1ST HALF 2012 RESULTS REPORT

BCSD PORTUGAL

BEST CORPORATE CITIZEN, PORTUGAL
THE NEW ECONOMY 2012

2001 - 2010 COMPANY OF THE DECADE PORTUGAL
REVISTA WORLD FINANCE

2011 WORLD FINANCE 100
TOP COMPANIES OF THE WORLD

Highlights 1st Half 2012

MAIN INDICATORS 1ST HALF 2012

(€M)

	1H2012	1H2011	Variation	
			Δ%	Δ Abs.
EBITDA	261.7	235.5	11.1%	26.1
Net financial income	-67.2	-46.2	45.3%	-21.0
Net income	70.6	68.3	3.4%	2.3
Recurrent net income	65.0	68.3	-4.8%	-3.3
Average RAB	3 320.2	3 065.7	8.3%	254.6
CAPEX	74.9	139.7	-46.4%	-64.8
Net debt	2 452.2	2 298.4	6.7%	153.7

- EBITDA stood at €261.7M, an 11.1% (+€26.1M) growth versus 2011. This growth is a result essentially of an increase in the average RAB (+8.3%), as well as in the corresponding average rate of return.
- Net Income stood at €70.6M, a 3.4% (+€2.3M) year-on- year increase. Net income was affected by an increase in the corporate tax rate (net impact of €2.9M) and by the negative behavior of the net financial income.
- When adjusted for non recurring items, Recurrent Net Income decreased 4.8% (-€3.3M) from €68.3M to €65.0M. If corporate tax rate had remained unchanged, Recurrent Net Income would have decreased by €0.4M (-0.6%).

REN

Highlights 1st Half 2012

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- Despite the reduction in CAPEX of 46% as a result of strategic decisions, transfers to RAB increased by 70% year-on-year, essentially due to the Sines Terminal Transfer to RAB of €101.9M. As a result, average RAB grew by 8.3%, with a bigger focus on the categories with the highest rate of return. Electricity RAB with premium grew by 48% and the corresponding rate of return also increased by 2.2p.p. (from 9.1% to 11.3%).

- After the end of the semester REN concluded the purchase of 7.5% of HCB's share capital.

REN

% CAPEX is in line with historical values

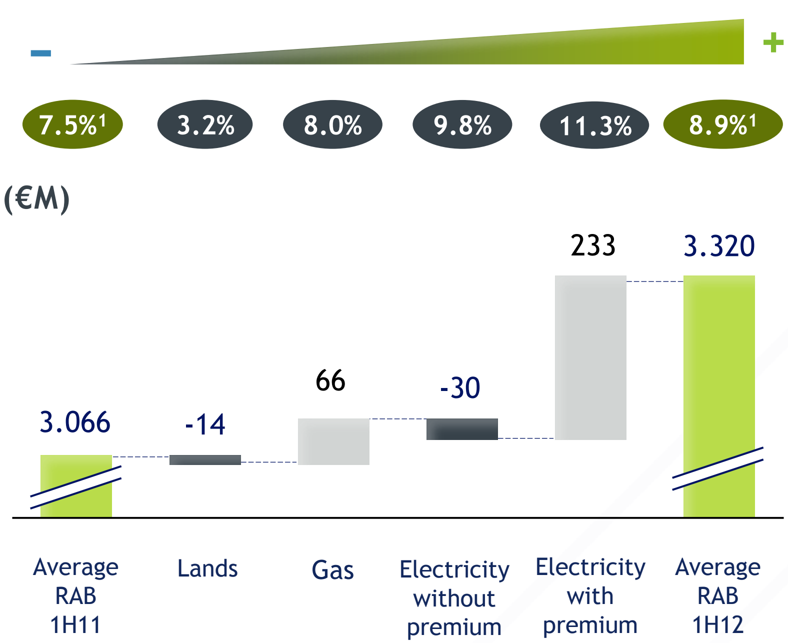
CAPEX

	1H12	1H11	Variation	
			Δ%	Δ Abs.
Total average RAB	**3 320.2**	**3 065.7**	**8.3%**	**254.6**
Electricity	1 903.4	1 701.0	11.9%	202.4
Land	324.6	338.3	-4.0%	-13.7
Natural gas	1 092.2	1 026.4	6.4%	65.9
RAB end of period	**3 337.3**	**3 059.7**	**9.1%**	**277.6**
Electricity	1 885.4	1 708.0	10.4%	177.4
Land	321.2	334.8	-4.1%	-13.6
Natural gas	1 130.7	1 016.9	11.2%	113.8
CAPEX	**74.9**	**139.7**	**-46.4%**	**-64.8**
Electricity	52.0	97.5	-46.7%	-45.5
Natural gas	22.8	42.1	-45.9%	-19.3
Other	0.1	0.1	-17.8%	0.0
RAB variation e.o.p.	**34.4**	**-8.8**		**43.2**
Electricity	-35.7	17.1		-52.8
Land	-6.8	-6.8	-0.4%	0.0
Natural gas	76.9	-19.0		95.9

- Total CAPEX reached €74.9M, 46.4% less than in the same period in 2011.
- The year-on-year decrease is mainly a result of an overall decrease in full year investment. The execution level so far this year is in line with previous years.
- In **electricity**, the ongoing projects are bigger in size and mostly concentrated in the second half of the year. The most relevant ones are the conclusion, in the Oporto area, of the 1st phase of the refurbishment of the 220 kV substation of Vermoim and the 2nd underground cable 220 kV connecting it to the PT of Valongo. Under construction is the new substation of Valpaços (220 kV) and the overhead line Pegões-Fanhões (400 kV), with entry into operation expected in late 2012.
- The Natural Gas Capex incorporates the final stage of the Sines Terminal Expansion project which is now concluded.

A significant growth in assets with higher RoR

ROR (€M)

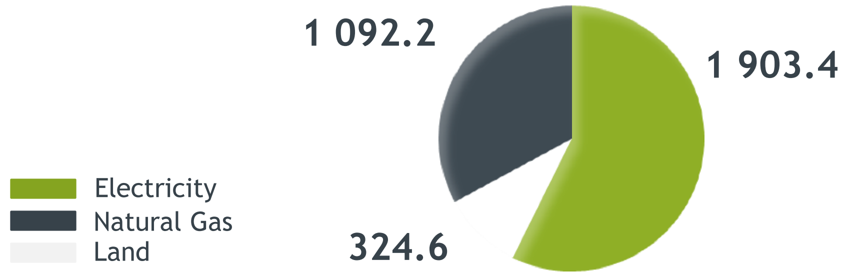


1) RoR obtained as both the RAB and hydro and protection zone land remuneration, divided by the total average RAB.

