



RESULTS REPORT 1Q 2016

May 13th, 2016



MAIN INDICATORS

€M	1Q16	1Q15	Δ%	Δ Abs.
EBITDA	121.1	138.3	-12.4%	-17.2
Financial Result⁽¹⁾	-23.4	-24.5	4.3%	1.0
Net Profit⁽²⁾	6.1	20.3	-70.0%	-14.2
Recurrent Net Profit	32.0	30.3	5.6%	1.7
Average RAB	3,542.1	3,512.4	0.8%	29.7
CAPEX	11.3	8.4	35.2%	2.9
Net Debt	2,473.2	2,371.7	4.3%	101.5

(1) Excludes Financial result from the interconnection capacity auctions between Spain and Portugal (+€0.1M in 1Q15 and -€0.1M in 1Q16) – known as FTR (Financial Transaction Rights) – that was reclassified from Financial Result to Revenues;

(2) In 1Q16, REN recognized the full amount of the energy sector extraordinary levy. For comparative purposes, 1Q15 has been restated to include the same recognition criteria.

- ▶ **Recurrent Net Profit** increased by 5.6% (+€1.7M), reaching €32.0M, mainly due to the improvement in the Group's **Financial performance** (+4.3%) underpinned by a lower average **cost of debt** (cut to 3.7% from 4.1%);
- ▶ **Net Profit** stood at €6.1M, €14.2M below 1Q15, because of the 2015 non recurrent capital gain from the sale of REN's Enagás stake (+€16.1M) and penalized by the maintenance of the costs incurred with the extraordinary levy to the energy sector established in 2016's State budget law (€25.9M);
- ▶ In this quarter, **EBITDA** amounted to €121.1M, 12.4% below 1Q15. This was affected by the capital gain achieved in 2015 with the sale of REN's stake in Enagás (+€20.1M, at EBITDA level), despite better **OPEX** results achieved by the Company (-€0.3M) reflecting a continued effort towards optimization and operational efficiency, as well as the increase in recovery of depreciation and the expansion in the Asset remuneration.

CAPEX and RAB

€M	1Q16	1Q15	Δ%	Δ Abs.
Average RAB	3,542.1	3,512.4	0.8%	29.7
Electricity	2,139.4	2,127.1	0.6%	12.3
Land	273.1	286.0	-4.5%	-12.9
Natural gas	1,129.6	1,099.2	2.8%	30.3
RAB end of period	3,517.9	3,487.8	0.9%	30.1
Electricity	2,123.6	2,110.7	0.6%	12.9
Land	271.5	284.4	-4.5%	-12.9
Natural gas	1,122.8	1,092.8	2.7%	30.0
CAPEX	11.3	8.4	35.2%	2.9
Electricity	10.2	6.9	48.8%	3.4
Natural gas	1.1	1.5	-26.6%	-0.4
Other	0.0	0.0		0.0
RAB variation e.o.p.	-48.4	-49.0		
Electricity	-31.6	-32.8		
Land	-3.2	-3.2		
Natural gas	-13.6	-13.0		

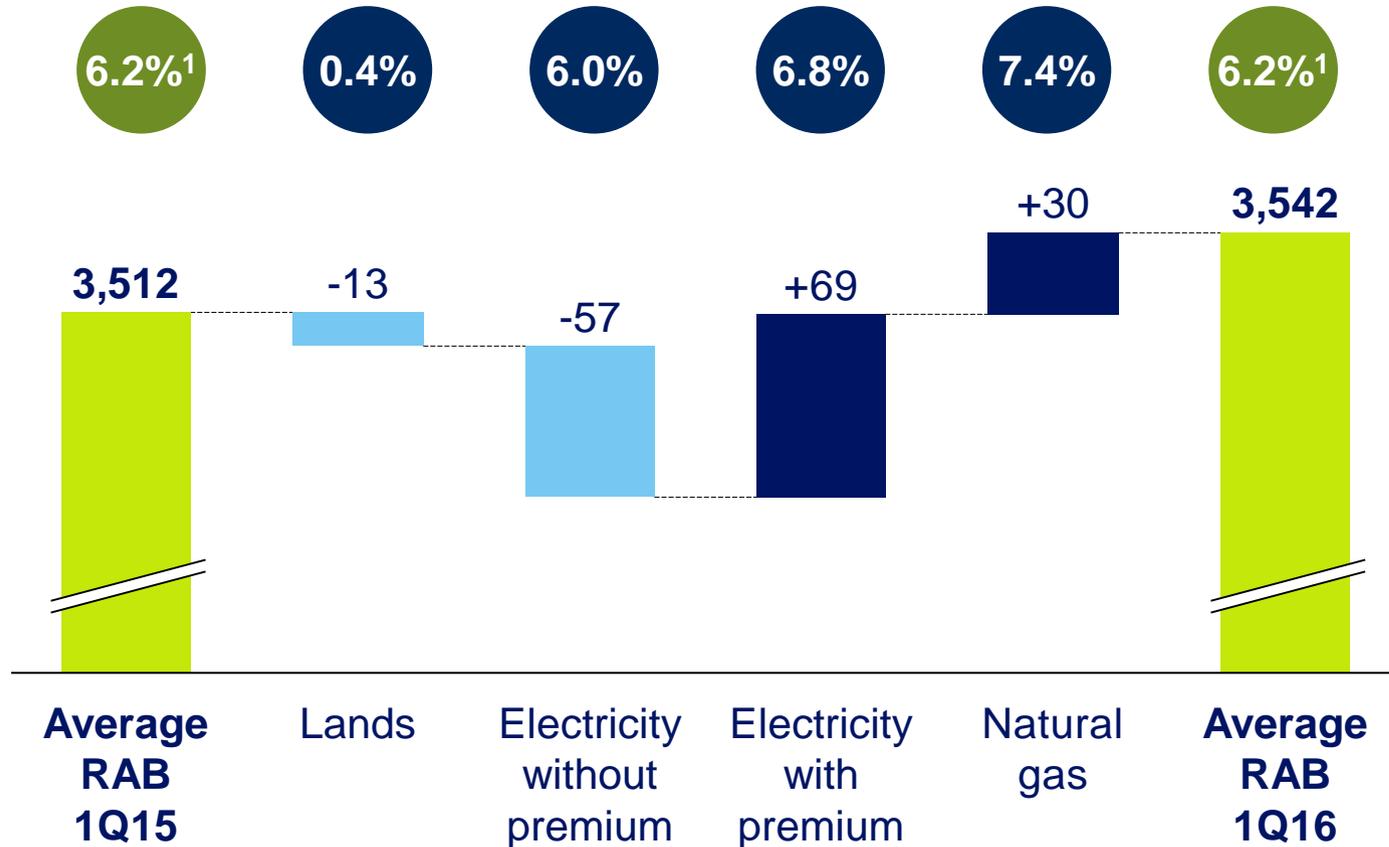
- ▶ Total CAPEX was up to €11.3M. The **average RAB** increased to €3,542.1M and **transfers to RAB** were €0.9M;
- ▶ Within the electricity infrastructures the following projects are currently in construction:
 - ✓ Northern region
 - Opening of the T. Altas Fafe – R. Ave, 150 kV overhead line, to the substation of Fafe;
 - Pedralva - Ponte de Lima 400 kV overhead line.
 - ✓ Greater Lisbon region
 - Global refurbishment of a new AIS 150/60 kV substation in Porto Alto;
 - Global reconstruction of a new GIS 220/60 kV substation in Carregado.
- ▶ In the natural gas infrastructures, there were no relevant projects to highlight this quarter.

