



Iberdrola Today

1.1 Iberdrola Today

Our activities

- Production of electricity from renewable and conventional sources.
- Purchase/sale of electricity and gas on wholesale markets.
- Transmission and distribution of electricity.
- Supply of electricity, gas and related energy services.
- Other activities, mainly linked to the energy sector.

Presence focused on the Atlantic area

Iberdrola carries out its activities mainly in the five countries of the Atlantic area: Spain, the United Kingdom, the United States, Brazil and Mexico.

What we are

Following the process of internationalisation in recent years, Iberdrola is now one of the leading electric companies, and among the largest utilities in the world by stock market capitalisation.

The corporate and governance structure is described in chapter 5.1 of this report and consists of:

- Iberdrola, as a holding company.
- Country subholding companies in the 5 main geographic areas of activity.
- Head of business companies reporting to the country subholding companies.

Iberdrola is one of the leading electric utilities in the world.

Iberdrola group 2017 data

48,447

MW
Installed capacity

29,112

MW
Renewable installed capacity

137,632

GWh
Net output

1,156,611

Km
Power lines

230,122

GWh
Electric power distributed

34.4

Million
users

34,255

People
Direct employment

5,891

€M
Investments

7,111

€M
Direct tax contribution

400,000

People⁽¹⁾
Direct, indirect and induced employment

8,648

€M
Procurement

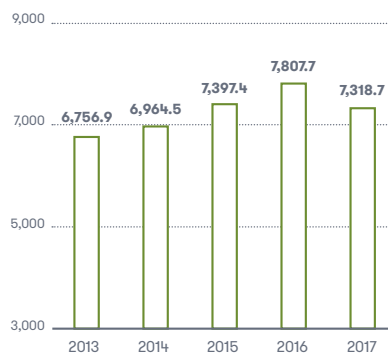
(1) Data from a Study of Iberdrola's Impact, prepared by PwC, for financial year 2016.

1.2 Company Performance

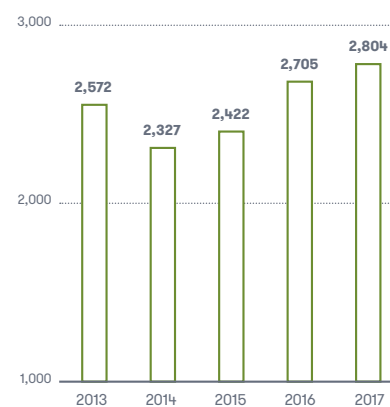
Revenues (€M)



EBITDA (€M)



Net Profit (€M)



Installed capacity (MW)⁽¹⁾



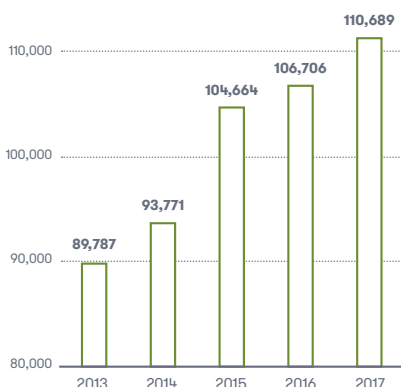
Net output (GWh)⁽¹⁾



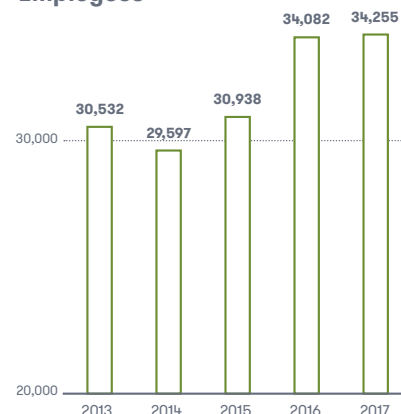
Energy distributed (GWh)⁽²⁾



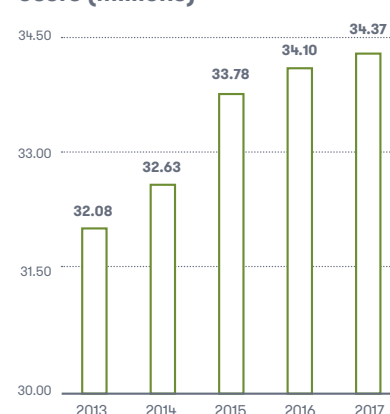
Assets (€M)



Employees⁽¹⁾



Users (millions)⁽²⁾



(1) Also takes into account 100% of Neoenergia in 2016 in order to improve the comparability of the data.

(2) Takes into account 100% of Neoenergia during all periods reported.

