

---

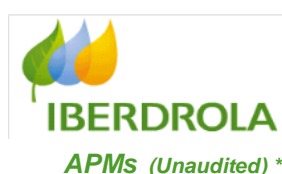
# ALTERNATIVE PERFORMANCE MEASURES

## TABLES



EVENTO SOSTENIBLE

Cuida del medio ambiente. Imprime sólo si es necesario



### Stock Market Data \*

		03/31/2017	06/30/2017	09/30/2017	12/31/2017	03/31/2018	06/30/2018	09/30/2018
Number of outstanding shares	n°	6,459,990,000	6,240,000,000	6,317,515,000	6,317,515,000	6,438,374,000	6,240,000,000	6,397,629,000
Price at the end of the period	€/share	6.705	6.933	6.572	6.460	5.972	6.624	6.338
Market capitalisation	€ M	43,314	43,262	41,519	40,811	38,450	41,334	40,548
Equity of shareholders of the parent	€ M	36,945	35,825	35,653	35,509	35,322	36,417	35,373
Price / Book value	(Market capitalisation end of period / Equity of shareholders of the parent) Times	1.17	1.21	1.16	1.15	1.09	1.135	1.146

		JAN-MAR 2017	APR-JUN 2017	JUL-SEPT 2017	SEPT-DEC 2017	JAN-MAR 2018	APR-JUN 2018	JUL-SEP 2018
Net Profit	€ M	828	691	898	387	838	573	680
Earnings per share (1)	(Net Profit / Outstanding shares) €	0.128	0.111	0.142	0.061	0.130	0.092	0.106
Accumulated earnings per share	Earnings per share last 4 quarters €	0.419	0.435	0.485	0.442	0.444	0.425	0.390
P.E.R.	(Price at the end of the period / Accumulated earnings per share) Times	16.02	15.94	13.54	14.61	13.44	15.57	16.27
Dividend (2)	Dividends paid last 12 months + AGM attendance bonus €/share	0.294	0.294	0.317	0.317	0.322	0.322	0.331
Dividend yield	(Dividends paid last 12 months + AGM attendance bonus) / Price at the end of the period %	4.38	4.24	4.82	4.91	5.39	4.86	5.22
Adjusted Funds from Operations	€ M	1,662	1,646	1,364	1,961	1,877	1,616	1,762
Adjusted FFO per share	€/share	0.257	0.264	0.216	0.310	0.292	0.259	0.275

(1) Earnings per share in euros (basic and diluted) measured in accordance with IFRS can be obtained from the Annual Report

(2) Free-of-charge allocation rights acquisition

### Economic/Financial Data \*

Income Statement (3)		JAN-MAR 2017	APR-JUN 2017	JUL-SEPT 2017	SEPT-DEC 2017	JAN-MAR 2018	APR-JUN 2018	JUL-SEP 2018
Revenues	€ M	8,195.4	6,770.5	6,990.0	9,307.4	9,343.5	8,243.1	8,696.0
Gross Margin	€ M	3,555.4	3,277.2	2,908.0	3,623.2	4,008.8	3,659.3	3,668.0
Gross Operating Profit (EBITDA)	€ M	1,873.6	1,913.6	1,699.2	1,832.3	2,323.5	2,112.4	2,283.8
Operating Profit (EBIT)	€ M	1,039.6	1,113.3	848.4	(288.7)	1,387.2	1,140.1	1,309.1
Net profit attributable to the parent	(or Net Profit or Reported Net Profit) € M	827.6	680.4	898.2	387.4	838.0	572.5	1,342.6
Net Operating expenses	€ M	(918.0)	(971.0)	(904.8)	(1,376.8)	(1,000.4)	(1,110.8)	(980.9)
Net Operating expenses / Gross Margin	%	25.82	29.63	31.11	38.00	24.96	30.36	26.74

(3) 2017 figures have been restated so as to re-express as engineering business is classified as abandoned at year end

		03/31/2017	06/30/2017	09/30/2017	12/31/2017	03/31/2018	06/30/2018	09/30/2018
<b>Balance</b>								
Total Assets	€ M	107,829	105,119	114,047	110,689	112,224	112,649	112,494
Equity	€ M	40,847	39,506	42,162	42,733	42,677	43,786	42,540
Net Financial Debt	€ M	29,760	29,943	34,033	32,885	33,299	34,068	34,802
Net Financial Leverage	%	42.1	43.1	44.7	43.5	43.8	43.8	45.0
Net Financial Debt / Equity	%	72.9	75.8	80.7	77.0	78.0	77.8	81.8
Net Profit last 4 quarters	€ M	2,664	2,767	3,080	2,804	2,814	2,696	3,141
Equity of shareholders of the parent	€ M	36,945	35,825	35,653	35,509	35,322	36,417	35,373
Average equity of shareholders of the parent	(beginning year+ end period)/2 € M	36,818	36,258	36,172	36,100	35,416	35,963	35,441
ROE	%	7.24	7.63	8.51	7.77	7.95	7.50	8.86

(\*) The definitions of the APMs can be found on the corporate website ([www.iberdrola.com](http://www.iberdrola.com)) in the "Shareholders and Investors" section.

