



RESULTS PRESENTATION 1H 2015

July 31st, 2015



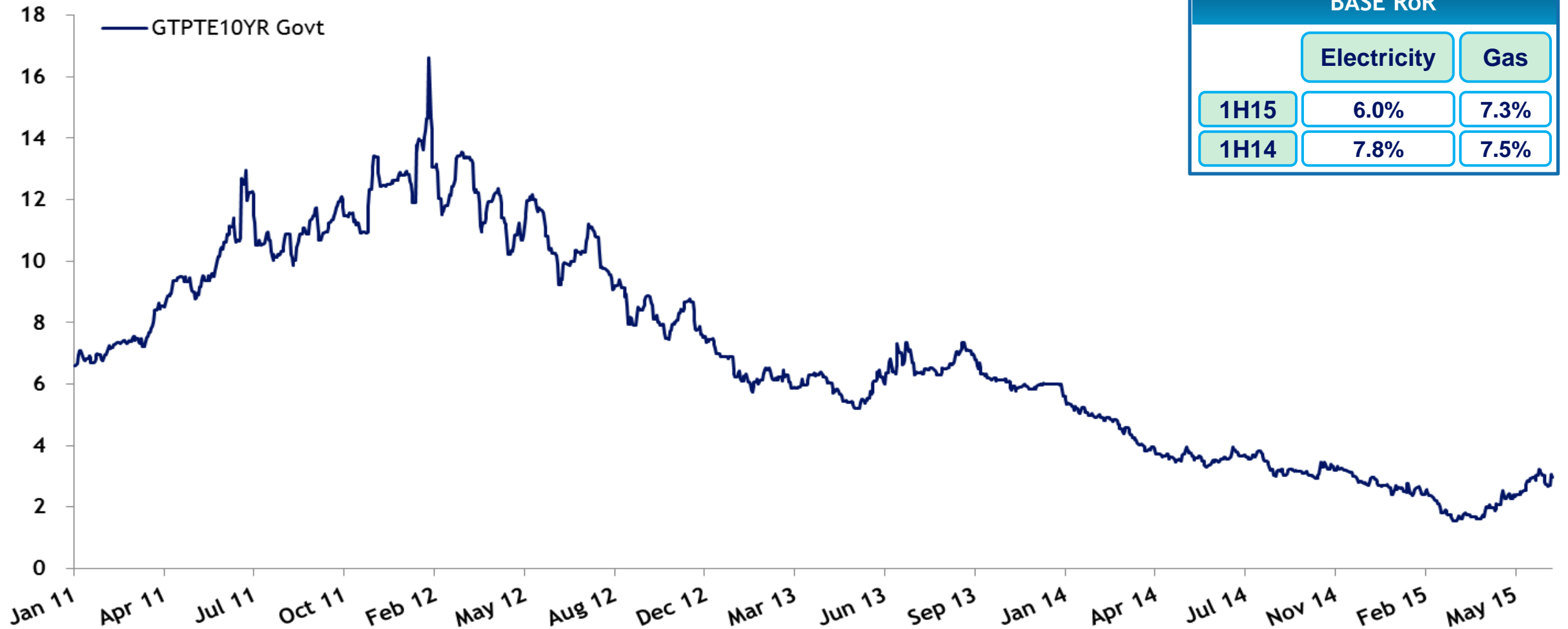
- ▶ At the end of the first half of 2015, **EBITDA** rose by €2.1M (+0.8%) to €254.3M, when compared with the corresponding period in 2014. This result was mainly driven by the positive impact of the capital gain from the sale of REN's stake in Enagás (+€20.1M) and negatively affected by both the changes in the regulation in the electricity sector and the evolution of the Portuguese sovereign interest rates in the RoR mechanism;
- ▶ In May, REN completed the purchase of the two gas storage assets belonging to Galp Energia. This acquisition boosted **CAPEX** levels to €98.7M (€36.0M in 1H14) and average **RAB** to €3,558.8M (+€78.2M vs 1H14);
- ▶ **Financial Results** improved to -€44.8M (-€51.7M in the same period of 2014), on the back of a sustained drop in REN's average cost of debt (to 4.0%, from 4.8% in 1H14). **Net Debt** grew slightly to €2,494.0M, impacted by the payment of dividends and the NG underground caverns purchase;
- ▶ The sound operational and financial performance achieved by REN, together with the recovery of a tax impairment (in the amount of €9.9M), led the **Net Profit** to €75.3M, a 29.2% increase compared with the same period of 2014. **Recurrent Net Profit** decreased by 12.0% to €63.6M.

1H15 MAIN FINANCIAL INDICATORS

€M	2Q15	1H15	1H14	Δ%	Δ Abs.
EBITDA	116.0	254.3	252.2	0.8%	2.1
Financial Results	-20.4	-44.8	-51.7	13.3%	6.9
Recurrent Net Profit	33.3	63.6	72.3	-12.0%	-8.7
Net Profit	35.9	75.3	58.3	29.2%	17.0
Average RAB	3,558.8	3,558.8	3,480.6	2.2%	78.2
CAPEX	90.3	98.7	36.0	174.1%	62.7
Net Debt	2,494.0	2,494.0	2,452.5	1.7%	41.5