1.3 Key Figures

Financial performance (€M)	2013	2014	2015	2016 ⁽¹⁾	2017	Δ annual average 2013-17	Δ 2016-2017
Revenues	31,077.1	30,032.3	31,418.7	29,215.4	31,263.3	0.1%	7.0%
Consolidated gross margin	11,781.9	12,179.5	12,842.7	12,916.2	13,363.8	3.2%	3.5%
Consolidated EBITDA	6,756.9	6,964.5	7,397.4	7,807.7	7,318.7	2.0%	(6.3)%
Networks (Regulated) EBITDA	3,346.5	3,534.7	3,628.0	4,081.7	4,228.1	6.0%	3.6%
Spain	1,450.3	1,438.5	1,456.8	1,603.1	1,519.5	1.2%	(5.2)%
United Kingdom	939.0	1,024.8	1,138.0	976.2	886.1	(1.4)%	(9.2)%
United States	718.2	772.0	780.5	1,269.6	1,334.0	16.7%	5.1%
Brazil	239.0	299.4	252.7	232.8	488.5	19.6%	109.8%
Wholesale and Retail (Liberalised) EBITDA	1,986.6	2,292.2	2,323.1	2,253.3	1,600.6	(5.3)%	(28.9)%
Spain	1,341.2	1,517.6	1,504.6	1,520.5	901.9	(9.4)%	(40.7)%
United Kingdom	320.4	456.6	421.7	293.6	139.1	(18.8)%	(52.6)%
United States	(22.6)	(32.0)	(58.4)	6.1	(25.8)	(3.4)%	-
Brazil	-	-	-	(3.1)	60.0	-	-
Mexico	347.6	350.0	455.0	436.2	525.4	10.9%	20.4%
Renewables EBITDA	1,501.1	1,326.0	1,647.2	1,500.2	1,592.1	1.5%	6.1%
Spain	668.4	420.6	473.2	497.4	493.1	(7.3)%	(0.9)%
United Kingdom	231.8	265.2	438.1	267.0	360.6	11.7%	35.1%
United States	448.0	495.3	570.9	563.6	529.7	4.3%	(6.0)%
Brazil	9.1	33	26.9	24.9	56.9	58.1%	128.5%
Mexico	34.1	38.2	43.1	52.0	52.5	11.4%	1.0%
Other countries	109.7	73.7	95.0	95.3	99.3	(2.5)%	4.2%
Other businesses EBITDA	0.5	(17.0)	(10.5)	(111.3)	38.8	196.8%	-
Corporation EBITDA and adjustments	(77.8)	(171.4)	(190.4)	83.8	(140.9)	(16.0)%	-
Amortisation/depreciation, provisions and other	(4,537.5)	(3,023.6)	(3,568.1)	(3,253.7)	(4,606.1)	0.4%	41.6%
Operating profit (EBIT)	2,219.5	3,940.9	3,829.3	4,554.0	2,712.6	5.1%	(40.4)%
Financial results	(1,277.9)	(1,122.4)	(1,023.1)	(903.4)	(937.1)	7.5%	(3.7)%
Results from companies consolidated by the equity method	205.0	135.4	55.3	48.7	(281.7)	-	-
Results from non-current assets	(10.4)	247.9	125.1	48.2	279.0	-	478.8%
Pre-tax profit (EBT)	1,136.1	3,201.8	2,986.6	3,747.5	1,772.8	11.8%	(52.7)%
Corporate income tax	1,466.7	(837.1)	(527.1)	(904.6)	1,397.1	(1.2)%	-
Minority interests	(31.0)	(38.2)	(38.0)	(137.9)	(365.9)	85.4%	165.3%
Net attributable profit	2,571.8	2,326.5	2,421.6	2,705.0	2,804.0	2.2%	3.7%
Total assets	89,786.8	93,771.4	104,664.1	106,706.2	110,688.6	5.4%	3.7%
Shareholders' equity	35,288.6	35,790.5	40,956.1	40,687.4	42,733.2	4.9%	5.0%
Net investments	3,053.0	2,848.0	3,223.0	4,264.3	5,890.9	17.9%	38.1%
Funds from Operations (FFO)	5,619.0	5,459.0	5,906.7	6,310.8	6,479.4	3.6%	2.7%
Bank borrowings, net	26,836.3	25,618.4	28,067.1	29,414.0	32,884.5	5.2%	11.8%

Financial ratios	2013	2014	2015	2016	2017	Δ annual average 2013-17	Δ 2016-2017
Non-Eurozone EBITDA (%)	49.5	54.0	56.0	54.0	61.6	5.6%	14.1%
EBITDA margin (EBITDA/revenues) (%)	21.7	23.2	23.5	26.7	23.4	1.9%	(12.4)%
Net profit margin (Net profit/Revenues) (%)	8.3	7.7	7.7	9.3	9.0	2.0%	(3.1)%
NOE/Gross margin (%)	29.4	29.8	29.8	27.7	31.2	1.5%	12.8%
Net financial debt / EBITDA (multiple)	3.97	3.68	3.79	3.77	4.49	3.1%	19.1%
Financial leveraging (%)	43.2	41.7	40.7	42.0	43.4	0.1%	3.5%
Funds from Operations (FFO)/ Net financial debt (NFD)	20.8	21.3	21.0	21.5	19.7	(1.3)%	(8.2)%
Retained cash flow (RCF/NFD) (%)	17.5	17.4	18.7	19.1	17.2	(0.5)%	(10.0)%
Return on equity (ROE) (%)	7.5	6.7	6.3	7.3	7.8	1.0%	6.8%

Stock market performance	2013	2014	2015	2016	2017	Δ annual average 2013-17	Δ 2016-2017
Stock market capitalisation (€M)	28,922	35,756	41,506	39,661	40,811	9.0%	2.9%
Number of shares at end of period (millions)	6,240	6,388	6,337	6,362	6,318	0.3%	(0.7)%
Share price (€)	4.63	5.60	6.55	6.23	6.46	8.7%	3.6%
Earnings per share (EPS)	0.41	0.36	0.37	0.42	0.44	2.0%	5.7%
Dividend per share (DPS)	0.310	0.275	0.276	0.286	0.317	0.6%	10.8%
Dividend yield (%)	6.65	4.91	4.21	4.59	4.91	(7.3)%	6.9%
Total dividend (including cash payments) (€M)	1,922	1,716	1,732	1,966	1,996	0.9%	1.5%
Payout ratio (%)	65.5	73.8	71.5	72.7	71.2	2.1%	(2.1)%
Share price / net earnings per share (PER)	11.25	15.37	17.17	14.66	14.55	6.7%	(0.7)%

- Sustainability Report
- Quarterly Results Report
- Consolidated Annual Financial Statements

(1) For purposes of this report, 2016 is not re-stated due to the discontinuation of the engineering business, which only appears as such in 2017.

