

Iberdrola closes the largest senior bond issue in its history for 2.15 billion to continue growing in the UK, with strong investor support

- *The electricity company issues three and a half, seven and eleven year debt with a strong demand of more than €7,400 million in total*
- *Benefiting from the new global interest rate down cycle*

Iberdrola has once again successfully issued senior debt. It has closed the largest senior bond issue in its history. The company today placed bonds for €2.15 billion, which will be used to finance growth in the UK. The issue was made in three tranches – a three and a half year €650 million, a seven year €750 million and an eleven year €750 million – with demand reaching €7.4 billion, more than tripling the offer, with books oversubscribed by 3.4. Thanks to the interest of investors, who once again support the strategy of Europe's largest electricity company by market capitalisation, the weighted average cost of the transaction was set at below 3.12%, for an average life of more than 7.3 years.

The electricity company chaired by Ignacio Galán agreed in August to acquire ENW for a total value of €5,000 million, including debt. With this transaction, the United Kingdom becomes the company's leading country in terms of network asset base, with around €14 billion euros, followed by the United States with €13.3 billion.

The start of the new cycle of falling interest rates in the euro zone and the United States is one of the factors that Iberdrola has taken advantage of to enter the market. The prices it has obtained are very competitive, with a coupon of 2.625% for debt maturing in March 2028, 3% for debt maturing in September 2031, and 3.375% for debt maturing in September 2035. The ability of the company chaired by Ignacio Galán to access the financing markets is reaffirmed with this transaction.

The banks involved in the operation were BBVA, BNP Paribas, Crédit Agricole, Mizuho, Sabadell, Barclays, CaixaBank, DBS, Banca IMI, ING, Morgan Stanley, MUFG, NatWest, Rabobank, RBC and Santander.

Today's issue is the fifth public transaction in the market so far this year, following the [€700 million](#) hybrid bond issued in January, the CHF 335 million placement in the Swiss market at

the end of June, the [€750 million senior](#) bond issued in July and the one in August, when Iberdrola placed USD 525 million (€490 million) through its US subsidiary.

International confidence

The market's confidence in Iberdrola is constant. In addition to the bond issues, the utility signed a €700 million green loan with the [European Investment Bank](#) for the expansion of electricity grids in Spain and extended its alliance with the [World Bank](#) with a €300 million green loan for renewable projects in emerging countries.

It also signed a [€500 million syndicated green loan with Cesce coverage](#) together with ICO, Sabadell and HSBC. This loan, which has a repayment term of 15 years, contributed to strengthening the diversification of Iberdrola's sources of financing.

At the end of December 2023, the company signed its [largest credit line in history for €5.3 billion](#) with 33 international banks. The cost of this operation was at the most competitive levels for Iberdrola, with prices similar to those of 2019, and the operation was oversubscribed by more than 40%, demonstrating the strong commitment of the banks to Europe's leading utility by capitalisation.

This financial strategy complements and strengthens the historic investment plan launched by the company in March 2024, in which it announced the investment of €41 billion between 2024 and 2026. The plan aims to drive the economy's electrification, with a strong push to electricity grids and renewables.