PORTUGAL'S PERCEIVED SOVEREIGN DEBT RISK remains low

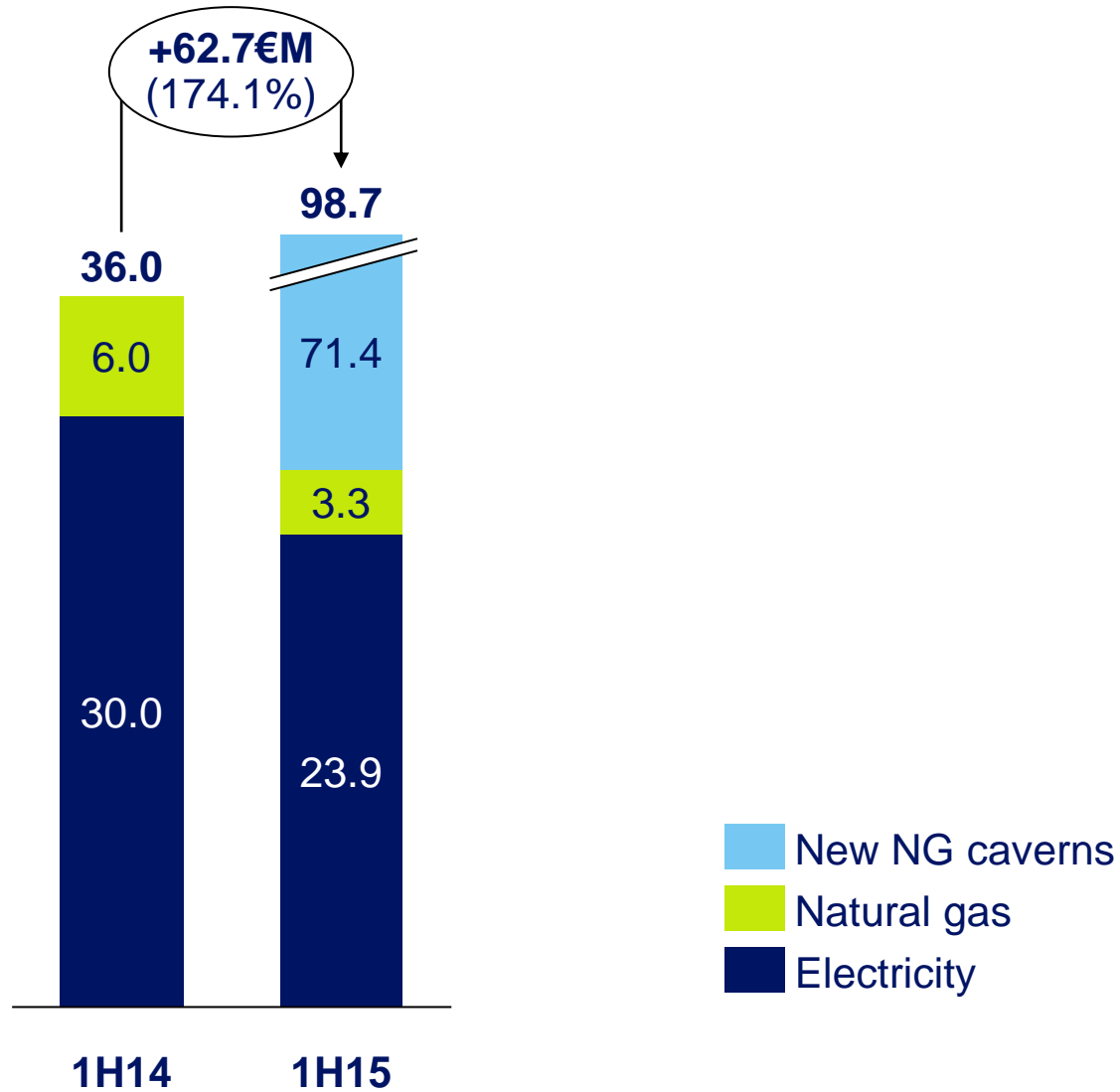
PT 10Y Treasury Bond Yields



CAPEX EXPANDED BY €62.7M TO €98.7M

benefiting from the recent acquisition of GALP's natural gas caverns