AVERAGE RAB EXPANDED TO €3,542M

boosted by gas storage facilities and electricity with premium

RoR

(€M)

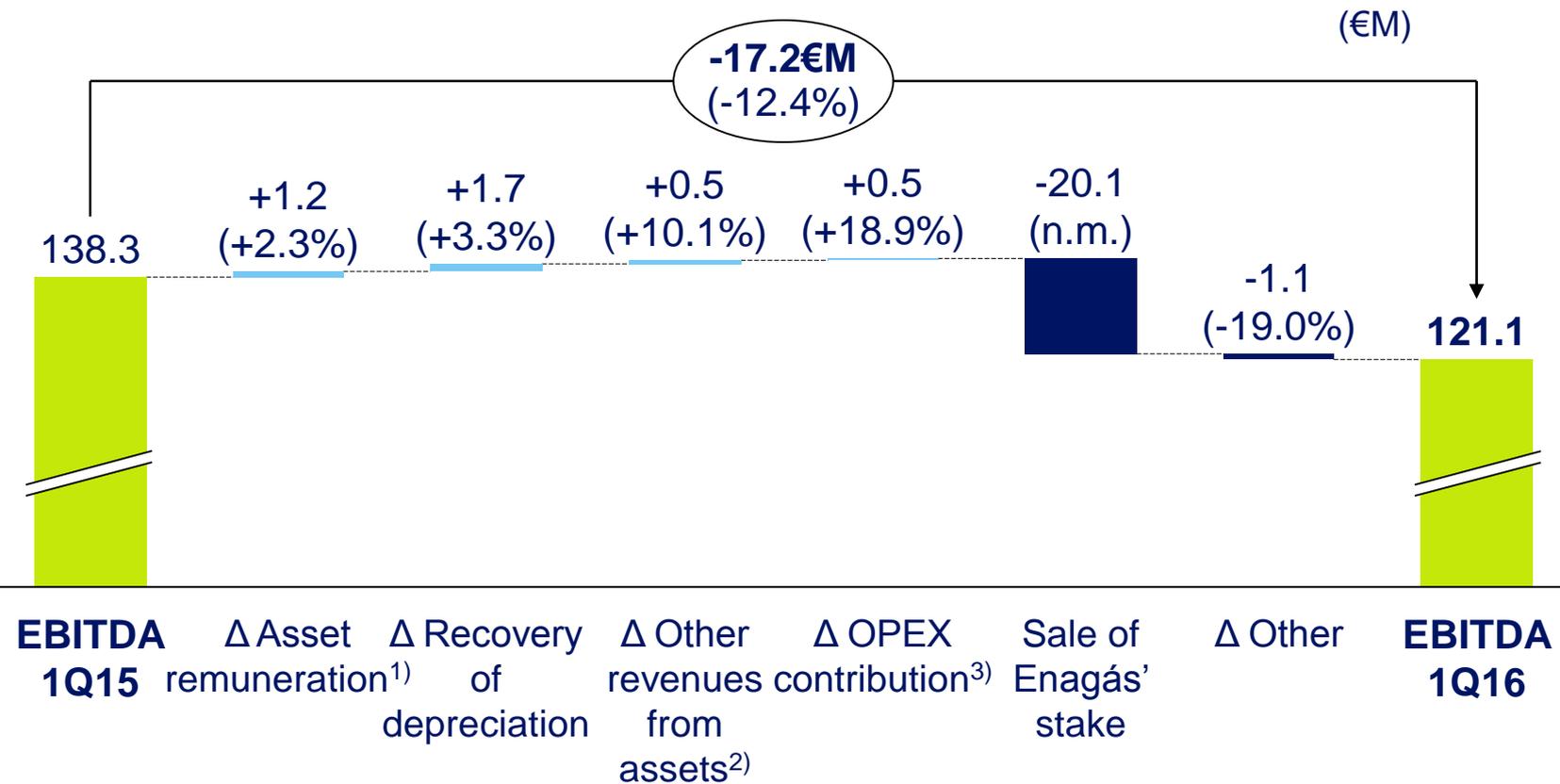


- ▶ Average RAB increased by €29.7M. This 0.8% growth was driven by gas storage facilities and electricity with premium;
- ▶ The base rate of return in the electricity business was maintained at 6.0%. Electricity with premium (with a 6.8% RoR) was up by €69.2M vs 1Q15, while lands, the category with the lowest rate of return (0.4%), suffered a decrease in the value of its average RAB of €12.9M, to €273.1M;
- ▶ In natural gas, the average RAB had an increase of €30.3M (RoR 7.4%);
- ▶ At the end of 1Q16, electricity accounted for 60.4% of the average RAB, natural gas for 31.9% and lands for the remaining 7.7%.

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

EBITDA DECLINED BY €17.2M AS EXPECTED

representing a decrease of 12.4% yoy



▶ EBITDA evolution was affected by the one-off sale of Enagás' stake in 2015.

(1) Includes Δ+€0.2M of NG tariff smoothing effect;

(2) Includes Δ+€0.5M of Remuneration of fully depreciated assets;

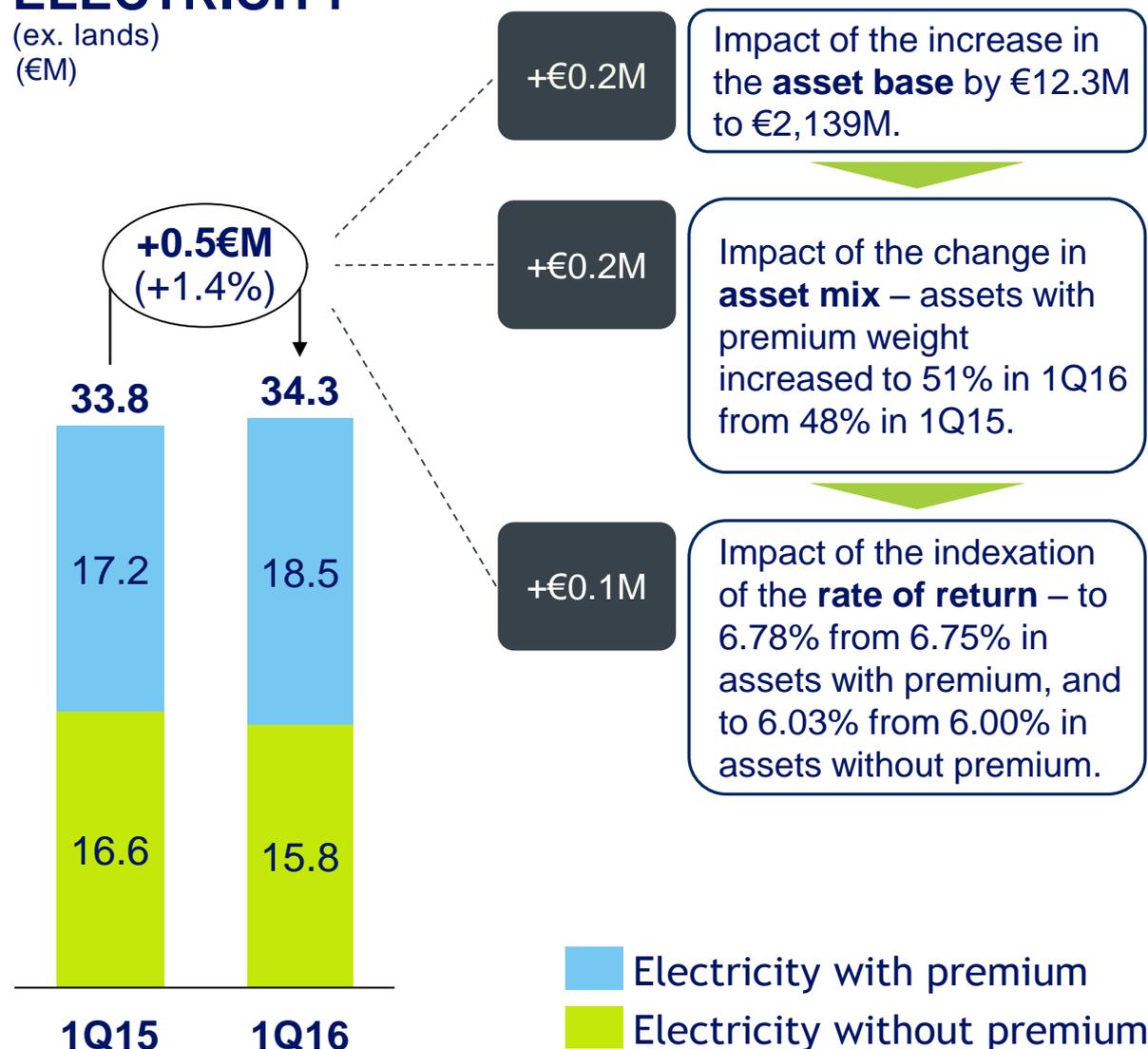
(3) Includes Δ-€0.3M of OPEX own works.

