
INFORMATION NOTE

Concerning the 2017 interim dividend

The 88% of Iberdrola's share capital chooses to receive new shares in the group free of charge, one of the highest percentages since the Scrip Dividend: "Iberdrola Dividendo Flexible" scheme was launched

- ***This result highlights shareholder confidence in the company's management team and in share price performance***

IBERDROLA notified the Spanish National Stock Market Commission (CNMV) today of the **result of the most recent edition of its Scrip Dividend: "Iberdrola Dividendo Flexible" scheme**, corresponding to the 2017 interim dividend.

In this new edition of Scrip Dividend: "*Iberdrola Dividendo Flexible*", the company once again offered its shareholders the possibility of **choosing between receiving their returns in cash or in the form of new shares in the company, with no charges or commissions.**

On this occasion, **88% of the share capital of Iberdrola has opted to receive new shares in the company, just slightly below the highest percentage recorded** since Scrip Dividend: "*Iberdrola Dividendo Flexible*" was launched in June 2010, occurring in 2016.

This thus confirms shareholder confidence in **the management team at Iberdrola and in the positive share price performance by the group**, which has now consolidated its position as one of the leading utilities in the world by market cap.

To cover the result of this new edition of the scheme, Iberdrola will issue 120,859,000 new shares, thus **increasing the company's capital by**



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1.913%. Ordinary trading with these new shares is expected to commence on 7 February.

Cash dividend

In this new edition of the Scrip Dividend: "Iberdrola Dividendo Flexible", approved by the Board of Directors in November, **for the first time shareholders were given the option to receive their remuneration directly in cash**, without having to sell their rights of cost-free allocation to the company or on the market.

This option is in addition to the usual options available to Iberdrola shareholders: to sell their rights of allocation on the market or to the company at a guaranteed fixed price, pursuant to the rights purchase commitment undertaken by the company or, lastly, to receive new bonus shares in the group free of charge.

On this occasion, the amount received both by those selling their rights to Iberdrola and those opting for the cash dividend was **0.14 euros gross per share, 3.7% more than the January 2017 payment**.

The option to sell rights to Iberdrola at a guaranteed fixed price is expected to be fully replaced by cash payment of the dividend in July 2018, within the framework of the traditional final dividend payment against 2017 results. This proposal must be submitted for the approval of the next General Shareholders' Meeting.

Thus, the **holders of 699,283,602 rights of cost-free allocation** preferred to accept the purchase commitment undertaken by Iberdrola, set at **0.14 euros gross per share**. As a result, **the company has acquired the aforementioned rights for a total gross amount of €97,899,704.28**.

Furthermore, the holders of 58,717,340 shares preferred to collect their remuneration directly in cash, also at 0.14 euros gross per share. Thus, **the amount paid out in dividends comes to €8,220,427.60**.

