

2013 ANNUAL RESULTS REPORT

March 10th, 2014



2013 Highlights (I/II)

MAIN INDICATORS

€M	4Q13	2013	2012	Δ%	Δ Abs.
EBITDA	134.1	521.5	511.6	1.9%	9.9
Net Financial Income	-36.9	-142.2	-136.0	-4.6%	-6.2
Net Income	32.0	121.3	123.6	-1.8%	-2.3
Recurrent Net Income	35.2	120.7	120.2	0.4%	0.5
Average RAB	3,375.3	3,488.9	3,380.7	3.2%	108.2
CAPEX	129.0	187.8	201.1	-6.6%	-13.2
Net Debt	2,402.3	2,402.3	2,512.4	-4.4%	-110.1

- ▶ The slight decrease in net income means EBITDA was not sufficient to fully compensate for the higher net financial costs caused by the increased stock of gross debt; this increase resulted from the company holding a higher level of cash to face debt reimbursements and to comply with more demanding liquidity requirements;

- ▶ EBITDA amounted to €521.5M, an increase of 1.9% (+€9.9M) versus 2012, while net income amounted to €121.3M, down by 1.8% against 2012, and recurrent net income grew slightly (+0.4%);

- ▶ The EBITDA improvement took place in spite of the loss of €29.3M of revenue due to the decrease of the average Rate of Return on electricity assets in 2013 against the previous year (-149 bp yoy). This revenue loss was more than compensated by the reduction of OPEX costs, the recovery of receivables owed to the company since April 2008, the expansion of the average RAB, and the favorable evolution of interest on tariff deviations;

- ▶ OPEX in 2013 amounted to €110.7M, €12.8M below 2012, and Core OPEX was €95.3M, €7.3M lower yoy. This decrease reflects the reduction of External Supplies and Services (ESS);

2013 Highlights (II/II)

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Net Financial Income	-36.9	-142.2	-136.0	-4.6%	-6.2
Net Income	32.0	121.3	123.6	-1.8%	-2.3
Recurrent Net Income	35.2	120.7	120.2	0.4%	0.5
Average RAB	3,375.3	3,488.9	3,380.7	3.2%	108.2
CAPEX	129.0	187.8	201.1	-6.6%	-13.2
Net Debt	2,402.3	2,402.3	2,512.4	-4.4%	-110.1

- ▶ Since October, all three major rating agencies upgraded REN's Outlook to stable. REN continues to be the Portuguese company with the highest overall rating.

▶ Net Financial Income was down by €6.2M, reaching -€142.2M, reflecting a higher stock of gross debt imposed by a higher level of average liquidity as previously explained. However, the average cost of debt continued to improve (5.5% at the end of 2013, versus 5.7% in 2012);

▶ During 2013, REN diversified its funding sources and extended the average maturity of its debt, namely by issuing €300M in January and €400M in October under its EMTN Programme, and signing a 5Y credit facility agreement in the amount of €160M with the Industrial and Commercial Bank of China (ICBC) in November;

▶ REN's net debt position displayed an improvement, for the first time since 2010, and its ratio of net debt to EBITDA also improved, from 4.9x in 2012 to 4.6x in 2013;

Average RAB rose by 3.2%

CAPEX and RAB

€M	2013	2012	Δ%	Δ Abs.
Average RAB	3,488.9	3,380.7	3.2%	108.2
Electricity	2,067.2	1,972.7	4.8%	94.6
Lands	307.6	321.2	-4.2%	-13.6
Natural gas	1,114.1	1,086.9	2.5%	27.2
RAB end of period	3,519.9	3,458.0	1.8%	61.9
Electricity	2,110.8	2,023.6	4.3%	87.2
Lands	300.9	314.4	-4.3%	-13.5
Natural gas	1,108.2	1,119.9	-1.1%	-11.8
CAPEX	187.8	201.1	-6.6%	-13.2
Electricity	157.6	155.5	1.3%	2.1
Natural gas	29.9	45.0	-33.6%	-15.1
Other	0.4	0.5	-28.5%	-0.1
RAB variation e.o.p.	61.9	155.0		
Electricity	87.2	102.5		
Lands	-13.5	-13.6		
Natural gas	-11.8	66.2		

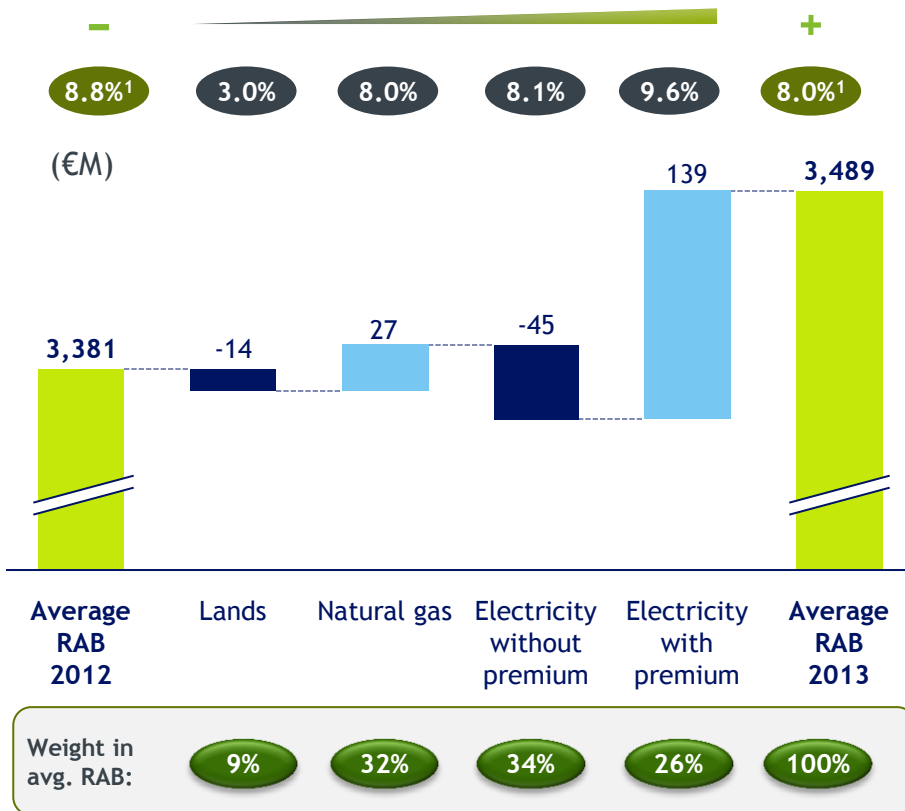
▶ Total CAPEX stood at €187.8M, a decrease of €13.2M (-6.6%) versus 2012, due to the slowdown in the construction of new infrastructures as well as the lower unit prices in the context of a depressed construction market;

▶ The most relevant facts in electricity are the conclusion and operation start of the overhead line Valpaços-V.P.Aguiar, at 400/220 kV, in the north region, the new substation of Feira at 400/60 kV, in the south Porto region, the new overhead line Falagueira-Castelo Branco, at 400/150 kV, in center region, and the 220 kV underground cable between the substations of Alto de Mira and Sete Rios, in the Lisbon area;

▶ In the gas natural business, the 2013 CAPEX reflects a major pipeline (Mangualde-Guarda) construction which entered into operation, and the ongoing works for a new cavern (REN C6).

