Adjusted net profit up 12% to €1,082 million
Chairman’s key points

“I have upturn in investments, our ongoing efforts to achieve operating efficiency and increased income are enabling us to grow faster than initially expected. Iberdrola is harnessing all its financial strength and leadership to drive recovery in the countries in which it operates”.

Ignacio Galán
Chairman & CEO of Iberdrola
Shareholder remuneration in 2021

Iberdrola will propose to the next General Shareholders’ Meeting the approval of a gross annual remuneration of €0.42 per share for the financial year 2020, an increase of 5% over the previous year. As part of its “Iberdrola Flexible Remuneration” optional dividend system, in February the company paid the Interim Dividend for the financial year 2020, which amounted to €0.168 gross per share. Of the total Iberdrola share capital, 75.1% opted to receive new company shares. Accordingly, provided it is approved by the General Shareholders’ Meeting, the sum of €0.252 gross per share as a final dividend to be paid in July 2021 will be added to the interim dividend already paid. An estimated calendar is given below:

The Iberdrola Flexible Remuneration calendar

- **29 June to 5 July 2021:** Days calculated to determine the number of free allocation rights required to receive a new share and the gross amount of the 2020 Complementary Dividend.
- **6 July 2021:** Notification, via a material event notice, of the number of free-of-charge allocation rights needed in order to receive a share and the amount of the gross Complementary Dividend per share.
- **7 July 2021:** Last day on which Iberdrola shares are traded with the right to participate in the Iberdrola Flexible Remuneration system.
- **8 to 21 July 2021:** Common Choice Period and the trading period for free allocation rights.
- **30 July 2021:** Payment of the Complementary Dividend. Forecast date for the registration of new shares.

Remuneration outlook for 2022

The results outlook for this year means the company can ratify its forecasted offer of shareholder remuneration of €0.44 per share charged to the 2021 results.
Highlights of the period

**EBITDA up 2% to €2,814 million**

Iberdrola’s consolidated EBITDA for the first quarter of 2021 rose 1.5% to €2,814.1 million, an increase that was affected by demand and the COVID effect. Without these two conditioning factors, the adjusted EBITDA would have grown by 3.9% (€2,878.7 million). **Network business** EBITDA grew 4.3% to €1,312.6 million, driven by increasing income in the USA on account of the New York tariff agreement approved in November 2020, new transmission projects and tariff reviews in Brazil, not to mention our expanding regulated asset base in the UK. **Renewables** EBITDA rose to €932.1 million (+27.8%) on the back of new operating assets and higher production rates for existing ones caused by greater availability and load factors, particularly in land wind power (in Europe and Brazil) and hydroelectric power (in Spain). The **Wholesale and Retail business** returned an EBITDA of €528 million, reflecting the impact of higher raw material costs.

**Iberdrola, a key driver in economic recovery and job creation**

Over the last 12 months, recruitment rose by 6,000 worldwide, 2,500 of which corresponded to the first quarter. The upturn in investments has created new opportunities for Iberdrola suppliers, creating some 30,000 jobs in Spain alone.

**Investment up 45% to €2,507 million**

Despite the difficult external circumstances, Iberdrola gross investments rose to €2,507 million, 92% of which was allocated to Renewables and Networks.

The first quarter saw Iberdrola forge ahead with the building of 8,700 new green MW: 4,600 MW wind power (2,600 MW at sea and the rest on land), 2,800 MW photovoltaic, 1,160 MW hydroelectric and 150 MW in batteries.

In terms of countries, half the investment effort was allocated to Brazil to acquire the Brazilian distributor, Neoenergia Distribuição Brasil (previously CEB-D). The United States received 30% to build a new transmission line with Canada and to finalise the announced acquisition of PNM Resources. Spain and the United Kingdom received the remaining 20% of the investment funds.

This investment programme is the result of a constant effort to develop a high-quality diversified portfolio as the main basis for future growth.

www.iberdrola.com
Highlights of the period

Adjusted net profit totalled €1,082 million (+12.4%)

The reported net profit stood at €1,025 million. However, if the extraordinary impact of COVID 19 is discounted, the adjusted net profit at the close of the first quarter totalled €1,082 million (+12.4%).