- The growth of the average RAB was focused on the categories with the highest Rate of Return (RoR), €232.8M were in electricity with premium (RoR 11.3%), while the categories with lower rate of return (land, RoR 3.2%, and electricity without premium, RoR 9.8%) saw the value of their average RAB decrease by €13.7M and €30.4M, respectively.
- In natural gas, the average RAB increased by €65.9M (+6.4%).

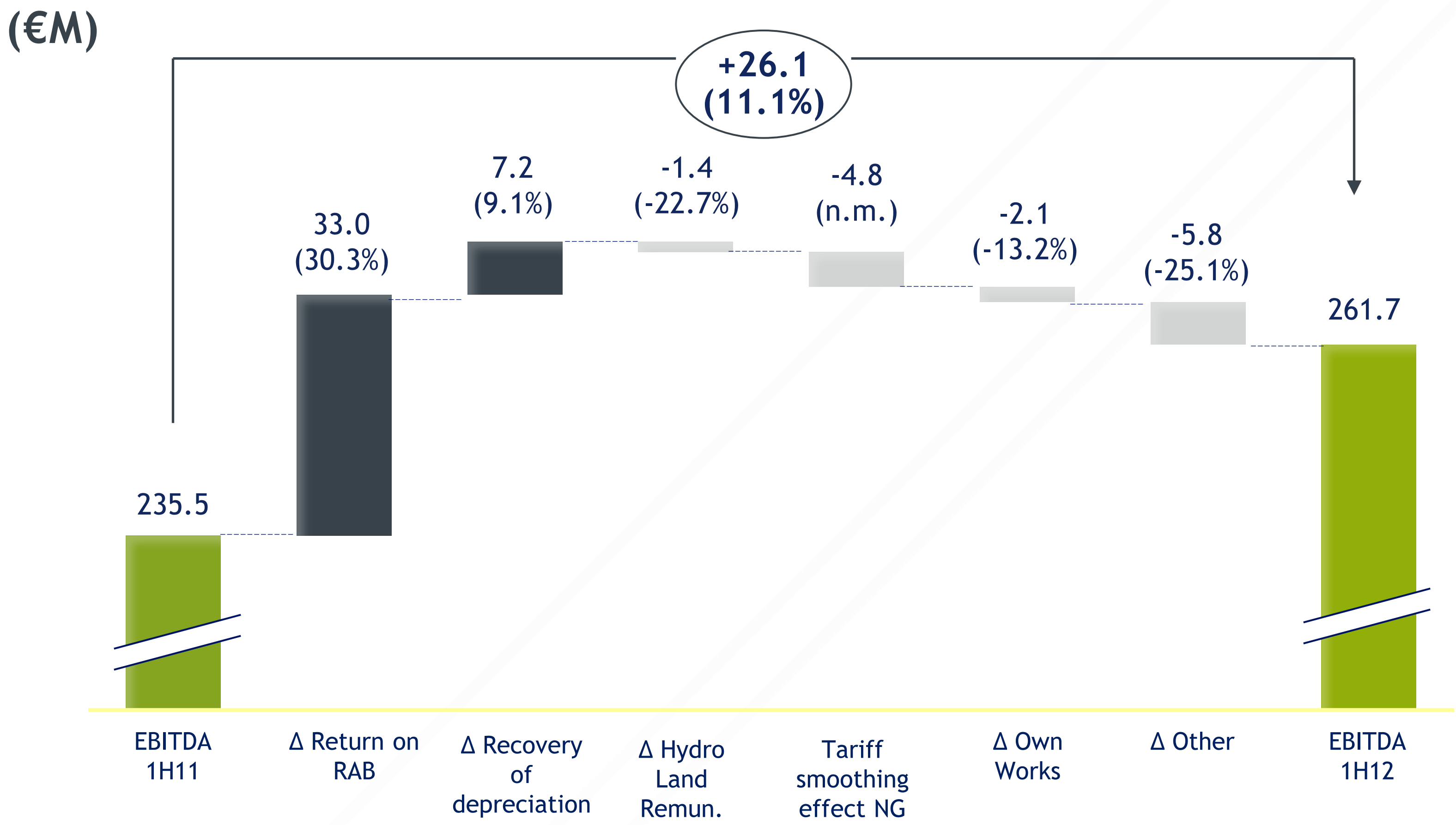
A significant growth in assets with higher RoR

TOTAL AVG. RAB (€M)



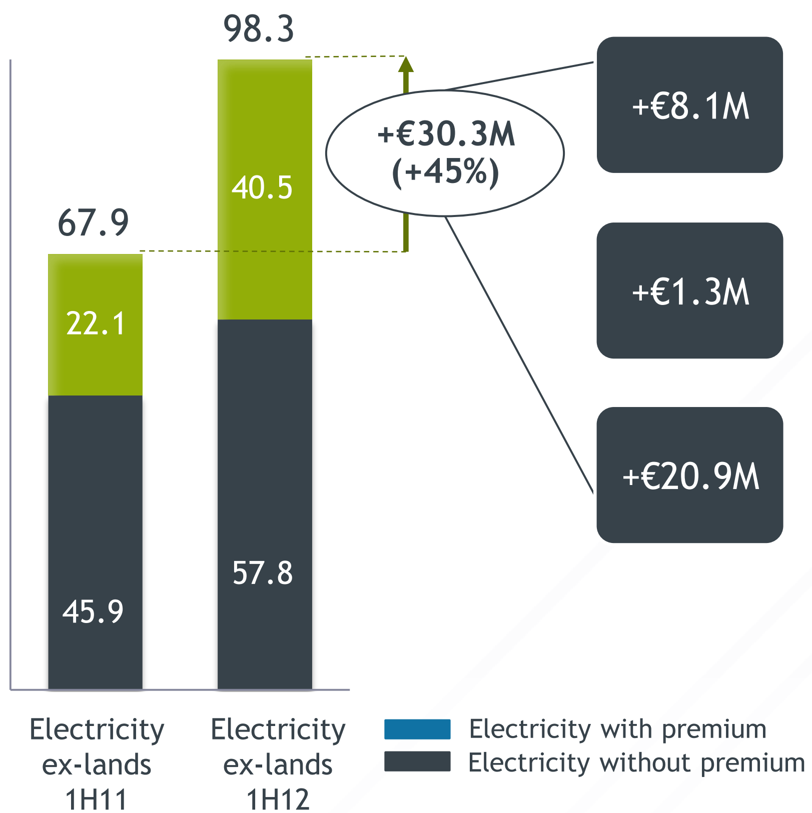
- At the end of the first semester of 2012 electricity accounted for 57.3% of the average RAB, natural gas explained 32.9% and land justified 9.8%.

