
</tr>
<tr>
<td>Operating Cash Flow</td>
<td>5,957.5</td>
<td>5,824.7</td>
<td>+2.3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Fx: USD +0.5%, GBP +0.3% and BRL -22.6%. With an impact of EUR -236 M at EBITDA level in 9M (vs EUR -92 M in H1)
Results reconciliation

Adjusted results exclude main non-recurring impacts in 9M’19 and 9M’20, but not fx impact (EUR -236 M at EBITDA level at 9M 2020)

<table>
<thead>
<tr>
<th></th>
<th>EBITDA</th>
<th>Net Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020 Adjusted EBITDA</td>
<td>7,561</td>
<td>2,553</td>
</tr>
<tr>
<td>COVID effect</td>
<td>-216</td>
<td>-203</td>
</tr>
<tr>
<td>2020 Reported EBITDA</td>
<td>7,345</td>
<td>+485</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-154</td>
</tr>
<tr>
<td>2020 Adjusted Net Profit</td>
<td>7,345</td>
<td>2,681</td>
</tr>
<tr>
<td>COVID effect</td>
<td>-203</td>
<td>+485</td>
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<tr>
<td>Siemens Gamesa</td>
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<td></td>
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<tr>
<td>Tax impacts</td>
<td>-154</td>
<td></td>
</tr>
</tbody>
</table>

9M’19 Net Profit adjusted for LNG contracts sale (EUR 89 M EBITDA; EUR 66 M Net Profit), transfer of the fibre optic contracts (EUR 49 M EBITDA; EUR 123 M Net Profit) and settlements in Spanish Networks (EUR 33 M EBITDA; EUR 25 M Net Profit)
Gross Margin / Group

Gross Margin falls 2.0%, to EUR 11,841.3 M, with a negative fx impact of EUR 343 M, ...

Revenues

<table>
<thead>
<tr>
<th>EUR M</th>
<th>9M 2019</th>
<th>9M 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>26,457.5</td>
<td>24,248.0</td>
</tr>
</tbody>
</table>

-8.4%

Procurements

<table>
<thead>
<tr>
<th>EUR M</th>
<th>9M 2019</th>
<th>9M 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>14,370.8</td>
<td>12,406.7</td>
</tr>
</tbody>
</table>

-13.7%

... and grows 0.8% excluding fx impact
Net Operating Expenses / Group

Net Operating Expenses improve 1.8%, to EUR 3,100.9 M, driven by cost containment, due to COVID and efficiency plans

<table>
<thead>
<tr>
<th>EUR M</th>
<th>Net Operating Expenses</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9M 2020</td>
<td>9M 2019</td>
<td>vs 9M'19 (%)</td>
<td></td>
</tr>
<tr>
<td>Net Personnel Expenses</td>
<td>-1,595.7</td>
<td>-1,598.1</td>
<td>-0.2%</td>
<td></td>
</tr>
<tr>
<td>Net External Services</td>
<td>-1,505.2</td>
<td>-1,560.1</td>
<td>-3.5%</td>
<td></td>
</tr>
<tr>
<td>Total Net Op. Expenses</td>
<td>-3,100.9</td>
<td>-3,158.2</td>
<td>-1.8%</td>
<td></td>
</tr>
</tbody>
</table>

Positive fx impact (EUR +108 M) compensates EUR -43 M of donations and other expenses, related to COVID
Levies / Group

Levies fell 2.4%, to EUR 1,395.2 M, ... due mainly to lower prices in Spain

-1,430

9M 2019

Spanish taxes on generation

+36

-1

9M 2020

-1,395

Other
**Results by Business / Networks**

**Networks EBITDA** falls 10.7%, to EUR 3,519.7 M

**EBITDA by Geography (%)**

- **Spain**: 34%
- **Brazil**: 21%
- **United States**: 24%
- **United Kingdom**: 21%

**Key Figures (EUR M)**

<table>
<thead>
<tr>
<th></th>
<th>9M 2020</th>
<th>9M 2019</th>
<th>vs 9M’19 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Margin</td>
<td>5,625.1</td>
<td>6,080.5</td>
<td>-7.5%</td>
</tr>
<tr>
<td>Net Op. Exp.</td>
<td>-1,559.3</td>
<td>-1,606.9</td>
<td>-3.0%</td>
</tr>
<tr>
<td>Levies</td>
<td>-546.1</td>
<td>-531.7</td>
<td>+2.7%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>3,519.7</td>
<td>3,941.9</td>
<td>-10.7%</td>
</tr>
</tbody>
</table>

EUR 122 M of COVID impact on demand and EUR 181 M of timing and storm effects in US
Results by Business / Networks

Spain
EBITDA EUR 1,202.9 M (EUR -93.0 M; -7.2%), due to the lower remuneration established for 2020 in the regulatory framework (EUR -44 M), the impact of transferring the fibre optic contracts in Q3´19 (EUR-49 M) and positive settlements accounted for in 9M 2019 (EUR -33 M).

