



REN - REDES ENERGÉTICAS NACIONAIS, S.G.P.S., S.A. - Listed Company
Registered Office: Avenida dos Estados Unidos da América, no. 55, Lisbon
Legal entity and registration number with the Lisbon Commercial Registry Office:
503264032
Share capital: 534,000,000 Euros

PROPOSAL OF RESOLUTION

ITEM 4 OF THE AGENDA OF THE ANNUAL GENERAL SHAREHOLDERS MEETING OF MARCH 27, 2012

Whereas:

- A) Pursuant to no. 2 of article 5 of the by-laws of REN - Redes Energéticas Nacionais, S.G.P.S., S.A. (hereinafter “REN” or the “Company”), *“the company may acquire, hold, and sell treasury shares, within the situations and limitations set by law”*;
- B) In order to comply with articles 319 and 320 of the Portuguese Companies Code, the acquisition and sale of treasury shares is subject to the approval of the General Shareholders Meeting;
- C) Regulation (CE) no. 2273/2003 of December 22, of the European Commission, establishes a special regime to certain treasury share repurchase programs, containing, namely, exemption requirements from the general regime of market abuse, which should be abided by, even if it is not in the scope of the acquisitions of the relevant programs;
- D) Regulation no. 5/2008 of the Portuguese Securities Market Commission mandates certain duties of communication and disclosure on treasury shares transactions for companies with shares listed in regulated markets;
- E) An authorization to acquire, hold and sell treasury shares was granted to the Board of Directors by the General Shareholders Meeting on April 15, 2011; REN currently being the holder of 3 881 374 treasury shares;
- F) It is still beneficial to the corporate interest to have an authorization in order for the company or its subsidiaries to acquire, hold or sell treasury shares, notably in order to undertake actions which are necessary or convenient to pursue the interest of the company;



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The Board of Directors proposes to the General Shareholders Meeting of REN the approval of the following resolutions:

1. To approve the acquisition of treasury shares by REN and/or its subsidiaries, current and/or future, including rights to its acquisition or attribution, subject to a decision of the Board of Directors of REN, and in the following terms:
 - a) **Maximum number of shares to be acquired:** until the limit corresponding to 10% (ten per cent) of the respective share capital, deducted from any sales undertaken, notwithstanding the exceptions in no. 3 of article 317 of the Portuguese Companies Code and the amounts demanded to comply with the obligations of the acquirer under law, contract or issuance terms of securities or other instruments, subject, if such is the case, to a subsequent sale, pursuant to general law, of the shares which exceed such limit;
 - b) **Term within which the acquisition may be concluded:** within the eighteen months subsequent to the date of this resolution;
 - c) **Means of acquisition:** subject to the terms and conditions of mandatory law, the acquisition of shares or rights of acquisition or attribution of shares may be effected for consideration, in any category, in regulated market or non-regulated market, through a private negotiation or through an offer to the public, in compliance with the principle of equal treatment of shareholders in accordance with general law, notably through (i) transaction executed with entities appointed by the Board of Directors of REN, including financial institutions with which REN or any of its subsidiaries has entered into an equity swap agreement or other similar derivative financial instruments; or (ii) the acquisition by whatever means, to or for the purposes to comply with an obligation arising from law or contract, including the contractual binding to the completion of REN's or its subsidiaries' share attribution plan, conversion or exchange of securities or other convertible or exchangeable securities, issued by the relevant company, in accordance with its respective issuance terms or agreements related to the abovementioned conversion or interchange.