Operating performance	2013 ⁽¹⁾	2014 ⁽¹⁾	2015 ⁽¹⁾	2016 ⁽²⁾	2017 ⁽²⁾	Δ annual average 2013-17	Δ 2016-2017
Installed capacity (MW)	44,992	45,089	46,361	47,049	48,447	1.9%	3.0%
Net output (GWh)	136,435	138,892	134,374	142,466	137,632	0.2%	(3.4)%
Electric power distributed (GWh) ⁽³⁾	214,873	212,617	224,749	229,920	230,122	1.7%	0.1%

Environmental performance	2013 ⁽¹⁾	2014 ⁽¹⁾	2015 ⁽¹⁾	2016 ⁽²⁾	2017 ⁽²⁾	Δ annual average 2013-17	Δ 2016-2017
Emission-free installed capacity (%)	61.2	61.9	63.0	66.4	66.7	2.2%	0.4%
Emission-free output (%)	54.6	56.8	52.5	56.7	53.8	0.4%	(5.2)%
Specific CO ₂ emissions (t/GWh)	226	212	225	177	187	(4.6)%	5.6%
Fuel consumption (M Tep)	18,968	18,849	19,001	17,734	18,160	(1.1)%	2.4%
Environmental investments (€M)	1,015.7	1,100.9	1,014.2	2,262.2	2,239.9	21.9%	(1.0)%
Environmental expenses (€M)	686.4	635.7	669.2	527.1	513.2	(7.0)%	(2.6)%
Energy produced under certified environmental management systems (%)	84.4	87.0	84.2	82.4	79.8	(1.4)%	(3.2)%
Water use/overall production (m ³ /GWh)	976	509	533	573	597	(11.6)%	4.2%
Direct emissions of CO ₂ Scope 1 (kt)	31,846	30,217	31,752	26,537	26,691	(4.3)%	0.6%
Indirect emissions of CO ₂ Scope 2 (kt)	997	1,544	963	4,504	5,011	49.7%	11.3%
CO ₂ avoided due to efficiency initiatives (kt)	18,480	21,459	19,269	16,853	23,460	6.1%	39.2%
SO _x emissions (t/GWh)	0.217	0.154	0.125	0.047	0.038	(35.3)%	(19.1)%
NO _x emissions (t/GWh)	0.262	0.236	0.230	0.140	0.113	(19.0)%	(19.3)%

- ⊙ Sustainability Report
- ⊙ Quarterly Results Report
- ⊙ Consolidated Annual Financial Statements

Social performance	2013 ⁽¹⁾	2014 ⁽¹⁾	2015 ⁽¹⁾	2016 ⁽²⁾	2017 ⁽²⁾	Δ annual average 2013-17	Δ 2016-2017
Users (millions) ⁽⁴⁾	32.1	32.6	33.8	34.1	34.4	1.7%	0.9%
Electric power	28.5	29.0	29.7	30.0	30.3	1.6%	1.0%
Spain	10.9	10.9	10.9	10.9	11.0	0.2%	0.6%
United Kingdom	3.5	3.5	3.5	3.5	3.5	0.1%	0.1%
United States	1.8	1.8	2.2	2.2	2.2	5.5%	1.4%
Brazil	12.4	12.8	13.1	13.4	13.6	2.4%	1.4%
Gas	3.6	3.6	4.1	4.1	4.0	2.9%	(1.1)%
Spain	0.8	0.8	0.9	0.9	1.0	5.5%	5.3%
United Kingdom	2.2	2.2	2.2	2.1	2.0	(2.0)%	(4.7)%
United States	0.6	0.6	1.0	1.0	1.0	14.1%	0.4%
Number of employees	30,532	29,597	30,938	34,082	34,255	2.9%	0.5%
Permanent contracts (%)	98.5	98.5	98.4	98.4	99.4	0.2%	1.0%
Employees with collective bargaining agreement (%)	79.4	79.0	76.6	79.3	77.8	(0.5)%	(1.9)%
Employee turnover	6.6	8.6	7.0	7.3	7.9	4.4%	7.2%
Diversity (men/women)	76/24	77/23	76/24	76/24	77/23	-	-
Injury rate (IR)	0.46	0.39	0.28	0.36	0.35	(6.6)%	(2.8)%
Hours of training (millions of hours)	1.2	1.0	0.9	1.4	1.5	5.9%	7.1%
Hours of training per employee (h)	44.7	38.7	38.6	45.3	41.8	(1.7)%	(7.7)%
Funds for social development (€M)	91.6	65.0	46.0	106.7	341.2	38.9%	219.7%
Contributions to society (€M)	31.6	34.0	38.0	57.7	63.0	18.8%	9.1%
Rural electrification programmes (€M)	60.0	31.0	8.0	49.0	278.2	46.7%	467.8%
Investments in R&D&I (€M)	159	170	200	211	246	11.5%	13.4%
General procurement (€M billed)	4,359	4,599	5,093	7,508	8,648	18.7%	15.2%
Procurement from CSR classified suppliers (%)	87	92	94	89	87	0.1%	(2.0)%
Number of suppliers evaluated with social responsibility standards	1,202	1,326	1,536	1,667	1,787	10.4%	7.2%
Procurement in sensitive countries per ILO (%)	12.0	10.7	10.8	21.4	25.0	20.1%	16.8%
Procurement from local suppliers (%)	86	87	85	84	88	0.6%	4.8%

(1) Takes into account 39% of Neoenergia from 2013 to 2015 (unless otherwise noted).

(2) Takes into account 100% of Neoenergia in 2016 in order to improve the comparability of the data.

(3) Takes into account 100% of Neoenergia for all periods.

(4) The number of users includes supply points and gas customers in Spain and the United Kingdom.