Return on RAB was the biggest contributor to EBITDA growth, and was strongly impacted by the update in electricity RoR



Return on RAB was the biggest contributor to EBITDA growth, and was strongly impacted by the update in electricity RoR

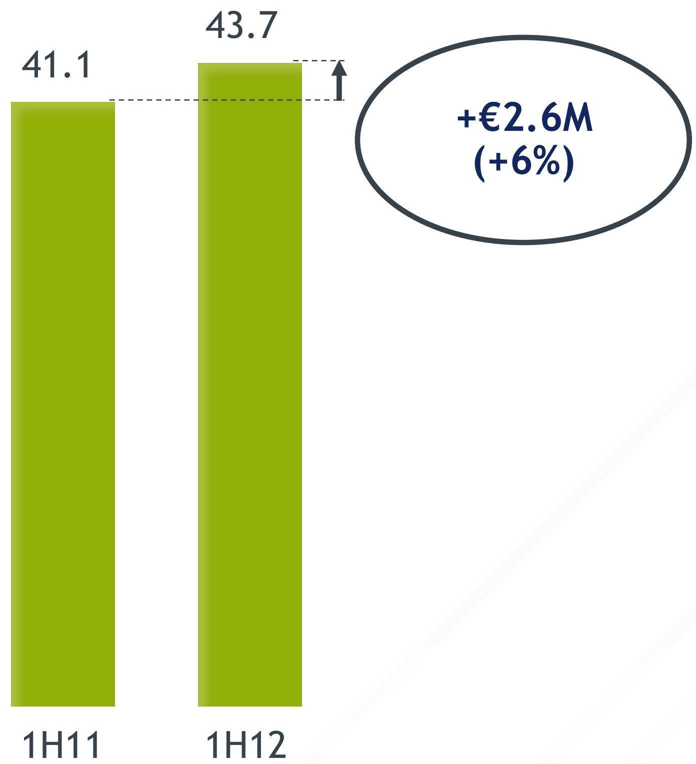
RAB REMUNERATION IN ELECTRICITY (EX: LANDS)



- Revenues from assets had a positive effect in EBITDA, because they were up by €33.6M, to €243.9M. The main contributor was the Return on RAB, especially in the electricity business which grew by €30.3M. This growth is a consequence of an increase in the average RAB, as well as in the corresponding average rate of return.
- RAB remuneration increased by 30.3% (+€33.0M), despite of the decrease of €4.8M in the revenues from the gas tariff smoothing effect and an increase in the interest paid on tariff deviations (‘other’).
- There was a negative contribution from the Hydro land remuneration of €-1.4M due to the fact that the hydro land asset base is decreasing every year and there was a reduction in its rate of return.
- The Recovery of depreciation was higher than last year due to the on going growth in the asset base.

Gas return on RAB was up by 6%

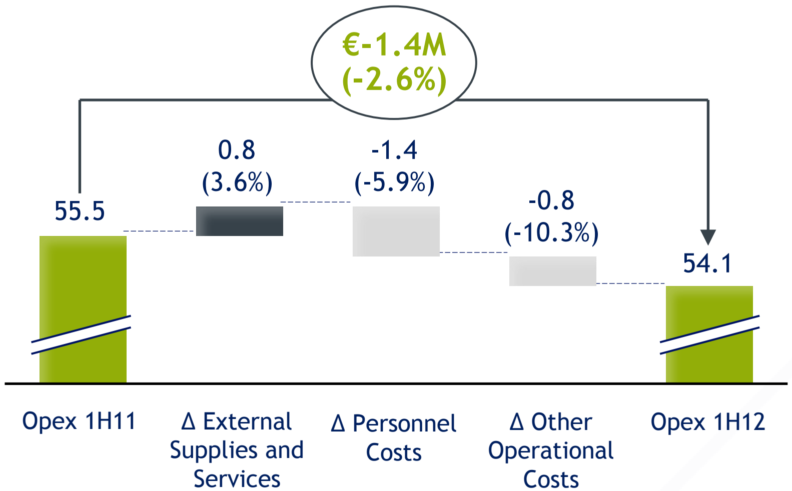
NATURAL GAS RETURN ON RAB



- In natural gas we highlight the consequence of a negative tariff smoothing effect that went from a positive €1.4M to a negative €3.4M.
- In EBITDA terms the smoothing effect almost completely offsets the increase in the return.

Operational costs down due to lower personnel costs

OPERATIONAL COST



- External services and supplies grew by €0.8M (+3.6%) essentially due to an increase of non-core items, of which we highlight the increase of cross border costs of €2.5M (+148.5%). The explanation is linked to the fact that 2012 has been a particularly dry and not very windy year in Portugal leading the country to import more electricity.
- Core ESS decreased by 5.8%, reflecting a good operational performance.
- Personnel costs decreased by €1.4M (-5.9%), still influenced in the first semester by the salary constraints that derive from the OE2012 law (which will no longer apply in the second semester of the year).

CORE OPEX down 5.6%

- Excluding pass-through costs (system services and cross-border costs, Costs with Natural Gas transportation, forest clearing, overhead lines deviations, PPDA and costs with ERSE), Core OPEX decreased by 5.6% (from €46.1M to €43.5M).
- In the Revenues of OPEX category there was a growth of the cross border costs of €2.6M.

REN

Net income was negatively impacted by the rise in financial costs

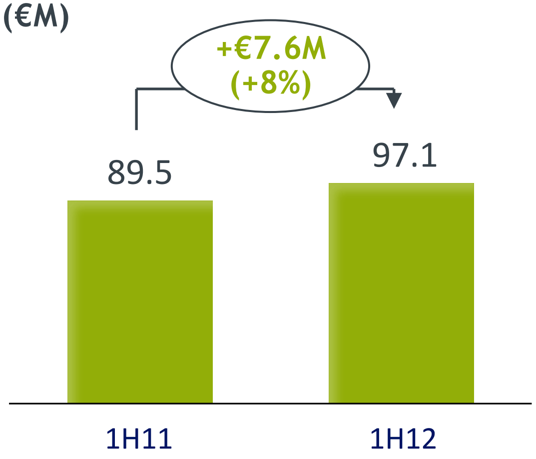
NET INCOME (€M)

	1H12	1Q12	2011	9M11	1H11	Variation 1H 12/11	
						Δ%	Δ Abs.
EBITDA	**261.7**	**130.7**	**472.5**	**350.2**	**235.5**	11.1%	26.1
Depreciation	97.1	48.1	181.8	134.9	89.5	8.5%	7.6
Net financial income	(67.2)	(32.2)	(103.4)	(71.4)	(46.2)	45.3%	(21.0)
Profit before income tax	**97.4**	**50.5**	**179.8**	**143.8**	**99.8**	-2.4%	(2.4)
Income tax	26.9	16.0	59.3	48.2	31.6	-14.9%	(4.7)
Net income	**70.6**	**34.5**	**120.6**	**95.6**	**68.3**	3.4%	2.3
Recurrent net income	**65.0**	**34.5**	**131.0**	**99.2**	**68.3**	-4.8%	(3.3)