Growth focused in electricity assets with premium

RoR



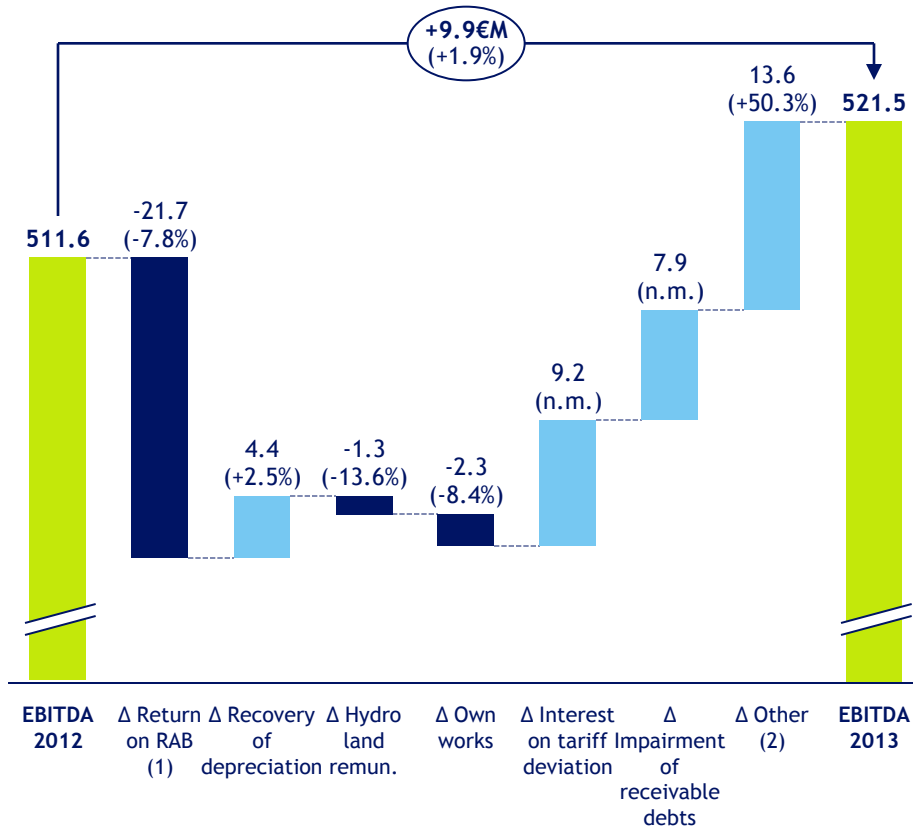
- ▶ Average RAB grew by 3.2%. This growth was focused on the category with the highest Rate of Return (RoR);
- ▶ The base rate of return of electricity RAB dropped to 8.1% from 9.6% yoy. Electricity average RAB with premium (with a 9.6% RoR) was up €139M vs 2012, while the category with the lowest rate of return (the lands, with a 3.0% RoR) saw the value of its average RAB go down by €14M;
- ▶ In Natural gas, the average RAB rose by €27M (RoR 8.0%);
- ▶ At the end of 2013, electricity accounted for 60% of the average RAB, natural gas for 32% and lands for the remaining 9%.

1) RoR is equal to the specific remuneration, divided by average RAB.

4Q13 EBITDA better than 3Q13, as expected

Mainly due to the reduction of costs

(€M)



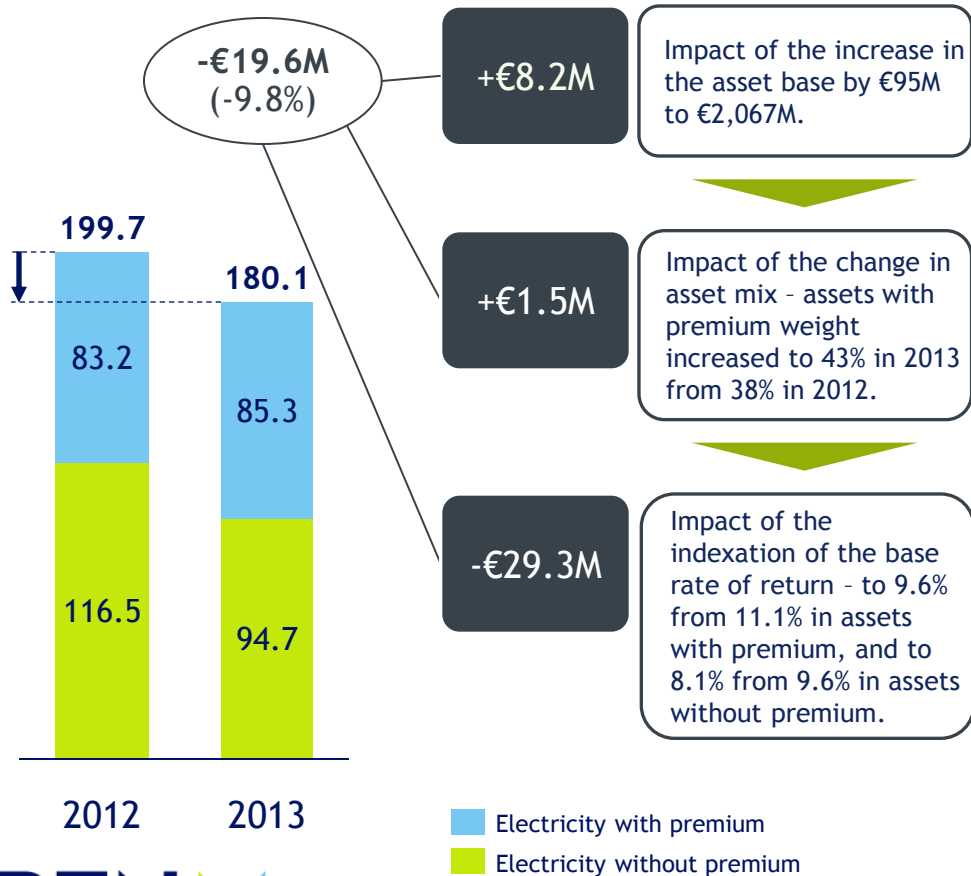
(1) Includes Δ-€4.0M of NG tariff smoothing effect;

(2) Includes Δ Remuneration of fully depreciated assets (+€0.4M), Δ Subsidies amortization (+€0.8M), Δ Revenues from OPEX (-€5.7M), Δ OPEX (+€12.8M), Δ Provisions (+€0.8M) and Δ Other revenues (+€4.5M).

