This First Supplement dated 4 January 2018 (the "First Supplement") to the Base Prospectus dated 7 December 2017 (the "Base Prospectus") prepared by REN – Redes Energéticas Nacionais, SGPS, S.A. ("REN") and REN Finance B.V. ("REN B.V." and together with REN, the "Issuers" and each an "Issuer") in connection with their Euro Medium Term Note Programme (the "Programme") for the issuance of up to EUR5,000,000,000 in aggregate principal amount of notes ("Notes"). The Notes issued by REN B.V. will not be guaranteed by REN but REN B.V. has the benefit of the Keep Well Agreement executed by REN. Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This First Supplement constitutes a supplement to the Base Prospectus for the purposes of Article 16 of Directive 2003/71/EC and amendments thereto including Directive 2010/73/EU (the "Prospectus Directive"), and has been approved by the Central Bank of Ireland (the "Central Bank") as competent authority for the purpose of the Prospectus Directive. The Central Bank only approves this First Supplement as meeting the requirements imposed under EU and Irish law pursuant to the Prospectus Directive.

This First Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuers. To the extent that there is any inconsistency between any statement in this First Supplement and any other statement in or incorporated by reference in the Base Prospectus, the statements in this First Supplement will prevail.

Save as disclosed in this First Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.
IMPORTANT NOTICES

REN B.V. as Issuer and REN in its capacities as Issuer and as Keep Well Provider each accept responsibility for the information contained in this First Supplement. To the best of the knowledge and belief of REN and REN B.V. (each having taken all reasonable care to ensure that such is the case), the information contained in this First Supplement is in accordance with the facts and contains no omission likely to affect the import of such information.

None of the Dealers or the Arrangers make any representation, express or implied, or accept any responsibility, for the contents hereof or any information incorporated by reference into this First Supplement.
AMENDMENTS OR ADDITIONS TO THE BASE PROSPECTUS

With effect from the date of this First Supplement the information appearing in the Base Prospectus shall be amended and/or supplemented in the manner described below.

I. IMPORTANT NOTICES

On page vi of the Base Prospectus, the following information shall be added before the paragraph entitled "Important - EEA Retail Investors":

"MIFID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "MiFID II") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "MiFID Product Governance Rules"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purposes of the MiFID Product Governance Rules."

II. RISK FACTORS

On page 31 of the Base Prospectus, the following paragraph of the risk factor "REN may incur unanticipated losses or increased costs in connection with the Acquisition or may not be able to integrate the Acquired Business successfully" shall be removed:

"Furthermore, if the proceeds from the share capital increase through a rights offering are lower than expected, it may not be able to immediately repay the indebtedness incurred to finance the Acquisition, which could result in a downgrade of REN’s credit rating."

III. FORM OF FINAL TERMS – MINIMUM DENOMINATION OF LESS THAN EUR 100,000

On page 49 of the Base Prospectus, the following information shall be added before the paragraph entitled "Prohibition of Sales to EEA Retail Investors":
"[MiFID II product governance – Solely for the purposes of [the/each] ¹ manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); EITHER ² [and (ii) all channels for distribution of the Notes are appropriate [, including investment advice, portfolio management, non-advised sales and pure execution services]³] OR ⁴[(ii) all channels for distribution to eligible counterparties and professional clients are appropriate and (iii) the following channels for distribution of the Notes to retail clients are appropriate investment advice[, and] portfolio management[, and] non-advised sales [, and pure execution services], subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable] [Consider any negative target market]⁵. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the [Notes] (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels[, subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable]⁶."