Financial health and sustainability

The Group’s financial soundness is clearly attested to by the generation of cash flow, which amounted to €2,27 million for the first quarter.

Accordingly, financial ratios improved, most notably the FFO/net adjusted debt which rose by 140 basis points to 23.2%.

The liquidity position was also further strengthened to stand at €17 billion, enough to cover needs for 21 months.

Company adjusted net debt fell to €36,305 million.

Outlook 2020-2025

The first quarter results, along with the development of Iberdrola growth initiatives, make it possible to confirm a forecast reported net profit of €3.7 to €3.8 billion for 2021.

Growth will undoubtedly be driven by the contribution of the new renewable capacity, the positive impact from the newly agreed tariffs, further investments in networks and operating efficiency improvements worldwide.

Progress continues to be made in the area of **alliance strategy** to speed up the electrification of the economy. To this end, agreements have been signed with Mapfre to co-invest in renewables, as well as with Volkswagen, Mercedes and Renault to electrify vehicle production and promote sustainable mobility. Green hydrogen focused programmes are being undertaken with Fertiberia and Porcelanosa in Spain and Diageo in the UK.

~75% of renewable capacity increase already under construction or secured

Acceleration of Network investments: new regulatory frameworks and transmission opportunities

USA and Brazil: • Better outlook  
• Progress on the integration of: PNM Resources and Neoenergia Distribuição Brasilia

Offshore wind: building new projects and adding growth platforms

Strategic alliances to promote electrification
Iberdrola has scheduled the second call of its 2021 Shareholders’ General Meeting for 11.00 a.m. on 18 June, which is to be held remotely, without the physical presence of either shareholders or representatives, who can all distance vote, proxy vote or attend electronically.

In keeping with its promotion of permanently engaging with its shareholders, Iberdrola has broadened and improved on the options for taking part in the General Shareholders’ Meeting. Accordingly, shareholders will be able to use the normal voting channels put at their disposal by Iberdrola:

- by calling the Shareholder hotline (+34 900 100 019)
- online through our website (votojunta.iberdrola.es)

or they can choose to exercise their voting rights by any of the new solutions:

1. By scanning the QR code on the letter to be received shortly
2. By sending a photo of the signed card:
   - by WhatsApp (+34 639 000 639)
   - by email (Junta2021@iberdrola.es)

All information about the General Shareholders’ Meeting is available on the corporate: www.iberdrola.com.

“Those who participate in the General Shareholders’ Meeting by voting in person or proxy via www.iberdrola.com can take part in the draw for 100 virtual reality headsets”
IBERDROLA and the stock market

Iberdrola share price performance

<table>
<thead>
<tr>
<th></th>
<th>1Q 2021</th>
<th>1Q 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of outstanding shares</td>
<td>6,418,156,000</td>
<td>6,453,592,000</td>
</tr>
<tr>
<td>Price at the end of the period</td>
<td>10.985</td>
<td>8.984</td>
</tr>
<tr>
<td>Average price of the period</td>
<td>11.100</td>
<td>9.685</td>
</tr>
<tr>
<td>Average daily volume</td>
<td>14,360,723</td>
<td>26,199,522</td>
</tr>
<tr>
<td>Maximum volume (03-19-2021 / 03-20-2020)</td>
<td>48,728,175</td>
<td>73,587,123</td>
</tr>
<tr>
<td>Minimum (11-02-2021 / 06-01-2020)</td>
<td>6,748,373</td>
<td>9,389,610</td>
</tr>
<tr>
<td>Dividends paid (€)</td>
<td>0.168</td>
<td>0.168</td>
</tr>
<tr>
<td>Gross interim (02-08-2021 / 02-05-2020)</td>
<td>0.168</td>
<td>0.168</td>
</tr>
<tr>
<td>Dividend yield (1)</td>
<td>3.60%</td>
<td>4.15%</td>
</tr>
</tbody>
</table>

(1) Dividends paid in last 12 months and attendance premium/share price at the close of the period