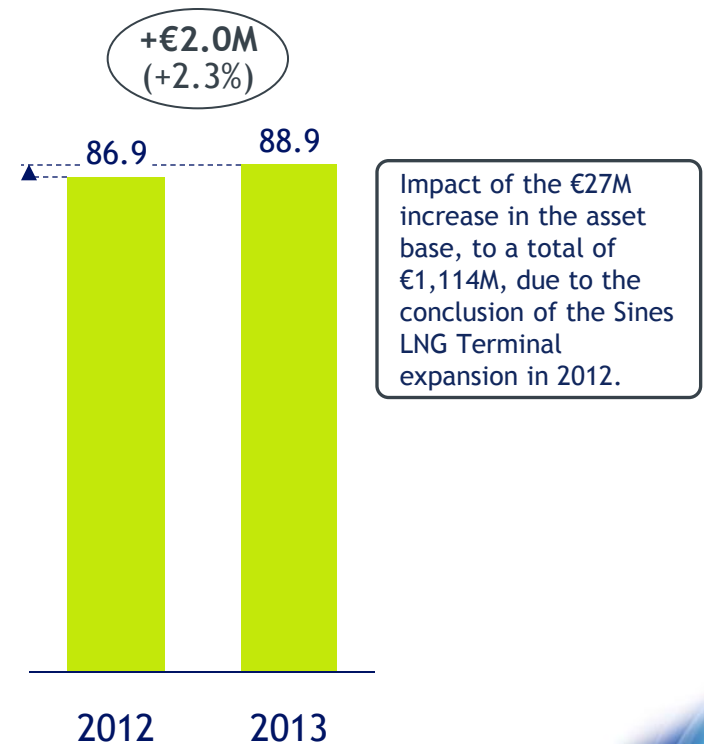
- ▶ EBITDA showed a yoy improvement, boosted by an increase in Interest on tariff deviation (+€9.2M) and Recovery of depreciation (+€4.4M), although penalized by the decrease in Revenues from assets (-€21.7M), despite the positive evolution of RAB;
- ▶ Hydro land remuneration had a negative contribution to EBITDA (-€1.3M) due to a lower asset base and a reduction in the rate of return (to 2.8% in 2013 from 3.2% in 2012);
- ▶ The recovery of depreciation was higher when compared to 2012 and consistent with a higher asset base.

Return on RAB penalized by lower Electricity RoR Despite the increase in RAB

RAB REMUNERATION ELECTRICITY (ex. lands) (€M)



RAB REMUNERATION NATURAL GAS (ex. tariff smoothing effect) (€M)

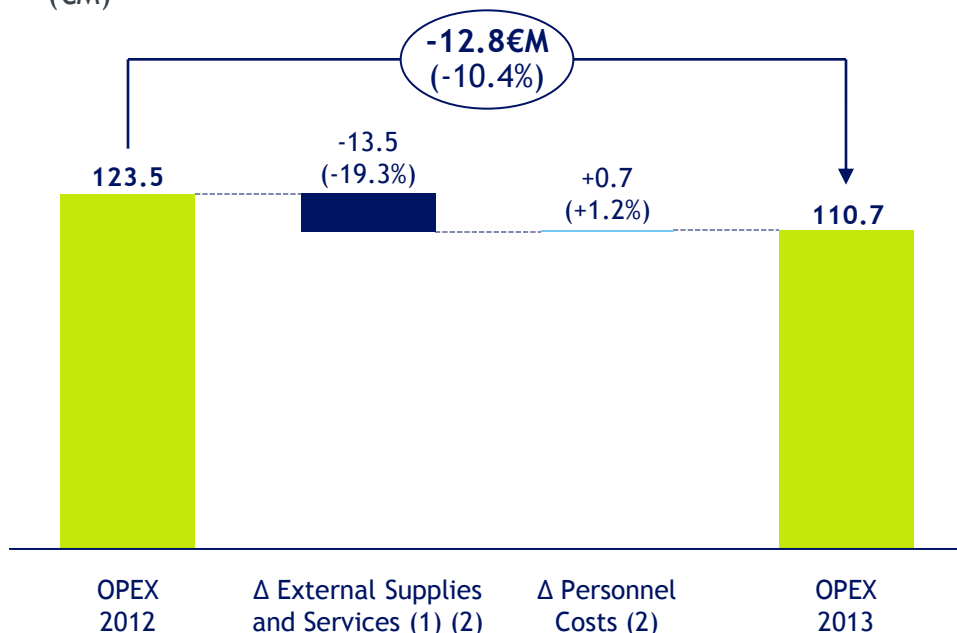


OPEX fell by €12.8M vs 2012

By streamlining operations and the organizational structure

OPERATIONAL COSTS

(€M)



- ▶ External Supplies and Services (ESS) decreased by €13.5M (-19.3%) due to the decrease in system services and cross-border costs (both pass-through costs); Other Operational costs (included in ESS) dropped by €0.3M (-1.9%);
- ▶ Personnel costs rose by €0.7M, reflecting the change in actuarial assumptions in 2013 and the full impact of the budget law (in 2012).

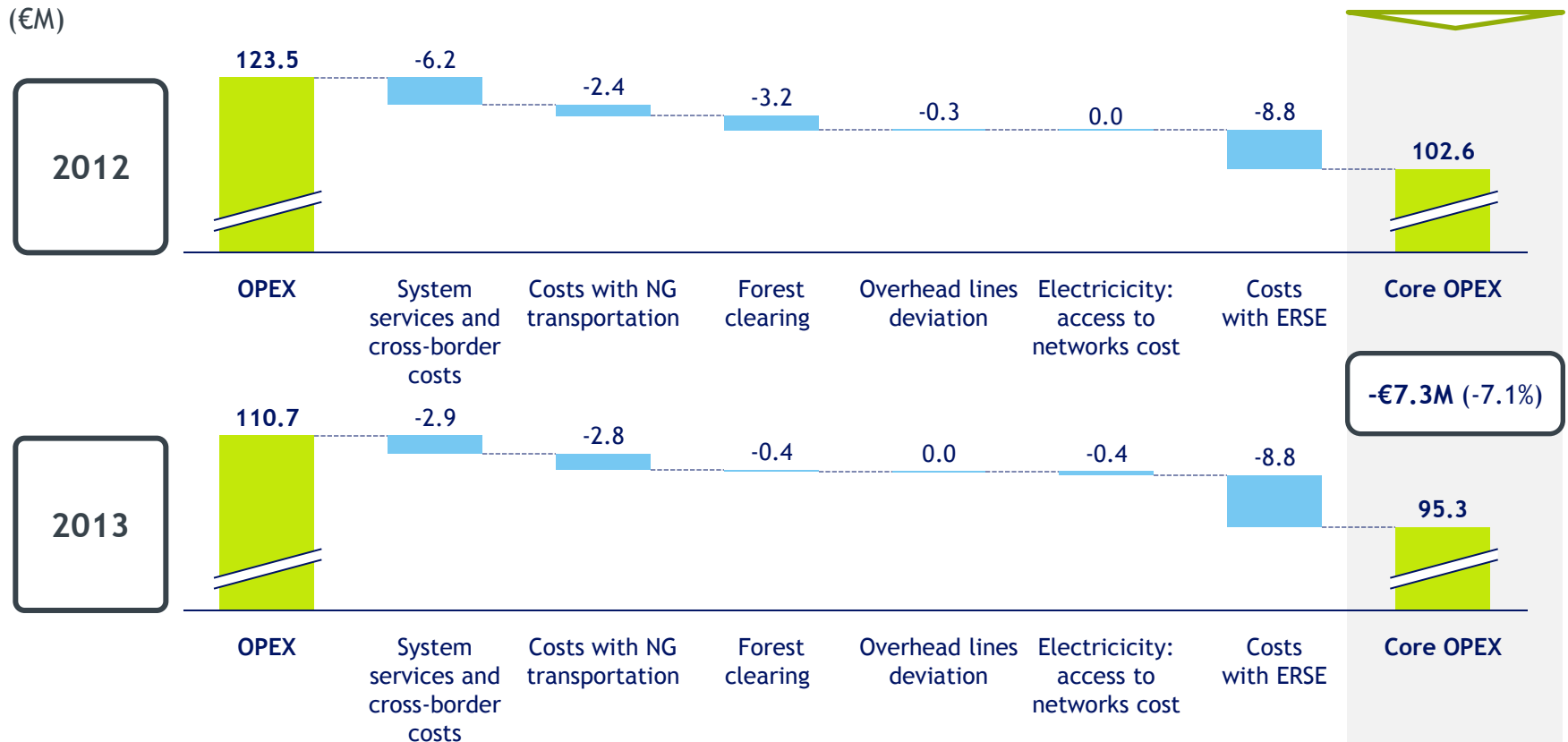
(1) Includes Δ-€0.3M of Other Operating Costs;