US
EBITDA IFRS USD 935.1 M (USD -244.1 M; -20.7%), EBITDA US GAAP USD 1,037 M (-1.1%), driven mainly by USD -119 M of IFRS adjustments as a consequence of differences in volumes and energy that, together with the impact of Storm Isaias, will be recovered over the next years. USD -68 M of COVID impact on demand, including USD -66 M of NY Rate Case delay, to be recovered from 2021 onwards.

Brazil
EBITDA BRL 4,230.0 M (BRL +334.9 M; +8.6%), as results due to investments in transmission and efficiencies compensate lower margins in distribution, affected by BRL -167 M of COVID impact on demand. BRL 1.7 bn “off balance” COVID-account for NEO already collected.

UK
EBITDA GBP 646.6 M (GBP +20.7 M; +3.3%), with higher revenues, as a consequence of investments, partially offset by lower demand due to COVID (GBP -21 M), to be recovered in 2022.
Results by Business / Renewables

Renewables EBITDA up 5.6%, to EUR 1,771.5 M, driven by the US and the UK

EBITDA by Geography (%)

- Spain: 26%
- United States: 26%
- United Kingdom: 28%
- Brazil: 4%
- Mexico: 3%
- IEI*: 13%

Key Figures (EUR M)

<table>
<thead>
<tr>
<th></th>
<th>9M 2020</th>
<th>9M 2019</th>
<th>vs 9M'19 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Margin</td>
<td>2,660.0</td>
<td>2,519.0</td>
<td>+5.6%</td>
</tr>
<tr>
<td>Net Op. Exp.</td>
<td>-599.7</td>
<td>-569.8</td>
<td>+5.3%</td>
</tr>
<tr>
<td>Levies</td>
<td>-288.7</td>
<td>-271.0</td>
<td>+6.5%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,771.5</td>
<td>1,678.3</td>
<td>+5.6%</td>
</tr>
</tbody>
</table>

Average operating capacity increases to 29,175 MW and installed capacity to 33,964 MW

*Iberdrola Energía Internacional, formerly RoW*
### Results by Business / Renewables

<table>
<thead>
<tr>
<th>Country</th>
<th>EBITDA</th>
<th>Currency</th>
<th>Change</th>
<th>Percentage</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UK</strong></td>
<td>GBP 442.8 M</td>
<td>+141.3 M; +46.8%</td>
<td>due to higher production both in onshore (+4.3%) and offshore (+258.2%), as a consequence of the contribution from East Anglia 1, 714 MW fully in operation since April 2020.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>US</strong></td>
<td>USD 510.9 M</td>
<td>+42.4 M; +9.0%</td>
<td>driven by higher output (+14.5%), due to higher wind resource vs 9M’19 (+0.9 p.p.) and increase in average operating capacity (+695 MW)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Spain</strong></td>
<td>EUR 444.8 M</td>
<td>-70.8 M; -13.7%</td>
<td>due to lower sale price to the Supply business, despite higher output (+22.6%) driven by hydro production (+53.9%) and higher PV capacity.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>IEI</strong></td>
<td>EUR 233.6 M</td>
<td>-13.6 M; -5.5%</td>
<td>due one-off costs related to business expansion. Aalto Power consolidated from the 1st of July and Infigen from the 5th of August.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Brazil</strong></td>
<td>BRL 449.1 M</td>
<td>+2.9 M; +0.7%</td>
<td>with output increasing (+5.8%), as higher hydro production compensates the decline in wind output.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Mexico</strong></td>
<td>USD 62.2 M</td>
<td>-1.1 M; -1.8%</td>
<td>lower load factor in wind (-0.8 p.p.) and PV (-1.6 p.p.) more than offsets higher average operating capacity (+53 MW).</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Results by Business / Generation and Supply*