RETURN ON RAB WITH A POSITIVE EVOLUTION

mostly impacted by the acquisition of the two new NG caverns

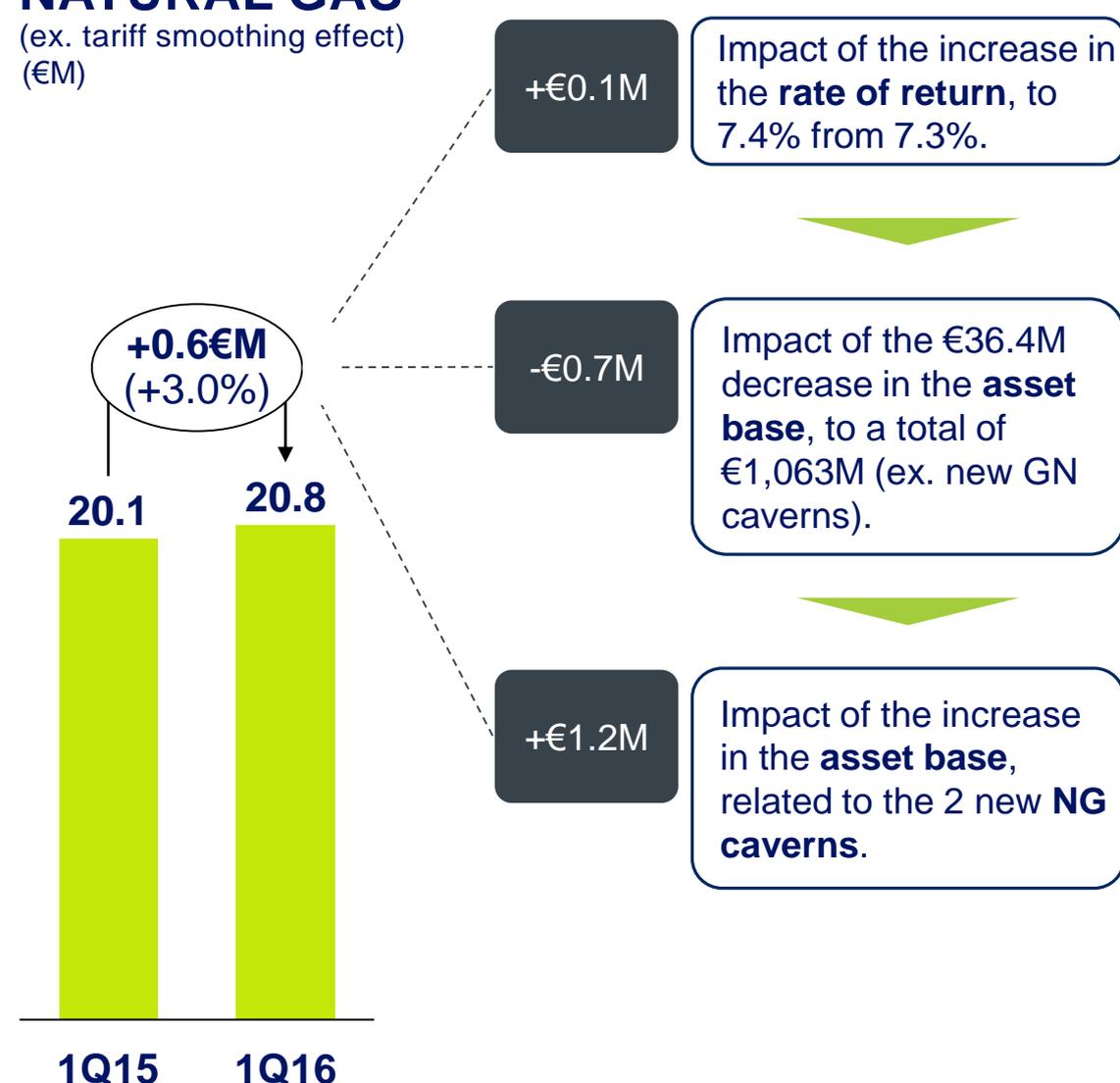
RAB REMUNERATION ELECTRICITY

(ex. lands)
(€M)



RAB REMUNERATION NATURAL GAS

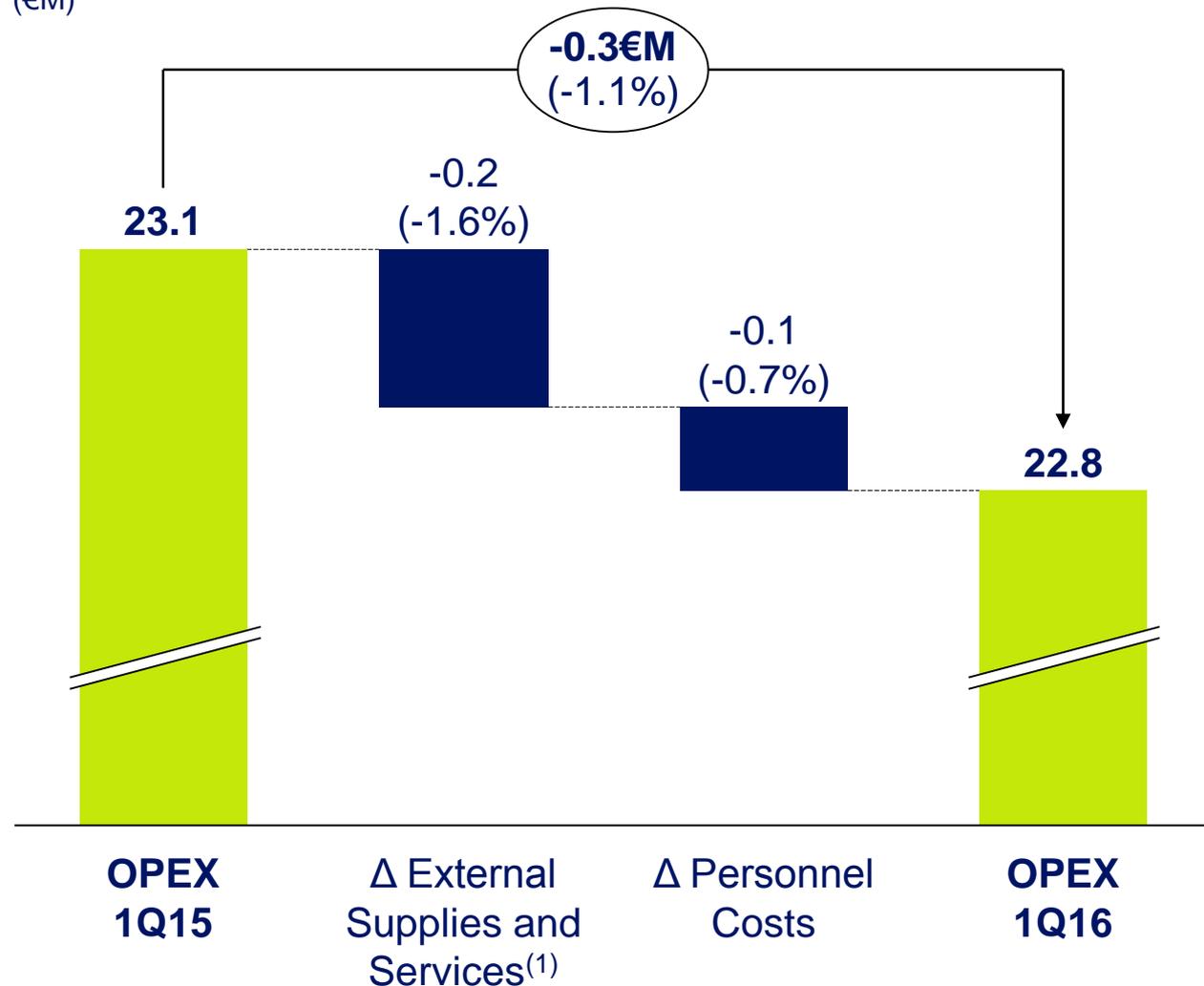
(ex. tariff smoothing effect)
(€M)