CAPEX

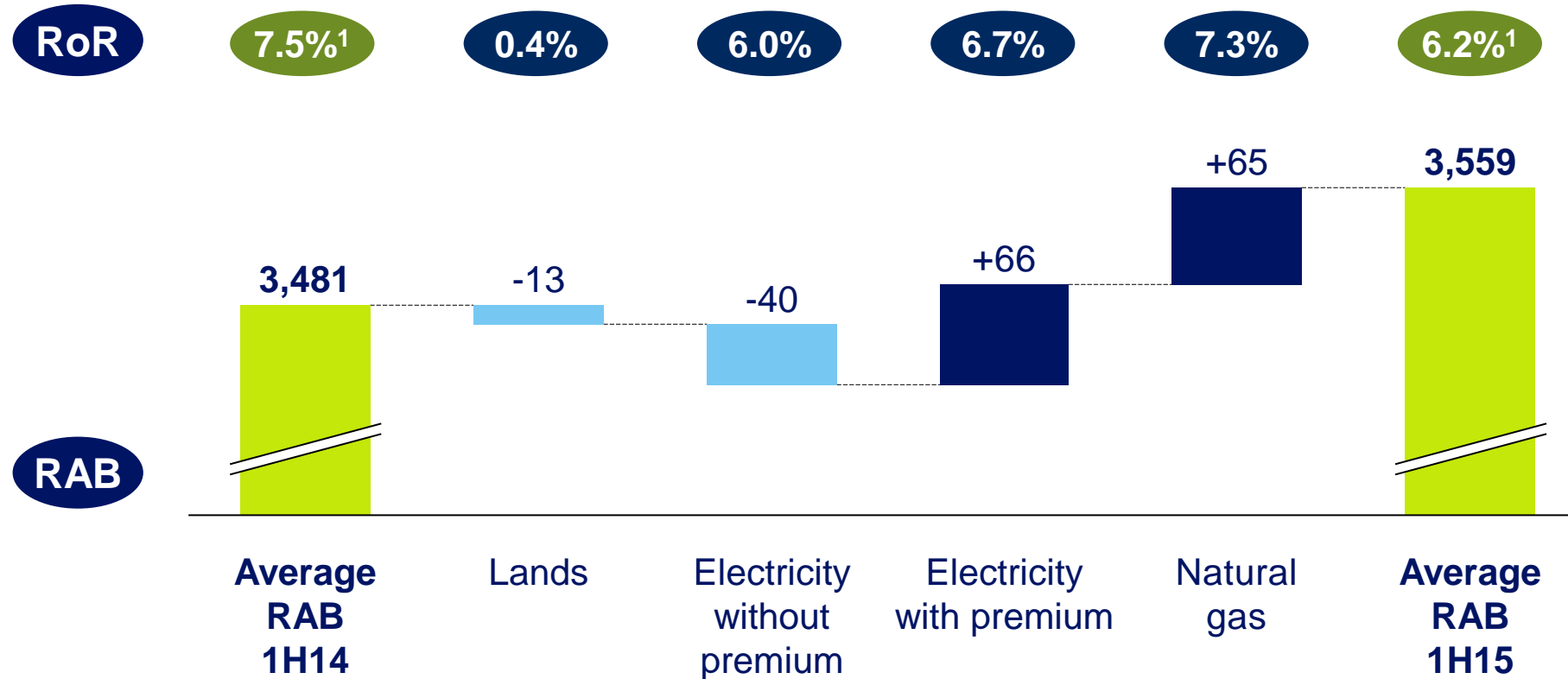


TRANSFERS TO RAB



AVERAGE RAB STOOD AT €3,558.8M (+€78.2M) benefiting from the gas storage assets and electricity with premium

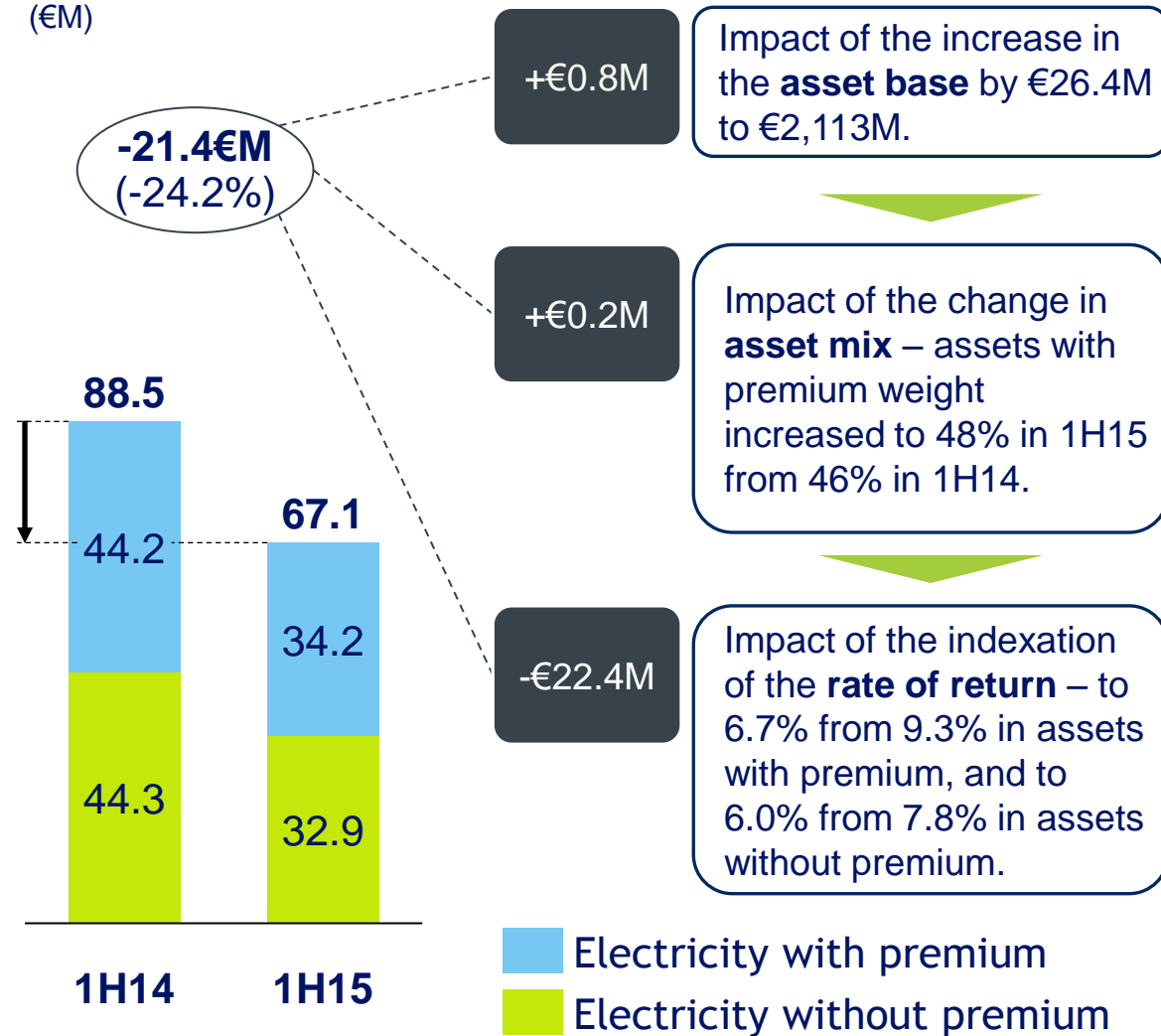
(€M)



