RESULTS PRESENTATION 9M 2013

November 07th, 2013

9M13 Highlights

- EBITDA stood at €387.4M, showing a very slight improvement yoy (+€0.9M, 0.2%) in spite of the decrease in electricity's RAB remuneration (-€14.9M, -10.3%), following a lower electricity's rate of return (down by 149bps yoy);
- Opex was €78.0M, €3.0M below 9M12, and Core Opex was €66.5M, €0.8M lower yoy in spite of higher personnel costs (+€4.2M) impacted by actuarial assumption changes related to the pensions liabilities and the reinstatement of the CLA in May 2012, but their growth is decreasing as expected;
- Net Financial Income was down by €6.9M, reaching -€105.3M, reflecting a higher stock of gross debt. However, the average cost of debt continued to improve;
- Net Income amounted to €89.3M, down by 9.2% (-€9.1M), and Recurrent Net Income decreased by 9.5% (-€9.0M), to €85.5M from €94.6M, both affected by the decrease in RAB remuneration and higher financial costs;
- Total Capex stood at €110.1M, a decrease of €14.5M (-11.6%) versus 9M12;
- In October, REN successfully issued €400M of 7-year Notes. This issue further diversified REN's funding sources and strengthened the Company's liquidity profile.

9M13 Main financial indicators

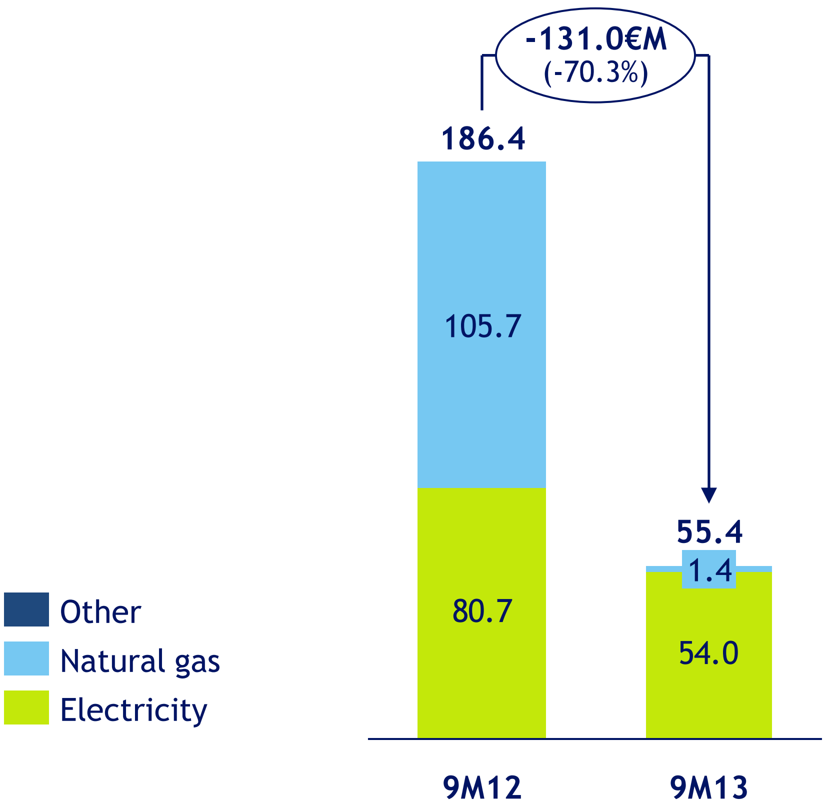
€M	3Q13	9M13	9M12	Δ%	Δ Abs.
EBITDA	127.5	387.4	386.4	0.2%	0.9
Net Financial Income	-39.6	-105.3	-98.4	-7.0%	-6.9
Net Income	25.2	89.3	98.4	-9.2%	-9.1
Recurrent Net Income	25.2	85.5	94.6	-9.5%	-9.0
Average RAB	3,375.3	3,416.9	3,332.3	2.5%	84.6
CAPEX	51.3	110.1	124.6	-11.6%	-14.5
Net Debt	2,468.2	2,468.2	2,521.3	-2.1%	-53.2