OPERATIONAL COSTS FELL BY 1.1% following a reduction in ESS and Personnel Costs

OPERACIONAL COSTS

(€M)



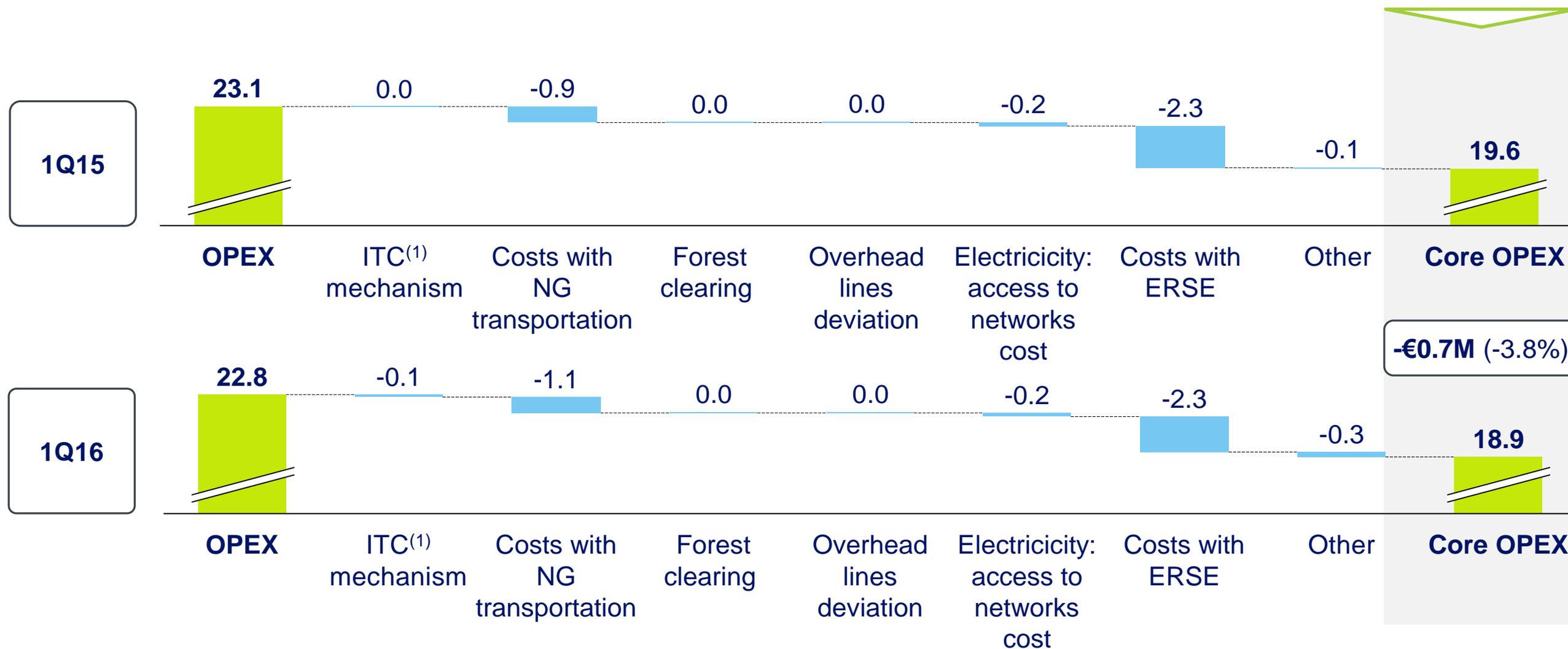
- ▶ Operational efficiency continued to have a positive behavior;
- ▶ ESS and Personnel Costs decreased by 1.6% and 0.7%, respectively.

(1) Includes Δ+€0.3M of Other Operating Costs.

CORE OPEX STOOD 3.8% BELOW 1Q15

CORE OPEX

(€M)



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

RECURRENT RESULTS GO UP BY 5.6%

Average cost of debt declines ahead of expectations

NET PROFIT

€M	1Q16	1Q15	Δ%	Δ Abs.
EBITDA	121.1	138.3	-12.4%	-17.2
Depreciation	53.6	51.9	3.1%	1.6
Financial Result	-23.4	-24.5	4.3%	1.0
Profit before income tax and levy	44.1	61.9	-28.7%	-17.8
Taxes	12.1	16.2	-25.1%	-4.1
Extraordinary levy	25.9	25.4	1.9%	0.5
Net Profit	6.1	20.3	-70.0%	-14.2
Recurrent Net Profit	32.0	30.3	5.6%	1.7

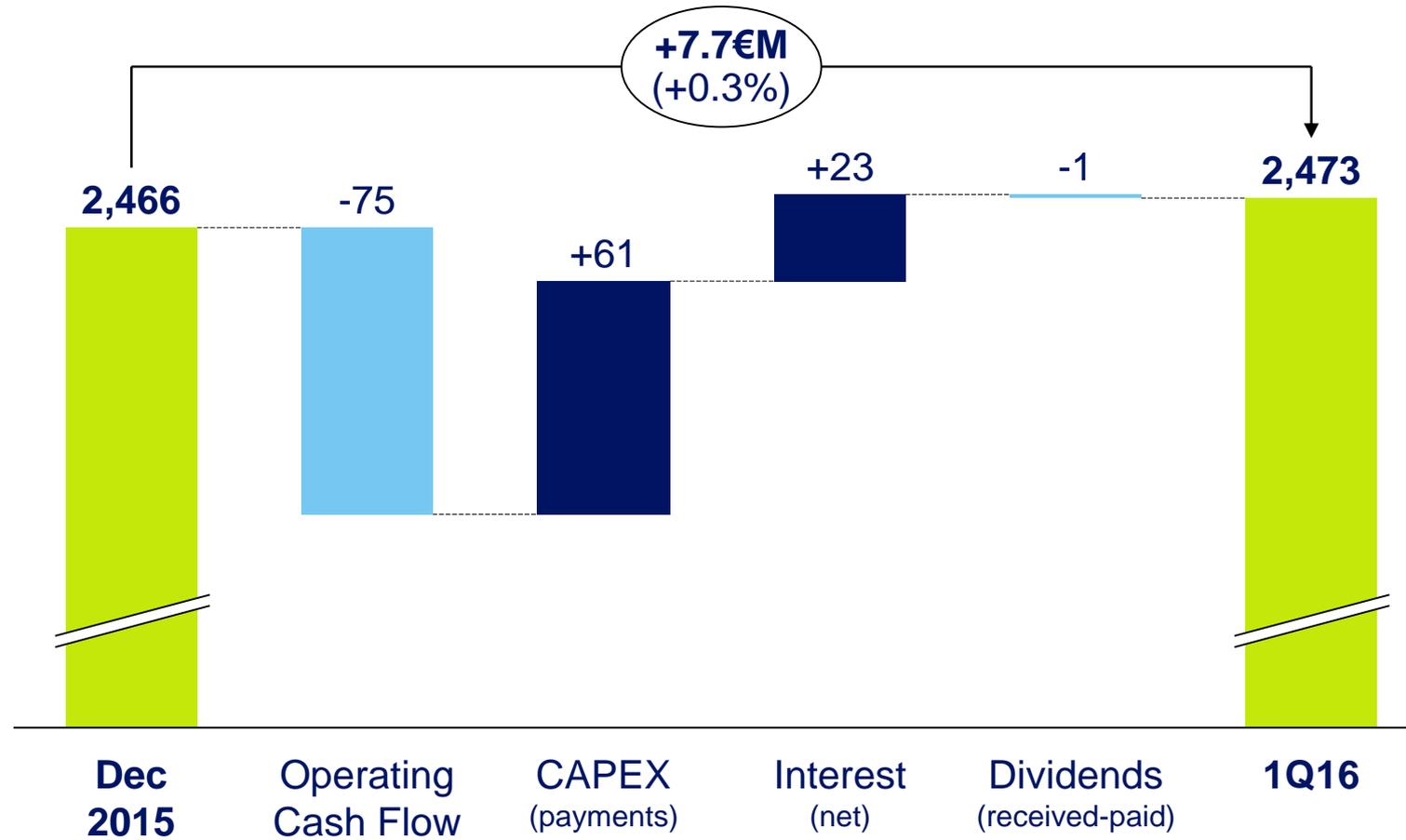
- ▶ The **average cost of debt** was **3.7%** versus 4.1% in 1Q15;
- ▶ **Financial Result** improved to -€23.4M, representing a positive evolution of €1.0M when compared with 1Q15;