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

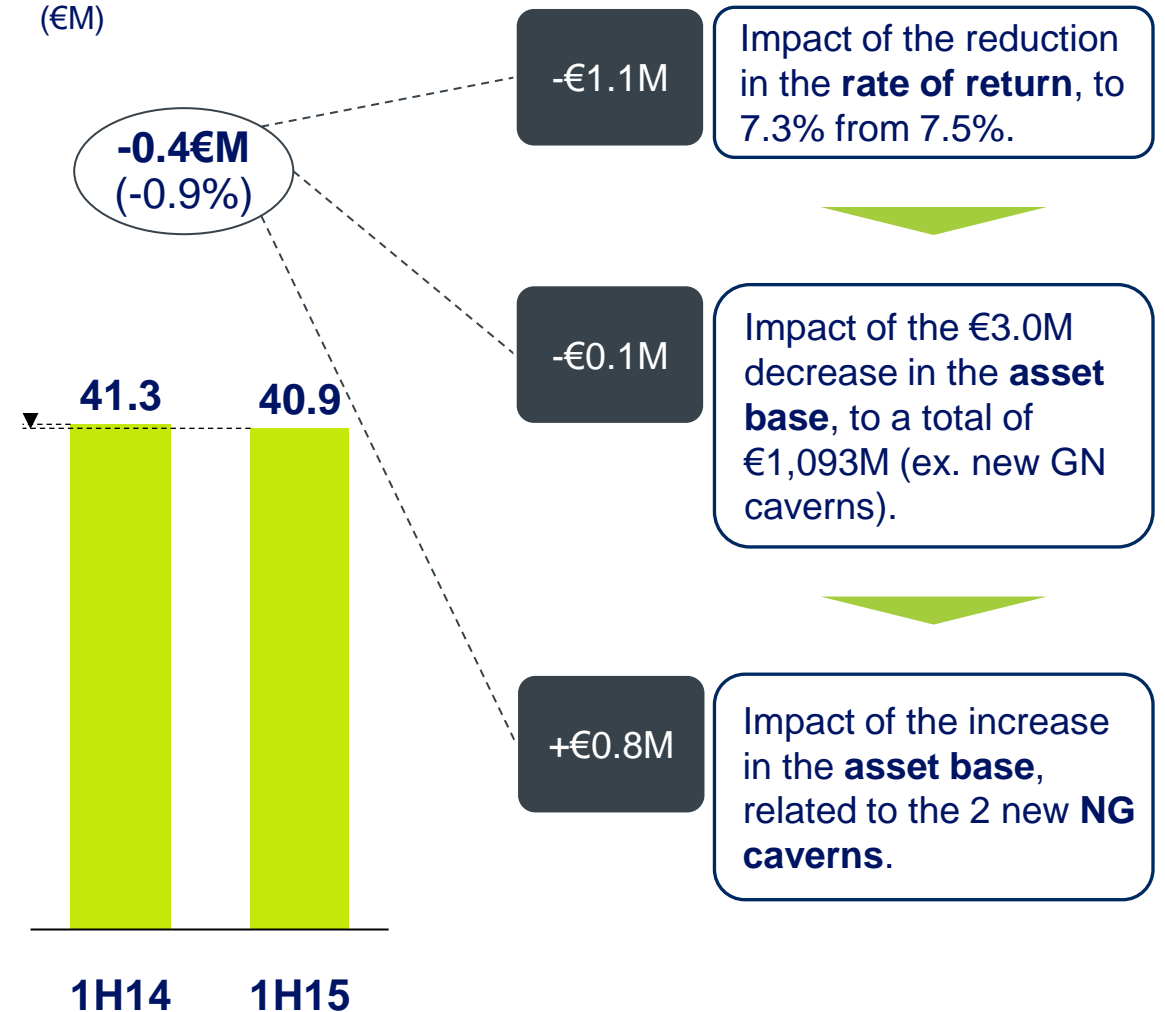
RAB REMUNERATION ELECTRICITY

(ex. lands)
(€M)