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- d) **Minimum and maximum consideration for the acquisitions:** the price of an acquisition for consideration shall have a cap and floor respectively, of 120% and 80% of the weighted average of the daily closing market prices of the Company's shares in the last 5 sessions of *Eurolist by Euronext Lisbon* immediately prior to the date of the acquisition or establishment of the share acquisition or attribution right, or correspond to the acquisition price resulting from financial instruments entered into by REN or subsidiary, from the terms of an issuance effected by any of the aforementioned entities, of securities or other instruments convertible or interchangeable by REN shares, or agreements entered into in relation to such conversions or exchanges;
 - e) **Moment of acquisition:** to be determined by the Board of Directors of REN, especially considering the conditions of the securities market and the convenience or the obligations of REN, its subsidiaries or the acquirer(s), to be executed in or more times and in the proportions defined by the Board of Directors of REN.
2. To approve the sale of treasury shares, including the rights to its acquisition or attribution that have been acquired by REN or any of its subsidiaries, current or future, through a decision of the Board of Directors of REN and in the following terms:
- a) **Minimum number of shares to be sold:** the number of shares to be sold shall be defined by the Board of Directors of REN, in light of what, at any given moment, is deemed necessary or convenient to the pursuit of the corporate interest or in order to comply with obligations assumed, arising from the law, contract, or the issuance of securities or other instruments;
 - b) **Term within which the sale may be concluded:** within eighteen months subsequently to the date of this resolution;
 - c) **Means of sale:** subject to the mandatory provisions of general law, the sale of shares or rights of acquisition or attribution of shares may be undertaken for consideration, in any means, notably through sale or exchange, through a private negotiation or through an offer to the public, in compliance with the principle of equal treatment of shareholders in



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accordance with general law, in a regulated or non-regulated market, notably through a transaction executed with entities appointed by the Board of Directors of REN, including the financial institution with which REN or any of its subsidiaries has entered into an equity swap agreement or other similar derivative financial instruments; or when resolved within the scope or in connection with a proposal for the allocation of results or distribution of retained earnings in kind, notwithstanding, in case of a sale pursuant to the compliance of an obligation or arising from the issuance of other securities by REN or any of its subsidiaries, or from agreements related with such issuance, or from a contractual commitment to the execution of a share attribution plan of the Company, the sale being made in accordance with applicable terms and conditions;

- d) **Minimum price:** consideration no more than 80% below of the weighted average of the daily market prices for REN's shares in the closing of Eurolist by Euronext Lisbon during the five sessions in the regulated market immediately before of the date of sale, or price which is determined or results from the terms and conditions of the issuance of other securities, notably securities or other convertible or exchangeable instruments, or from agreement entered into relating to such issuance, conversion or exchange, whenever the sale arises from it;
- e) **Moment of sale:** to be determined by the Board of Directors of REN, especially considering the conditions of the securities market and the convenience or obligations of REN, of any of its subsidiaries, or the disposing entity(ies), to be executed in or more times and in the proportions defined by the Board of Directors of REN.

- 3. To approve the communication to the Board of Directors of REN, although non exhaustive, that, notwithstanding its discretion in deciding and acting within the framework set by the resolutions of numbers 1 and 2 above, it shall take into consideration, in light of the circumstances deemed relevant and notwithstanding the compliance of the legal provisions established in the Portuguese Securities Code and in the regulations of the Portuguese Securities Market Commission, the following actions on the acquisition and sale of treasury shares in accordance with the authorizations granted in the abovementioned numbers:



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- a) Public disclosure, before the beginning of the acquisition and sale of treasury shares transactions, of the content of the authorization established in nos.1 and 2 above, especially its purpose, the maximum equivalent value, the total number of shares to be acquired and the authorized term to perform the transaction;
- b) Safe keep the registry of each operation undertaken pursuant to the abovementioned authorizations;
- c) Execution of the transactions in such a timing, mean and volume that does not interfere with a smooth functioning of the market, notably avoiding the execution in sensitive moments of negotiation, in particular, in the opening and closing of the session, in moments of market disturbance and close to the disclosure of material information, including the disclosure of financial statements;
- d) Performance of the acquisitions for a price not higher than the highest between the price of the last independent transaction and the price of the independent offer of highest amount at the time of the acquisition in the *Eurolist by Euronext Lisbon*;
- e) In case those acquisitions are made through derivative instruments, the exercise price of the latter shall not be higher than the highest between the price of the last independent transaction and the price of the current independent offer of highest amount;
- f) Limitation of the acquisitions to 25% of the daily average negotiation volume or 50% of such volume, in case of very scarce liquidity in the relevant market and subject to communication to the competent authority and disclosure to the market;
- g) Public disclosure of the transactions which are relevant as per the applicable regulations, until the end of the third working day counting from the transaction date;



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- h) Communication to the competent authority, until the end of the third working day counting from the transaction, of all the acquisitions and sales performed;
- i) Abstention from selling shares during the potential execution of the repurchase program encompassed by Regulation (CE) no. 2273/2003 of the Commission, of December 22.

Lisbon, March 1, 2012

By the Board of Directors of
REN - Redes Energéticas Nacionais, S.G.P.S., S.A.