- ▶ **Recurrent Net Profit** increased by €1.7M, reaching €32.0M, with the improvement in Financial Result (+€1.0M due to a lower average cost of debt). **Net Profit** was lower in 1Q16 than in 1Q15 because of the capital gain resulting from the sale of the Enagás' stake (+€16.1M), and continued to be negatively affected by the energy sector extraordinary levy;
- ▶ Reported **Income Tax** decreased by 25.1% to €12.1M, affected by the decrease of €17.8M in profit before income tax, despite the increase in the effective tax rate;
- ▶ In 2016, the Group was taxed at a Corporate Income Tax rate of 21%, added by a municipal surcharge up the maximum of 1.5% over the taxable profit and (i) a State surcharge of an additional 3.0% of taxable profit between €1.5M and €7.5M, (ii) an additional 5.0% of taxable profit in excess of €7.5M and up to €35.0M and (iii) 7.0% over the taxable profit in excess of €35.0M, which results in a maximum aggregate tax rate of 29.5%.

NET DEBT SLIGHTLY INCREASED BY 0.3%
 but the average cost of debt declined ahead of expectations

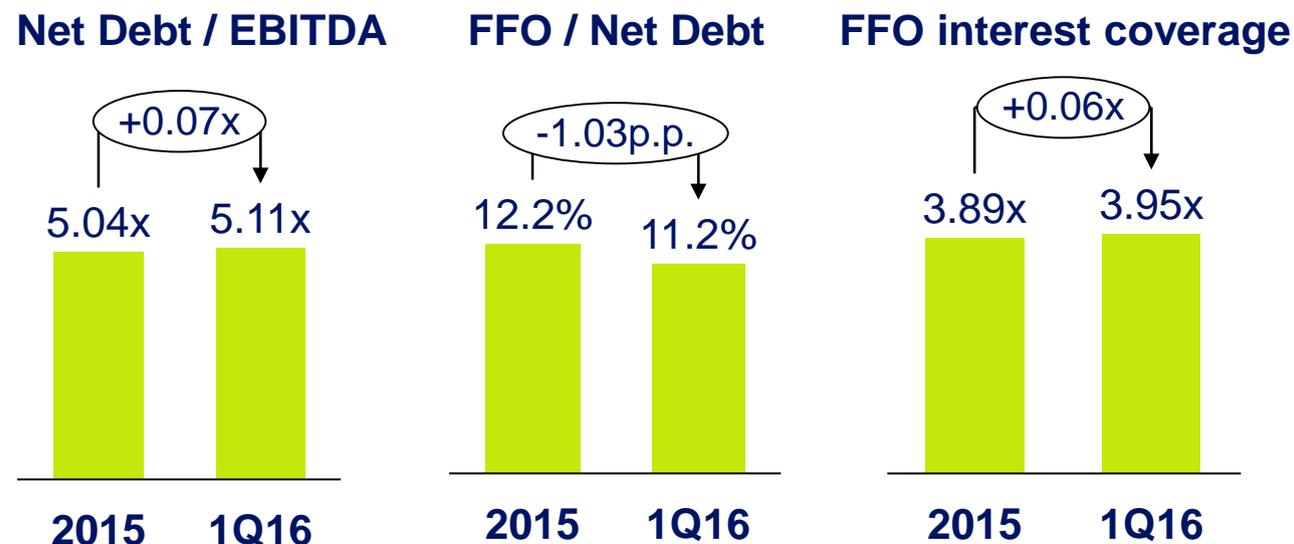
NET DEBT

(€M)



▶ The **average cost of debt** decreased by 38 bps versus 2015;

▶ **FFO/Net Debt** decreased to 11.2% (12.2% in 2015).



DEBT MATURITY SCHEDULE



- ▶ In the quarter, the cost of REN's debt declined ahead of expectations in thus continuing the trend set in 2015. This reduction was the result of the improvement in the country's macro-economic framework and REN's own risk profile that translated into the recognition of REN's debt as investment grade by the three major rating agencies (S&P, Fitch and Moody's);
- ▶ REN's financing strategy has placed special emphasis on the flexibility of the financial instruments contracted, thus allowing the Company to adjust the cost of debt to the improvement seen in credit market conditions both significantly and quickly;
- ▶ The average debt maturity is currently **3.88** years.

1) Adjusted by interest accruals and hedging on yen denominated debt.

€M	1Q16	2015
Fixed assets RAB related	3,818.6	3,860.3
Investments and goodwill ¹	189.4	184.9
Tariff deviations	193.7	205.8
Receivables ²	386.6	262.8
Cash	77.1	63.7
Other ³	11.8	12.5
Total assets	4,677.2	4,590.0
Shareholders equity	1,155.1	1,161.3
Debt (end of period)	2,577.9	2,542.0
Provisions	6.8	6.9
Tariff deviations	29.5	28.0
Payables ⁴	762.3	708.2
Other ⁵	145.5	143.6
Total equity and liabilities	4,677.2	4,590.0

- ▶ The total amount of *fixed assets RAB related* increased to €3,818.6M (this value includes investment subsidies and the new caverns purchased from Galp);
- ▶ *Investments and goodwill* (1) decreased to €189.4M from €184.9M at the end of 2015. 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 €386.6M in 1Q16, an increase from €262.8M at the end of 2015;
- ▶ *Other Assets* (3) stood at €11.8M. This item consists of 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 €762.3M at the end of first quarter 2016, versus €708.2M in 2015;
- ▶ *Other liabilities* (5) stood at €145.5M, these include retirement and other benefit obligations, derivative financial instruments and guarantee deposits (€143.6M in 2015).

THE BALANCE OF TARIFF DEVIATIONS TOTALIZED €226.6M to be received from tariffs in the next two years

TARIFF DEVIATIONS

€M	1Q16	1Q15
Electricity	119.7	38.0
Natural gas	42.8	61.8
Trading	64.1	59.3
TOTAL	226.6	159.1

- ▶ The value of the tariff deviations is paid in full and with interest over a two year period from the moment it is created.

