

Iberdrola successfully completes the capital increase of €5 billion, oversubscribed by 3.8 times

- *The transaction has been closed at 15.15 euros per share, above the guaranteed price and 7.5% higher than the average price of the last year*
- *With this transaction, the company accelerates its growth strategy in networks in the United Kingdom and the United States, markets with stable regulatory frameworks and high credit rating*

Iberdrola has successfully closed the accelerated capital increase of €5 billion, aimed at financing the investment plan in electricity grids in the United States and the United Kingdom. The transaction was oversubscribed by 3.8 times, demonstrating the strong market support for the company's strategy.

The capital increase closed at a price of €15.15 per share, above the guaranteed price and 7.5% higher than the average share price of the last year. During the same period, shareholder remuneration reached €0.645 per share, including the final dividend, already discounted, which becomes effective tomorrow, July 24. The operation was carried out at a discount of 4.687% to the closing share price yesterday, July 22. The new shares are scheduled to begin trading on July 25.

The quality of the book has been very high, with broad participation from top-tier investors, both current and new, and with broad international diversification.

This expansion will allow Iberdrola to take advantage of unprecedented investment opportunities in the network business, estimated at €55 billion between 2026 and 2031, representing an increase of 75% compared to the previous period. These investments will be made in markets with stable and predictable regulatory frameworks, and attractive returns, with an estimated average return on equity of around 9.5% in net terms.

Europe's leading utility by capitalisation and one of the two largest in the world expects its network asset base to exceed €90 billion by 2031, compared to €30 billion in 2020, a 3-fold increase in just a decade.

The transaction is part of Iberdrola's growth strategy, focused on electricity grids in countries with high credit ratings and favourable regulatory policies.

The company's cash flow, asset rotation and alliance operations and growing liquidity will, together with this capital increase, be sufficient to undertake the huge investments planned. It allows the maintenance of credit ratios compatible with the Baa1/BBB+ credit rating and the shareholder remuneration policy.

In addition to the positive impact on financial strength, the transaction will have a favourable effect on earnings per share (EPS), by allowing a greater volume of investments to be undertaken with attractive returns. This reinforces the prospects for mid-to-high single-digit growth in net profit through to the end of the decade.

Iberdrola will present more details on its strategy and growth prospects at its next Capital Markets Day, which will be held in London on 24 September 2025.