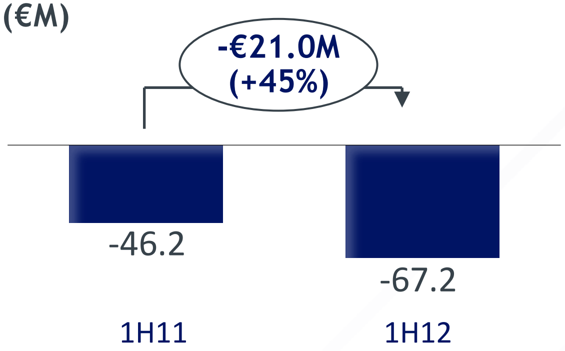
- The increase in Depreciation of 8% is consistent with the RAB growth experienced in the semester.
- Net financial income stood at -€67.2M, a 26.1 decrease of 45% versus the first half of 2011, as a result of an increase in financial costs.

Net income was negatively impacted by the rise in financial costs

DEPRECIATION
(€M)

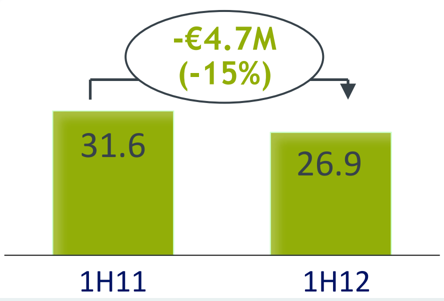


NET FINANCIAL INCOME
(€M)



- The average cost of debt stood at 5.63% (versus 4.4% in 1H11). This increase results mainly from the step up clauses of the €800M Bond Issue due in December 2013.
- Net income until June of 2012 was affected by the negative behavior of the financial costs, which, due to the increase in net debt 6.7%) and in the cost of funding (average cost rose from 4.40% to 5.63%) decreased by €21M (+45%).
- Income tax increased by €4.7M, reflecting a decrease in EBT (-€2.4M) and in the corporate tax rate.
- The effective tax rate went from 31.6% to 27.6%.
- The tax rate used to determine the amount of tax in the consolidated financial statements was updated in accordance with Law 64- B/2011 of 31 December, which introduced a State surcharge corresponding to the application of an additional 3% on taxable profit from 1,500 tEuros to 10,000 tEuros and 5% on taxable profit in excess of 10,000 tEuros.

TAXES
(€M)



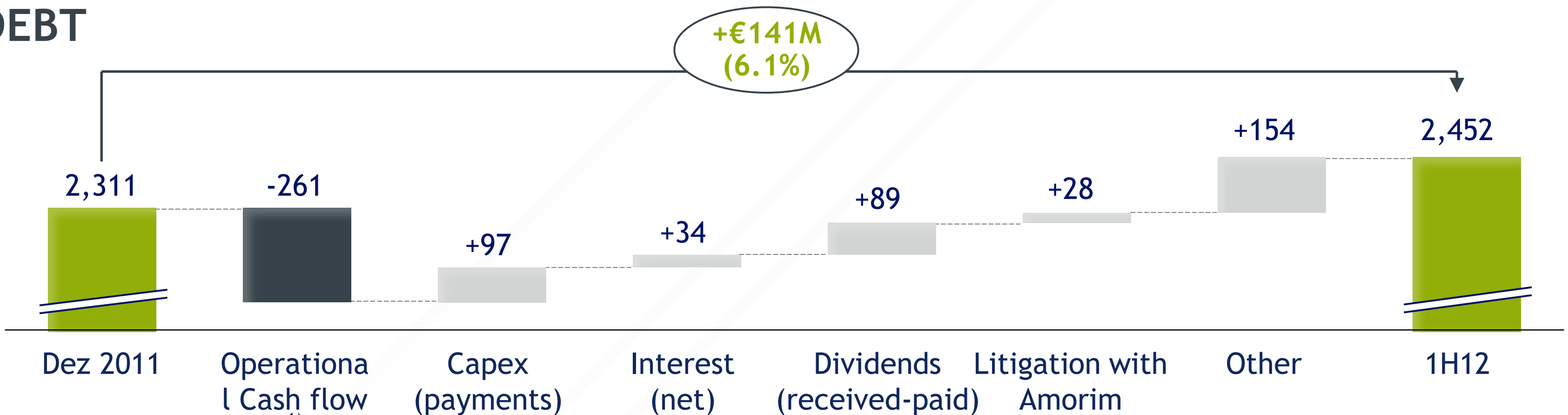
Net debt grew by 6.1%

- Net Debt increased from €2,311M in December 2011 to €2,452M in June 2012 (+6.1%), essentially due to the payment of Capex (+€97M), the payment related to the litigation with Amorim Energia (+€28M), the payment of dividends (+€90M) and the creation of a net negative tariff deviation (+€65M).

- The Average cost of debt increased by 123bp to 5.63% (from 4.40% in 2011), mainly due to the step-up clauses of the €800M Bond Issue due in December 2013.

- REN's Credit metrics showed a mixed behavior. Despite the weakness of the FFO interest coverage, the Net debt/EBITDA and FFO/Net debt ratios, the most valorized by rating agencies, showed a strong improvement.

NET DEBT

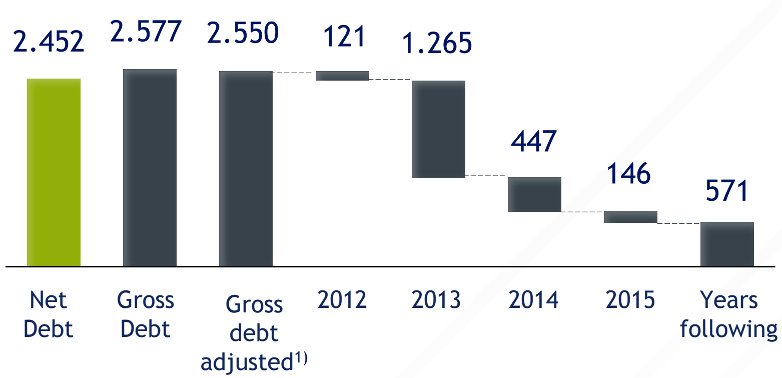


1) **Operational Cash flow** = EBIT + Depreciation+ Provisions

Net debt grew by 6.1%

- Net debt/EBITDA stood at 4.69X in 1H2012 vs 4.88X in the first half of 2011.
- FFO/Net debt was 13.9% versus 11.7% in 1H2011 FFO interest coverage was 3.48X versus 3.79X in the comparable period.

