



# REN Consolidated Results for 9M07

October 30<sup>th</sup>, 2007

# 9M07 Results - Financial Highlights

Euro million	9M07	9M06	Δ%
<b>Operating Revenues</b>	<b>404.9</b>	<b>286.3</b>	<b>41.4</b>
<b>Operating Expenses</b>	<b>233.1</b>	<b>176.6</b>	<b>32.0</b>
<b>Adj. EBITDA</b>	<b>294.6</b>	<b>217.0</b>	<b>35.8</b>
<b>EBITDA Margin</b>	<b>66.8%</b>	<b>64.4%</b>	<b>3.7</b>
<b>Adj. Group Net Income</b>	<b>109.5</b>	<b>94.4</b>	<b>16.0</b>
<b>Capex</b>	<b>176.6</b>	<b>142.4</b>	<b>24.0</b>

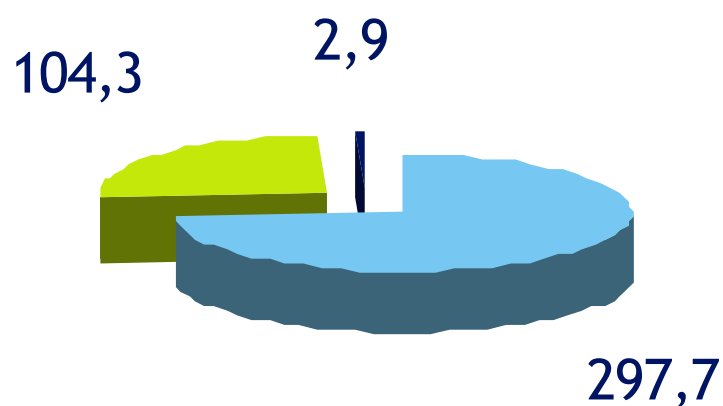
(Adjusted EBITDA = EBIT + Profits/Losses from Joint Ventures + Depreciation - GALP's Dividends (2006 = €40.6M) and the sale of the stake in GALP (2006 = 523,8M);  
2007 = Provision's write-off - €40.6M)

# 9M07 Results

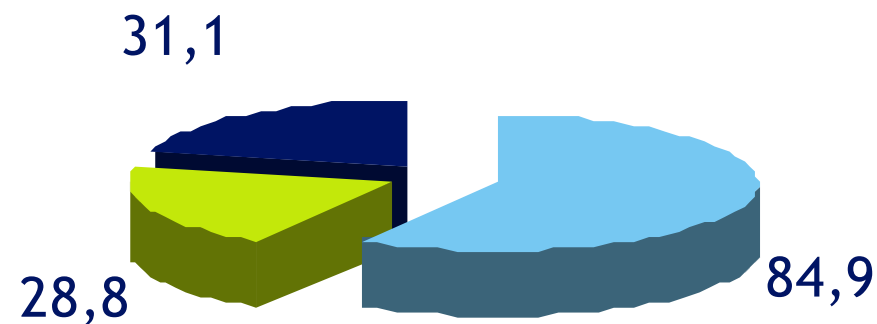
- On the first nine months of 2007 REN's non-adjusted net income reached €144.8m, revenues were €404.9m, adjusted EBITDA €294.6m and adjusted EBIT €203.3m. Income before taxes amounted to €187.4m;
- These figures include €40.6m from the write-off of the provision related to GALP's dividends that took place in July 07;
- As mentioned before the figures for the first nine months of 2007 are not directly comparable with corresponding 2006 figures, due to the fact that the integration of the gas business occurred at the end of the third quarter of 2006;