IV. FORM OF FINAL TERMS – MINIMUM DENOMINATION OF AT LEAST EUR 100,000

On page 61 of the Base Prospectus, the following information shall be added before the paragraph entitled "Prohibition of Sales to EEA Retail Investors":

¹ Delete as appropriate.
² Include for bonds that are not ESMA complex.
³ This list may not be necessary, especially for bonds that are not ESMA complex where all channels of distribution may be appropriate. It reflects the list used in the examples in the ESMA Guidelines.
⁴ Include for certain ESMA complex bonds. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability will be necessary. In addition, if the Notes constitute “complex” products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.
⁵ ICMA 1 and ICMA 2 approaches envisage that a negative target market will be unlikely. Consider what types of bonds may be issued and whether the flexibility to include a negative target market may be needed for relevant issuance. Note that a programme which only envisages vanilla issuance is unlikely to require a negative target market placeholder. If a negative target market is deemed necessary, wording along the following lines could be included: “The target market assessment indicates that Notes are incompatible with the needs, characteristic and objectives of clients which are [fully risk averse/have no risk tolerance or are seeking on-demand full repayment of the amounts invested].”
⁶ If the Notes constitute “complex” products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II. If there are advised sales, a determination of suitability will be necessary.
¹ Delete as appropriate.
"MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Consider any negative target market]. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer[‘s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[‘s/s’] target market assessment) and determining appropriate distribution channels."

V. RECENT DEVELOPMENTS

On page 148 of the Base Prospectus, at the end of the section headed "Recent Developments", the following text shall be added in its entirety:

"On 7 December 2017, REN announced to the market that the previously announced share capital increase had been fully subscribed, resulting in the issuance of 133,191,262 ordinary, book-entry and nominative shares, with nominal value of EUR 1.00 each, with a subscription price of EUR 1.877 each with a share premium of EUR 0.877 per each new share, with subscription reserved to the shareholders in accordance with applicable law and to further investors which have acquired subscription rights (the "Rights Offering"). REN further announced that the financial settlement of the ordinary shares subscribed for pursuant to the exercise of subscription rights occurred on 7 December 2017 and the financial settlement of the ordinary shares subscribed pursuant to the exercise of oversubscription rights was expected to occur on 11 December 2017. Finally, REN also announced that it had made a request to Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A. for the admission to trading of all the shares issued pursuant to the Rights Offering on the Euronext Lisbon regulated market, while informing that it was expected that trading would commence as soon as possible after the registration of the capital increase in the commercial registry, which occurred on 13 December 2017.

On 14 December 2017, REN announced to the market that it had received a notice from OMAN INC. informing that it had decreased its indirect qualified

---

7 Delete as appropriate.
8 ICMA 1 and ICMA 2 approaches envisage that a negative target market will be unlikely. Consider what types of bonds may be issued and whether the flexibility to include a negative target market may be needed for relevant issuance. Note that a programme which only envisages vanilla issuance is unlikely to require a negative target market placeholder. If a negative target market is deemed necessary, wording along the following lines could be included: “The target market assessment indicates that Notes are incompatible with the needs, characteristic and objectives of clients which are [fully risk averse/have no risk tolerance or are seeking on-demand full repayment of the amounts invested].”
shareholding from 15 per cent. to 12 per cent. of the voting rights corresponding to the share capital of REN.

VI. MANAGEMENT

On page 155 of the Base Prospectus, the following sentence of the section headed "Voting Rights", under the Chapter headed "Others" with the wording:

"REN’s share capital is represented by 534,000,000 shares with the nominal value of one euro each, fully issued and subscribed" shall be replaced with the following:

"REN’s share capital is represented by 667,191,262 shares with the nominal value of one euro each, fully issued and subscribed."

VII. GENERAL CONSENT – THE AUTHORISED OFFEROR TERMS

On page 182 of the Base Prospectus, Clause 1(b) (General – Subscription and sale), of this section, with the wording:

"complies with the restrictions set out under "Subscription and Sale" in this Base Prospectus which would apply as if it were a relevant Dealer and with any further relevant requirements as may be specified in the applicable Final Terms" shall be replaced with the following:

"complies with the restrictions set out under "Subscription and Sale" in this Base Prospectus which would apply as if it were a relevant Dealer and with any further relevant requirements as may be specified in the applicable Final Terms including comply with the target market and distribution channels identified under the "MiFID II product governance" legend set out in the applicable Final Terms."