DEBT MATURITY SCHEDULE (€M)



1) Adjusted by yen currency exchange.

- The financial rating assigned to REN was strongly penalized by the successive downgrades of Portugal's sovereign rating. Despite this situation, REN is committed not to ease its credit metric goals. Since 2008 REN has been actively reshaping its debt in order to improve its average maturity. REN is also using a combination of floating and fixed rate issues and/or interest rate swaps to achieve a suitable interest rate mix. Finally, REN is increasing its international financial partners base and has managed to build a supportive group of relationship banks. REN's ratings are at the top level of the Portuguese company's ratings.

Total debt increased by 7%

BALANCE SHEET

	1H2012	2011
Fixed assets RAB related	3 846.3	3 870.3
Investments and goodwill[1]	127.6	128.0
Tariff deviations	124.5	111.6
Receivables[2]	239.7	272.3
Cash	98.1	69.4
Other[3]	23.4	22.0
Total assets	**4 459.6**	**4 473.7**
Shareholders equity	1 010.8	1 037.4
Debt (end of period)	2 577.2	2 407.6
Provisions	4.4	32.3
Tariff deviations	77.5	129.2
Payables[4]	711.2	796.1
Other[5]	78.5	71.1
Total equity and liabilities	**4 459.6**	**4 473.7**

- Total amount of Fixed assets RAB related decreased to €3,846.3M in the 1H12, versus €3,870.3M in the end of the last year.
- Investments and goodwill**(1)** decreased to €127.6M, from the value obtained in the end of the last year (€128.0M). This item includes Goodwill, available-for-sale financial assets, derivative financial instruments, investments in associates and other investments.
- The Receivables**(2)** related to Trade and other receivables, deferred tax assets and current income tax recoverable, reached at €239.7M at the end of June, which compare with €272.3M in the end of last year.
- The item Other**(3)** in the assets stood at - €23.4M, which comprises Inventories, fixed assets and assets in progress (not RAB related).

Tariff deviation reached €47M

TARIFF DEVIATIONS

	1H12	1H11
Electricity	-14.4	-70.1
Gas	61.4	45.4
Total	**47.0**	**-24.7**

- Payables(4) include trade and other payables, deferred tax liabilities and income tax payable. At the end of 1H12 totalized €711.2M, versus €796.1M in Y2011.
- The Other(5) in the liabilities stood at €78.5M, which includes retirement and other benefits obligations, derivative financial instruments (71.1 in Y2011).
- In the half of the year the Group issued two bonds of 63.5 million Euros and 20 million Euros, which mature in March 2015. REN is subscriber of ten active commercial paper programs amounting to 1,220 million Euros (1,200 million Euros at 31 December 2011), having used 574.5 million Euros in 30 June 2012 (555 million Euros at 31 December 2011).
- Maturities less than one year of commercial paper programs lead to their classification as current debt in the first half of 2012.

Bonds represent 46% of total borrowings

BORROWINGS

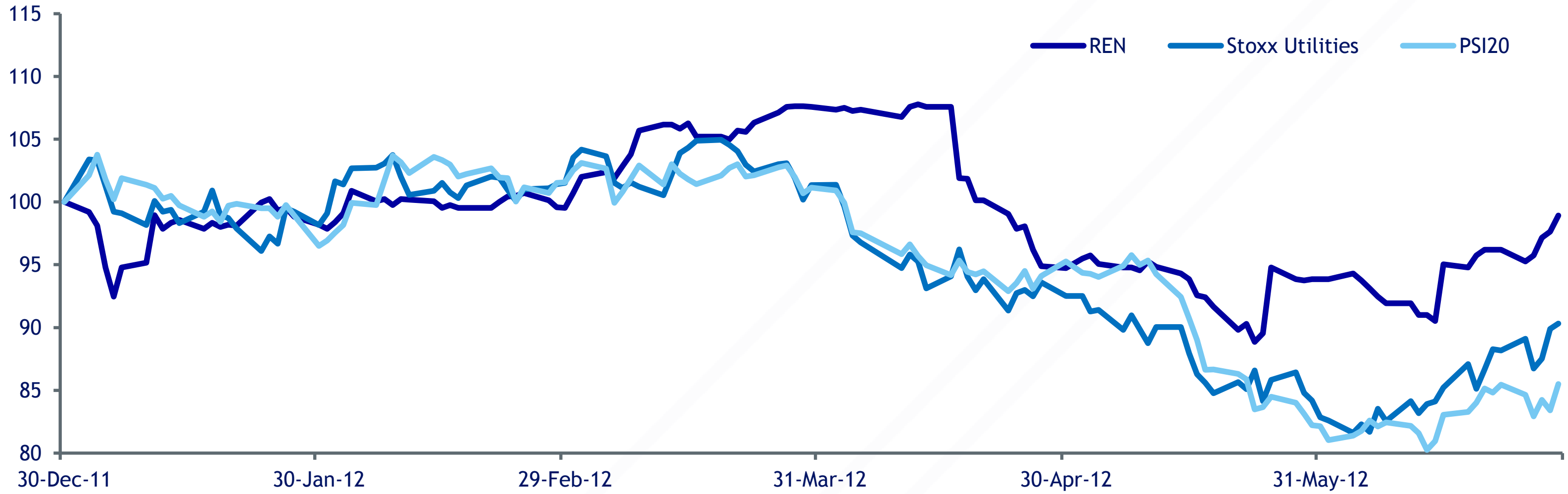
	Current	Non current	Total
Commercial Paper	348.5	226.0	574.5
Bonds	-	1 183.6	1 183.6
Bank Borrowings	46.7	679.6	726.3
Bank overdrafts	45.7	-	45.7
Finance Lease	0.8	0.4	1.3
	441.7	**2 089.7**	**2 531.4**
Accrued interest	52.8	-	52.8
Prepaid interest	(6.9)	-	(6.9)
Total	**487.6**	**2 089.7**	**2 577.2**

- The REN Group's financial liabilities have the following main types of covenant: Cross default, Pari Passu, Negative Pledge, Gearing (ratio of total consolidated equity to the amount of the Group's total conceded assets). The borrowings from EIB – European Investment Bank include covenants relating to change in shareholder control and covenants relating to rating: (i) in the event of change in shareholder control, if EIB makes a negative assessment of its credit position motivated by the new shareholder Group, it can be required to provide a guarantee acceptable to EIB; (ii) in the event of ratings below the levels specified, the Group can also be called to provide a guarantee acceptable to EIB.