Generation & Supply EBITDA up 10.3% to EUR 2,004.4 M,…

EBITDA by Geography (%)

- Brazil: 2%
- Mexico: 29%
- United Kingdom: 8%
- Spain: 61%

EBITDA: 2,004.4

Key Figures (EUR M)

<table>
<thead>
<tr>
<th></th>
<th>9M 2020</th>
<th>9M 2019</th>
<th>vs 9M’19 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Margin</td>
<td>3,571.7</td>
<td>3,482.3</td>
<td>+2.6%</td>
</tr>
<tr>
<td>Net Op. Exp.</td>
<td>-973.2</td>
<td>-1,036.8</td>
<td>-6.1%</td>
</tr>
<tr>
<td>Levies</td>
<td>-594.1</td>
<td>-627.8</td>
<td>-5.4%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>2,004.4</td>
<td>1,817.7</td>
<td>+10.3%</td>
</tr>
</tbody>
</table>

… with EUR -94 M of COVID impact on demand

### Results by Business / Generation and Supply

#### Spain
- **EBITDA EUR 1,230.1 M (EUR +55.2 M; +4.7%)**
  - Lower output 25,356 GWh (-11.3%), higher purchases at lower prices vs 9M 2019
  - Active management of customer portfolio: Energy + Smart Solutions
  - LNG contracts sale (EUR 89 M) in Q2 2019

#### Mexico
- **EBITDA USD 642.6 M (USD +2.4 M; +0.4%)**: production increase, due to new installed capacity, partially offset by temporary lower availability of one CCGT plant.

#### UK
- **EBITDA GBP 136.6 M (GBP +99.3 M; +265.6%)**: recovery as a consequence of improved margins vs 2019, despite fall in sales.

#### Brazil
- **EBITDA BRL 273.4 M (BRL +73.6 M; +36.8%)**: business normalization after the one-off effect that impacted results during 2019.

#### IEI*
- **EBITDA EUR -2.9 M (EUR +11.4 M; +79.6%)**: improving but still affected by initial development costs. Reaching 1,741,000 contracts.

* 9M 2020 Pro-forma excluding Iberdrola brand intercompany transactions: Lib Spain EUR -67 M, Lib. IEI EUR +11 M, Corporate EUR +56 M. Neutral effect at Group level
EBIT / Group

Group EBIT falls 11.2%, to EUR 3,987.9 M, with Depreciation growing 8.7% due to higher asset base.

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>D &amp; A</td>
<td>-2,987.5</td>
<td>-2,748.6</td>
<td>+8.7%</td>
</tr>
<tr>
<td>Provisions</td>
<td>-369.8</td>
<td>-261.5</td>
<td>+41.7%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>-3,357.3</td>
<td>-3,010.1</td>
<td>+11.5%</td>
</tr>
</tbody>
</table>

Provisions up +41.7%, including EUR 92 M of bad debt provisions: EUR 40 M in Networks, mostly in Brazil, under negotiation to be recovered, and EUR 52 M impact in Generation and Supply, a manageable amount through commercial activity.
Net Financial Expenses improve by EUR 250 M to EUR 640.8 M, due to one-off fx hedges and lower cost, …

…. despite higher average debt

* Sept’19 restated including the cost of currency swaps linked to debt already included in Sept’20
## Adjusted Net Debt / Group

### Strong credit metrics

<table>
<thead>
<tr>
<th>Adjusted credit metrics</th>
<th>Sept 2020***</th>
<th>Sept 2019**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Net Debt* / EBITDA</td>
<td>3.8x</td>
<td>3.6x</td>
</tr>
<tr>
<td>FFO / Adjusted Net Debt*</td>
<td>21.9%</td>
<td>21.7%</td>
</tr>
<tr>
<td>RCF / Adjusted Net Debt*</td>
<td>19.9%</td>
<td>20.2%</td>
</tr>
<tr>
<td>Adjusted Leverage*</td>
<td>45.5%</td>
<td>43.9%</td>
</tr>
</tbody>
</table>

* Adjusted by market value of potential treasury stock cumulative hedges (EUR 700 M at Sep 2019 and EUR 961 M at Sep 2020)

** Restated including full IFRS16 criteria as considered in Dec19

*** Excluding provisions for efficiency plans, proforma including Infigen 1 year

TEI financing not included (EUR 253 M at Sept 2019 and EUR 419 M at Sept 2020)

