

The transaction is expected to be completed in the last quarter of the year, once the final pending regulatory approval is received.

Avangrid shareholders approve Iberdrola's takeover of the company

- *More than 99% of the votes cast were in favour with less than 1% against*
- *Excluding Iberdrola and its reference shareholder, QIA, approximately 93% of the shareholders' votes were in favour*
- *Other items on the agenda received an average positive vote of more than 98%*

During their Annual General Meeting, Avangrid shareholders today approved Iberdrola's acquisition of 18.4% of Avangrid's share capital through a merger operation. The transaction received overwhelming support from the company's shareholders:

- The operation was supported by more than 99% of votes cast, compared to less than 1% of votes against.
- Approximately 93% of shareholders voted in favour of the operation, excluding the votes of Iberdrola and QIA, which is a reference shareholder of the Spanish utility.

The acquisition, which began in March, will result in Avangrid being delisted from trading on the US stock exchange. The operation will see the company chaired by Ignacio Galán pay \$2.55 billion (around €2.3 billion). The transaction, which has already received approval from the federal regulator (FERC) and the Maine regulator (the latter pending publication), is expected to close before the end of the year, once the New York regulator grants authorisation.

Avangrid, a leader in grids and renewables

The operation will allow Iberdrola to continue its strong growth in the US after more than 20 years in the country. Nearly a decade ago, Iberdrola merged its North American subsidiary with the listed UIL Holdings to create Avangrid, which has been listed on the NYSE ever since.

Thanks to the company's growth over the last decade, Avangrid now has assets of \$46 billion. The company distributes electricity to seven million people in the states of New York, Connecticut, Maine and Massachusetts and has an installed capacity of 8,700 MW of renewable power in 24 states. It also has 8,000 employees.

Operation key to accelerating growth in the United States

Avangrid is looking at \$30 billion of growth opportunities through the end of the decade in transmission and distribution grids (in New York, Connecticut, Maine and Massachusetts), offshore wind (following the recent award of the New England I wind farm), solar PV and onshore wind (especially in repowering).

The transaction approved today will allow Avangrid to access additional financial resources to undertake these investments more quickly.

Iberdrola's Executive Chairman, Ignacio Galán, said that “the transaction is fully aligned with our strategy of investing in grids in countries with high credit ratings, such as the United States. Avangrid will have all the resources it needs to continue growing in transmission and distribution, and also in renewable technologies such as offshore wind”.

The terms of the operation

Shareholders of Iberdrola's US subsidiary will receive €35.75 per share, a 15.2% premium over the average share price in the 30 days prior to the announcement.