REN

Share performance: REN ended 1H12 with a total return of 2.1%

YTD
ANNUALIZED CLOSING PRICES



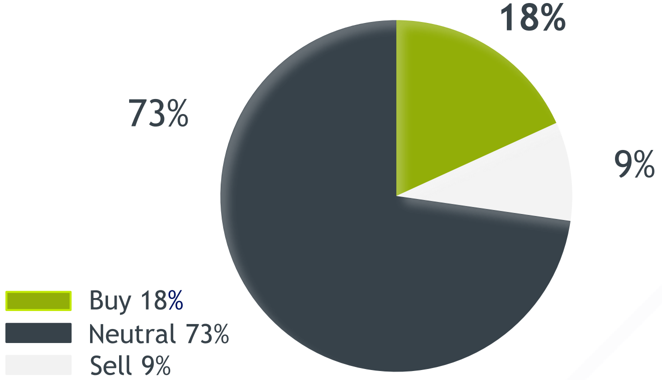
MAIN REGULATORY PRESS

- Feb-02: REN approves strategic partnerships with State Grid International Development and Oman Oil Company
- Feb-03: Presentation Strategic partnerships with State Grid International Development and Oman Oil Company

73% of analysts have a neutral recommendation on REN

ANALYST RECOMMENDATIONS

- Average price target: **€2.38**



MAIN REGULATORY PRESS

- **Feb-15:** Qualified shareholding (Columbia Wanger)
- **Feb-16:** Moody's rating review
- **Feb-21:** REN enters into amendment agreements in relation to the concession agreements
- **Feb-22:** Qualified shareholdings (State Grid)
- **Feb-22:** Strategic partnerships with State Grid and Oman Oil
- **Feb-23:** Qualified shareholdings (Oman Oil)
- **Feb-15:** Qualified shareholding (Columbia Wanger)
- **Feb-28:** Standard & Poor's rating review
- **Mar-01:** Annual Results
- **Mar-08:** Issue of debt instruments

REN's total shareholder return YTD was 7.6%

REN (END OF PERIOD)

Price (€)	
Close	2,09
High	2,09
Low	2,03
Variation YTD	*-0,29%*
Nr. of shares (M)	534
Own shares (M)	3,9
Market cap. (€M)	1 114,50
Volume (M shares)	0,182
Volume WAP	2,08
Performance indicators	
Div Yield	8,10%
PER	9,32%
Total shareholder return YTD	7,60%
Cumulative total return*	
REN	2,10%
PSI20	-56,80%
EuroStoxx Utilities	-32,10%

*Inception to date (July 9th 2007)

MAIN REGULATORY PRESS

- **Mai-23:** Approval of decree-law that changes shareholders voting rights
- **Mar-16:** Qualified holding (Morgan Stanley, EGF)
- **Mar-27:** Resolutions approved at the General Shareholder's Meeting
- **Apr-04:** Payment of dividends
- **Apr-09:** Purchase of a stake in Cahora Bassa
- **Mai-14:** First quarter 2012 results presentation
- **Mai-25:** Qualified shareholding communication (State Grid Europe Limited and Oman Oil Company)
- **Mai-29:** Corporate Bodies' members of REN
- **Jun-11:** Qualified holding position (JPMorgan, EGF)
- **Jul-03:** Conclusion of the purchase of 7.5% of the HCB's share capital

APENDDIX

EBITDA breakdown

(€M)	1H12	1H11	Δ%
1) TOTAL REVENUES	**376.7**	**414.8**	-9.2%
Revenues from assets	**243.9**	**210.3**	16.0%
Return on RAB	142.0	109.0	30.3%
Electricity	98.3	67.9	44.7%
Natural gas	43.7	41.1	6.4%
Hydro land remuneration	4.8	6.2	-22.7%
Lease revenues from hydro protection zone	0.4	0.4	-5.6%
Remuneration of fully depreciated assets	4.0	3.5	13.2%
Tariff smoothing effect (natural gas)	-3.4	1.4	
Recovery of depreciation (net from subsidies)	87.1	79.9	9.1%
Subsidies amortization	9.0	9.9	-9.3%
Revenues of OPEX	**50.5**	**51.1**	-1.1%
Recovery of net OPEX	46.7	49.7	-6.0%
Recovery of system services and inter-TSO compensation	3.6	1.0	
Recovery of overhead lines rerouting	0.3	0.5	-44.6%
Other revenues	**7.4**	**13.8**	-46.2%
Construction revenues (IFRIC 12)	**74.8**	**139.6**	-46.4%
2) OPEX	**54.1**	**55.5**	-2.6%
Personnel costs	22.9	24.3	-5.9%
External supplies and services	23.9	23.1	3.6%
Other operational costs	7.3	8.1	-10.3%
3) Construction costs (IFRIC 12)	61.0	123.7	-50.7%
4) Depreciation	**97.1**	**89.5**	8.5%
5) Other	-0.2	0.0	
6) EBIT (1-2-3-4-5)	**164.6**	**146.0**	12.7%
7) Depreciation	97.1	89.5	8.5%
8) EBITDA (6+7)	**261.7**	**235.5**	11.1%
9) Depreciation	97.1	89.5	8.5%
10) Financial income	-67.2	-46.2	45.3%
11) Income tax	26.9	31.6	-14.9%
12) NET INCOME (8-9+10-11)	**70.6**	**68.3**	3.4%
13) Non recurrent items*	-5.6	0.0	
14) RECURRENT NET INCOME (12+13)	**65.0**	**68.3**	-4.8%

*Provision to income taxes related to previous years.

Other operational revenues and costs breakdown

(€M)	1H12	1Q12	2011	9M11	1H11	Variation 1H12/1H11	
						Δ%	Δ Abs.
Other revenues	**7.4**	**0.6**	**28.4**	**14.6**	**13.8**	-46.2%	-6.4
Commercial gains	1.6	0.7	2.5	1.9	1.2	37.6%	0.4
Interest on tariff deviation	(3.4)	(1.7)	2.5	1.8	1.2		-4.5
Hedging contracts	(0.0)	-	0.4	0.8	0.8		-0.8
Telecommunication sales and services rendered	2.6	1.3	4.9	3.5	2.2	17.6%	0.4
Grid availability incentive	-	-	0.6	-	-		0.0
Other services provided	0.4	0.1	3.2	2.9	2.3	-83.4%	-1.9
Other revenues	6.2	0.2	14.3	3.7	6.1	0.9%	0.1
Other costs	**7.3**	**3.6**	**17.0**	**12.5**	**8.1**	-10.3%	-0.8
Costs with ERSE	4.4	2.2	10.3	7.7	5.2	-15.1%	-0.8
Other	2.9	1.5	6.7	4.7	3.0	-2.1%	-0.1

EBIT breakdown (electricity1)

