

IBERDROLA INTERNATIONAL B.V.

NOTICE TO HOLDERS OF €500,000,000 ZERO COUPON GUARANTEED EQUITY-LINKED BONDS DUE 2022 (ISIN: XS1321004118) (THE "BONDS") ISSUED BY IBERDROLA INTERNATIONAL B.V. (THE "ISSUER") AND GUARANTEED BY IBERDROLA, S.A. (THE "GUARANTOR")

9 January 2019

Capitalised terms not otherwise defined in this notice shall have the meaning given to them in the terms and conditions of the Bonds (the "Conditions").

The Issuer hereby notifies Bondholders that, as a result of an Ex-Date having occurred on 9 January 2019 in respect of a Cash Distribution of €0.151 per Ordinary Share to Shareholders of record on 10 January 2019, pursuant to the Conditions, effective 9 January 2019:

- the Conversion Price shall be adjusted to EUR 8.5647 (from EUR 8.5994 previously);
- the Conversion Ratio shall be adjusted to 11,675.83219 (from 11,628.71828 previously);
- the Dividend Threshold shall be adjusted to:
 - o €0.1223 for each Relevant Period in respect of which such Dividend Threshold was initially €0.1250; and
 - o €0.1419 for each Relevant Period in respect of which such Dividend Threshold was initially €0.1450.

Yours faithfully

IBERDROLA INTERNATIONAL B.V.