

THE LARGEST EUROPEAN COMPANY IN THE INDUSTRY BY MARKET CAPITALIZATION

IBERDROLA RENOVABLES will propose to the shareholders at the General Shareholders' Meeting a dividend of 2.5 euro cents per share.

The crisis that originated in the real estate market in 2007 gave way, in 2008, to an unprecedented financial crisis. This has spread to other industries and markets, creating a global economic recession. The year was marked by the extreme volatility of the credit, currency and raw materials markets and of stock markets all over the world, which racked up substantial losses. Within this context, the Ibex.35 ended 2008 with drops of almost 40%, in line with those of European stock exchanges.

IBERDROLA RENOVABLES ON THE STOCK MARKET

2008 saw generalized drops in the benchmark indexes of the renewables industry, although IBERDROLA RENOVABLES performed better than most. The ERIX and the Renewable S&P lost more than 60%, while the Merrill Lynch dipped to 47.3% (see chart).

THE LEADING EUROPEAN COMPANY AND ONE OF THE TOP TEN SPANISH COMPANIES BY MARKET CAPITALIZATION

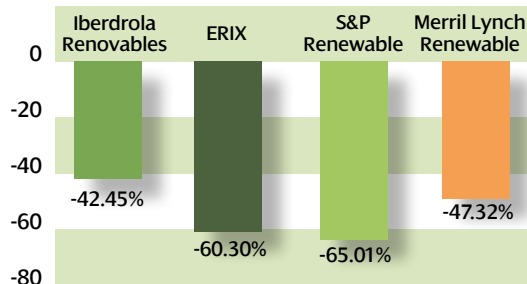
IBERDROLA RENOVABLES' capitalization stood at 12,883 million at the end of 2008 (see chart), making it the top European Company in the renewables industry and one of the ten largest Spanish companies of the Ibex 35 by market capitalization.

DIVIDEND PAYMENT

The Company will propose to its shareholders at the General Shareholders' Meeting the payment of a single dividend of 2.5 euro cents per share, the first in its history as a listed company, equivalent to a pay-out of 27%. In doing so, the Company goes beyond the commitment it took on with investors when it went public in 2007: at the time, it announced that it would earmark between 20% and 25% of 2008 earnings for dividends.

IBERDROLA RENOVABLES COMPARED TO THE MAIN RENEWABLES INDEXES

(2008)



IBERDROLA RENOVABLES VS. THE LEADING RENEWABLE ENERGY COMPANIES IN EUROPE

(By market capitalization in 2008. Millions of euros)