(€M)	1H12	1H11	Δ%
1) REVENUES	261.5	274.3	-4.7%
Revenues from assets	174.8	140.0	24.8%
Return on RAB	98.3	67.9	44.7%
Hydro land remuneration	4.8	6.2	-22.7%
Lease revenues from hydro protection zone	0.4	0.4	-5.6%
Remuneration of fully depreciated assets	4.0	3.5	13.2%
Recovery of depreciation (net from subsidies)	61.3	56.7	8.1%
Subsidies amortization	6.0	5.3	13.8%
Revenues of OPEX	31.6	31.9	-0.7%
Recovery of net OPEX	27.8	30.5	-8.8%
Recovery of system services and inter-TSO compensation	3.6	1.0	
Overhead lines rerouting	0.3	0.5	-44.6%
Other revenues	3.1	4.9	-37.1%
Commercial gains (trading)	1.6	1.2	37.6%
Interest on tariff deviation	-3.8	0.9	
Other	5.3	2.9	82.7%
Construction revenues (IFRIC 12)	52.0	97.5	-46.7%
2) OPEX	26.7	27.7	-3.7%
Personnel costs	9.3	10.9	-13.9%
External supplies and services	13.3	12.2	8.9%
Other operational costs	4.0	4.6	-13.0%
3) Construction costs (IFRIC 12)	41.5	84.5	-50.9%
4) Depreciation	68.1	63.0	8.1%
5) Other	-0.2	0.0	
6) EBIT (1-2-3-4-5)	125.3	99.1	26.4%
7) Depreciation	68.1	63.0	8.1%
8) EBITDA (6+7)	**193.5**	**162.2**	19.3%

[1] Includes Electricity, REN Trading and Enondas (wave energy concession)

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EBIT breakdown (natural gas)

(€M)	1H12	1H11	Δ%
TOTAL REVENUES	**111.5**	**135.0**	-17.4%
Revenues from assets	**69.1**	**70.3**	-1.6%
Return on RAB	43.7	41.1	6.4%
Tariff smoothing effect	-3.4	1.4	
Recovery of depreciation (net from subsidies)	25.8	23.2	11.4%
Subsidies amortization	3.0	4.6	-35.4%
Revenues of OPEX	18.9	19.2	-1.6%
Recovery of OPEX	18.9	19.2	-1.6%
Other revenues	**0.6**	**3.4**	-81.4%
Interest on tariff deviation	0.4	0.3	53.0%
Other	0.2	3.1	-94.1%
Construction revenues (IFRIC 12)	22.8	42.1	-45.9%
OPEX	**13.3**	**14.0**	-4.8%
Personnel costs	4.1	4.4	-5.9%
External supplies and services	6.7	7.2	-7.6%
Other operational costs	2.5	2.4	5.7%
Construction costs (IFRIC 12)	19.5	39.3	-50.3%
Depreciation	28.8	26.3	9.8%
EBIT	49.8	55.5	-10.3%
Depreciation	28.8	26.3	9.8%
EBITDA	**78.7**	**81.8**	-3.8%

EBIT breakdown (other[1])

(€M)	1H12	1H11	Δ%
TOTAL REVENUES	**3.7**	**5.5**	-32.6%
Other revenues	**3.7**	**5.5**	-32.6%
Hedging contracts	0.0	0.8	
Telecommunication sales and services rendered	2.6	2.2	17.6%
Other services provided	0.4	2.3	-84.1%
Other	0.7	0.1	
OPEX	**14.1**	**13.9**	2.0%
Personnel costs	9.4	9.0	3.9%
External supplies and services	4.0	3.7	8.2%
Other operational costs	0.8	1.2	-32.0%
Depreciation	**0.1**	**0.2**	-57.0%
EBIT	**-10.5**	**-8.6**	22.6%
Depreciation	0.1	0.2	-57.0%
EBITDA	**-10.5**	**-8.4**	24.6%

[1] Includes REN SGPS, REN Serviços and REN Telecom.

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CAPEX AND RAB

(€M)

	1H12	1Q12	2011	9M11	1H11	Variation YTD 12/11 Δ%	Variation YTD 12/11 Δ Abs.
CAPEX*	**74.9**	**25.0**	**349.4**	**229.0**	**139.7**	**-46.4%**	**-64.8**
Electricity	52.0	18.0	267.9	168.4	97.5	-46.7%	-45.5
Natural gas	22.8	6.9	81.4	60.4	42.1	-45.9%	-19.3
Other	0.1	0.0	0.1	0.2	0.1	-17.8%	0.0
Transfers to RAB**	**122.3**	**7.8**	**425.2**	**101.7**	**72.0**	**69.9%**	**50.3**
Electricity	19.7	7.5	360.3	97.0	67.0	-70.6%	-47.3
Natural gas	102.6	0.4	64.9	4.7	5.0		97.6
Other	0.0	0.0	0.0	0.0	0.0		0.0
Average RAB	**3 320.2**	**3 285.5**	**3 185.8**	**3 058.6**	**3 065.7**	**8.3%**	**254.6**
Electricity	1 903.4	1 911.5	1 806.1	1 701.4	1 701.0	11.9%	202.4
Without premium	1 183.8	1 194.0	1 212.2	1 202.4	1 214.2	-2.5%	-30.4
With premium	719.6	717.4	593.8	499.0	486.8	47.8%	232.8
Land	324.6	326.3	334.8	336.6	338.3	-4.0%	-13.7
Natural gas	1 092.2	1 047.8	1 044.9	1 020.7	1 026.4	6.4%	65.9
RAB e.o.p.	**3 337.3**	**3 267.9**	**3 303.0**	**3 046.7**	**3 059.7**	**9.1%**	**277.6**
Electricity	1 885.4	1 901.6	1921.2	1 709.8	1 708.0	10.4%	177.4
Land	321.2	324.6	328.0	331.4	334.8	-4.1%	-13.6
Natural gas	1 130.7	1 041.7	1 053.8	1 005.5	1 016.9	11.2%	113.8
RAB's variation e.o.p.	**34.4**	**-35.3**	**234.4**	**-7.9**	**-8.8**		**43.2**
Electricity	-35.7	-19.8	229.5	32.9	17.1		-52.8
Land	-6.8	-3.4	-13.0	-10.3	-6.8	-0.4%	0.0
Natural gas	76.9	-12.1	17.9	-30.6	-19.0		95.9
RAB's remuneration	**147.2**	**73.2**	**242.3**	**173.3**	**115.6**	**-95.2%**	**-2 918.5**
Electricity	98.3	49.6	145.4	102.1	67.9	-94.2%	-1 602.7
Without premium	57.8	29.3	91.6	68.2	45.9	-95.2%	-1 156.4
With premium	40.5	20.3	53.8	33.9	22.1	-91.7%	-446.3
Land	5.2	2.6	13.3	10.0	6.6	-98.5%	-333.1
Natural gas	43.7	21.0	83.6	61.2	41.1	-95.7%	-982.7
ROR's RAB	**8.9%**	**8.9%**	**7.6%**	**7.6%**	**7.5%**		
Electricity	10.3%	9.3%	8.1%	7.3%	7.3%		
Without premium	9.8%	9.8%	7.6%	7.6%	7.6%		
With premium	11.3%	11.3%	9.1%	9.1%	9.1%		
Land	3.2%	3.2%	4.0%	4.0%	3.9%		
Natural gas	8.0%	8.0%	8.0%	8.0%	8.0%		