# 9M07 Results

## Revenues (M€)



## Net Profit (M€)



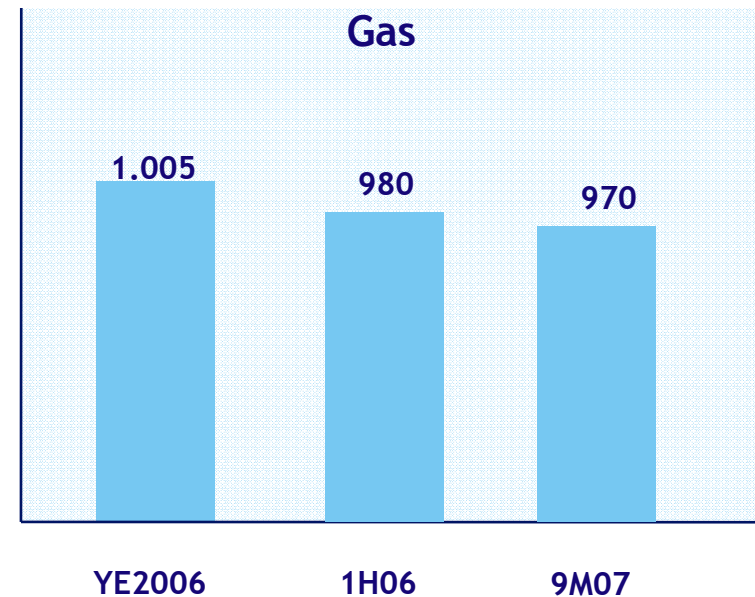
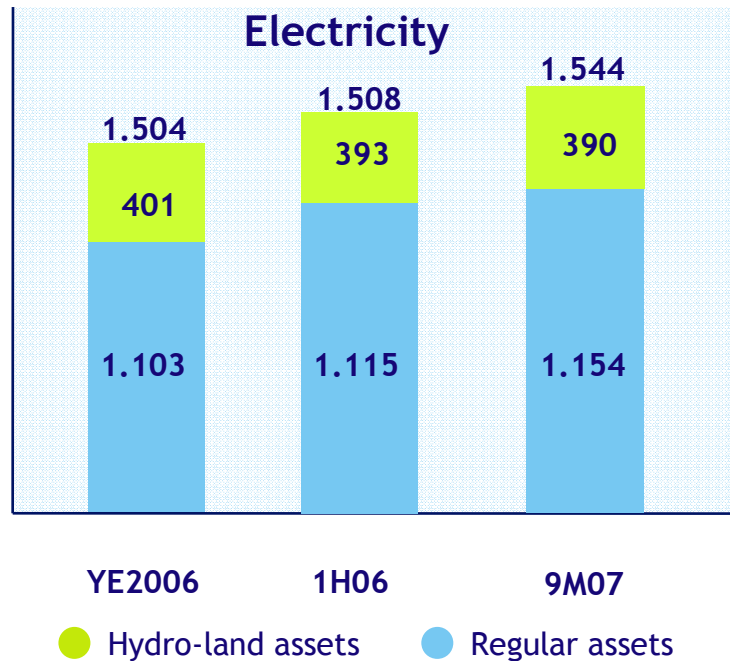
● Electricity    ● Gas    ● Other\*