(2) Includes reclassifications from ESS to Personnel Costs: Training and seminars (€0.7M in 2012 and €0.6M in 2013); Employees fuels (€0.2M in 2012).

Note: values do not include costs incurred with the construction of concession assets (IFRIC 12): €172.9M in 2012 and €162.2M in 2013.

Core OPEX was down by 7.1%

▶ Excluding pass-through costs, Core OPEX was down by 7.1% (to €95.3M from €102.6M)



Note: values do not include costs incurred with the construction of concession assets (IFRIC 12): €172.9M in 2012 and €162.2M in 2013.

Net financial costs increased

reflecting the strengthening of the company's liquidity profile

NET INCOME

€M	2013	2012	Δ %	Δ Abs.
EBITDA	521.5	511.6	1.9%	9.9
Depreciation	-201.2	-197.4	2.0%	3.9
Net financial income	-142.2	-136.0	-4.6%	-6.2
Profit before income tax	178.0	178.2	-0.1%	-0.2
Income tax	-56.7	-54.6	3.8%	2.1
Net income	121.3	123.6	-1.8%	-2.3
Recurrent net income	120.7	120.2	0.4%	0.5

- ▶ Net financial income stood at -€142.2M, 4.6% lower than in 2012.

- ▶ The average cost of debt was 5.54%, versus 5.70% in December 2012;
- ▶ Net income in 2013 decreased 1.8% yoy, reaching €121.3M and was negatively affected by: (i) the decrease in Financial results (-€6.2M), mainly due to the gross debt growth (in spite of the decrease in the average cost of debt); (ii) the increase in depreciation (+€3.9M), consistent with the RAB growth experienced in the same period;
- ▶ Income tax increased by €2.1M, affected by a non-core tax effect in 2012⁽¹⁾;
- ▶ In 2013 the Group was taxed at a Corporate Income Tax rate of 25%, increased by: (i) municipal surcharge up to a maximum of 1.5% over the taxable profit; (ii) a state surcharge of an additional 3% of taxable profit between €1.5M and €7.5M; (iii) an additional 5% over the taxable profit in excess of €7.5M, which results in a maximum aggregate tax rate of 31.5%.

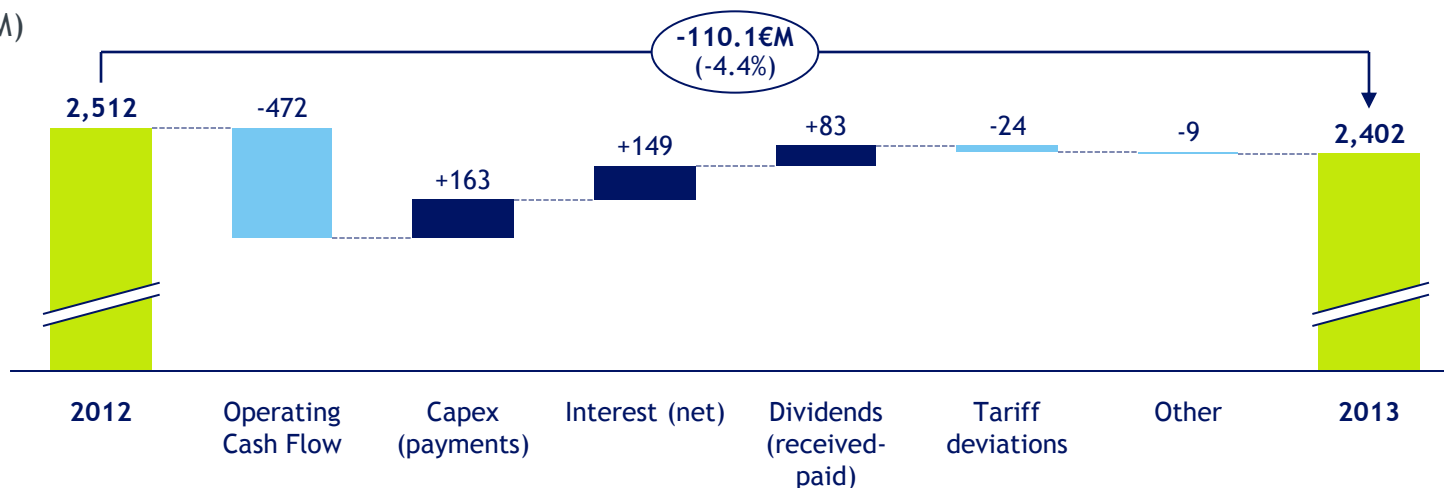
⁽¹⁾ Extraordinary effect of -€5.6M in 2012.

Debt profile improved

- ▶ Net debt decreased to €2,402M in December 2013 from €2,512M in December 2012 (-4.4%), mainly due to lower CAPEX payments and a positive tariff deviation;
- ▶ The average cost of debt decreased by 16bp, to 5.54% from 5.70% in 2012;
- ▶ Decisive actions taken in terms of debt management and financial risk strategy: (i) the growth and diversification of the base of funding sources and lender base; (ii) the extension of the average debt maturity; (iii) the smoothing of debt refinancing needs; (iv) the increased flexibility of financial instruments.