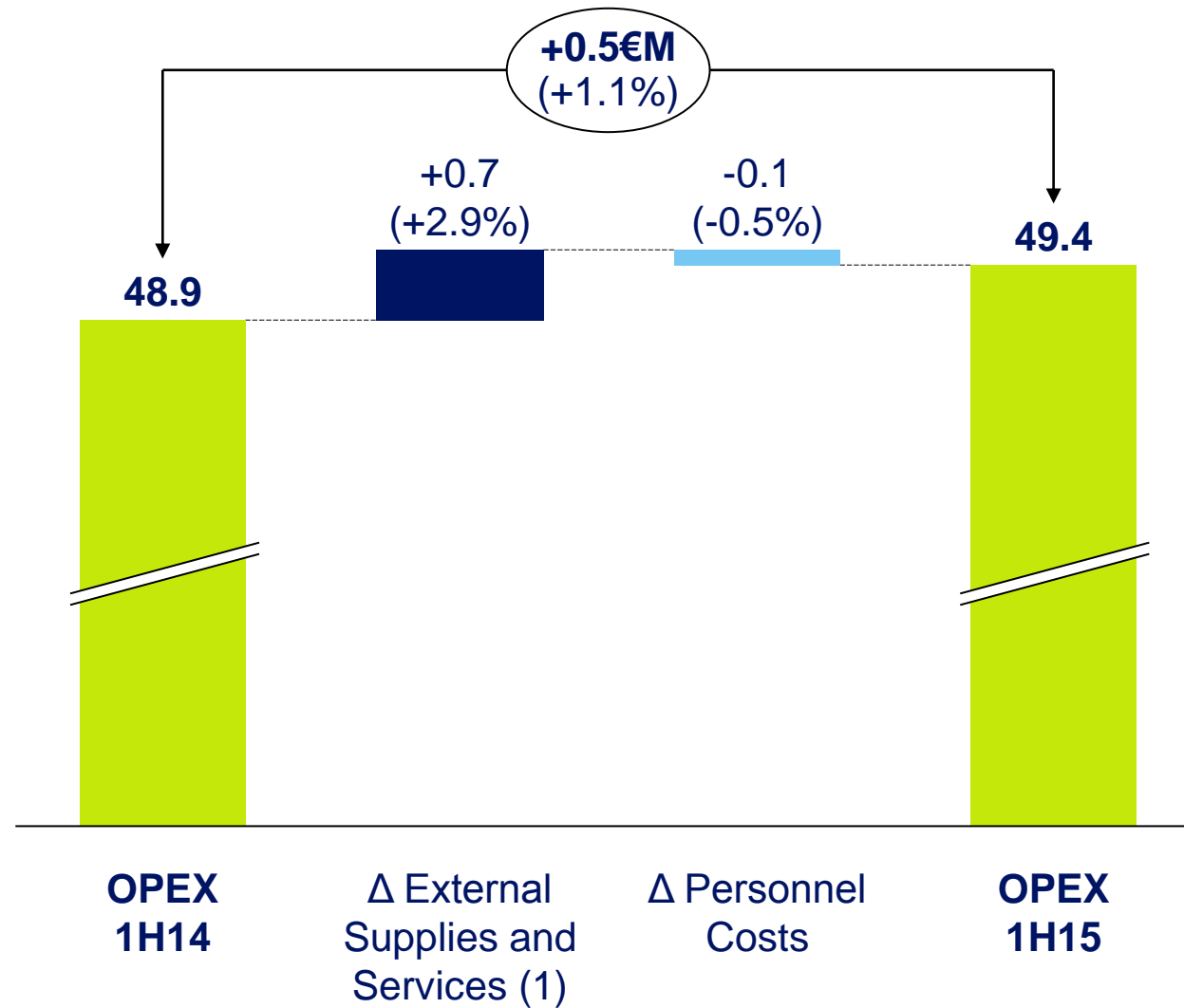
RAB REMUNERATION NATURAL GAS

(ex. tariff smoothing effect)
(€M)



OPERACIONAL COSTS

(€M)

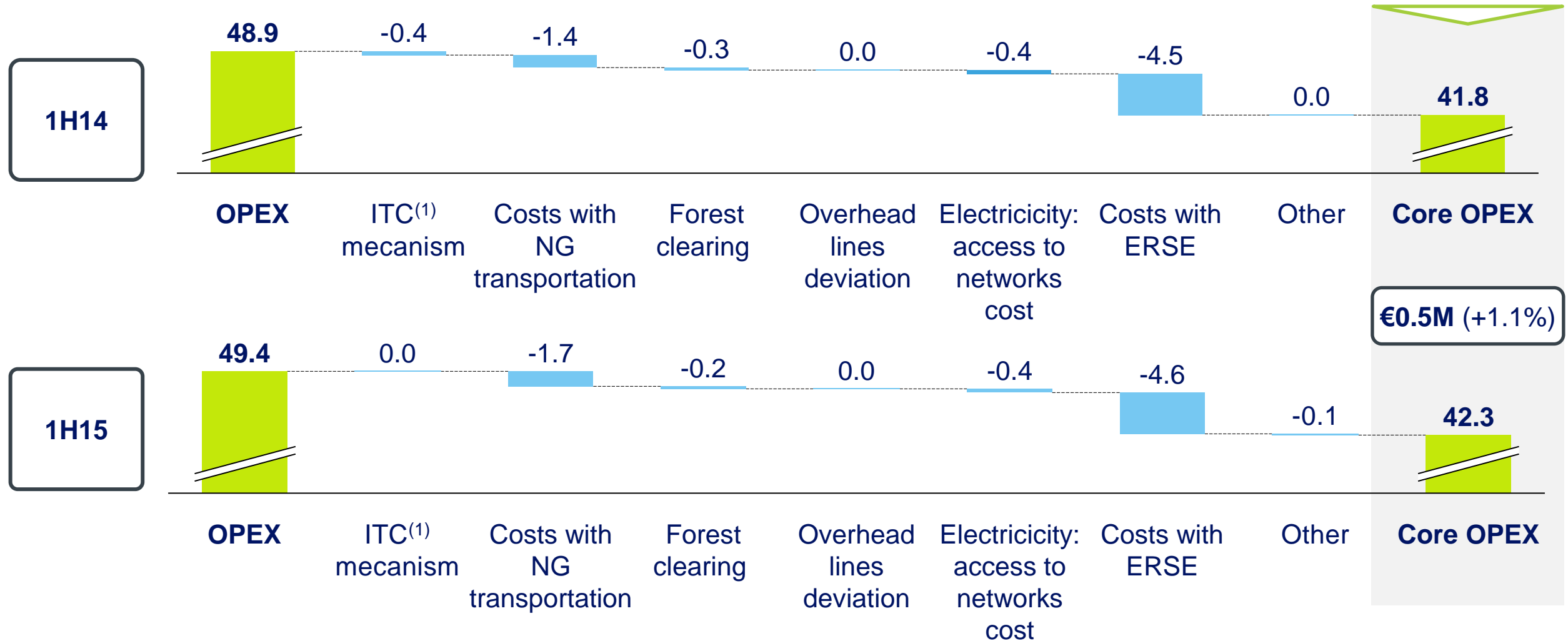


(1) Includes Δ-€0.2M of Other Operating Costs.