### Leverage

		03/31/2017	06/30/2017	09/30/2017	12/31/2017	03/31/2018	06/30/2018	09/30/2018
Equity instruments having the substance of a financial liability (non current)	€ M	38	25	17	15	15	199	145
Bank borrowings and other financial liabilities- loans and others (non current)	€ M	27,783	26,660	29,947	29,466	29,693	31,499	29,702
Equity instruments having the substance of a financial liability (current)	€ M	86	69	52	33	23	19	41
Bank borrowings and other financial liabilities- loans and others (current)	€ M	4,268	5,505	6,815	7,225	7,217	5,812	8,247
Financial debt - Derivative financial instruments (non current) (1)	€ M	284	290	226	228	226	238	211
Financial debt - Derivative financial instruments (current) (1)	€ M	288	135	265	150	222	247	140
Short-term deposits and guarantees	€ M	-	-	-	-	-	94	73
Other long term financial debt	€ M	-	-	-	-	-	65	86
Unpaid accrued interest long term	€ M	-	-	-	-	-	-	-
Other short term financial debt	€ M	-	-	-	-	-	6	7
Unpaid accrued interest short term	€ M	-	-	-	-	-	0	1
<b>Gross financial debt (A)</b>	<b>€ M</b>	<b>32,747</b>	<b>32,684</b>	<b>37,321</b>	<b>37,115</b>	<b>37,396</b>	<b>38,180</b>	<b>38,651</b>
Non-current financial assets - Derivative financial instruments (1)	€ M	617	518	528	422	315	597	593
Current financial assets - Derivative financial instruments (1)	€ M	338	415	570	548	610	419	445
Renewables TEI account receivable	€ M	1	1	0	-	-	-	-
Short-term deposits and guarantees	€ M	58	59	61	64	70	113	66
Cash and cash equivalents	€ M	1,972	1,749	2,130	3,197	3,103	2,984	2,745
<b>Treasury assets (B)</b>	<b>€ M</b>	<b>2,986</b>	<b>2,741</b>	<b>3,288</b>	<b>4,231</b>	<b>4,097</b>	<b>4,112</b>	<b>3,849</b>
<b>Net Financial Debt (C=A-B)</b>	<b>€ M</b>	<b>29,760</b>	<b>29,943</b>	<b>34,033</b>	<b>32,885</b>	<b>33,299</b>	<b>34,068</b>	<b>34,802</b>
Of the parent company	€ M	36,945	35,825	35,653	35,509	35,322	36,417	35,373
Of subordinated perpetual obligations	€ M	528	535	543	1,553	1,707	1,707	1,716
Of non-controlling interests	€ M	3,374	3,146	5,966	5,671	5,648	5,662	5,451
<b>Equity (D)</b>	<b>€ M</b>	<b>40,847</b>	<b>39,506</b>	<b>42,162</b>	<b>42,733</b>	<b>42,677</b>	<b>43,786</b>	<b>42,540</b>
<b>Gross Leverage (A/(A+D))</b>	<b>%</b>	<b>44.5</b>	<b>45.3</b>	<b>47.0</b>	<b>46.5</b>	<b>46.7</b>	<b>46.6</b>	<b>47.6</b>
<b>Net Leverage (B/(B+D))</b>	<b>%</b>	<b>42.1</b>	<b>43.1</b>	<b>44.7</b>	<b>43.5</b>	<b>43.8</b>	<b>43.8</b>	<b>45.0</b>