NET DEBT

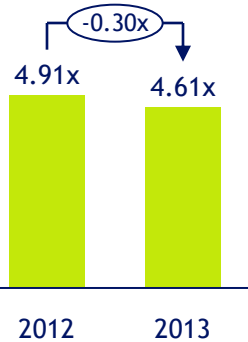
(€M)



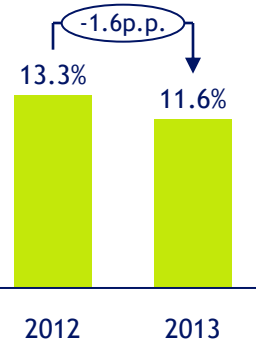
Operating Cash flow = EBIT + Depreciation + Provisions - Non cash items

REN is already funded beyond 2016

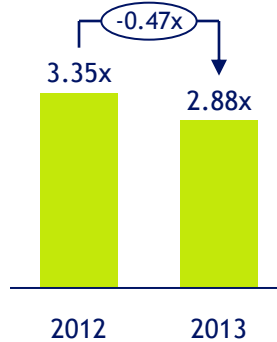
Net debt / EBITDA



FFO / Net debt



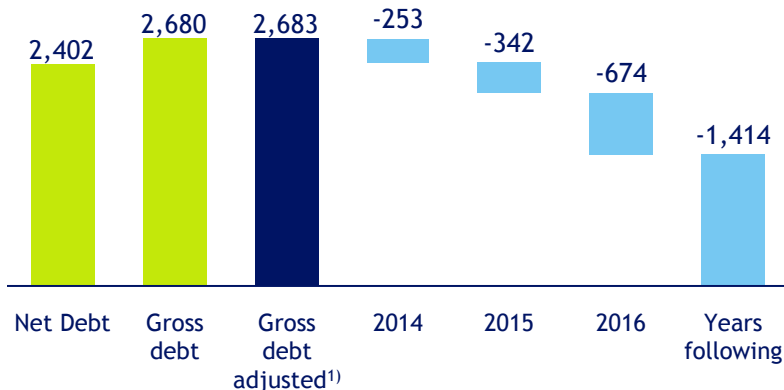
FFO interest coverage



▶ 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 keeps enlarging its international financial partners base and has managed to build a supportive group of relationship banks;

DEBT MATURITY SCHEDULE

(€M)



▶ Since October, all three major rating agencies upgraded REN's Outlook to stable. REN continues to be the Portuguese company with the highest rating;

▶ The average debt maturity is currently 4.37 years.

1) Adjusted by interest accruals.

Balance sheet

€M	2013	2012
Fixed assets RAB related	3,862.9	3,874.7
Investments and goodwill ¹	297.8	272.9
Tariff deviations	156.1	170.9
Receivables ²	559.2	285.9
Cash	168.0	61.2
Other ³	17.4	20.5
Total assets	5,061.3	4,686.1
Shareholders equity	1,079.6	1,027.6
Debt (end of period)	2,680.5	2,705.9
Provisions	5.9	7.2
Tariff deviations	52.7	63.0
Payables ⁴	1,079.4	747.8
Other ⁵	163.2	134.6
Total equity and liabilities	5,061.3	4,686.1

- ▶ Total amount of *fixed assets RAB related* decreased to €3,862.9M;
- ▶ *Investments and goodwill* (1) increased to €297.8M from €272.9M at the end of 2012. This item includes Goodwill, available-for-sale financial assets, derivative financial instruments, investments in associates and other investments;
- ▶ *Receivables* (2) related to trade and other receivables, deferred tax assets and current income tax recoverable, reached €559.2M at the end of 2013, an increase from the €285.9M at the end of 2012;
- ▶ *Other Assets* (3) stood at €17.4M, which comprises Inventories, guarantee deposits, fixed assets and assets in progress (not RAB related);
- ▶ *Payables* (4) include trade and other payables, deferred tax liabilities and income tax payable. These totalized €1,079.4M at the end of December 2013, versus €747.8M in 2012;
- ▶ *Other liabilities* (5) stood at €163.2M, which includes retirement and other benefits obligations, derivative financial instruments and guarantee deposits (€134.6M in 2012).

The balance of tariff deviation totalized €103.3M

To be received from tariffs

TARIFF DEVIATIONS

€M	2013	2012
Electricity ¹⁾	34.9	77.2
Natural gas	68.4	61.5
TOTAL	103.3	138.7

¹⁾ Electricity includes REN Trading's tariff deviation: +€28.5M in 2013 and +€32.0M in 2012.

Increased diversification of funding sources

BORROWINGS

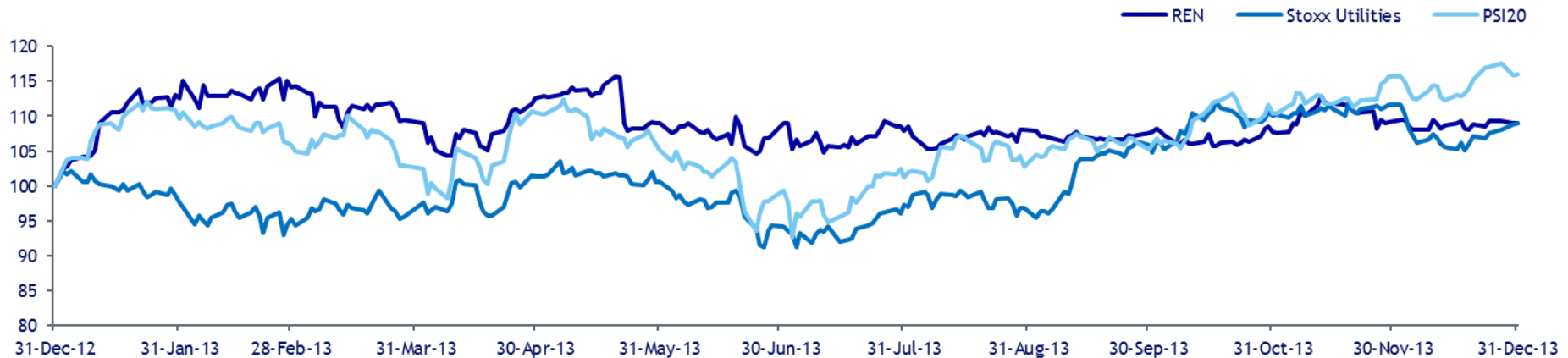
€M	Current	Non Current	TOTAL
Bonds	150.0	1,444.4	1,594.4
Bank borrowings	71.2	784.0	855.2
Commercial paper	30.0	200.0	230.0
Bank overdrafts	0.9	0.0	0.9
Finance lease	0.7	1.7	2.4
TOTAL	252.8	2,430.2	2,682.9
Accrued interest	24.8	0.0	24.8
Prepaid interest	-27.2	0.0	-27.2
TOTAL	250.3	2,430.2	2,680.5

- ▶ At the end of 2013 REN was a subscriber of six commercial paper programs amounting to €775M of which €545M are available. From the total amount of commercial paper programs, €675M have subscription guarantee;

- ▶ The group also has €81.5M in credit lines contracted, although unused, maturing in less than a year, automatically renewed periodically (in case they are not terminated in the contractually specified period);
- ▶ The bank loans were mainly (€609.3M) represented by European Investment Bank (EIB) loans;
- ▶ REN's financial liabilities have the following main types of covenants: Cross default, Pari Passu, Negative Pledge, Gearing (ratio of total consolidated equity to the amount of the Group's total conceded assets). The Group's gearing ratio comfortably fulfills the contractually defined limits, being 86% above the minimum level;
- ▶ The borrowings from EIB also include ratings covenants. In the event of REN's ratings falling below the levels specified, REN can be called to provide a guarantee acceptable to EIB. As of 31/Dec/13 REN provided a guarantee to EIB, in the form of a pledge bank deposit, in the amount of €108.3M;
- ▶ In 2013, the group signed a credit facility with the Industrial and Commercial Bank of China in the amount of €160M.

