

SCOTTISH POWER PLC  
Form 425  
January 03, 2007

**Filed by: Iberdrola, S.A.**

**Pursuant to Rule 425**

**under the Securities Act of 1933**

**and deemed filed pursuant to**

**Rule 14d-2 of the Securities**

**Exchange Act of 1934**

**Subject Company: Scottish Power plc**

**Exchange Act File Number: 001-14676**

**Date: January 3, 2007**

**IMPORTANT INFORMATION**

This communication does not constitute an offer to purchase, sell or exchange or the solicitation of an offer to purchase, sell or exchange any securities or the solicitation of any vote or approval with respect to the proposed acquisition by Iberdrola S.A. of ScottishPower plc. (the Acquisition ), nor shall there be any purchase, sale or exchange of securities or such solicitation in any jurisdiction in which such offer, solicitation or sale or exchange would be unlawful prior to the registration or qualification under the laws of such jurisdiction.

If and when Iberdrola S.A. commences the Acquisition for the ordinary shares of ScottishPower plc and the Acquisition is implemented by way of a scheme of arrangement under the U.K. Companies Act 1985, as amended (the Scheme ), any securities of Iberdrola S.A. will not be registered under the U.S. Securities Act of 1933, as amended (the Securities Act ), but will be issued in reliance on the exemption provided by Section 3(a)(10) thereof, and ScottishPower plc will furnish the acquisition document to the SEC under cover of a Form 6-K. If and when Iberdrola S.A. determines to commence the Acquisition by way of a takeover offer under The City Code on Takeovers and Mergers of the United Kingdom (the Offer ) rather than the Scheme, Iberdrola S.A. will, to the extent that the shares issued in connection with the proposed Acquisition are required to be registered in the United States, file a registration statement on Form F-4, which will include a prospectus, with the United States Securities and Exchange Commission ( SEC ). **Investors are strongly advised to read the documents that will be made available to them, including the registration statement and prospectus, if and when available, and any other relevant documents made available to them and/or the SEC or other applicable regulatory authorities, as well as any amendments or supplements to those documents, because they will contain important information regarding Iberdrola S.A., ScottishPower plc, the Acquisition and any Offer. ScottishPower plc shareholders should also read the related solicitation/recommendation statement on Schedule 14D-9 that may be filed with the SEC by ScottishPower plc relating to the Acquisition.** If and when filed, investors may obtain free copies of the registration statement, the prospectus as well as other relevant documents filed with the SEC, at the SEC's web site at [www.sec.gov](http://www.sec.gov) and will receive information at an appropriate time on how to obtain these transaction-related documents for free from the parties involved or a duly appointed agent.

The distribution of this communication may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this document should inform themselves of and observe these restrictions. To the fullest extent permitted by applicable law, the companies involved in the proposed Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

The shares to be issued in connection with the proposed Acquisition may not be offered or sold in the United States except pursuant to an effective registration statement under the Securities Act or pursuant to a valid exemption from registration.

Translation for information purposes only

Madrid, on 2 January 2007

Spanish Stock Exchange Commission (CNMV)

To the attention of Mr Antonio Mas Sirvent

Market Area Director

Madrid

Ref. Other communications

Dear Sirs,

Further to our communications dated 30 November and 21 December 2006 regarding the Dividend Reinvestment Program, we hereby inform you that the price of the reinvestment of each share object of the reinvestment shall be 32.67€.

As mentioned in the communication addressed to the CNVM on 30 November 2006, the price of the reinvestment has been calculated based on the simple average of the weighted average changes of the Company's shares (*media simple de los cambios medios ponderados de la acción de la Sociedad*) in the Spanish SIBE corresponding to the five (5) market business days immediately previous to the date of the dividend payment, less the gross amount of the dividend paid today. The Manager Company of the Bilbao Stock Exchange (*Sociedad Rectora de la Bolsa de Bilbao*) has certified the averaged price calculation.

We remain at your and the CNMV disposal.

Yours sincerely,

Federico San Sebastián