Transfers to RAB decreased by €131.0M

LNG terminal was a large one off increase in 2012

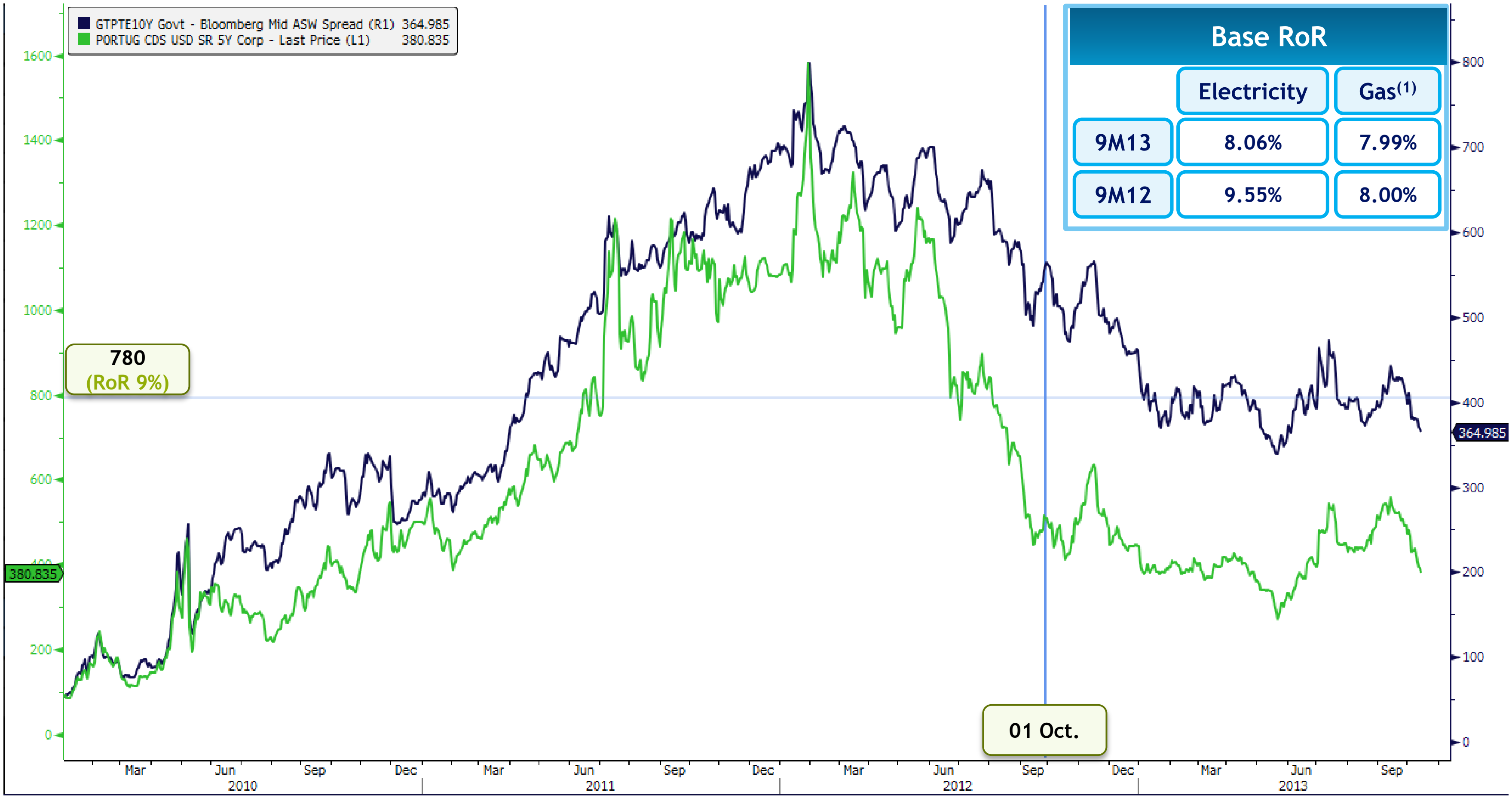
CAPEX

TRANSFERS TO RAB



Portugal's perceived sovereign debt risk has decreased

PT 10Y Treasury Bond Yields[1] and PT 5Y CDS



Base RoR

	Electricity	Gas[1]
9M13	8.06%	7.99%
9M12	9.55%	8.00%

Source: Bloomberg

[1] Natural Gas RoR is calculated as a function of the average PT 10Y TB from 1st July.