1.4 Presence by Areas of Activity

Iberdrola in Spain

Largest energy company

Δ 2017 / 2016

GDP +3.1%

Electricity demand +1.1%

Primary brands

Local subholding brand



Operating brands



Main data 2017

25,934

MW
Installed capacity

15,821

MW
Renewable installed capacity

51,897

GWh
Net output

268,570

Km
Power lines

93,284

GWh
Electric power distributed

12.0

Million
users

10,296

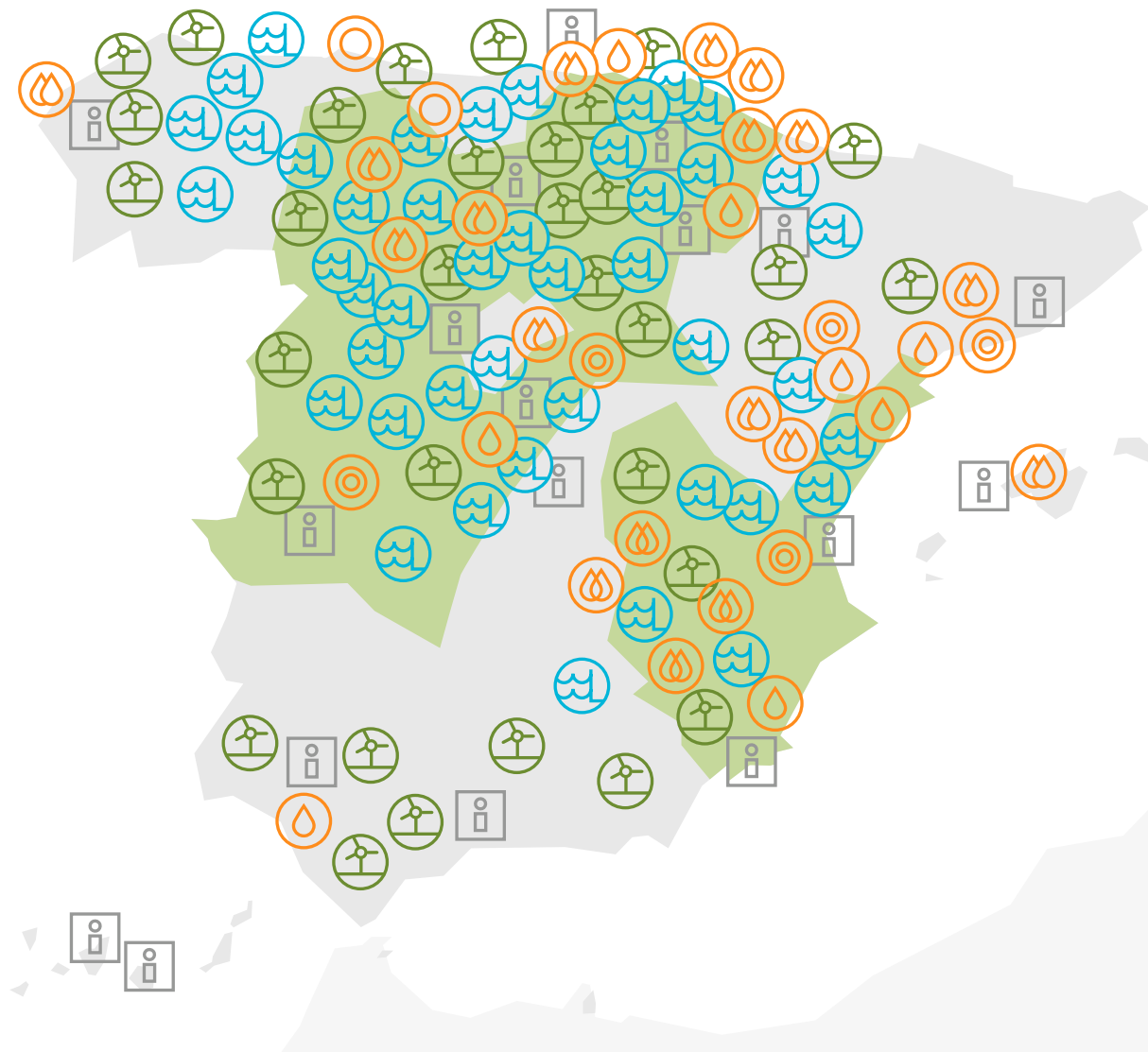
Employees

800


€M
Investments

3,257


€M
Direct tax contribution




Primary facilities

195 
Wind farms
 5,752 MW

161 
Hydroelectric plants
 10,018 MW

8 
Combined cycle gas plants
 5,695 MW

19 
Cogeneration plants
 368 MW

5 
Nuclear plants
 3,177 MW

2 
Thermal plants
 874 MW



Offices

Area of influence

Electricity distribution

Iberdrola in the United Kingdom

Largest wind producer

Transmission and distribution networks in Scotland, Wales and England

Δ 2017 / 2016

GDP +1.7%

Electricity demand -1.7%

Primary brands

Local subholding brand



Operating brands



Main data 2017

4,667
MW
Installed capacity

2,666
MW
Renewable installed capacity

12,139
GWh
Net output

109,260
Km
Power lines

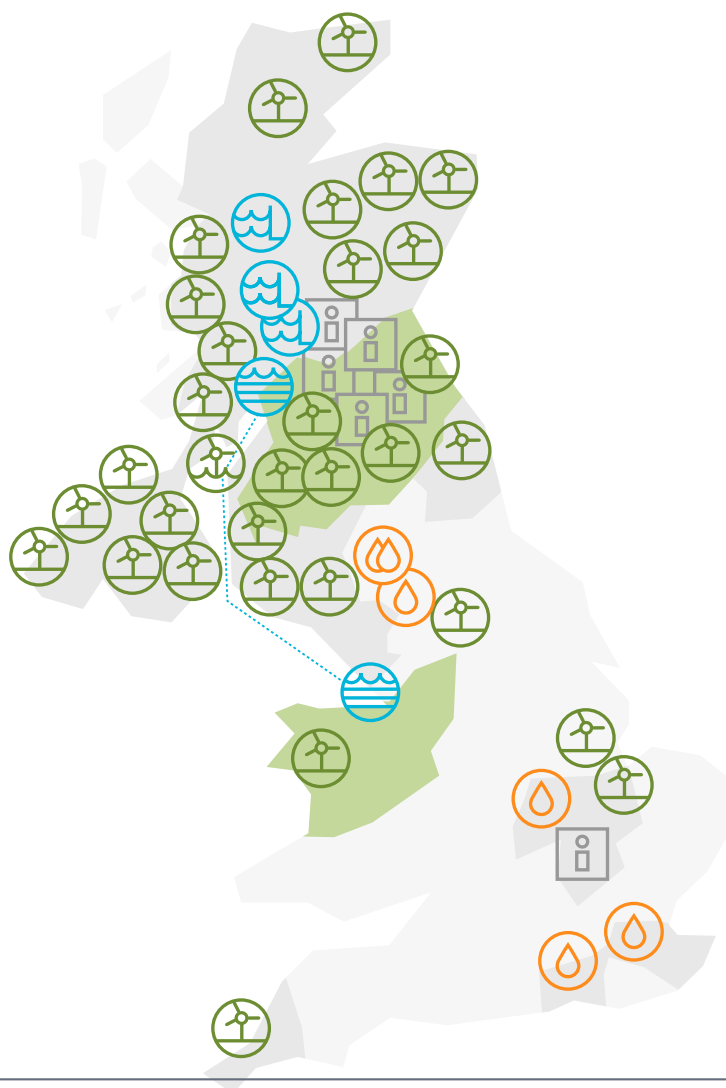
34,967
GWh
Electric power distributed

5.5
Million
users

6,067
Employees

1,599
€M
Investments

521
€M
Direct tax contribution



Primary facilities

39 

Wind farms
1,906 MW

1 

Offshore wind farm
194 MW

3 

Hydroelectric plants
566 MW

1 

Underwater power line
425 km

1 

Cogeneration plant
1 MW

4 

Combined cycle gas plants
2,000 MW



Offices

**Area
of influence**

**Electricity
distribution**

Iberdrola in the United States

3rd-largest wind producer

Electricity and gas distributor in New York, Maine, Connecticut and Massachusetts