\* - Includes GALP's dividend provision write-off



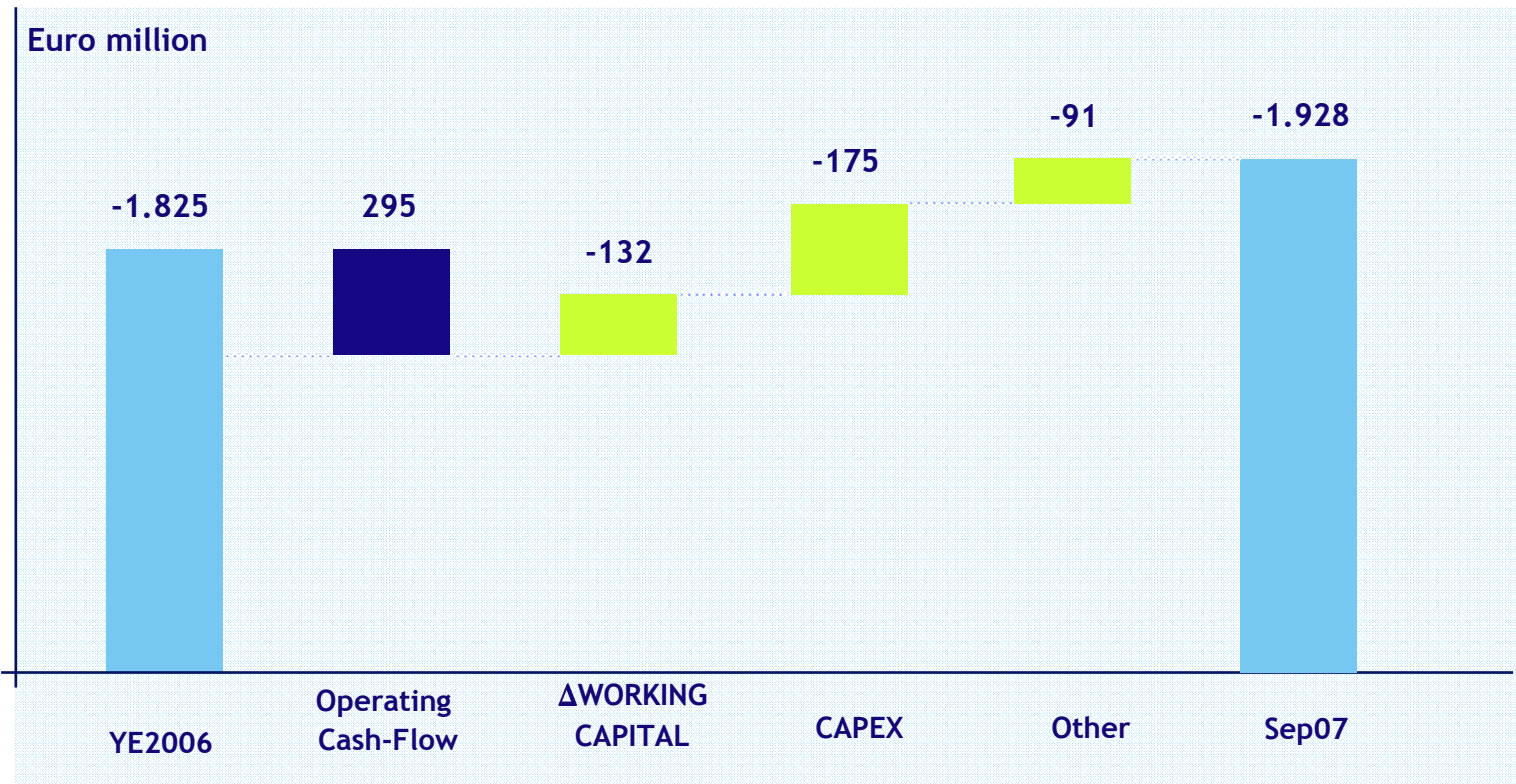
# Regulatory Asset Base

Euro million



Electricity's RAB is continuously increasing, while gas RAB awaits the conclusion of on-going projects. Electricity capex on the first nine months of 2007 totalled €149.6M and gas's €26,9M, mostly because of a delay in the launching of new projects;