Share performance: REN ended 2013 with a total return of +17.2% (YTD)

ANNUALIZED CLOSING PRICES

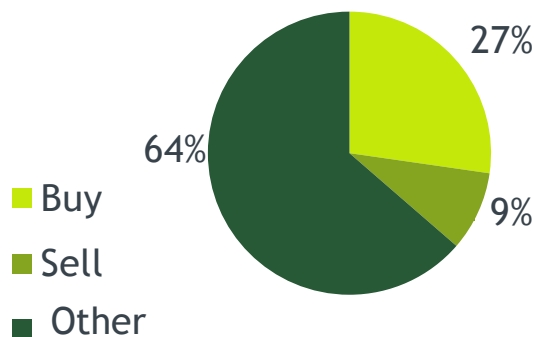


Source: Bloomberg

Market information

ANALYST RECOMMENDATIONS

- ▶ Average price target
€2.46
- ▶ Upside/Downside_(+/-)
-9.9%



(1) Px close related to 26/feb/2014

CMVM: MAIN PRESS RELEASES (from January 2013)

- ▶ **Jan-16:** Issue of debt instruments (€150M)
- ▶ **Jan-21:** Fitch assigns REN a BBB rating (investment grade level)
- ▶ **Jan-24:** Issue of debt instruments (€300M)
- ▶ **Feb-26:** Transactions over REN shares
- ▶ **Mar-07:** 2012 Annual consolidated results
- ▶ **Mar-12:** Resignation of member of the Board of Directors
- ▶ **Mar-18:** Standard and Poor's revises outlook from negative to stable
- ▶ **Apr-05:** Notice to convene the Annual General Shareholders Meeting
- ▶ **Apr-05:** Accounts reporting documents referring to the financial year ended on 31st December 2012 - item 1 of the Agenda for the General Shareholders Meeting
- ▶ **Apr-05:** Corporate Governance report included in the 2012 Annual Report
- ▶ **Apr-30:** Resolutions approved at the general shareholders meeting
- ▶ **May-07:** Payment of dividends
- ▶ **May-15:** First quarter 2013 consolidated results
- ▶ **Jun-17:** New regulatory framework for natural gas and 2013's tariffs

REN's total shareholder return was +17.8% (ITD)

REN	
END OF PERIOD	2013
Price (€)	
Close	2.238
High YTD	2.390
Low YTD	2.047
Variation YTD	8.9%
Nr. of shares (M)	534
Own shares (M)	3.9
Market cap. (€M)	1,195.1
Volume (M shares)	0.112
Volume WAP	2.236
Performance indicators	
Div. yield	7.6%
PER	10.5x
Total shareholder return YTD	17.2%
Cumulative total return*	
REN	17.8%
PSI20	-35.7%
EuroStoxx Utilities	-35.7%

* Inception to date (July 9th 2007)
Source: Bloomberg



CMVM: MAIN PRESS RELEASES (from January 2013)

- ▶ **Jul-10:** S&P revises outlook from stable to negative
- ▶ **Jul-19:** Qualified shareholding (Columbia Wanger)
- ▶ **Aug-01:** First half 2013 results presentation
- ▶ **Aug-01:** First half 2013 consolidated results report
- ▶ **Aug-06 :** Report and accounts of the first half of 2013
- ▶ **Sep-10:** S&P places REN'S rating in CreditWatch negative
- ▶ **Oct-10:** Issue of debt instruments (400 M€)
- ▶ **Oct-16 :** Measures for the energy sector under the proposed state budget for 2014
- ▶ **Nov-07 :** First 9 months 2013 consolidated results presentation
- ▶ **Nov-07 :** First 9 months 2013 consolidated results report
- ▶ **Nov-07 :** Report and Accounts for the first nine months of 2013
- ▶ **Nov-12 :** Credit facility agreement with ICBC
- ▶ **Nov-13 :** Moody's revises REN's Outlook to stable
- ▶ **Jan-17 :** Fitch revises REN's Outlook to stable
- ▶ **Jan-29:** S&P removes REN from CreditWatch negative and affirms its BB+ rating with stable outlook



APPENDIX

EBITDA breakdown

€M	2013	2012	2013/2012	
			Δ %	Δ Abs.
1) TOTAL REVENUES	788.8	811.3	-2.8%	-22.4
Revenues from assets	475.7	493.1	-3.5%	-17.5
Return on RAB	269.0	286.6	-6.2%	-17.6
Electricity	180.1	199.7	-9.8%	-19.6
Natural gas	88.9	86.9	2.3%	2.0
Hydro land remuneration	8.3	9.7	-13.6%	-1.3
Lease revenues from hydro protection zone	0.7	0.8	-1.1%	0.0
Remuneration of fully depreciated assets	8.3	7.9	4.6%	0.4
Tariff smoothing effect (natural gas)	-11.5	-7.5	-53.7%	-4.0
Recovery of depreciation (net from subsidies)	181.7	177.3	2.5%	4.4
Subsidies amortization	19.1	18.4	4.1%	0.8
Revenues from OPEX	104.6	110.4	-5.2%	-5.7
Other revenues	21.1	7.3	189.1%	13.8
Construction revenues (IFRIC 12)	187.5	200.5	-6.5%	-13.0
2) OPEX	110.7	123.5	-10.4%	-12.8
Personnel costs	54.2	53.5	1.2%	0.7
External supplies and services	43.4	56.7	-23.4%	-13.2
Other operational costs	13.1	13.3	-1.9%	-0.3
3) Construction costs (IFRIC 12)	162.2	172.9	-6.2%	-10.7
4) Depreciation	201.2	197.4	2.0%	3.9
5) Other	-5.5	3.3		-8.8
6) EBIT	320.3	314.2	1.9%	6.0
7) Depreciation	201.2	197.4	2.0%	3.9
8) EBITDA	521.5	511.6	1.9%	9.9
9) Depreciation	201.2	197.4	2.0%	3.9
10) Net financial income	-142.2	-136.0	-4.6%	-6.2
11) Income tax expense	56.7	54.6	3.8%	2.1
12) NET INCOME	121.3	123.6	-1.8%	-2.3
13) Non recurrent itens*	-0.6	-3.3	82.1%	2.7
14) RECURRENT NET INCOME	120.7	120.2	0.4%	0.5

Non recurrent items:

- * 2013: i) Reversal of impairments of receivable debts occurring in previous years (-€5.3M, -€3.8M after tax); ii) Cost of carry of EIB escrow (€4.6M, €3.2M after tax);
- 2012: i) The surplus from the estimated income tax of -€5.6M connected with recognizing as a fiscal cost the provision of an indemnity pertaining to the litigation with Amorim Energia; ii) Impairment of receivable debts (€2.6M, €1.8M after tax); iii) Cost of carry of EIB escrow (€0.7M, €0.5M after tax).