Δ 2017 / 2016

GDP +2.5%

Electricity demand -2.1%

Primary brands

Local subholding brand



Operating brands



Main data 2017

7,472
MW
Installed capacity

6,625
MW
Renewable installed capacity

18,104
GWh
Net output

169,960
Km
Power lines

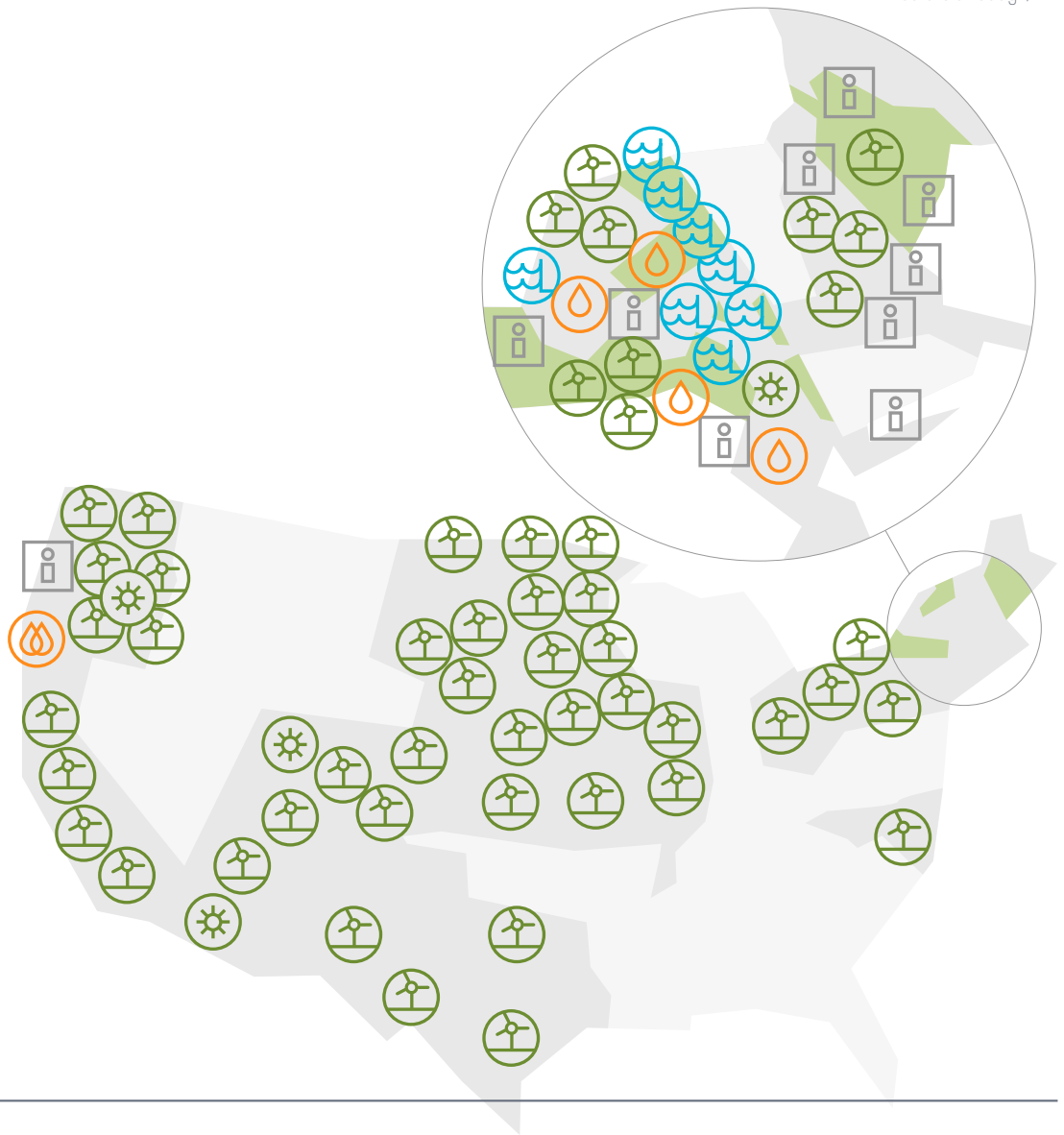
38,349
GWh
Electric power distributed

3.2
Million
users


6,561
Employees

1,724
€M
Investments

875
€M
Direct tax contribution



Primary facilities

59 
Wind farms
 6,387 MW

4 
Photovoltaic plants
 108 MW

9 
Hydroelectric plants
 118 MW

1 
Cogeneration plant
 636 MW

4 
Combined cycle gas plants
 212 MW


Offices

Area of influence

Electricity distribution

Iberdrola in Brazil

Energy leader in Brazil and Latin America

Δ 2017 / 2016

GDP +1.0%

Electricity demand +1.2%

Primary brands

Local subholding brand



Operating brands



Main data 2017

3,162
MW
Installed capacity

2,629
MW
Renewable installed capacity

12,243
GWh
Net output

608,821
Km
Power lines

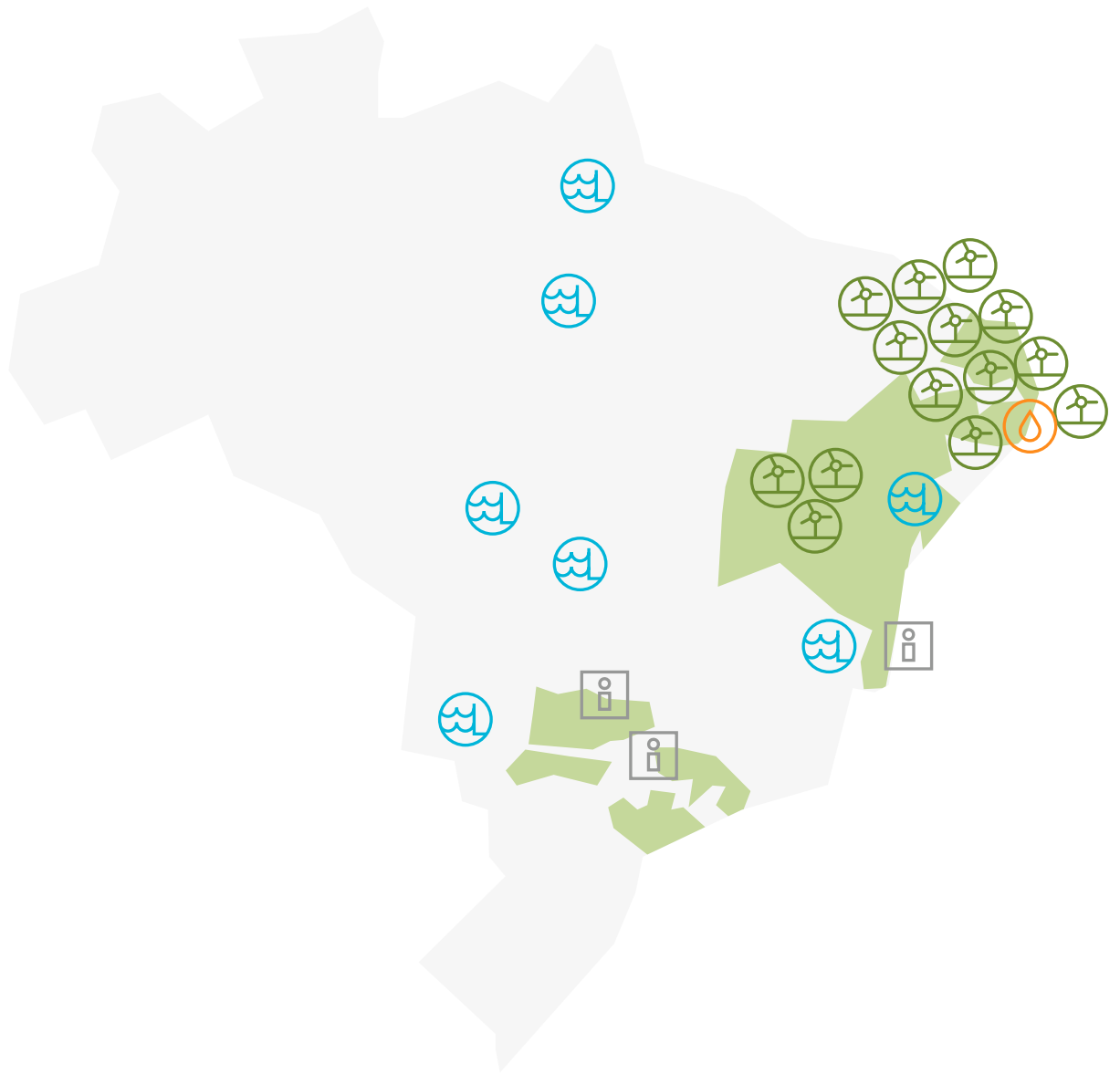
63,522
GWh
Electric power distributed

