

19 January 2009

In conjunction with the start of the 'Obama era'

IBERDROLA RENOVBABLES INSTALLS FIVE WIND FARMS IN THE US

- **Aggregate installed capacity of 460 MW**
- **41% of the Company's pipeline is located in the US (22,394 MW)**
- **The Group's strong strategic focus on the US market positions it to leverage the favourable political and regulatory climate anticipated under the Obama presidency**

In December IBERDROLA RENOVBABLES installed five wind farms in the US, adding aggregate capacity of 460 MW. The Company's strong strategic focus on the US market, where it had installed capacity of over 2,300 MW¹ at the end of 3Q08, places it in a unique position to leverage the favourable political and regulatory climate expected under Barak Obama's presidency.

The new facilities are located in the states of Iowa, Oregon (2), Minnesota and South Dakota (see accompanying table). In all, these facilities, slated to begin to operate commercially some time in 1Q09, will circumvent the emission of some 600,000 tonnes of CO₂.

IBERDROLA RENOVBABLES fully expects the US to step up its commitment to clean energy sources. Forty-one per cent of the Company's pipeline is located in the US: 22,394 MW of a total 54,579 MW², to give it the largest pipeline in the sector in the world.

¹ Does not include 606 MW owned by third parties acquired under power purchase agreements

President-elect Obama has stressed that renewable energy sources will constitute one of the engines of his plan to stimulate the flagging US economy. Among the initiatives mooted and expected to be launched are the setting up of a mandatory national Renewable Portfolio Standard to ensure that 25% of the energy produced in the US comes from renewable sources by 2025, a doubling in the amount of power produced from renewable sources in the next three years, the extension of prevailing tax breaks (PTCs), and the simplification of the systems in place for companies to apply these tax breaks.

In addition, the Democratic leader has reiterated his intention to invest \$15 billion a year to promote clean energies, a strategy which in his opinion will spell the creation of "millions of jobs". At the end of 2008, IBERDROLA RENOVBABLES had around 700 employees in the US.

IBERDROLA RENOVBABLES, the global leader in wind energy*, boasted installed capacity of 8,488 MW³ at the end of third quarter 2008, representing year-on-year growth of 70.5%. The Company is the top-ranked wind power company in Spain and Greece, and the number two player in the United States and United Kingdom.

New US wind farms

Wind farm	Installed capacity (MW)	State
Barton	160 MW	Iowa
Pebble Springs	98.7 MW	Oregon
Hay Canyon	100.8 MW	Oregon
Moraine II	49.5 MW	Minnesota
Buffalo Ridge	50.4 MW	South Dakota
	TOTAL 459.4 MW	

* Source: New Energy Finance (December 2007)

DISCLAIMER

³ Includes the projects contemplated under the strategic agreement with Gamesa.

³ Does not include 606 MW owned by third parties acquired under power purchase agreements



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