CORE OPEX ROSE SLIGHTLY, REACHING €42.3M IN 1H15

CORE OPEX

(€M)

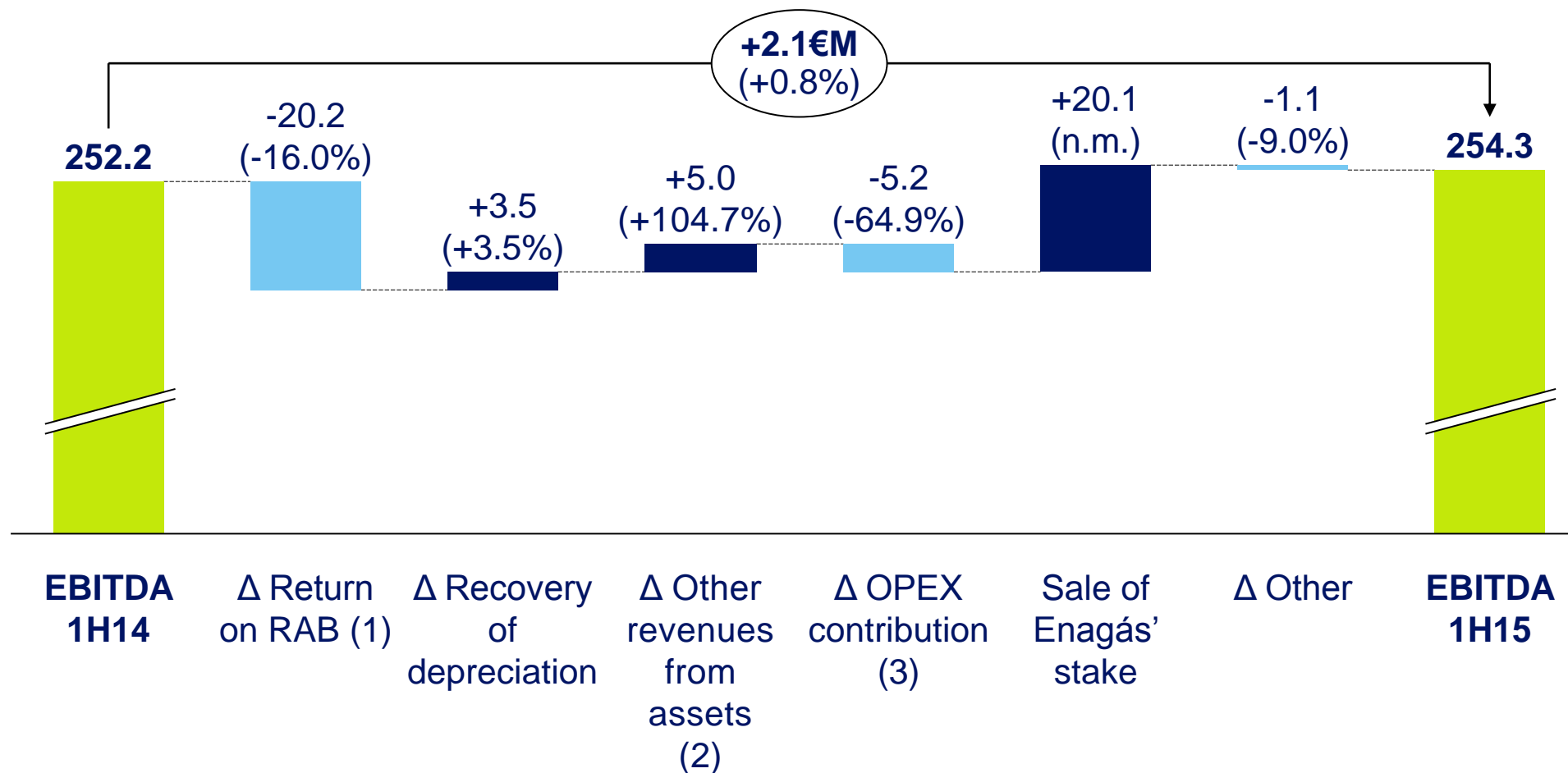


(1) ITC - Inter Transmission System Operator Compensation for Transits.

EBITDA GREW €2.1M (+0.8%) TO €254.3M

benefiting from the sale of Enagás' stake

(€M)



(1) Includes Δ+€1.6M of NG tariff smoothing effect;

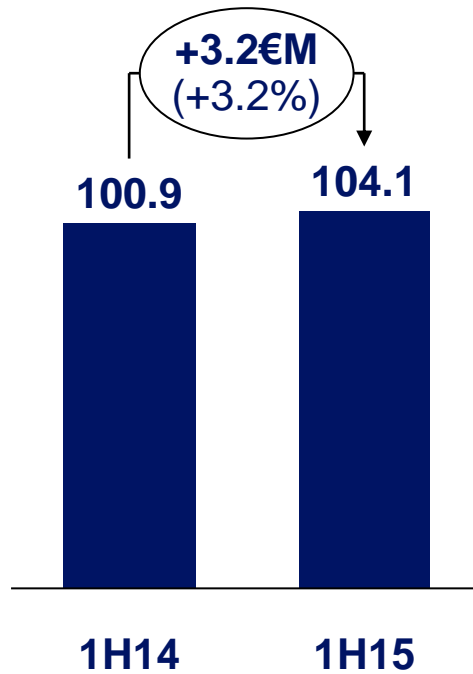
(2) Related to the incentive to maintain in use the assets at end of life;

(3) Includes Δ-€1.5M of Opex own works.