---

** On a like-for-like basis, FFO / Adjusted Net Debt improves 0.2 p.p. vs 2019

---

* Adjusted Net Debt* (EUR M)

- 36,518 (Sept 2019**)
- 37,883 (Sept 2020)
- 1,030* (Infigen (EUR 854 M) and Aalto Power (EUR 176 M))
Liquidity and debt diversification / Group

Liquidity totals EUR 13,8 bn, covering 30 months of financing needs

- **Cash**: EUR 2,067 M
- **Available Loans**: EUR 2,141 M
- **Credit Lines**: EUR 2,306 M
- **Backup Lines**: EUR 7,300 M

Highly diversified sources of finance facilitates market access
Net Profit / Group

**Reported Net Profit** up 4.7%, to EUR 2,681.0 M, and Adjusted Net Profit +8.8% ...

<table>
<thead>
<tr>
<th>EUR M</th>
<th>9M 2020</th>
<th>9M 2019</th>
<th>vs 9M’19 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT</td>
<td>3,987.9</td>
<td>4,488.9</td>
<td>-11.2%</td>
</tr>
<tr>
<td>- Net Financial Expenses</td>
<td>-640.8</td>
<td>-890.4</td>
<td>-28.0%</td>
</tr>
<tr>
<td>- Equity Method</td>
<td>-19.3</td>
<td>-21.1</td>
<td>-8.8%</td>
</tr>
<tr>
<td>- Non Recurring Results</td>
<td>+514.7</td>
<td>+122.4</td>
<td>n/a</td>
</tr>
<tr>
<td>- Corporate Tax</td>
<td>-954.5</td>
<td>-888.5</td>
<td>+7.4%</td>
</tr>
<tr>
<td>- Minorities</td>
<td>-207.1</td>
<td>-250.3</td>
<td>-17.3%</td>
</tr>
<tr>
<td><strong>Reported Net Profit</strong></td>
<td>2,681.0</td>
<td>2,549.5</td>
<td>+4.7%</td>
</tr>
</tbody>
</table>

... as previously explained in page 21 of this presentation
Agenda

Conclusions
Conclusions: nine months results

Reported Net Profit of EUR 2,681 M, up 4.7% and Adjusted Net Profit grows 8.8%

Gross investments reach EUR 6,638 M (+23%)

4,600 new MW in the last 12 months with 7,600 MW under construction

Maintaining financial strength (13.8 Bn of liquidity)

...despite COVID impacts (EUR 203 M)
Conclusions: 2020 Outlook

Improved results in second half of the year after softening of COVID-19 measures

Net Profit by quarters (EUR M)

Q1  Q2  Q3  Q4
2019 964 680 917 905
2020 1,257 588 836

Investment acceleration
- New capacity
- New Rate cases
- Cost savings
- Lower COVID-19 impact

Net Profit to accelerate driven by operating performance and higher investments
Conclusions: 2020 Outlook

Strong underlying business performance thanks to our diversified model

... maintaining Net Profit guidance at mid / high single-digit growth...

...and maintaining shareholder remuneration policy: interim shareholder remuneration of EUR 0.168 per share
Agenda

Annex: “Iberdrola Retribución Flexible” program January 2021
“Iberdrola Retribución Flexible” program: January 2021

- Board Agreement for the execution of the capital increase and interim dividend payment
- Chairman and CEO sets interim dividend
- Relevant fact
- Publication of the number of rights/share and interim DPS

Closing prices considered for determining the average price used to calculate number of rights and interim dividend amount

- Last day to buy IBE shares and participate in scrip and/or receive the dividend in cash
- Announcement of capital increase in BORME

Last day of rights trading period and of the common election period

- Delivery of shares
- Payment of interim dividend

Commemoration of the trading of the newly issued shares

20 October
- Chairman and CEO sets interim dividend
- Relevant fact
- Publication of the number of rights/share and interim DPS

8 January
- Commencement of the trading period and of the common election period
- Ex date (scrip and cash dividend)

11 January
- Last day to buy IBE shares and participate in scrip and/or receive the dividend in cash
- Announcement of capital increase in BORME

26 January
- Closing of scrip issue
- Relevant fact

8 February
- Delivery of shares
- Payment of interim dividend

10 February
- Commencement of the trading of the newly issued shares

2 February
- Closing of scrip issue
- Relevant fact

12 January
- Commencement of the trading period and of the common election period
- Ex date (scrip and cash dividend)