(1) See Balance reconciliation

### Adjusted Leverage

Accumulators (exercised)	€ M	-	2	11	12	125	79	220
Accumulators (potential)	€ M	-	469	324	29	167	31	422
Derivatives-Treasury shares acumulators	€ M	-	471	335	41	293	110	642
<b>Gross financial debt (A)</b>	<b>€ M</b>	<b>32,747</b>	<b>32,684</b>	<b>37,321</b>	<b>37,115</b>	<b>37,396</b>	<b>38,180</b>	<b>38,651</b>
(-) Derivatives-Treasury shares acumulators (potential)	€ M	-	(469)	(324)	(29)	(167)	(31)	(422)
<b>Adjusted gross financial debt (E)</b>	<b>€ M</b>	<b>32,747</b>	<b>32,215</b>	<b>36,997</b>	<b>37,086</b>	<b>37,229</b>	<b>38,149</b>	<b>38,229</b>
Net financial debt (C=A-B)	€ M	29,760	29,943	34,033	32,885	33,299	34,068	34,802
(-) Derivatives-Treasury shares acumulators (potential)	€ M	-	(469)	(324)	(29)	(167)	(31)	(422)
<b>Adjusted Net financial debt (E)</b>	<b>€ M</b>	<b>29,760</b>	<b>29,473</b>	<b>33,708</b>	<b>32,856</b>	<b>33,131</b>	<b>34,037</b>	<b>34,380</b>
Equity (D)	€ M	40,847	39,506	42,162	42,733	42,677	43,786	42,540
(+) Derivatives-Treasury shares acumulators (potential)	€ M	-	469	324	29	167	31	422
<b>Adjusted Equity (F)</b>	<b>€ M</b>	<b>40,847</b>	<b>39,975</b>	<b>42,486</b>	<b>42,762</b>	<b>42,844</b>	<b>43,816</b>	<b>42,962</b>
<b>Adjusted Net Leverage (E/(E+D))</b>	<b>%</b>	<b>42.1</b>	<b>42.4</b>	<b>44.2</b>	<b>43.4</b>	<b>43.6</b>	<b>43.7</b>	<b>44.5</b>

### Balance reconciliation

Assets		03/31/2017	06/30/2017	09/30/2017	12/31/2017	03/31/2018	06/30/2018	09/30/2018
Financial derivatives (1)	€ M	617	518	528	422	315	597	593
Commodities derivatives	€ M	149	126	143	125	107	149	164
Other derivatives	€ M	(3)	(4)	(3)	(2)	(4)	(3)	(3)
<b>Non current derivative financial instruments</b>	<b>€ M</b>	<b>762</b>	<b>640</b>	<b>667</b>	<b>545</b>	<b>418</b>	<b>744</b>	<b>754</b>
Financial derivatives (1)	€ M	338	415	570	548	610	419	445
Commodities derivatives	€ M	378	324	378	454	261	828	966
Other derivatives	€ M	(196)	(167)	(212)	(279)	(337)	(493)	(501)
<b>Current derivative financial instruments</b>	<b>€ M</b>	<b>519</b>	<b>572</b>	<b>736</b>	<b>723</b>	<b>534</b>	<b>753</b>	<b>910</b>
Equity and Liabilities		03/31/2017	06/30/2017	09/30/2017	12/31/2017	03/31/2018	06/30/2018	09/30/2018
Financial derivatives (1)	€ M	284	290	226	228	226	238	211
Commodities derivatives	€ M	82	87	82	93	96	121	122
Other derivatives	€ M	(3)	(4)	(3)	(2)	(4)	(3)	3
<b>Non current derivative financial instruments</b>	<b>€ M</b>	<b>362</b>	<b>373</b>	<b>305</b>	<b>319</b>	<b>318</b>	<b>356</b>	<b>335</b>
Financial derivatives (1)	€ M	288	135	265	150	222	247	140
Commodities derivatives	€ M	310	281	342	415	224	671	723
Other derivatives	€ M	(196)	(167)	(222)	(279)	(336)	(493)	(501)
<b>Current derivative financial instruments</b>	<b>€ M</b>	<b>402</b>	<b>250</b>	<b>385</b>	<b>285</b>	<b>109</b>	<b>425</b>	<b>361</b>

(1) See Leverage

(\*) The definitions of the APMs can be found on the corporate website ([www.iberdrola.com](http://www.iberdrola.com)) in the "Shareholders and Investors" section.