13.6
Million
users

10,096
Employees

466
€M
Investments

2,157
€M
Direct tax contribution



Primary facilities

7 

Hydroelectric plants
2,113 MW

17 

Wind farms
516 MW

1 

Combined cycle gas plant
533 MW



Offices

**Electricity
distribution**

Iberdrola in Mexico

Largest private electricity producer

Δ 2017 / 2016

GDP +2.3%

Electricity demand +5.5%

Primary brands

Local subholding brand



Operating brands



Main data 2017

6,250

MW
Installed capacity

410

MW
Renewable installed capacity

41,866

GWH
Net output

944

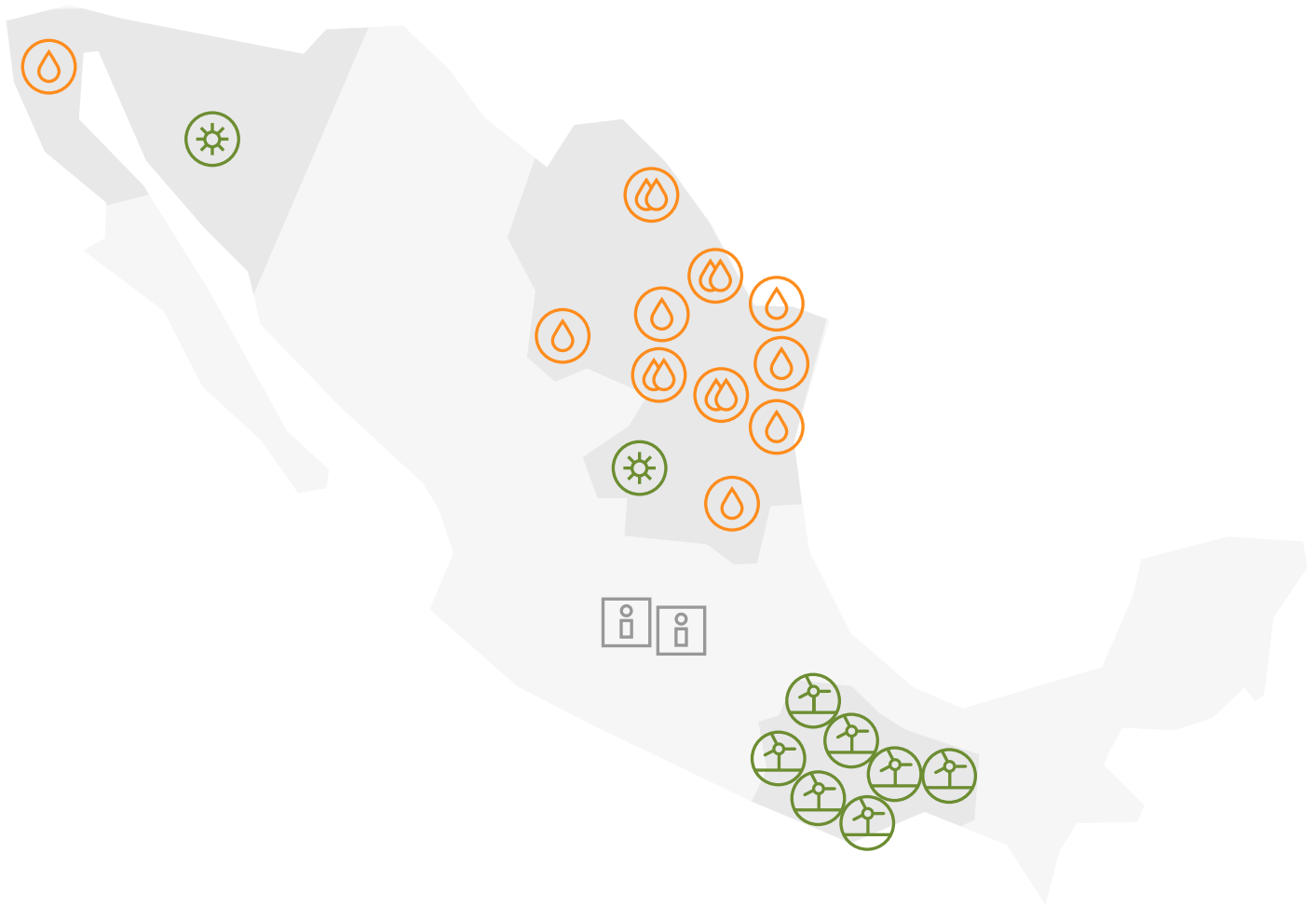
Employees

1,018

€M
Investments

186

€M
Direct tax contribution



Primary facilities

7 

Combined cycle gas plants
5,546 MW

4 

Cogeneration plants
294 MW

7 

Wind farms
367 MW

2 

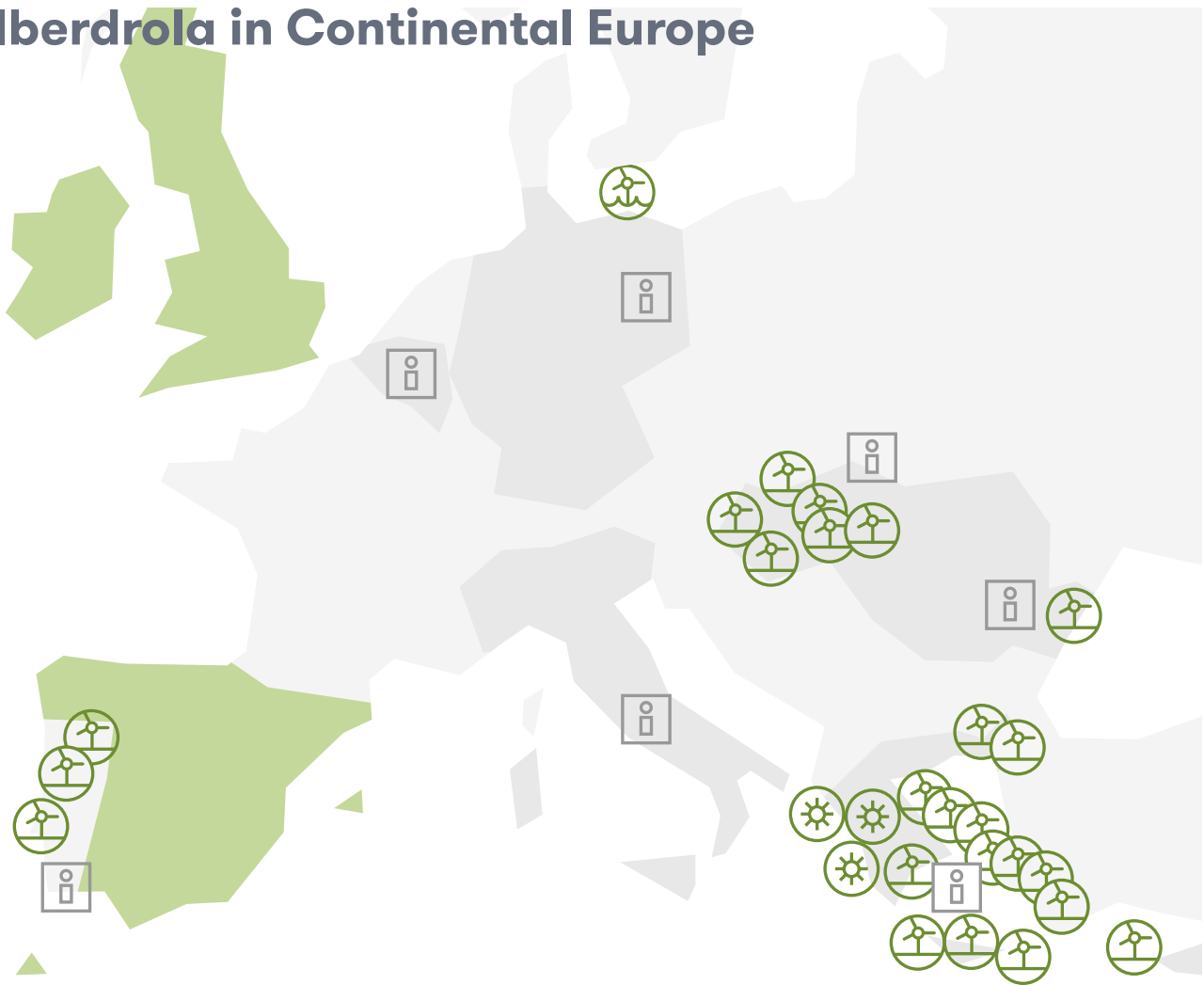
Photovoltaic plants
43 MW



Offices

Area
of influence

Iberdrola in Continental Europe



Primary facilities and Main data 2017

1 

Offshore wind farm
350 MW

27 

Wind farms
605 MW

4 

Photovoltaic plants
6 MW

961

MW