Stock Market Data

<table>
<thead>
<tr>
<th></th>
<th>1Q 2021</th>
<th>1Q 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market capitalisation</td>
<td>EUR (million)</td>
<td>70,503</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>€</td>
<td>0.154</td>
</tr>
<tr>
<td>(6,418,156,000 shares at 31/03/2021 and 6,453,592,000 shares, at 31/03/2020)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net operating cash flow per share</td>
<td>€</td>
<td>0.36</td>
</tr>
<tr>
<td>P.E.R.</td>
<td>Times</td>
<td>21.48</td>
</tr>
</tbody>
</table>

www.iberdrola.com
DISCLAIMER
This document has been prepared by Iberdrola, S.A. exclusively for use during the presentation of financial results of the first quarter of the 2021 fiscal year. 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, S.A.
Iberdrola, 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, 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, S.A. have been bought or sold in the past or about the yield on securities issued by Iberdrola, 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 (i) the restated text of the Securities Market Law approved by Royal Legislative Decree 4/2015, of 23 October; (ii) Regulation (EU) 2017/1129 of the European Parliament and of the Council, of 14 June 2017, on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC; (iii) Royal Decree-Law 5/2005, of 11 March; (iv) Royal Decree 1310/2005, of 4 November; and (v) their 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.

The shares of Iberdrola, 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 of 1933 or pursuant to a valid exemption from registration. The shares of Iberdrola, S.A. may not be offered or sold in Brazil except under the registration of Iberdrola, S.A. as a foreign issuer of listed securities, and a registration of a public offering of depositary receipts of its shares, pursuant to the Capital Markets Act of 1976 (Federal Law No. 6.385 of December 7, 1976, as further amended), or pursuant to a valid exemption from registration of the offering.

This document and the information presented herein was prepared by Iberdrola, S.A. solely with respect to the consolidated financial results of Iberdrola, S.A. and was prepared and is presented in accordance with the International Financial Reporting Standards ("IFRS"). This document does not contain, and the information presented herein does not constitute, an earnings release or statement of earnings of Avangrid, Inc. ("Avangrid") or Avangrid's financial results. Neither Avangrid nor its subsidiaries assume responsibility for the information presented herein, which was not prepared and is not presented in accordance with United States Generally Accepted Accounting Principles ("U.S. GAAP"), which differs from IFRS in a number of significant respects. IFRS financial results are not indicative of U.S. GAAP financial results and should not be used as an alternative to, or a basis for anticipating or estimating, Avangrid's financial results. For information regarding Avangrid's financial results for the first quarter of the 2021 fiscal year, please see the press release Avangrid issued on May 3, 2021, which is available on its investor relations website at www.avangrid.com and the Securities and Exchange Commission ("SEC") website at www.sec.gov.

In addition to the financial information prepared under IFRS, this presentation includes certain alternative performance measures ("APMs") for the purposes of Commission Delegated Regulation (EU) 2019/979, of March 14, 2019 and as defined in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415es). The APMs are performance measures that have been calculated using the financial information from Iberdrola, S.A. and the companies within its group, but that are not defined or detailed in the applicable financial information framework. These APMs are being used to allow for a better understanding of the financial performance of Iberdrola, S.A. but should be considered only as additional information and in no case as a substitute of the financial information prepared under IFRS. Moreover, the way Iberdrola, S.A. defines and calculates these APMs may differ from the way these are calculated by other companies that use similar measures, and therefore they may not be comparable. Finally, please consider that certain of the APMs used in this presentation have not been audited. Please refer to this presentation and to the corporate website (www.iberdrola.com) for further details of these matters, including their definition or a reconciliation between any applicable management indicators and the financial data presented in the consolidated financial statements prepared under IFRS.

This document does not contain, and the information presented herein does not constitute, an earnings release or statement of earnings of Neoenergia S.A. ("Neoenergia") or Neoenergia’s financial results. Neither Neoenergia nor its subsidiaries assume responsibility for the information presented herein. For information regarding Neoenergia’s financial results for the first quarter of the 2021 fiscal year, please see the press release Neoenergia issued on May 6, 2021, which is available on its investor relations website at www.ri.neoenergia.com and the Brazilian Comissão de Valores Mobiliários ("CVM") website at www.cvm.gov.br.

FORWARD-LOOKING STATEMENTS
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, technologies 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 documents sent by Iberdrola, S.A. to the Spanish 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, 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, 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, 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.