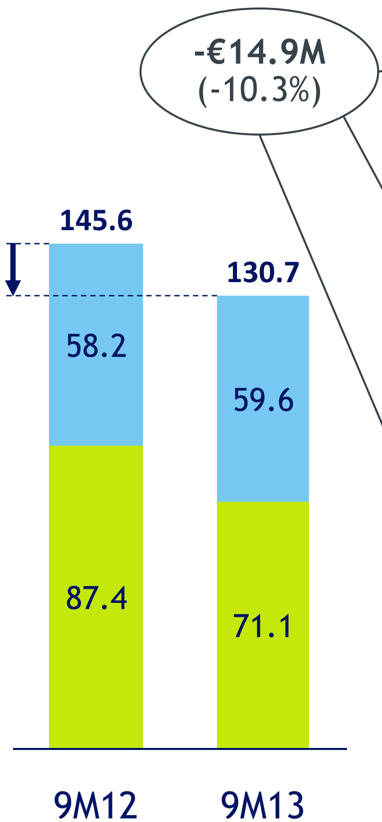
REN

Electricity return on RAB decreased by €15M

The main driver was the negative RoR evolution

RAB REMUNERATION ELECTRICITY (ex. land)

(€M)



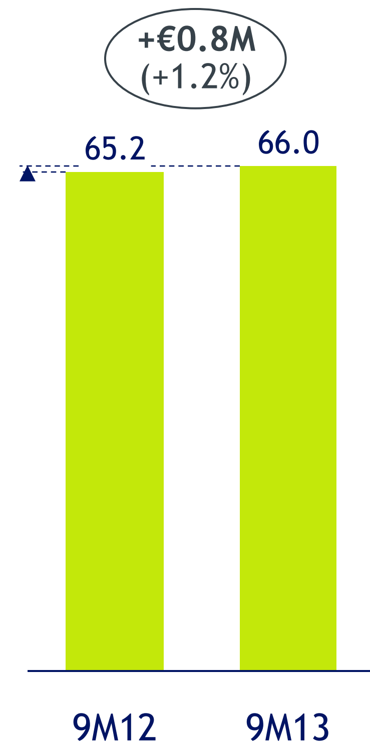
+€5.4M	Impact of the increase in the **asset base** by €84M to €2,007M.
+€1.1M	Impact of the change in **asset mix** - assets with premium weight increased to 41% in 2013 from 37% in 2012.
-€21.5M	Impact of the indexation of the base **rate of return** - to 9.6% from 11.1% in assets with premium, and to 8.1% from 9.6% in assets without premium.

Electricity with premium

Electricity without premium

RAB REMUNERATION NATURAL GAS (ex. tariff smoothing effect)

(€M)

