



It will be installed in the biggest offshore wind project currently being developed in the world

IBERDROLA TAKES DELIVERY FROM NAVANTIA OF THE ANDALUSIA II SUBSTATION FOR THE EAST ANGLIA ONE OFFSHORE WIND FARM, U.K.

- **The biggest alternating current (AC) offshore substation ever built will set sail in the next few weeks for the wind farm that Iberdrola is constructing in British waters**
- **Navantia and some 30 supporting companies in the Bay of Cadiz have been involved in its construction, which provided work for up to 600 people at peak times**
- **The handover ceremony was attended by the chairmen of Navantia and Iberdrola as well as the president of the autonomous region of Andalusia, in her capacity as patroness of the substation**
- **Navantia chairman García Vilasánchez thanked Iberdrola for giving his company the chance to demonstrate its ability to develop cutting-edge programmes in a key line of business for the company's diversification, while Iberdrola chairman Galán highlighted the important role that efficient renewable technologies can play in the necessary process of decarbonisation and electrification of the economy**

Cadiz, 3 July 2018.- Earlier today Iberdrola and Navantia held a handover ceremony for the Andalusia II offshore substation constructed by Navantia entirely in its Puerto Real shipyard for Iberdrola's East Anglia One offshore wind farm in UK waters.

Andalusia II, the biggest alternating current (AC) offshore substation ever built, will set sail in the next few weeks for the wind farm that Iberdrola is constructing in British waters. With installed capacity of 714 MW and an investment of more than €3 billion, this renewable project is the biggest so far developed anywhere in the world by a Spanish company.

The handover ceremony for the substation was attended by José Esteban García Vilasánchez, chairman of Navantia, Ignacio Galán, chairman of Iberdrola and Susana Díaz, president of the autonomous region of Andalusia, who acted as patroness of the substation.

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Economic motor for local business and employment

The East Anglia One offshore wind farm has become one of the main economic drivers for Spanish companies. As had already been the case with the Wikingen offshore wind project (now operational in German waters), Iberdrola was supported by Navantia and some thirty local auxiliary companies in the construction of a fundamental element of the offshore wind farm, the substation.

The delivery of this unit, achieved in the agreed upon times of 16 months of work, has allowed the creation of an average of 450 jobs -mostly local ones-, which at peak times of work increased to 600 people.

Esteban García Vilasánchez thanked Iberdrola for giving Navantia the chance to prove its capabilities in developing such cutting edge programmes in a sector with such future as offshore wind power. He also commented that this was a key line of business for the diversification of Navantia, which complemented its main business of shipbuilding for the navy as a strategic company in the service of national security, as reflected in the Company's strategic plan.

Ignacio Galán for his part highlighted the key role of efficient renewable technologies such as offshore wind power in the need to tackle the serious problem of climate change, which obliges us to move forward urgently towards the decarbonisation and increased electrification of the economy. In this regard the chairman of Iberdrola welcomed the new EU target of 32% in renewables by 2030 and paid tribute to the initiative of the European Commission and to the determination of Spain's minister for Ecological Transition, Teresa Ribera. Galán also pointed out that the construction of the Andalusia II substation "exemplifies Andalusia as a vigorous industrial region, at the forefront of technological innovation, demonstrating its ability to generate wealth and employment."

Innovation at the largest a/c offshore substation

The Andalusia II offshore substation is the central nucleus of the wind farm being built by Iberdrola in British waters: its function is to collect the electricity produced by the wind turbines and transform it from 66 kV to 220 kV. Electricity is transmitted subsequently through the marine cable to earth, minimising potency losses along the journey.

Andalusia II is the biggest AC offshore substation ever constructed in the world. It features design innovations suggested by Iberdrola making for a more compact structure (3,900 metric tons), allowing it to be installed by a vessel specialising in the offshore wind sector.

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The Andalusia II substation will set sail from Puerto Real for English waters at the beginning of August, so it could be installed at the Iberdrola wind farm towards the end of next month or the beginning of September. During the next two months the remaining components of the wind farm will also be installed on site, among them the piles and the jacket foundations and finally the wind turbines.

East Anglia One will come into operation in 2020 and generate enough clean energy to supply nearly 600,000 London households.

Having pioneered the move into onshore wind-powered generation, Iberdrola has decided also to spearhead the development of the renewable energy source with the best growth prospects: offshore wind, in which it already has projects in operation.

Two wind farms are currently in operation — West of Duddon Sands, in the Irish Sea and Wikingen in the Baltic Sea, and a further 7,200 MW are under development in the North Sea, the Baltic, the English Channel (offshore Brittany) and off the US Atlantic coast.

About Iberdrola

Iberdrola is a global energy leader, the number one producer of wind power and one of the world's biggest electric utilities by market capitalisation. The group is present in numerous countries and supplies power to around 100 million people, mainly in Spain, the UK (ScottishPower), the US (Avangrid), Brazil (Neoenergia) and Mexico. With a workforce of 34,000 and assets in excess of €110 billion, it posted revenues of €31.26 billion and net profit of €2.80 billion in 2017.

Iberdrola is leading the energy transition towards a sustainable model through its investments in energy from renewable sources, smart grids, large-scale energy storage and digital transformation in order to offer its customers the most advanced products and services. Thanks to its commitment to clean energy, Iberdrola is one of the companies with the lowest emissions and an international benchmark for its contribution to the fight against climate change and for the sustainability of the planet. Iberdrola forms part of numerous international sustainability indices, among them the Dow Jones Sustainability Index and the FTSE 4Good, and is considered one of the most sustainable electric utilities in the world.

About Navantia

Navantia is a world reference in the design, construction and integration of naval vessels with high technological content as well as repairs and refits. The company's lines of business also include designing and manufacturing Combat, Command and Control Systems; Integrated Platform Control Systems; Firing Sights, Propeller Plants and Full Life Cycle Support for all its products. While its main activity lies in the naval sector, Navantia also designs and manufacturers systems for the Army and Air Force.

Navantia belongs to SEPI, the Spanish state holding company which holds direct majority stakes in a total of 16 companies, with a workforce of approximately 73,000 in 2014, the Corporación Radiotelevisión Española, which it controls, and a social trust fund. SEPI also holds direct minority interests in a further ten companies and indirect shareholdings in over one hundred other companies.

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