

Final Terms dated 2 April 2012

**Iberdrola International B.V.**

(incorporated with limited liability in The Netherlands and having its corporate seat in Amsterdam)

Issue of EUR 32,000,000 4.100 per cent. Guaranteed Notes due April 2022

Guaranteed by **Iberdrola, S.A.**

Under the EUR 20,000,000,000

**Euro Medium Term Note Programme**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of Notes issued by Iberdrola International B.V. set forth in the Base Prospectus dated 6 July 2011 and the supplements to the Prospectus dated 27 July 2011 and 15 March 2012 (the “**Supplements**”) which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”) as amended (which includes the amendments made by Directive 2010/73/EU (the “**2010 PD Amending Directive**”) to the extent that such amendments have been implemented in a relevant Member State). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Supplements. The Base Prospectus and the Supplements are available for viewing at the registered office of each of the Issuer at Iberdrola International B.V., Jan van Goyenkade 8, Amsterdam, The Netherlands, and of the Fiscal Agent at The Bank of New York Mellon, London Branch, One Canada Square, London E14 5AL, United Kingdom and on the Luxembourg Stock Exchange’s website ([www.bourse.lu](http://www.bourse.lu)) and copies may be obtained from the Fiscal Agent at its aforementioned registered address.

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|----|------|---|--|
| 1. | (i)  | Issuer:                                       | Iberdrola International B.V.                     |
|    | (ii) | Guarantor:                                    | Iberdrola, S.A.                                  |
| 2. | (i)  | Series Number:                                | 99   |
|    | (ii) | Tranche Number:                               | 1  |
| 3. |      | Specified Currency or Currencies:             | Euro (" <b>EUR</b> ")                            |
| 4. |      | Aggregate Nominal Amount admitted to trading: | EUR 32,000,000                                   |
| 5. |      | Issue Price:                                  | 98.886 per cent. of the Aggregate Nominal Amount |
| 6. |      | Specified Denominations:                      | EUR 100,000                                      |
| 7. | (i)  | Issue Date:                                   | 4 April 2012                                     |

	(ii) Interest Commencement Date:	Issue Date
8.	Maturity Date:	4 April 2022
9.	Interest Basis:	4.100 per cent. Fixed Rate (further particulars specified below)
10.	Redemption/Payment Basis:	Redemption at par
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	(i) Status of the Notes:	Senior
	(ii) Status of the Guarantee:	Senior
	(iii) Date Board approval for issuance of Notes obtained:	29 March 2012
14.	Method of distribution:	Non-syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15.	<b>Fixed Rate Note Provisions</b>	Applicable
	(i) Rate of Interest:	4.100 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	4 April in each year commencing on 4 April 2013 up to and including the Maturity Date
	(iii) Fixed Coupon Amount:	EUR 4,100 per EUR 100,000 in nominal amount
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction:	Actual/Actual, unadjusted
	(vi) Determination Dates:	Not Applicable
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16.	<b>Floating Rate Note Provisions</b>	Not Applicable
17.	<b>Zero Coupon Note Provisions</b>	Not Applicable
18.	<b>Index/Formula-linked Note/other variable-linked interest Note</b>	Not Applicable

## Provisions

19. **Dual Currency Note Provisions** Not Applicable

### PROVISIONS RELATING TO REDEMPTION

20. **Call Option** Not Applicable
21. **Put Option** Not Applicable
22. **Final Redemption Amount** EUR 100,000 per Note of EUR 100,000 specified denomination
23. **Early Redemption Amount**
- Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default and/or the method of calculating the same (if required or if different from that set out in Condition 6): As per Conditions

### GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. (a) Form of Notes: Bearer Notes:  
Temporary Global Note exchangeable for a Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note.
- (b) New Global Note Yes
25. Financial Centre(s) or other special provisions relating to Payment Dates: TARGET2
26. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): No
27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable
28. Details relating to Instalment Notes: amount of each instalment date on Not Applicable

which each payment is to be made:

- |     |  |                |
|-----|--|----------------|
| 29. | Redenomination, renominalisation and reconventioning provisions: | Not Applicable |
| 30. | Consolidation provisions:  | Not Applicable |
| 31. | Other terms:   | Not Applicable |

**DISTRIBUTION**

- |     |                                       |                  |
|-----|---------------------------------------|------------------|
| 32. | (i) If syndicated, names of Managers: | Not Applicable   |
|     | (ii) Stabilising Manager (if any):    | Not Applicable   |
| 33. | If non-syndicated, name of Dealer:    | HSBC Bank plc    |
| 34. | Additional selling restrictions:      | The Netherlands: |

The Notes are not and may not be offered in the Netherlands other than to legal entities which are qualified investors as defined in the Prospectus Directive and in article 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and regulations promulgated pursuant thereto.

**PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the EUR 20,000,000,000 Euro Medium Term Note Programme of Iberdrola International B.V. and Iberdrola Finanzas, S.A.U. guaranteed by Iberdrola, S.A.

**RESPONSIBILITY**

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

Signed on behalf of the Guarantor:

By: .....  
Duly authorised

By: .....  
Duly authorised

## **PART B – OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING**

- (i) Listing: Official List of the Luxembourg Stock Exchange
- (ii) Admission to trading: Application has been made for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange with effect from the Issue Date.
- (iii) Estimate of total expenses related to admission to trading EUR 4,800

### **2. RATINGS**

- Ratings: The Notes to be issued have been rated:
- S & P: A-
- Moody's: A3
- Fitch: A

S&P, Moody's and Fitch are established in the European Union and are registered under Regulation (EC) No. 1060/2009.

### **3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save as discussed in the Base Prospectus and for any fees payable to the Dealer, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

### **4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

- (i) Reasons for the offer: The net proceeds from the issue of the Notes will be on-lent or deposited with Iberdrola Finance UK Limited, a wholly owned subsidiary of the Guarantor (or another member of the Group) and used for general corporate purposes of the Group.

## 5. YIELD

Indication of yield: 4.239 per cent. per annum

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

## 6. OPERATIONAL INFORMATION

ISIN Code: XS0756710678

Common Code: 075671067

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility: Yes

Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories (ICSDs), being Euroclear and Clearstream, Luxembourg, as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria

## 7. GENERAL

Applicable TEFRA exemption: D Rules