Other operational revenues and costs breakdown

€M	2013	2012	2013/2012	
			Δ %	Δ Abs.
Other revenues	21.1	7.3		13.8
Allowed incentives	3.0	3.1	-4.5%	-0.1
Interest on tariff deviation	2.7	-6.5		9.2
Hedging contracts	1.5	0.4		1.1
Telecommunication sales and services rendered	5.4	5.5	-0.8%	0.0
Grid availability incentive	1.0	1.0	1.0%	0.0
Consultancy services and other services provided	3.0	1.3		1.8
Other revenues	4.4	2.6	72.2%	1.9
Other costs	13.1	13.3	-1.9%	-0.3
Costs with ERSE	8.8	8.8	0.0%	0.0
Other	4.3	4.5	-5.6%	-0.3

EBIT breakdown (Electricity¹)

€M	2013	2012	2013/2012	
			Δ %	Δ Abs.
1) REVENUES	572.4	579.6	-1.2%	-7.2
Revenues from assets	338.4	354.0	-4.4%	-15.6
Return on RAB	180.1	199.7	-9.8%	-19.6
Hydro land remuneration	8.3	9.7	-13.6%	-1.3
Lease revenues from hydro protection zone	0.7	0.8	-1.1%	0.0
Remuneration of fully depreciated assets	8.3	7.9	4.6%	0.4
Recovery of depreciation (net from subsidies)	128.9	123.9	4.0%	4.9
Subsidies amortization	12.1	12.0	0.4%	0.0
Revenues of OPEX	66.8	72.0	-7.2%	-5.2
Other revenues	9.6	-1.9		11.5
Allowed incentives	3.0	3.1	-4.5%	-0.1
Interest on tariff deviation	1.5	-7.6		9.1
Other	5.1	2.6	98.5%	2.5
Construction revenues (IFRIC 12)	157.6	155.5	1.3%	2.1
2) OPEX	52.0	58.3	-10.8%	-6.3
Personnel costs	23.9	22.4	6.9%	1.6
External supplies and services	20.7	28.4	-27.1%	-7.7
Other operational costs	7.4	7.6	-2.1%	-0.2
3) Construction costs (IFRIC 12)	137.2	132.5	3.5%	4.7
4) Depreciation	142.0	137.5	3.2%	4.5
5) Other	-5.7	3.3		-9.1
6) EBIT	246.9	247.9	-0.4%	-1.0
7) Depreciation	142.0	137.5	3.2%	4.5
8) EBITDA	388.8	385.4	0.9%	3.5

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

EBIT breakdown (Natural gas)

€M	2013	2012	2013/2012	
			Δ %	Δ Abs.
1) REVENUES	209.0	223.7	-6.6%	-14.7
Revenues from assets	137.3	139.2	-1.3%	-1.8
Return on RAB	88.9	86.9	2.3%	2.0
Tariff smoothing effect (natural gas)	-11.5	-7.5	-53.7%	-4.0
Recovery of depreciation (net from subsidies)	52.8	53.3	-1.0%	-0.5
Subsidies amortization	7.1	6.3	11.1%	0.7
Revenues of OPEX	37.8	38.3	-1.4%	-0.5
Other revenues	4.0	1.2		2.8
Interest on tariff deviation	1.2	1.1	9.8%	0.1
Other	2.8	0.1		2.7
Construction revenues (IFRIC 12)	29.9	45.0	-33.6%	-15.1
2) OPEX	26.8	27.7	-3.1%	-0.8
Personnel costs	8.3	9.1	-8.3%	-0.8
External supplies and services	14.2	14.3	-0.3%	0.0
Other operational costs	4.2	4.3	-1.4%	-0.1
3) Construction costs (IFRIC 12)	25.0	40.4	-38.1%	-15.4
4) Depreciation	59.0	59.7	-1.1%	-0.6
5) Other	0.1	0.0		0.1
6) EBIT	98.2	96.1	2.2%	2.1
7) Depreciation	59.0	59.7	-1.1%	-0.6
8) EBITDA	157.2	155.7	0.9%	1.4

EBIT breakdown (Other¹)

€M	2013	2012	2013/2012	
			Δ %	Δ Abs.
1) TOTAL REVENUES	7.5	8.0	-7.0%	-0.6
Other revenues	7.5	8.0	-7.0%	-0.6
Hedging contracts	1.5	0.4		1.1
Telecommunication sales and services rendered	5.4	5.5	-0.8%	0.0
Consultancy services and other services provided	0.4	1.3	-66.6%	-0.9
Other	0.1	0.9	-84.4%	-0.8
2) OPEX	31.8	37.5	-15.2%	-5.7
Personnel costs	22.0	22.1	-0.7%	-0.1
External supplies and services	8.5	14.0	-39.3%	-5.5
Other operational costs	1.4	1.4	-2.9%	0.0
3) Depreciation	0.3	0.2	31.8%	0.1
4) Other	0.2	0.0		0.2
5) EBIT	-24.8	-29.7	16.6%	4.9
6) Depreciation	0.3	0.2	31.8%	0.1
7) EBITDA	-24.5	-29.5	16.9%	5.0

¹ Includes REN SGPS, REN Serviços, REN Telecom and REN Finance.