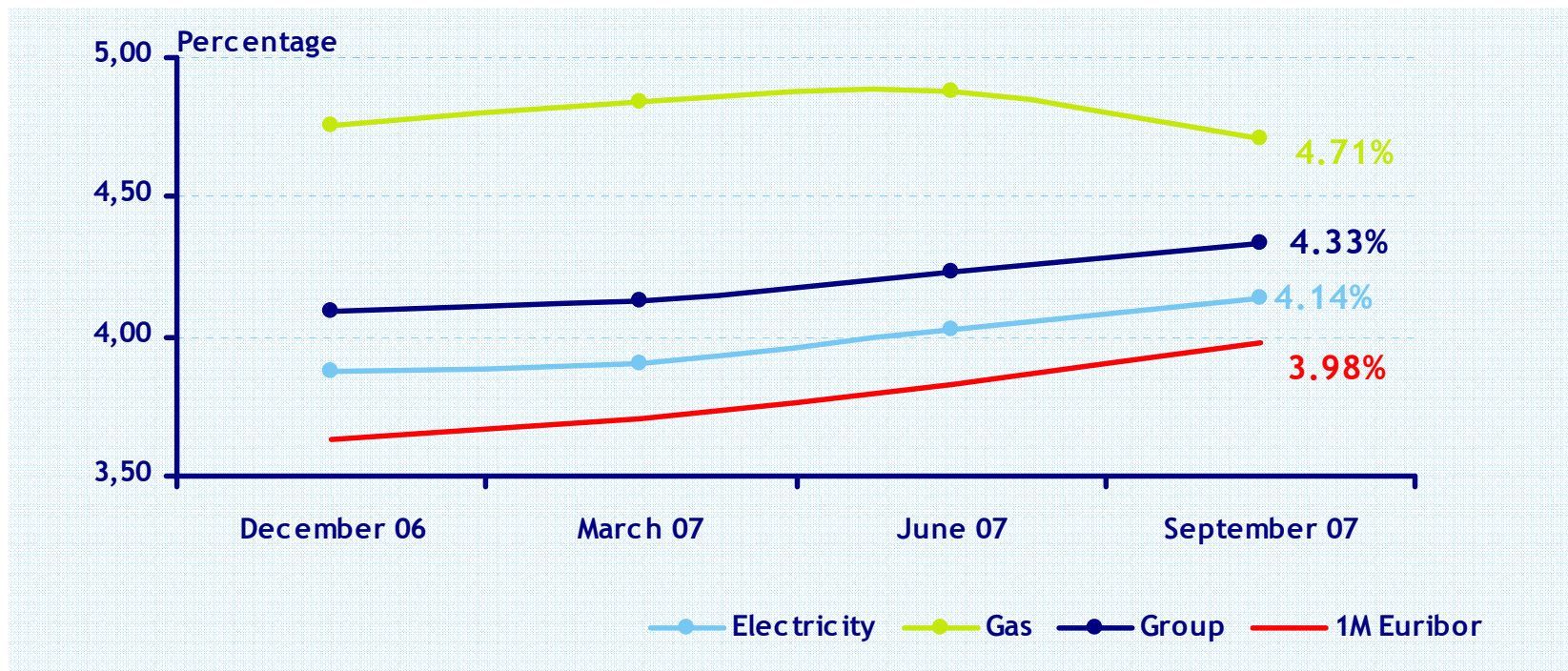
# Net Debt Evolution



The increase in net debt of about €103M up to the 30th of September 2007 almost matches the amount of the dividend paid in May 2007 (€97M);