BORROWINGS

€M	Current	Non Current	TOTAL
Bonds	330.0	1,190.5	1,520.5
Bank borrowings	57.9	560.6	618.5
Commercial paper	300.0	127.0	427.0
Bank overdrafts	0.6	0.0	0.6
Finance lease	1.2	1.7	2.8
TOTAL	689.6	1,879.8	2,569.4
Accrued interest	16.5	0.0	16.5
Prepaid interest	-3.1	-4.9	-8.0
TOTAL	703.0	1,874.9	2,577.9

▶ On 31st March 2016 REN's total liquidity amounted to €794M, including credit lines, loans, non-used commercial paper facilities, cash and bank deposits;

- ▶ The Group had five active commercial paper programmes, in the amount of €900M, of which €473M were available to be used. From the total amount of commercial paper programs, €600M had subscription guarantee;
- ▶ Bank borrowings were mainly (€553.4M) represented by EIB loans;
- ▶ The Group also had credit lines negotiated and not used in the amount of €80M, maturing up to one year, which are automatically renewed periodically (if they are not resigned in the contractually specified period for that purpose);
- ▶ REN's financial liabilities had the following main types of covenants: Cross Default, *Pari Passu*, Negative Pledge, Gearing (ratio of total consolidated equity with the total consolidated regulated assets). The Group's gearing ratio comfortably met the limits contractually set, thus being above the limit by 63%;
- ▶ The borrowings from the EIB included ratings covenants. In the event of ratings below the specified levels, REN can be called to provide a guarantee acceptable to the EIB.

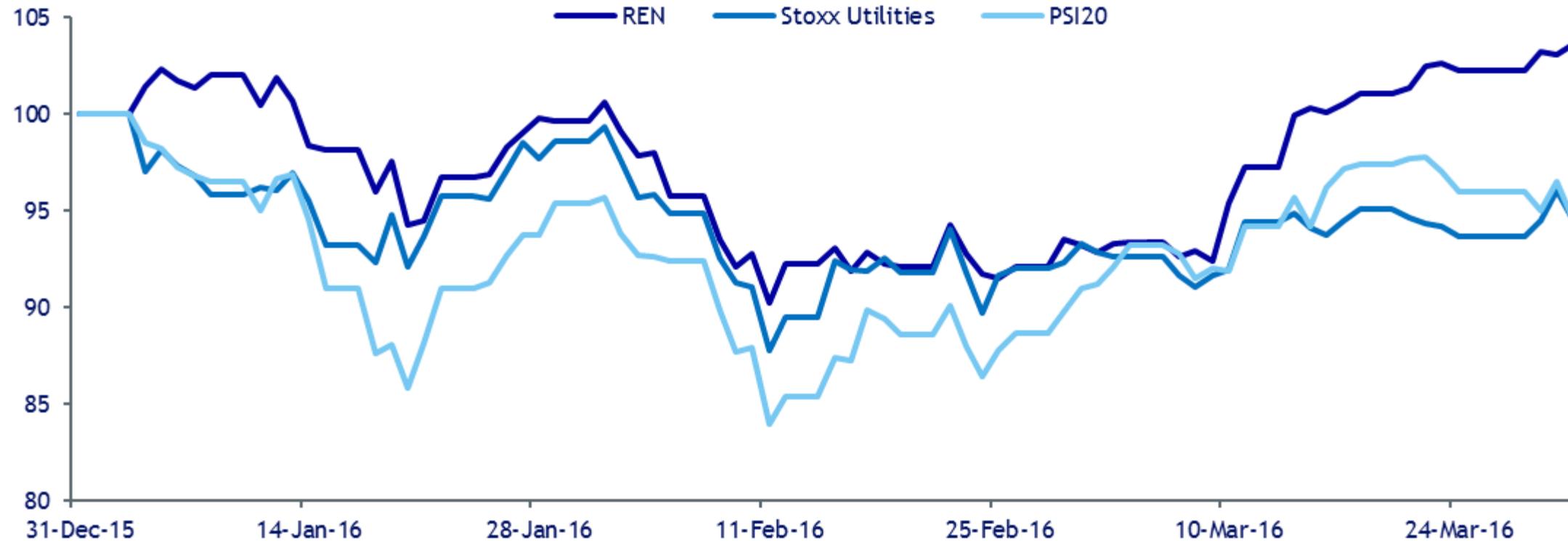
SHARE PERFORMANCE

REN ended 1Q16 with a total return of +3.6% (YTD)



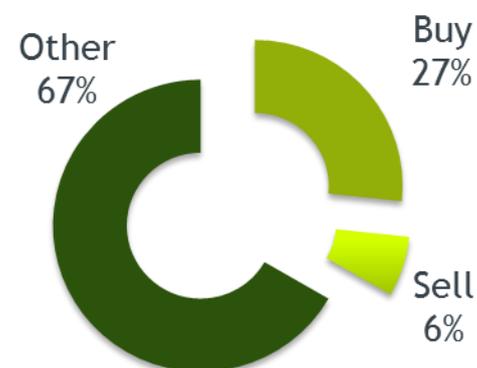
RESULTS
REPORT

ANNUALIZED CLOSING PRICES



ANALYST RECOMMENDATIONS⁽¹⁾

- ▶ **Average price target**
€2.95
- ▶ **Upside/Downside_(+/-)**
+12.6%



CMVM: MAIN PRESS RELEASES (from January 2016)

- ▶ **Feb-15:** Summary of annual information disclosed in 2015
- ▶ **Mar-07:** Temporary suspension of member of the Board of Directors
- ▶ **Mar-17:** 2015 Annual results presentation
- ▶ **Mar-27:** Transactions over REN shares
- ▶ **Apr-01:** Temporary suspension of member of the Board of Directors
- ▶ **Apr-05:** Qualified shareholding (The Capital Group Companies)
- ▶ **Apr-07:** Qualified shareholding and transactions over REN shares (Gestmin)
- ▶ **Apr-13:** Resignation of member of the Board of Directors
- ▶ **Apr-13:** Resolutions approved at the General Shareholders meeting
- ▶ **Apr-14:** ERSE's proposal for tariffs and prices for natural gas for the 2016-2017 gas year and parameters for the 2016-2019 regulatory period

(1) May 11th 2016.

REN'S TOTAL SHAREHOLDER RETURN WAS +71.5% (ITD)

REN	1Q16	2015
END OF PERIOD		
Price (€)		
Close	2.882	2.782
Average	2.683	2.683
High YTD	2.882	2.899
Low YTD	2.51	2.367
<i>Variation YTD</i>	3.6%	15.6%
Market cap. (€M)	1,539.0	1,485.6
Nr. of shares (M)	534	534
Own shares (M)	3.9	3.9
Volume (M shares)	2.028	0.109
Volume WAP	2.718	2.687
Performance indicators		
Dividend yield	5.9%	6.1%
PER	10.8x	9.8x
Total shareholder return YTD	3.6%	23.0%
Cumulative total return*		
REN	71.5%	65.6%
PSI20	-47.7%	-44.6%
EuroStoxx Utilities	-28.2%	-24.6%

- ▶ **Apr-21:** Payment of dividends
- ▶ **May-06:** Qualified shareholding (The Capital Group Companies)
- ▶ **May-09:** Transactions over REN shares (Gestmin)

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



APPENDIX

€M	1Q16	1Q15	2015	1Q16/1Q15	
				Δ %	Δ Abs.
1) TOTAL REVENUES	151.8	166.1	819.3	-8.6%	-14.3
Revenues from assets	113.4	109.9	446.0	3.2%	3.5
Return on RAB	55.1	54.0	219.9	2.0%	1.1
Electricity	34.3	33.8	136.8	1.4%	0.5
Natural gas	20.8	20.1	83.1	3.0%	0.6
Hydro land remuneration	0.1	0.1	0.3	-4.5%	0.0
Lease revenues from hydro protection zone	0.2	0.2	0.7	-1.2%	0.0
Remuneration of fully depreciated assets	5.0	4.6	18.5	10.7%	0.5
Tariff smoothing effect (natural gas)	-0.8	-0.9	-3.5	17.2%	0.2
Recovery of depreciation (net from subsidies)	49.3	47.6	192.1	3.5%	1.7
Subsidies amortization	4.5	4.5	18.0	1.3%	0.1
Revenues of OPEX	23.1	22.6	94.2	2.2%	0.5
Other revenues	4.0	25.2	39.0	-84.1%	-21.2
Construction revenues (IFRIC 12)	11.3	8.4	240.0	35.3%	3.0
2) OPEX	22.8	23.1	106.1	-1.1%	-0.3
Personnel costs	12.5	12.5	51.4	-0.7%	-0.1
External supplies and services	6.7	7.1	42.3	-6.0%	-0.4
Other operational costs	3.7	3.4	12.5	7.4%	0.3
3) Construction costs (IFRIC 12)	7.9	4.7	222.6	67.5%	3.2
4) Depreciation	53.6	51.9	209.3	3.1%	1.6
5) Other	0.0	0.0	0.9		0.0
6) EBIT	67.6	86.4	280.4	-21.8%	-18.8
7) Depreciation	53.6	51.9	209.3	3.1%	1.6
8) EBITDA	121.1	138.3	489.7	-12.4%	-17.2
9) Depreciation	53.6	51.9	209.3	3.1%	1.6
10) Financial result	-23.4	-24.5	-98.8	4.3%	1.0
11) Income tax expense	12.1	16.2	40.0	-25.1%	-4.1
12) Extraordinary contribution on energy sector	25.9	25.4	25.4	1.9%	0.5
13) NET PROFIT	6.1	20.3	116.1	-70.0%	-14.2
14) Non recurrent items*	25.9	10.0	2.0	158.7%	15.9
15) RECURRENT NET PROFIT	32.0	30.3	118.1	5.6%	1.7

