Press Release
July 21, 2026

Iberdrola acquires Finland's largest electricity distribution company, valued at €5 billion

- *Caruna serves one and a half million people –more than 20% of Finland's population– and has 89,000 km of electricity distribution networks*
- *The transaction marks Iberdrola's entry into Finland, a market with an AA+ credit rating, attractive regulation and strong growth prospects driven by electrification*
- *The deal, together with the recent divestment of thermal power plants in Mexico, reinforces the Group's strategy of focusing its investments on electricity networks*

Iberdrola has reached an agreement to acquire Caruna, Finland's leading electricity distribution company, in a transaction valuing 100% of the company at around €5 billion, including its financial debt.

The transaction will involve a payment of €2 billion for 80% of the company's equity, while Nordic pension funds AMF and Elo will retain their current 20% stake.

Caruna is the country's largest electricity distribution operator and serves one and a half million people –more than 20% of the Finnish population–. The company has a network of approximately 89,000 kilometres, 67% of which is underground.

Caruna operates, through two distribution concessions, in the area surrounding central Helsinki and in the Joensuu region —with strong industrial activity and growing demand linked to new data centres, as well as residential developments— and in other areas of western and north-eastern Finland.

Network growth and new opportunities

The acquisition, together with the recent divestment of thermal power plants in Mexico, reinforces Iberdrola's strategy of focusing its investments on the networks business in stable markets with attractive regulatory regimes: Finland has an AA+ credit rating and a regulatory framework in place until 2031 that offers a return on equity of around 8%.

The company is expected to increase its earnings and asset base by around 7% annually over the coming years, with annual investments of between €200 million and €300 million to reinforce and digitalise its electricity network in a context of strong growth in renewable capacity[1].

These investments could increase in the future due to growing demand, the electrification of the economy, the expansion of data centres and the development of electricity transmission infrastructure, which Finnish regulation has allowed distribution companies to undertake since the beginning of 2026.

Completion of the acquisition is expected in the first quarter of 2027, subject to obtaining customary regulatory approvals for this type of transaction.

Iberdrola's executive chairman, Ignacio Galán, said: "This transaction reinforces our strategic commitment to electricity networks as essential infrastructure for promoting energy security, self-sufficiency and competitiveness. Finland offers high credit quality and a predictable and attractive regulatory framework, while Caruna has strong growth prospects due to the need for networks linked to new renewable generation, rising demand from the industrial and residential sectors and the electrification of the economy."

About Iberdrola

With a market capitalisation of more than €140 billion, Iberdrola is Europe's largest electricity company and one of the two largest worldwide. The Group serves more than 100 million people around the world and has a workforce of 45,400 employees and assets of €161 billion. In 2025, Iberdrola posted a record net profit of €6.285 billion. The company contributes around €10.4 billion in taxes in the countries in which it operates and supports more than 500,000 jobs across the supply chain, thanks to €13.2 billion in purchases from tens of thousands of suppliers.

Since 2001, Iberdrola has invested more than €175 billion in electricity networks, renewable energy and energy storage to help create an energy model based on electrification. The company has around 1.4 million km of electricity networks in the United States (the states of New York, Connecticut, Maine and Massachusetts), the United Kingdom (Scotland, England and Wales), Brazil (the states of Bahia, Rio Grande do Norte, Pernambuco, São Paulo and Mato Grosso do Sul, as well as Brasília) and Spain, and has 57,000 MW of capacity worldwide, of which more than 46,000 MW is renewable.

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[1] This press release contains forward-looking statements which do not constitute a guarantee of future results. Such statements are subject to risks and uncertainties that could cause actual results to differ significantly from those projected. Iberdrola, S.A. accepts no obligation to update them.