*Financial Ratios \**

		03/31/2017	06/30/2017	09/30/2017	12/31/2017	03/31/2018	06/30/2018	09/30/2018	
<b>Adjusted Net Financial Debt (1)</b>	(1) See Adjusted Leverage	<b>€ M</b>	<b>29,760</b>	<b>29,473</b>	<b>33,748</b>	<b>32,856</b>	<b>33,131</b>	<b>34,037</b>	<b>34,380</b>
EBITDA		€ M	1,874	3,787	5,486	7,319	2,324	4,436	6,720
Efficiency plans		€ M	-	-	-	203	-	-	-
<b>Adjusted EBITDA</b>		<b>€ M</b>	<b>1,874</b>	<b>3,787</b>	<b>5,486</b>	<b>7,522</b>	<b>2,324</b>	<b>4,436</b>	<b>6,720</b>
<b>Adjusted EBITDA last 4 quarters</b>		<b>€ M</b>	<b>7,654</b>	<b>7,703</b>	<b>7,565</b>	<b>7,522</b>	<b>7,972</b>	<b>8,171</b>	<b>8,755</b>

		03/31/2017	06/30/2017	09/30/2017	12/31/2017	03/31/2018	06/30/2018	09/30/2018	
Adjusted FFO / Adjusted Net Financial Debt		%	21.1	21.7	18.6	20.2	20.7	20.0	21.0
Adjusted RCF / Adjusted Net Financial Debt		%	18.9	19.5	15.9	17.3	18.2	17.4	19.5
Adjusted Net Financial Debt / Adjusted EBITDA		Times	3.89	3.83	4.46	4.37	4.16	4.17	3.93

		03/31/2017	06/30/2017	09/30/2017	12/31/2017	03/31/2018	06/30/2018	09/30/2018	
Net Profit attributable to the parent (+)		€ M	827.6	1,518.4	2,416.6	2,804.0	838.0	1,410.5	2,090.9
Amortisation and provisions (-)		€ M	834.0	1,634.3	2,485.1	4,606.1	936.3	1,908.6	2,883.2
Result of companies accounted using the equity method (-)		€ M	(20.2)	(11.1)	28.9	281.7	(0.6)	7.8	(0.3)
Non-current asset profit/(loss) (-)		€ M	(256.2)	(241.0)	(759.3)	(279.1)	(0.6)	(22.0)	(22.6)
Extraordinary Income Tax (-)		€ M	-	-	(0.1)	(1.1)	-	(1.5)	4.1
Financial provisions capitalized (-)		€ M	27.0	55.2	84.1	158.5	35.5	66.6	104.6
Non-controlling interests (-)		€ M	27.6	55.1	93.3	366.0	86.3	155.6	242.6
Adjustment tax deductible items (+) *		€ M	44.9	89.8	134.6	179.5	-	-	-
Dividends Equity consolidated subsidiaries (+)		€ M	197.8	248.8	249.2	255.5	0.7	5.7	10.4
Allocation of capital subsidies to income (-)		€ M	(20.7)	(41.5)	(60.7)	(79.8)	(18.5)	(37.8)	(57.3)
Income Tax USA reform (-)		€ M	-	-	-	(2,025.4)	-	-	-
Negative fiscal items (non cash)		€ M	-	-	-	213.7	-	-	-
<b>Funds from Operations (FFO)</b>		<b>€ M</b>	<b>1,661.8</b>	<b>3,308.0</b>	<b>4,671.7</b>	<b>6,479.6</b>	<b>1,877.1</b>	<b>3,493.5</b>	<b>5,255.6</b>
Efficiency plans		€ M	-	-	-	152.7	-	-	-
<b>Adjusted Funds from Operations (FFO)</b>		<b>€ M</b>	<b>1,661.8</b>	<b>3,308.0</b>	<b>4,671.7</b>	<b>6,632.3</b>	<b>1,877.1</b>	<b>3,493.5</b>	<b>5,255.6</b>
Dividends	Dividends paid + Non-controlling interests dividends + Hybrid Bond payments	€ M	(292.6)	(320.4)	(879.3)	(959.5)	(136.3)	(245.8)	(435.4)
<b>Retained Cash Flow (RCF)</b>		<b>€ M</b>	<b>1,369.2</b>	<b>2,987.6</b>	<b>3,792.4</b>	<b>5,672.8</b>	<b>1,740.8</b>	<b>3,247.7</b>	<b>4,820.2</b>
<b>Adjusted FFO last 4 quarters</b>		<b>€ M</b>	<b>6,276.7</b>	<b>6,399.4</b>	<b>6,265.3</b>	<b>6,632.3</b>	<b>6,847.6</b>	<b>6,817.8</b>	<b>7,216.2</b>
<b>Adjusted RCF last 4 quarters</b>		<b>€ M</b>	<b>5,619.7</b>	<b>5,741.8</b>	<b>5,356.0</b>	<b>5,672.8</b>	<b>6,044.4</b>	<b>5,932.9</b>	<b>6,700.6</b>

(\*) The definitions of the APMs can be found on the corporate website ([www.iberdrola.com](http://www.iberdrola.com)) in the "Shareholders and Investors" section.