Renewable installed capacity

1,382

GWh
Net output



Offices

Area of influence

Main countries

291

Employees

283

M€
Investments

115

M€
Direct tax contribution

Installed capacity and output by country and technology

Installed capacity (MW)	Spain		United Kingdom		United States		Brazil		Mexico		Other countries		Total	
	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
Renewables	15,819	15,821	2,572	2,666	6,035	6,625	2,399	2,629	367	410	621	961	27,813	29,112
Onshore wind	5,752	5,752	1,812	1,906	5,853	6,387	421	516	367	367	615	605	14,820	15,533
Offshore wind	-	-	194	194	-	-	-	-	-	-	-	350	194	544
Hydroelectric	9,715	9,715	566	566	118	118	1,978	2,113	-	-	-	-	12,378	12,513
Mini-hydro	302	303	-	-	-	-	-	-	-	-	-	-	302	303
Solar and others	50	50	-	-	63	119	-	-	-	43	6	6	120	219
Nuclear	3,410	3,177	-	-	-	-	-	-	-	-	-	-	3,410	3,177
Combined cycle	5,695	5,695	2,000	2,000	209	212	533	533	5,200	5,546	-	-	13,637	13,985
Cogeneration	364	368	1	1	636	636	77	-	237	294	-	-	1,315	1,299
Coal	874	874	-	-	-	-	-	-	-	-	-	-	874	874