NON RECURRENT ITEMS:

*1Q16: i) Energy sector extraordinary levy, as established in 2016 State budget law (€25.9M);

1Q15: i) Cost of carry of EIB escrow account of €1.0M (€0.7M after taxes), and ii) Energy sector extraordinary levy, as established in 2015 State budget law (€25.4M), iii) Capital gains with the sale of the Group's stake in Enagás (-€20.1M; -€16.1M after tax).

OTHER OPERACIONAL REVENUES AND COSTS BREAKDOWN

€M	1Q16	1Q15	2015	1Q16/1Q15	
				Δ %	Δ Abs.
Other revenues	4.0	25.2	39.0	-84.1%	-21.2
Allowed incentives	0.8	1.2	3.3	-31.0%	-0.4
Interest on tariff deviation	0.6	0.7	2.7	-20.8%	-0.1
Gains in related companies	0.0	20.1	20.1		-20.1
Telecommunication sales and services rendered	1.4	1.3	5.6	8.1%	0.1
Consultancy services and other services provided	0.6	1.1	3.3	-45.1%	-0.5
Other revenues	0.7	0.9	4.0	-23.7%	-0.2
Other costs	3.7	3.4	12.5	7.4%	0.3
Costs with ERSE	2.3	2.3	9.2	0.0%	0.0
Other	1.4	1.1	3.2	22.5%	0.3

EBIT BREAKDOWN (ELECTRICITY¹)

€M	1Q16	1Q15 ²	2015	1Q16/1Q15	
				Δ %	Δ Abs.
1) REVENUES	103.0	97.6	518.2	5.5%	5.4
Revenues from assets	78.3	76.3	307.7	2.6%	2.0
Return on RAB	34.3	33.8	136.8	1.4%	0.5
Hydro land remuneration	0.1	0.1	0.3	-4.5%	0.0
Lease revenues from hydro protection zone	0.2	0.2	0.7	-1.2%	0.0
Remuneration of fully depreciated assets	5.0	4.6	18.5	10.7%	0.5
Recovery of depreciation (net from subsidies)	35.7	34.7	139.2	2.9%	1.0
Subsidies amortization	3.1	3.0	12.2	0.7%	0.0
Revenues of OPEX	14.2	13.6	58.8	4.0%	0.5
Other revenues	0.3	0.8	3.4	-63.3%	-0.5
Interest on tariff deviation	0.0	0.3	1.2	-88.1%	-0.3
Other	0.3	0.5	2.2	-48.1%	-0.2
Construction revenues (IFRIC 12)	10.2	6.9	148.3	48.8%	3.4
2) OPEX	10.3	10.1	51.5	1.0%	0.1
Personnel costs	5.1	5.4	21.6	-4.9%	-0.3
External supplies and services	2.9	2.6	22.2	13.1%	0.3
Other operational costs	2.3	2.2	7.8	1.2%	0.0
3) Construction costs (IFRIC 12)	7.2	3.8	133.4	90.4%	3.4
4) Depreciation	38.6	37.7	151.0	2.4%	0.9
5) Other	0.0	0.0	0.6		0.0
6) EBIT (1-2-3-4-5)	47.0	46.0	181.5	2.0%	0.9
7) Depreciation	38.6	37.7	151.0	2.4%	0.9
8) EBITDA (6+7)	85.6	83.7	332.5	2.2%	1.9

(1) Includes Electricity and Enondas (wave energy concession);

(2) For comparison purposes, 1Q15 values were adjusted excluding REN Trading.

EBIT BREAKDOWN (NATURAL GAS)

€M	1Q16	1Q15	2015	1Q16/1Q15	
				Δ %	Δ Abs.
1) REVENUES	45.5	45.0	269.8	1.0%	0.5
Revenues from assets	35.1	33.6	138.4	4.4%	1.5
Return on RAB	20.8	20.1	83.1	3.0%	0.6
Tariff smoothing effect (natural gas)	-0.8	-0.9	-3.5	17.2%	0.2
Recovery of depreciation (net from subsidies)	13.6	13.0	52.9	5.2%	0.7
Subsidies amortization	1.5	1.4	5.9	2.7%	0.0
Revenues of OPEX	8.9	8.9	35.4	-0.6%	-0.1
Other revenues	0.4	1.0	4.1	-58.0%	-0.6
Interest on tariff deviation	0.3	0.3	1.1	-14.4%	0.0
Other	0.1	0.7	3.0	-78.3%	-0.5
Construction revenues (IFRIC 12)	1.1	1.5	91.9	-26.6%	-0.4
2) OPEX	6.0	5.9	25.0	0.9%	0.1
Personnel costs	2.0	1.9	8.3	5.2%	0.1
External supplies and services	2.8	3.0	12.7	-5.2%	-0.2
Other operational costs	1.2	1.1	4.0	10.2%	0.1
3) Construction costs (IFRIC 12)	0.7	0.9	89.3	-26.5%	-0.2
4) Depreciation	14.9	14.2	58.0	5.0%	0.7
5) Other	0.0	0.0	-0.3		0.0
6) EBIT	23.9	24.0	97.9	-0.2%	-0.1
7) Depreciation	14.9	14.2	58.0	5.0%	0.7
8) EBITDA	38.8	38.2	155.9	1.7%	0.7

EBIT BREAKDOWN (OTHER¹)

€M	1Q16	1Q15 ²	2015	1Q16/1Q15	
				Δ %	Δ Abs.
1) TOTAL REVENUES	3.3	23.4	31.3	-85.9%	-20.1
Other revenues	3.3	23.4	31.4	-85.9%	-20.1
Allowed incentives	0.8	1.2	3.3	-31.0%	-0.4
Interest on tariff deviation	0.2	0.1	0.3		0.2
Telecommunication sales and services rendered	1.4	1.3	5.6	8.1%	0.1
Gains in related companies	0.0	20.1	20.1		-20.1
Consultancy services and other services provided	0.5	0.5	1.1	0.7%	0.0
Other	0.4	0.3	1.1	16.2%	0.1
Construction revenues (IFRIC 12)	0.0	0.0	-0.2		0.0
2) OPEX	6.6	7.0	29.6	-5.9%	-0.4
Personnel costs	5.4	5.3	21.5	1.4%	0.1
External supplies and services	1.0	1.6	7.4	-38.9%	-0.6
Other operational costs	0.2	0.1	0.7	98.3%	0.1
3) Construction costs (IFRIC 12)	0.0	0.0	-0.2		0.0
4) Depreciation	0.1	0.1	0.3	12.0%	0.0
5) Other	0.0	0.0	0.6		0.0
6) EBIT	-3.3	16.4	1.0		-19.7
7) Depreciation	0.1	0.1	0.3	12.0%	0.0
8) EBITDA	-3.3	16.4	1.2		-19.7

(1) Includes REN SGPS, REN Serviços, REN Telecom, REN Trading and REN Finance B.V.;

(2) For comparison purposes, 1Q15 values were adjusted considering REN Trading.