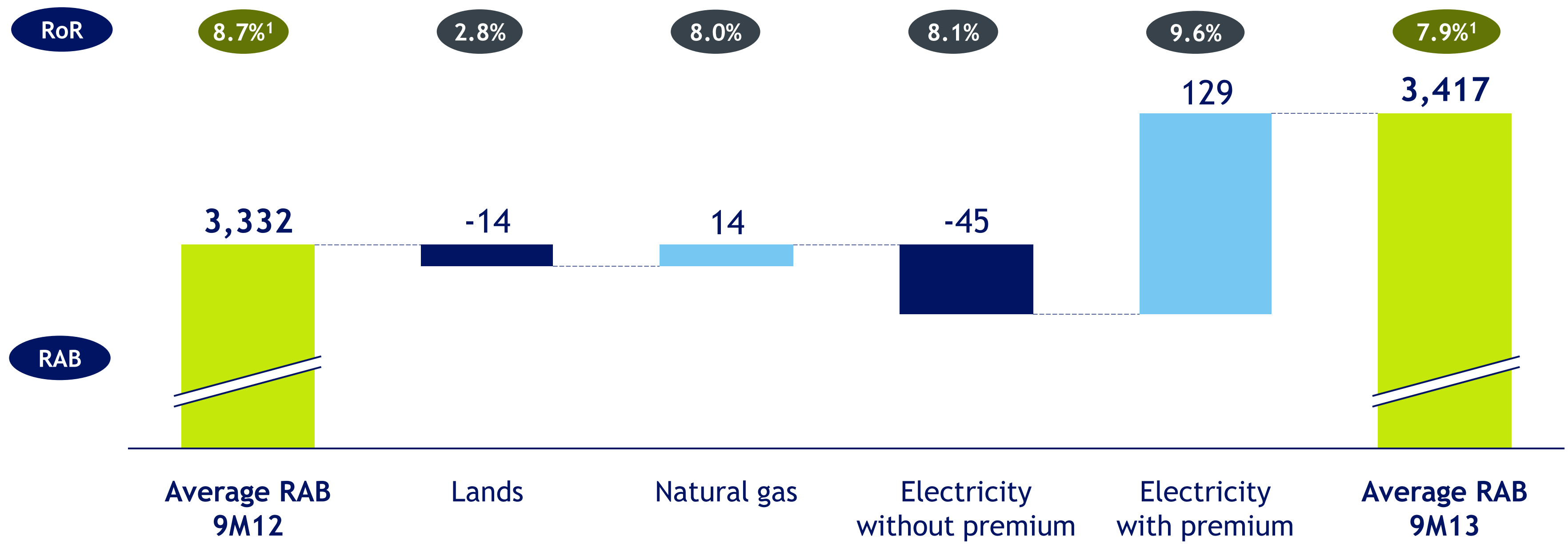


Impact of the €14.0M **increase in the asset base**, to a total of €1,101M, due to the conclusion of the Sines LNG Terminal expansion.

REN

Average RAB grew by 2.5%

Increase concentrated in Electricity with premium



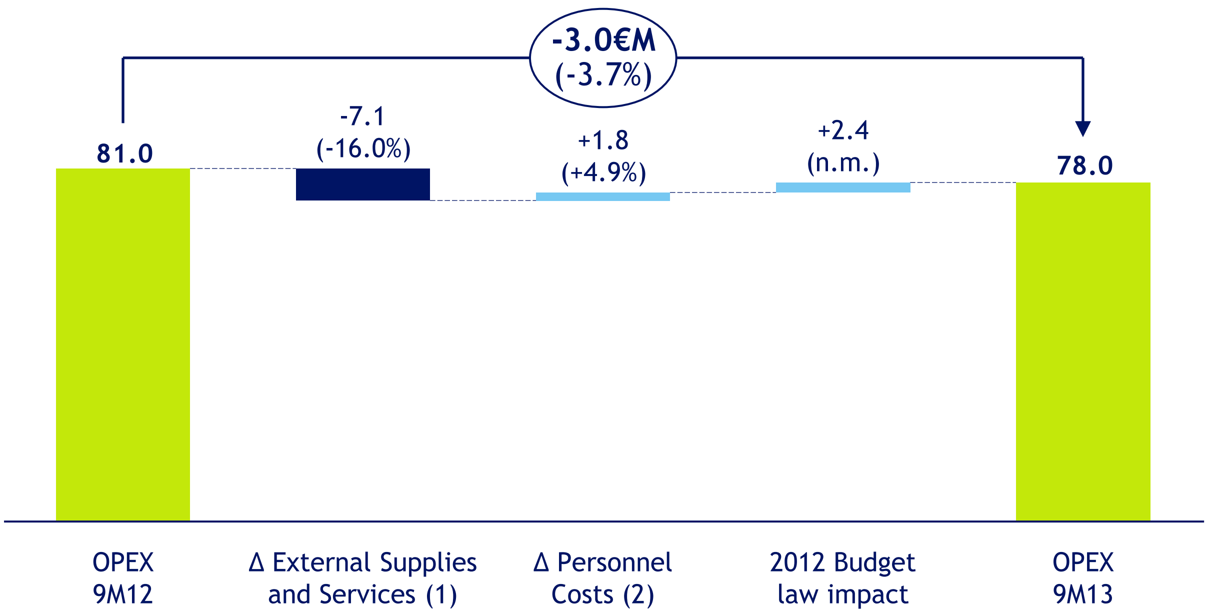
1) RoR is equal to the specific remuneration, divided by average RAB.