Total	26,161	25,934	4,573	4,667	6,880	7,472	3,009	3,162	5,804	6,250	621	961	47,049	48,447

Electricity production (GWh)	Spain		United Kingdom		United States		Brazil		Mexico		Other countries		Total	
	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
Renewables	30,319	19,587	3,688	4,880	15,320	15,738	4,559	8,195	1,119	963	1,437	1,382	56,443	50,745
Onshore wind	11,236	11,216	2,370	3,358	14,803	15,103	1,204	1,865	1,119	963	1,429	1,373	32,162	33,878
Offshore wind	-	-	728	820	-	-	-	-	-	-	-	0	728	821
Hydroelectric	18,325	7,903	590	701	327	385	3,355	6,330	-	-	-	-	22,597	15,320
Mini-hydro	686	394	-	-	-	-	-	-	-	-	-	-	686	394
Solar and others	71	74	-	-	190	250	-	-	-	0	9	9	270	333
Nuclear	24,381	23,249	-	-	-	-	-	-	-	-	-	-	24,381	23,249
Combined cycle	3,709	3,812	8,341	7,260	14	12	4,033	3,957	34,795	39,103	-	-	50,892	54,144
Cogeneration	2,290	2,607	-	0	2,557	2,354	446	91	1,654	1,800	-	-	6,947	6,853
Coal	2,084	2,642	1,719	-	-	-	-	-	-	-	-	-	3,803	2,642
Total	62,783	51,897	13,748	12,139	17,891	18,104	9,038	12,243	37,569	41,866	1,437	1,382	142,466	137,632