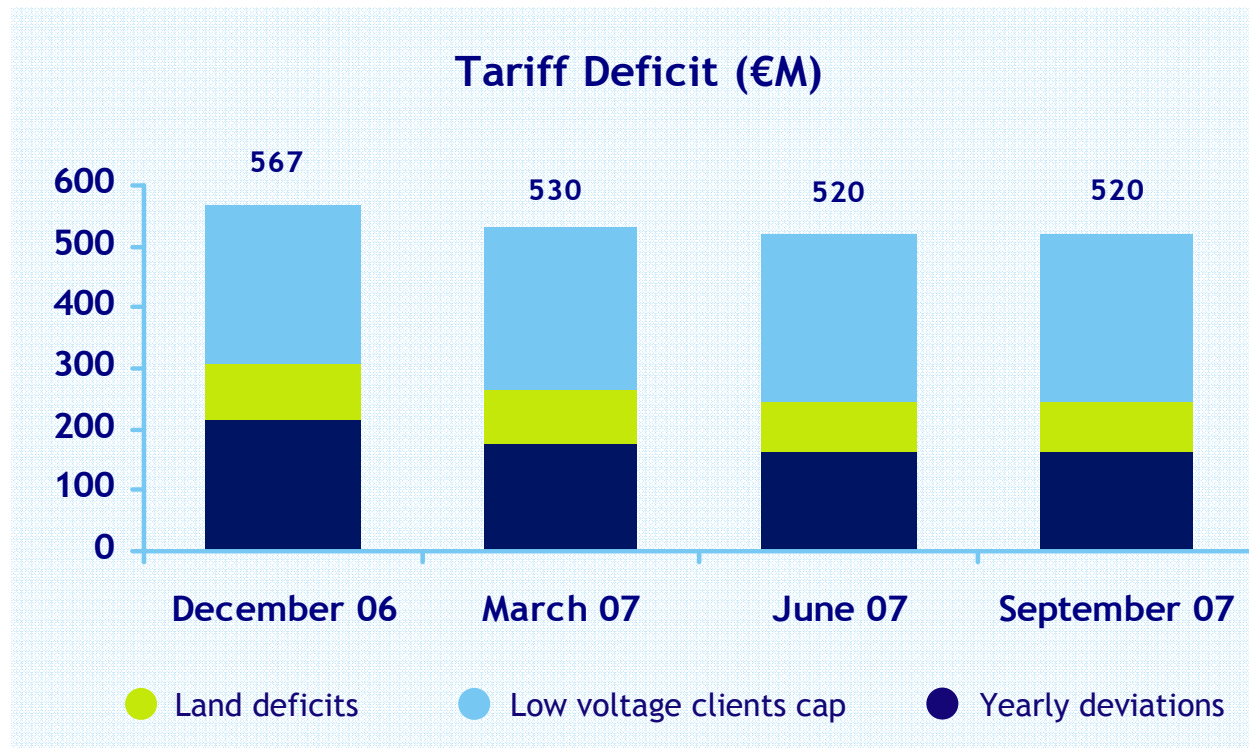
# Cost of debt 2007

## Average cost of debt



REN was able to keep the increase in the average cost of debt lower than the increase in the Euribor, through the renegotiation of spreads;

# Tariff deviations and deficit



REN's tariff deficit decreased over the first nine months of the year, mostly due to the energy disintermediation of the PPA's and wind farms;



# Events affecting REN's financials

- The write-off of Galp's dividends provision in the amount of €40,6 million had a favorable impact on net profit of €35,3 million;
- The rate of return over the hydro land assets and the 1999-2003 deficit related to land's remuneration was reduced to CPI since the July 1<sup>st</sup> 2007;
- Commercial gains remained at €16,4 million until September 2007, the same figure as in June 2007. Since the first of July 2007 REN only manages two PPA's and the corresponding commercial gains were not accounted for because the new method of commercial gains sharing between REN and consumers has not yet been defined.

# Appendix

# Income Statement - 9M07 Results

Euro million	9M07	9M06
Sales of goods and services provided	404.9	286.3
Operating revenue	470.3	901.7
External supplies and services	95.1	88.7
Employee compensation	32.7	21.9
Depreciation	91.4	56.6
Other	13.9	9.4
<b>Operating Profit</b>	<b>237.2</b>	<b>725.0</b>
Financial costs (net)	56.5	27.2
Share of profit of gas JV	6.7	0.0
<b>Profit before income taxes</b>	<b>187.4</b>	<b>697.7</b>
<b>Profit for the period</b>	<b>144.8</b>	<b>589.6</b>

# Balance Sheet

Euro million	9M07	YE06		9M07	YE06
<b>Non Current Assets</b>	<b>3.425</b>	<b>3.366</b>	<b>Total Equity</b>	<b>995</b>	<b>946</b>
Tangible	2.592	2.523	<b>Non Current Liabilities</b>	<b>1.195</b>	<b>1.186</b>
Intangible	2	-	Borrowings	689	687
Investment properties	432	464	Trade & Other payables	283	212
Other	399	378	Other	224	288
<b>Current Assets</b>	<b>373</b>	<b>495</b>	<b>Current liabilities</b>	<b>1.609</b>	<b>1.728</b>
Trade & Other receivables	229	422	Borrowings	1.328	1.194
Cash	88	55	Trade & other payables	193	473
Other	56	17	Other	87	61
<b>Total Assets</b>	<b>3.798</b>	<b>3.861</b>	<b>Total equity and liabilities</b>	<b>3.798</b>	<b>3.861</b>

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