CAPEX and RAB

€M	2013	2012	2013/2012	
			Δ %	Δ Abs.
CAPEX*	187.8	201.1	-6.6%	-13.2
Electricity	157.6	155.5	1.3%	2.1
Natural gas	29.9	45.0	-33.6%	-15.1
Other	0.4	0.5	-28.5%	-0.1
Transfers to RAB**	245.0	320.6	-23.6%	-75.6
Electricity	197.3	201.0	-1.8%	-3.7
Natural gas	47.7	119.6	-60.1%	-71.9
Average RAB	3,488.9	3,380.7	3.2%	108.2
Electricity	2,067.2	1,972.7	4.8%	94.6
With premium	892.4	753.0	18.5%	139.4
Without premium	1,174.8	1,219.6	-3.7%	-44.8
Lands	307.6	321.2	-4.2%	-13.6
Natural gas	1,114.1	1,086.9	2.5%	27.2
RAB e.o.p.	3,519.9	3,458.0	1.8%	61.9
Electricity	2,110.8	2,023.6	4.3%	87.2
Lands	300.9	314.4	-4.3%	-13.5
Natural gas	1,108.2	1,119.9	-1.1%	-11.8
RAB's variation e.o.p.	61.9	155.0		
Electricity	87.2	102.5		
Lands	-13.5	-13.6		
Natural gas	-11.8	66.2		
RAB's remuneration	278.1	297.1	-6.4%	-19.0
Electricity	180.1	199.7	-9.8%	-19.6
With premium	85.3	83.2	2.6%	2.1
Without premium	94.7	116.5	-18.7%	-21.7
Lands	9.1	10.4	-12.7%	-1.3
Natural gas	88.9	86.9	2.3%	2.0
RoR's RAB	8.0%	8.8%		-0.8p.p.
Electricity	8.7%	10.1%		-1.4p.p.
With premium	9.6%	11.1%		-1.5p.p.
Without premium	8.1%	9.6%		-1.5p.p.
Lands	3.0%	3.2%		-0.3p.p.
Natural gas	8.0%	8.0%		0.0p.p.

* Total costs

** Transfers to RAB include direct acquisitions RAB related

DEBT

	2013	2012
Net debt (€M)	2,402.3	2,512.4
Average cost	5.54%	5.70%
Average maturity (years)	4.4	3.2

DEBT BREAKDOWN

Funding sources

Bond issues	60%	60%
EIB	23%	26%
Commercial paper	9%	13%
Loans	5%	1%
CDB	4%	0%

TYPE

Fixed	52%	71%
Float	48%	29%

CREDIT METRICS

Net Debt / EBITDA	4.6x	4.9x
FFO / Net debt	11.6%	13.3%
FFO interest coverage	2.9x	3.3x

RATING	Long term	Short term	Outlook	Date
Fitch	BBB	F3	Stable	01/17/2014
Moody's	Ba1	-	Stable	11/13/2013
Standard & Poor's	BB+	B	Stable	01/29/2014



CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statements:

Financial Position (tEuros)

	Dec 2013	Dec 2012
ASSETS		
Non-current assets		
Property, plant and equipment	934	827
Goodwill	3,774	3,774
Intangible assets	3,877,420	3,891,464
Investments in associates and joint ventures	12,155	9,382
Available-for-sale financial assets	156,886	131,002
Derivative financial instruments	0	6,853
Other financial assets	102,274	112,583
Trade and other receivables	81,588	70,451
Deferred tax assets	67,800	61,215
	4,302,831	4,287,552
Current assets		
Inventories	1,880	2,920
Trade and other receivables	565,923	310,738
Current income tax recoverable	0	14,318
Derivative financial instruments	0	416
Other financial assets	22,728	8,864
Cash and cash equivalents	167,987	61,246
	758,518	398,503
TOTAL ASSETS	5,061,349	4,686,054

	Dec 2013	Dec 2012
EQUITY		
Shareholders' equity		
Share capital	534,000	534,000
Own shares	-10,728	-10,728
Reserves	271,634	231,753
Retained earnings	163,356	149,002 a)
Net profit for the period	121,303	123,561 a)
TOTAL EQUITY	1,079,566	1,027,589
LIABILITIES		
Non-current liabilities		
Borrowings	2,430,159	1,535,495
Liability for retirement benefits and others	126,231	105,808
Derivative financial instruments	34,320	27,958
Provisions	4,690	4,801
Trade and other payables	370,298	360,895
Deferred tax liabilities	73,956	82,797
	3,039,654	2,117,755
Current liabilities		
Borrowings	250,325	1,170,400
Provisions	1,213	2,419
Trade and other payables	642,973	367,081
Income tax payable	44,935	0
Derivative financial instruments	2,683	811
	942,129	1,540,711
TOTAL LIABILITIES	3,981,783	3,658,465
TOTAL EQUITY AND LIABILITIES	5,061,349	4,686,054

a) Restated as required by IAS 19.

Consolidated Statements:

Profit and Loss (tEuros)

	Dec2013	Dec2012
Sales	112	405
Services rendered	575,886	588,568
Revenue from construction of concession assets	187,464	200,507
Gains from associates and joint ventures	-361	665
Other operating income	25,744	21,143
Operating income	788,845	811,287
Cost of goods sold	-303	-797
Cost with construction of concession assets	-162,179	-172,892
External supplies and services	-44,028	-57,532
Personnel costs	-53,599	-50,671 a)
Depreciation and amortizations	-201,242	-197,368
Provisions	212	-2,636
Impairment of trade receivables	5,296	-2,646
Other expenses	-12,750	-12,512
Operating costs	-468,593	-497,053
Operating results	320,252	314,234
Financial costs	-162,703	-145,740
Financial income	12,917	2,257
Investment income - dividends	7,558	7,461
Financial results	-142,228	-136,023
Profit before income tax	178,024	178,211
Income tax expense	-56,721	-54,650
Net profit for the year	121,303	123,561
Attributable to:		
Shareholders of the Company	121,303	123,561
Non-controlling interests	0	0
Consolidated profit for the year	121,303	123,561

a) Restated as required by IAS 19.

Consolidated Statements:

Cash Flow (tEuros)

	Dec 2013	Dec 2012
Cash flow from operating activities		
Cash receipts from customers	2,056,635 a)	2,289,659 a)
Cash paid to suppliers	-1,391,110 a)	-1,822,096 a)
Cash paid to employees	-63,160	-61,510
Income tax received/(paid)	-8,510	-13,687
Other (payments)/receipts relating to operating activities	-87,567	-112,404
Net flows from operating activities	506,288	279,961
Cash flow from investing activities		
Receipts related with:		
Other financial assets	207,264	0
Grants related to assets	5,051	617
Interests and other similar income	8,160	1,896
Dividends	7,493	5,635
Payments related with:		
Other financial assets	-210,000	-117,163
Capital contributions in associates and joint ventures	-2,910	-
Available-for-sale financial assets	-100	-38,800
Property, plant and equipment	-498	-44
Intangible assets	-162,687	-215,133
Net cash (used in)/from investing activities	-148,227	-362,991
Cash flow from financing activities		
Receipts related with:		
Borrowings	2,404,391	9,949,500
Interests and other similar income	17	80
Payments related with:		
Borrowings	-2,403,135	-9,632,363
Interests and other similar expense	-163,334	-151,709
Dividends	-90,120	-89,590
Net cash (used in)/from financing activities	-252,180	75,917
Net (decrease)/increase in cash and cash equivalents	105,880	-7,112
Cash and cash equivalents at the beginning of the year	61,246	68,358
Cash and cash equivalents at the end of the period	167,126	61,246
Detail of cash and cash equivalents		
Bank overdrafts	-861	0
Bank deposits	167,987	61,246
	167,126	61,246

a) These amounts include payments and receipts relating to activities in which the Group acts as agent, income and costs being reversed in the consolidated statement of profit and loss.

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