* Total costs

** Transfers to RAB includes direct aquisition RAB related

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DEBT

	1H2012	1Q2012	2011	9M2011	1H2011
Net debt (€M)	2 452.2	2 353.0	2 311.3	2 321.6	2 298.4
Average cost	5.6%	5.6%	4.7%	4.5%	4.4%
Average maturity (years)	3.4	3.7	3.9	4.2	4.2

DEBT BREAKDOWN					
Funding sources					
Bond issues	47%	48%	45%	46%	44%
EIB	30%	31%	31%	32%	33%
Commercial paper	23%	21%	23%	22%	24%
TYPE					
Fixed	67%	68%	66%	68%	65%
Float	33%	32%	34%	32%	35%
CREDIT METRICS					
Net Debt / EBITDA	4.7x	4.5x	4.9x	5.0x	4.9x
FFO / Net debt	13.9%	14.0%	11.6%	11.3%	11.7%
FFO interest coverage	3.5x	3.4x	3.5x	3.6x	3.8x

RATING	Long term	Short term	Outlook	Date
Moody's	Ba1	-	On review	02/16/2012
Standard & Poor's	BB+	B	Negative	02/28/2012

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CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statements: Financial Position (Amounts expressed in thousands of Euros - tEuros)

ASSETS	As of 30 June 2012	As of 30 June 2011
Non-current assets		
Tangible fixed assets	478	488
Goodwill	3 774	3 774
Other intangible assets	3 865 964	3 888 161
Deferred tax assets	48 592	63 057
Available-for-sale financial assets	84 263	82 051
Derivative financial instruments	24 243	26 696
Other investments	5 349	5 667
Investments in associates	9 319	8 717
Trade and other receivables	91 253	80 079
	4 133 235	**4 158 691**
Current assets		
Inventories	3 311	3 628
Trade and other receivables	204 790	226 791
Current income tax recoverable	19 626	14 015
Derivative financial instruments	611	1 144
Cash and cash equivalents	98 067	69 406
	326 404	**314 984**
Total assets	**4 459 639**	**4 473 675**

EQUITY	As of 30 June 2012	As of 30 June 2011
Capital and reserves attributable to equity holders of the Company		
Share capital	534 000	534 000
Own shares	(10 728)	(10 728)
Other reserves	230 352	215 401
Retained earnings	186 616	178 189
Net profit for the year	70 569	120 576
Total equity	**1 010 809**	**1 037 439**
LIABILITIES		
Non- current liabilities		
Borrowings	2 089 653	2 354 032
Deferred tax liabilities	69 716	66 875
Liability for retirement benefits and others	54 122	55 110
Derivative financial instruments	23 187	14 239
Provisions	4 368	4 520
Trade and other payables	362 374	381 495
	2 603 420	**2 876 271**
Current liabilities		
Borrowings	487 574	53 587
Provisions	64	27 794
Trade and other payables	345 507	476 328
Income tax payable	11 120	520
Derivative financial instruments	1 145	1 735
	845 410	**559 965**
Total liabilities	**3 448 830**	**3 436 236**
Total equity and liabilities	**4 459 639**	**4 473 675**

Consolidated Statements: Profit and Loss

(Amounts expressed in thousands of Euros - tEuros)

	Period ended	
	June 2012	June 2011
Sales	146	431
Services provided	290 731	258 968
Revenue from construction of concession assets	74 803	139 601
Gains from associates	602	-
Other operating income	10 360	15 795
Operating income	**376 642**	**414 796**
Cost of goods sold	(227)	(458)
Cost with construction of concession assets	(61 024)	(123 735)
External supplies and services	(23 944)	(23 105)
Employee compensation and benefit expense	(22 856)	(24 280)
Depreciation and amortizations	(97 072)	(89 495)
Provisions	153	-
Impairment of trade receivables	-	-
Other expenses	(7 072)	(7 678)
Operating costs	**(212 044)**	**(268 751)**
Operating results	**164 598**	**146 045**
Financial costs	(70 126)	(50 127)
Financial income	986	2 324
Investment income - dividends	1 983	1 598
Financial results	**(67 157)**	**(46 205)**
Profit before income taxes	**97 441**	**99 839**
Income tax expense	(26 873)	(31 564)
Profit for the year	**70 569**	**68 275**
Attributable to:		
Equity holders of the Company	70 569	68 251
Non-controlled interest	-	24
	70 569	**68 275**
Earnings per share attributable to the equity holders of the company during the year (expressed in euro per share)		
- basic	0,132	0,128
- diluted	0,132	0,128

Consolidated Statements: Cash Flow

(Amounts expressed in thousands of Euros – tEuros)

	Period ended	
	June 2012	June 2011
Cash flow from operating activities		
Cash receipts from customers	1 183 284	1 172 716
Cash paid to suppliers	(964 095)	(929 226)
Cash paid to employees	(30 032)	(29 149)
Income tax received/paid	(446)	(62 371)
Other payments/receipts relating to operating activities	(74 056)	(4 415)
Net flows from operating activities	**114 655**	**147 555**
Cash flow from investing activities		
Receipts related to:		
Grants related to assets	-	107
Interests and other similar income	966	1 808
Dividends	1 073	853
Payments related to:		
Investments	(200)	-
Tangible fixed assets	(17)	(146)
Intangible assets	(97 102)	(207 095)
Interests and other similar expense	-	-
Net cash used in investing activities	**(95 280)**	**(204 473)**
Cash flow from financing activities		
Receipts related to:		
Borrowings	5 278 000	4 768 000
Interests and other similar income	17	175
Payments related to:		
Borrowings	(5 188 688)	(4 617 605)
Interests and other similar expense	(35 122)	(23 379)
Dividends	(89 590)	(89 060)
Net cash (used in)/from financing activities	**(35 383)**	**38 130**
Net (decrease)/increase in cash and cash equivalents	**(16 008)**	**(18 788)**
Cash and cash equivalents at de begining of the year	68 358	101 871
Cash and cash equivalents at the end of the period	52 350	83 083
Detail of cash and cash equivalents		
Cash	27	32
Bank overdrafts	(45 717)	(14 240)
Bank deposits	98 040	97 291
	52 350	**83 083**

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THE NEW ECONOMY
2012

2001 - 2010
COMPANY OF THE DECADE PORTUGAL
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2011
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TOP COMPANIES OF THE WORLD