€M	1Q16	1Q15	2015	1Q16/1Q15	
				Δ %	Δ Abs.
CAPEX*	11.3	8.4	240.4	35.2%	2.9
Electricity	10.2	6.9	148.2	48.8%	3.4
Natural gas	1.1	1.5	91.8	-26.6%	-0.4
Other	0.0	0.0	0.4		0.0
Transfers to RAB**	0.9	0.6	231.6	41.3%	0.3
Electricity	0.9	0.6	141.3	38.4%	0.2
Natural gas	0.0	0.0	90.4		0.0
Average RAB	3,542.1	3,512.4	3,585.8	0.8%	29.7
Electricity	2,139.4	2,127.1	2,149.4	0.6%	12.3
With premium	1,089.4	1,020.2	1,061.2	6.8%	69.2
Without premium	1,050.0	1,106.9	1,088.2	-5.1%	-56.9
Land	273.1	286.0	281.2	-4.5%	-12.9
Natural gas	1,129.6	1,099.2	1,155.2	2.8%	30.3
RAB e.o.p.	3,517.9	3,487.8	3,566.3	0.9%	30.1
Electricity	2,123.6	2,110.7	2,155.2	0.6%	12.9
Land	271.5	284.4	274.7	-4.5%	-12.9
Natural gas	1,122.8	1,092.8	1,136.4	2.7%	30.0
RAB's variation e.o.p.	-48.4	-49.0	29.5		
Electricity	-31.6	-32.8	11.7		
Land	-3.2	-3.2	-12.9		
Natural gas	-13.6	-13.0	30.6		
RAB's remuneration	55.3	54.2	220.9	2.0%	1.1
Electricity	34.3	33.8	136.8	1.4%	0.5
With premium	18.5	17.2	71.6	7.3%	1.2
Without premium	15.8	16.6	65.2	-4.7%	-0.8
Land	0.2	0.2	1.0	-2.1%	0.0
Natural gas	20.8	20.1	83.1	3.0%	0.6
RoR's RAB	6.2%	6.2%	6.2%		0.1p.p.
Electricity	6.4%	6.4%	6.4%		0.1p.p.
With premium	6.8%	6.8%	6.7%		0.0p.p.
Without premium	6.0%	6.0%	6.0%		0.0p.p.
Land	0.4%	0.3%	0.4%		0.0p.p.
Natural gas	7.4%	7.3%	7.3%		0.0p.p.

* Total costs;

** Transfers to RAB include direct acquisitions RAB related.

	1Q16	1Q15	2015
Net Debt (€M)	2,473.2	2,371.7	2,465.5
Average cost	3.7%	4.1%	4.1%
Average maturity (years)	3.9	4.8	4.2

DEBT BREAKDOWN

Funding sources			
Bond issues	59%	61%	61%
EIB	23%	25%	23%
Loans	2%	9%	2%
Other	17%	5%	15%

TYPE

Float	48%	58%	47%
Fixed	52%	42%	53%

CREDIT METRICS

Net Debt / EBITDA	5.1x	4.8x	5.0x
FFO / Net Debt	11.2%	11.4%	12.2%
FFO interest coverage	3.9x	3.8x	3.9x

RATING	Long term	Short term	Outlook	Date
Moody's	Baa3	-	Stable	10/21/2014
Standard & Poor's	BBB-	BB+	Positive	10/14/2015
Fitch	BBB	F3	Stable	03/24/2016



CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS

Financial position (teuros)

	Mar2016	Dec 2015
ASSETS		
Non-current assets		
Property, plant and equipment	599	695
Goodwill	3,774	3,774
Intangible assets	3,826,872	3,869,085
Investments in associates and joint ventures	14,885	14,588
Available-for-sale financial assets	153,766	154,862
Derivative financial instruments	15,653	10,157
Other financial assets	8	7
Trade and other receivables	91,932	133,676
Deferred tax assets	68,326	65,838
	4,175,816	4,252,682
Current assets		
Inventories	2,926	2,985
Trade and other receivables	414,647	263,766
Current income tax recoverable	5,358	5,358
Other financial assets	1,363	1,510
Cash and cash equivalents	77,086	63,652
	501,380	337,271
TOTAL ASSETS	4,677,196	4,589,953

	Mar2016	Dec 2015
EQUITY		
Shareholders' equity:		
Share capital	534,000	534,000
Own shares	-10,728	-10,728
Reserves	313,391	325,619
Retained earnings	312,368	196,253
Other changes in equity	30	30
Net profit for the year	6,084	116,115
TOTAL EQUITY	1,155,145	1,161,289
LIABILITIES		
Non-current liabilities		
Borrowings	1,874,907	1,891,245
Liability for retirement benefits and others	128,072	129,217
Derivative financial instruments	12,945	8,426
Provisions	5,692	5,717
Trade and other payables	333,911	332,232
Deferred tax liabilities	85,886	88,249
	2,441,413	2,455,086
Current liabilities		
Borrowings	703,033	650,755
Provisions	1,138	1,171
Trade and other payables	355,861	315,735
Income tax payable	16,159	0
Derivative financial instruments	4,448	5,918
	1,080,638	973,579
TOTAL LIABILITIES	3,522,051	3,428,664
TOTAL EQUITY AND LIABILITIES	4,677,196	4,589,953

CONSOLIDATED STATEMENTS

Profit and loss (teuros)

	Period ended Mar	
	2016	2015
Sales	95	62
Services rendered	135,159	132,004
Revenue from construction of concession assets	11,325	8,370
Gains / (losses) from associates and joint ventures	297	212
Other operating income	5,065	25,315
Operating income	151,940	165,964
Cost of goods sold	-114	-105
Cost with construction of concession assets	-7,860	-4,693
External supplies and services	-6,697	-7,125
Personnel costs	-12,445	-12,531
Depreciation and amortizations	-53,561	-51,926
Other expenses	-3,565	-3,321
Operating costs	-84,242	-79,701
Operating results	67,698	86,263
Financial costs	-26,555	-27,969
Financial income	2,987	3,621
Financial result	-23,568	-24,348
Profit before income tax	44,131	61,915
Income tax	-12,109	-16,166
Energy sector extraordinary contribution (CESE)	-25,938	-25,445
Net profit for the year	6,084	20,305
Attributable to:		
Equity holders of the Company	6,084	20,305
Non-controlled interest	0	0
Consolidated profit for the period	6,084	20,305

CONSOLIDATED STATEMENTS

Cash flow (teuros)

	Period ended Mar	
	2016	2015
Cash flow from operating activities		
Cash receipts from customers (a)	415,581	632,332
Cash paid to suppliers (a)	-317,002	-495,572
Cash paid to employees	-14,232	-14,151
Income tax received/(paid)	-47	-299
Other receipts/(payments) relating to operating activities	-9,410	-41,101
Net flows from operating activities (1)	74,890	81,208
Cash flow from investing activities		
Receipts related to:		
Available-for-sale	0	63,278
Interests and other similar income	3	8
Dividends	1,206	1,127
Payments related to:		
Property, plant and equipment	-58	-2
Intangible assets	-60,711	-69,061
Net cash used in investing activities (2)	-59,560	-4,651
Cash flow from financing activities		
Receipts related to:		
Borrowings	1,150,000	842,000
Interests and other similar income	0	21
Payments related to:		
Borrowings	-1,118,335	-846,955
Interests and other similar expense	-34,032	-33,559
Net cash from / (used in) financing activities (3)	-2,367	-38,492
Net (decrease)/increase in cash and cash equivalents (1)+(2)+(3)	12,963	38,065
Cash and cash equivalents at the beginning of the year	63,539	112,599
Cash and cash equivalents at the end of the period	76,502	150,665
Detail of cash and cash equivalents		
Cash	21	22
Bank overdrafts	-584	-506
Bank deposits	77,065	151,149
	76,502	150,665

(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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