

# Shareholder's Bulletin

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## 2021

## First quarter

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Adjusted net profit up 12% to €1,082 million



**SUSTAINABLE  
EVENT**



Committed to:



## Chairman's key points

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Ignacio Galán  
Chairman & CEO of Iberdrola

*“The 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”.*

# Shareholder remuneration in 2021

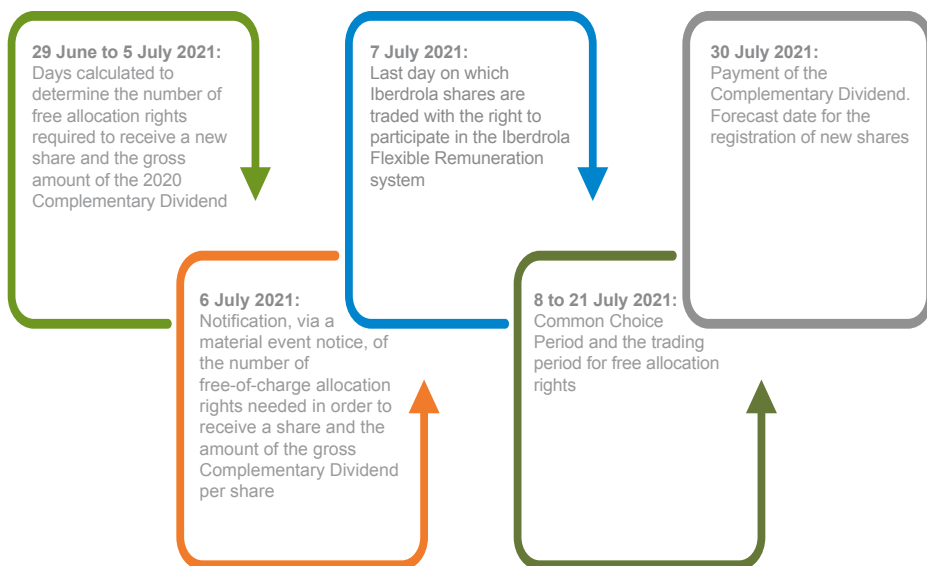
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Iberdrola will propose to the next General Shareholders' Meeting the approval of a gross annual remuneration of €0.42 per share for the financial year 2020, an increase of 5% over the previous year.

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



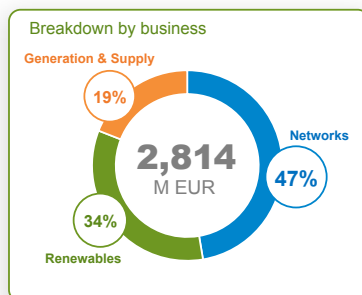
## Remuneration outlook for 2022

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

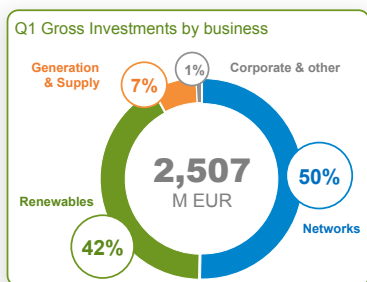
## EBITDA up 2% to €2,814 million

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.

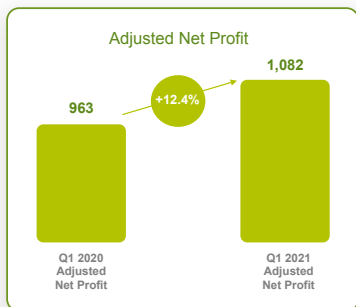
The first quarter saw Iberdrola forge ahead with the building of 8,700 new green MW: 4,600 MW wind power (2,600 MW at sea and the rest on land), 2,800 MW photovoltaic, 1,160 MW hydroelectric and 150 MW in batteries.

In terms of countries, half the investment effort was allocated to Brazil to acquire the Brazilian distributor, Neoenergia Distribuicao 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.

# 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%).

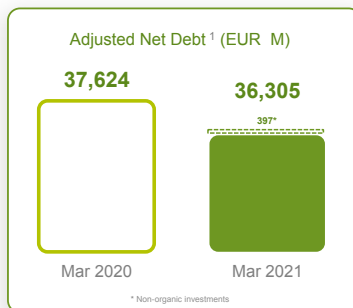
## Financial health and sustainability

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.

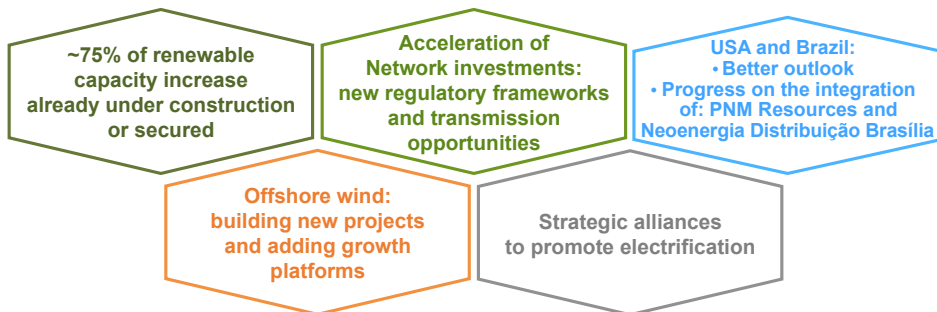


## Outlook 2020-2025

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.



# 2021 Shareholders' General Meeting

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](http://www.iberdrola.com).

**“Those who participate in the General Shareholders' Meeting by voting in person or proxy via [www.iberdrola.com](http://www.iberdrola.com) can take part in the draw for 100 virtual reality headsets”**



# IBERDROLA and the stock market



## Iberdrola share price performance

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

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

## Stock Market Data

		1Q 2021	1Q 2020
Market capitalisation	EUR (million)	70,503	57,979
Earnings per share (6,418,156,000 shares at 31/03/2021 and 6,453,592,000 shares, at 31/03/2020)	€	0.154	0.195
Net operating cash flow per share	€	0.36	0.33
P.E.R.	Times	21.48	15.47



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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](http://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.

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