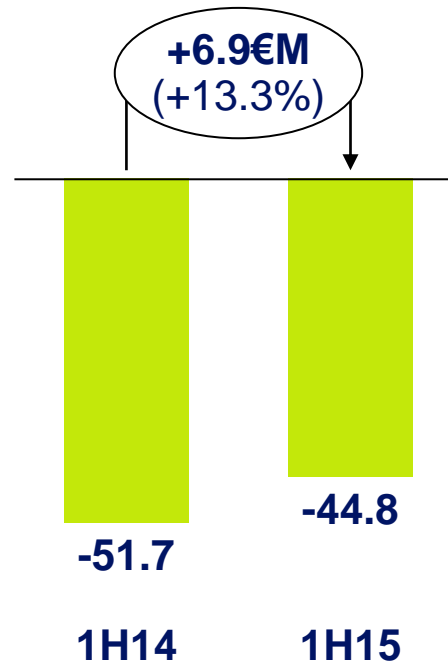
BELOW EBITDA

Financial Results positively impacted by lower avg. cost of debt

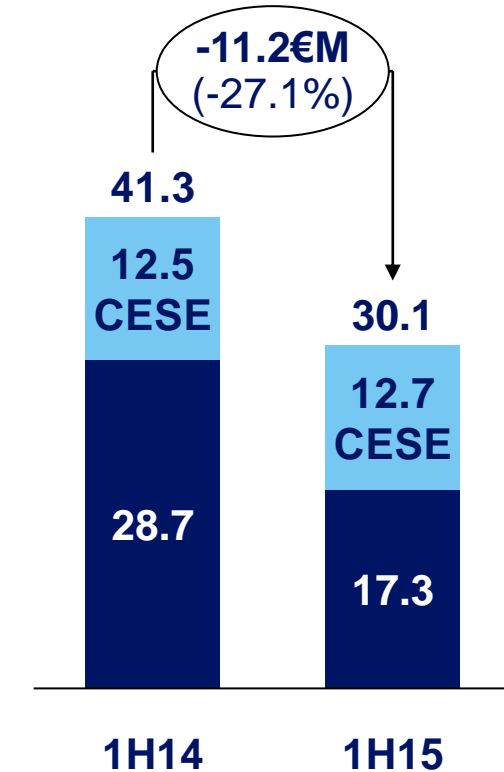
DEPRECIATION (€M)



FINANCIAL RESULTS (€M)



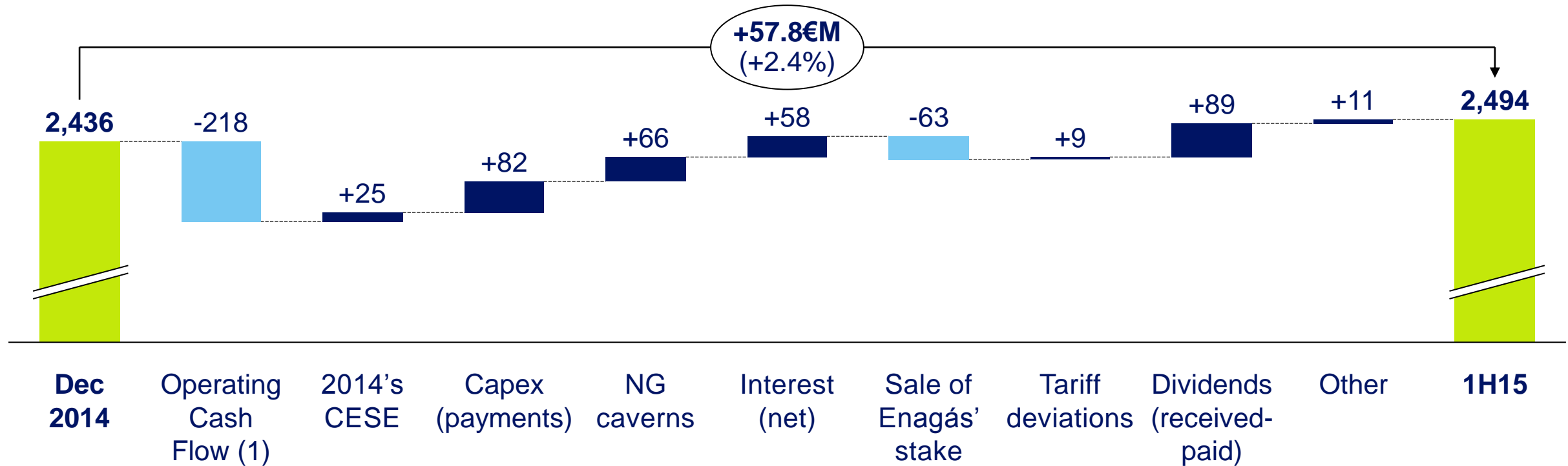
TAXES⁽¹⁾ (€M)



(1) Includes the one-off recovery of a tax impairment of €9.9M in 1H15.

NET DEBT

(€M)



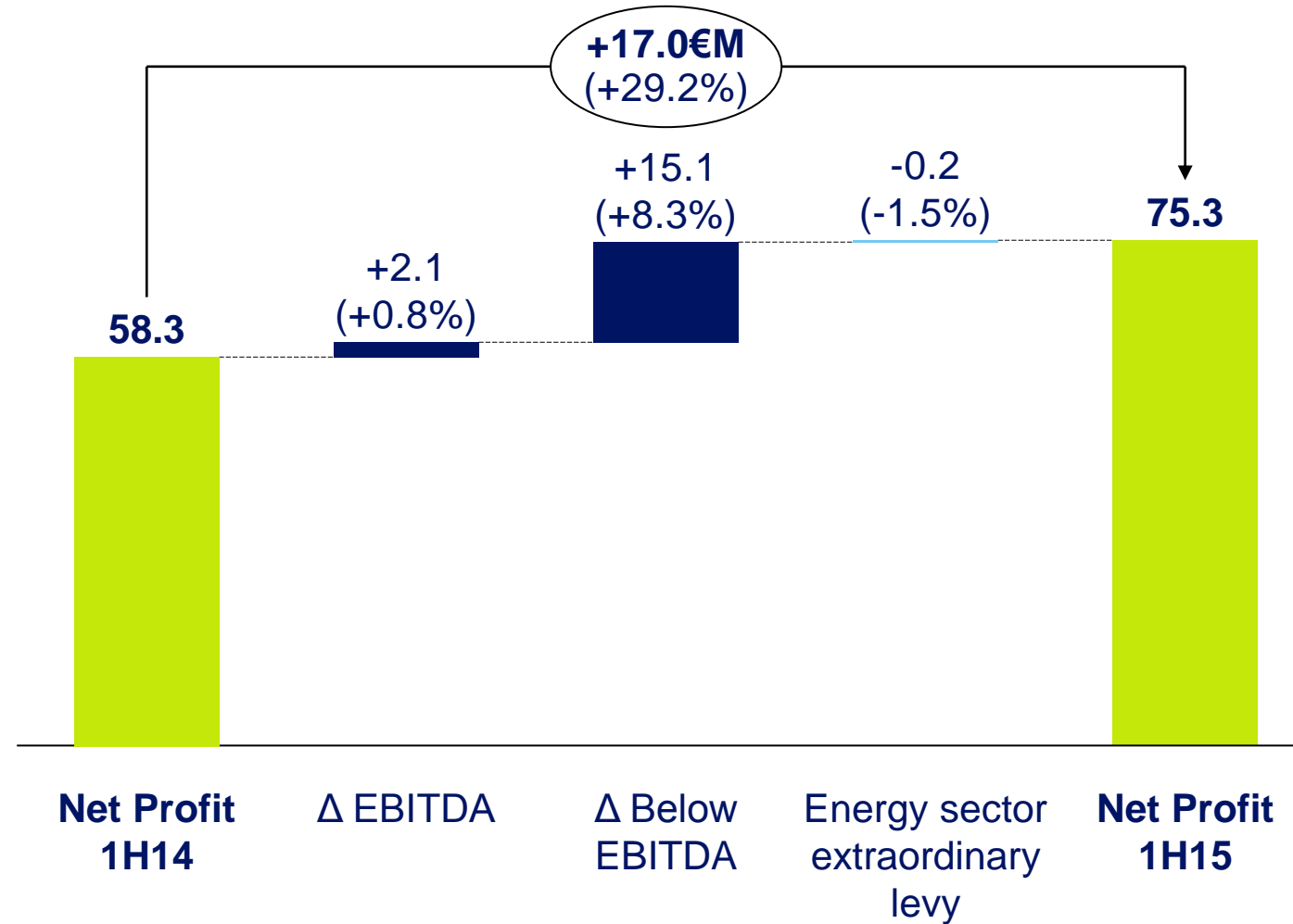
- ▶ The **average cost of debt** decreased by 66 b.p. when compared with 2014;
- ▶ **Net Debt/EBITDA** increased to 5.11x (4.82x in 2014) due to a decrease in annualized EBITDA.

(1) EBIT + Depreciation + Provisions – Non cash items.

NET PROFIT GREW TO €75.3M (+29.2%)

mainly supported by better financial results and a tax impairment recovery

(€M)



- ▶ REN presented a robust set of operational and financial results, which lead the company to a solid Net Profit;
- ▶ The new Strategic Plan for 2015-18, presented in the Investor Day in May 2015, marks a new stage in the company, which is based on three fundamental pillars: maintaining the commitment to the activities in Portugal; exploring international opportunities and consolidating the financial profile of the company;
- ▶ As part of REN's strategy, the partial transfer of GALP's NG underground storage concession to REN was concluded in the second quarter of the current year; however, the energy sector extraordinary levy and the changes in the new electricity regulatory framework penalized the results.

**Visit our web site at www.ren.pt
or contact us:**

Ana Fernandes – Head of IR

Alexandra Martins

Telma Mendes

Av. EUA, 55

1749-061 Lisboa

Telephone: +351 210 013 546

ir@ren.pt

This presentation and all materials, documents and information used therein or distributed to investors in the context of this presentation do not constitute, or form part of, a public offer, private placement or solicitation of any kind by REN, or by any of REN's shareholders, to sell or purchase any securities issued by REN and its purpose is merely of informative nature and this presentation and all materials, documents and information used therein or distributed to investors in the context of this presentation may not be used in the future in connection with any offer in relation to securities issued by REN without REN's prior consent.

REN 