OPEX down by €3.0M

Reflecting a continued reduction in operational costs

OPERATIONAL COSTS

(€M)



(1) Includes Δ-€1.5M of Other Operating Costs.
(2) Includes €2.2M due to the change in actuarial assumptions in 2012 related to the pensions liabilities. Excludes the impact of the 2012 Budget Law.

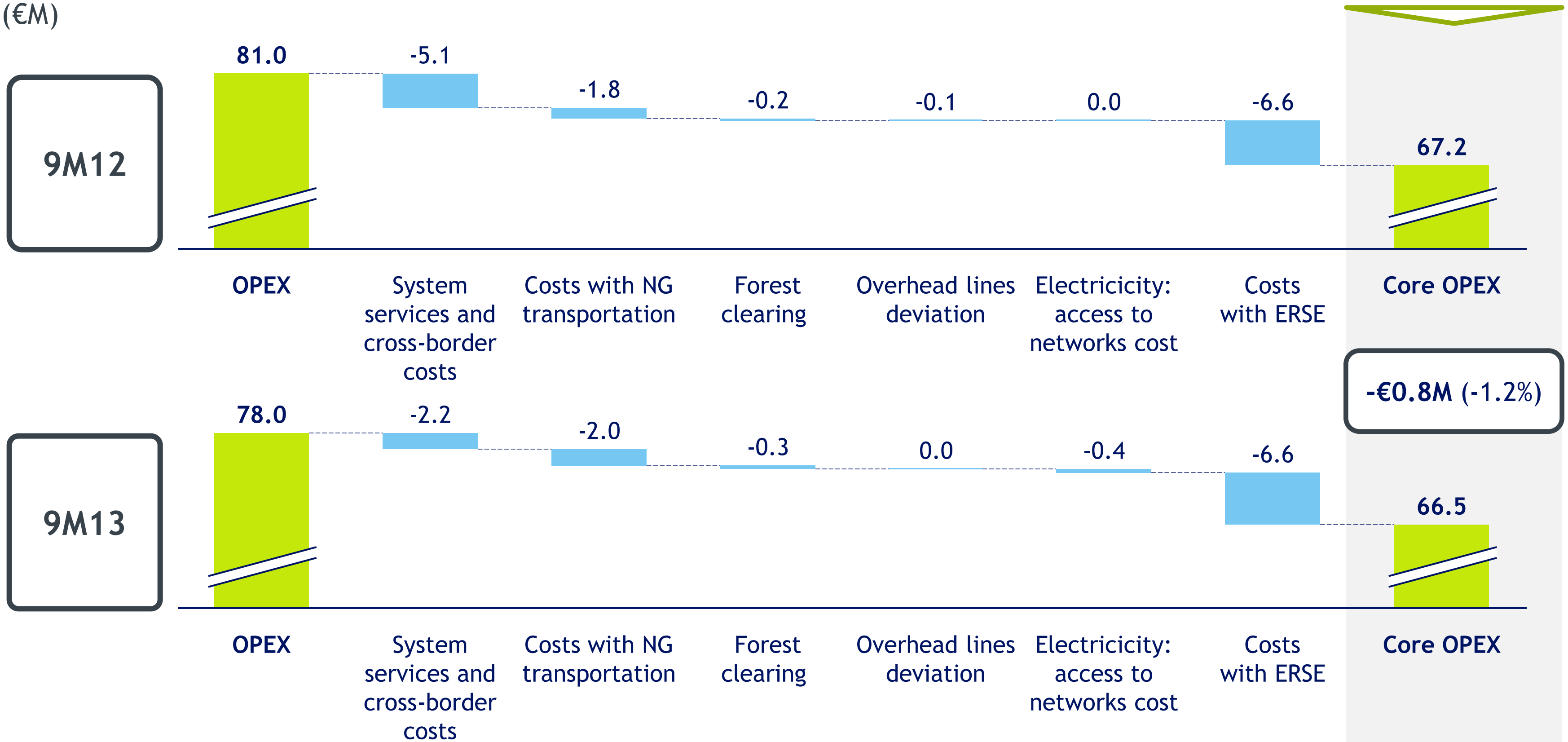
Note: values do not include costs incurred with the construction of concession assets (IFRIC 12): €91.5M in 9M13 and €104.1M in 9M12.

Core OPEX down by 1.2%

The drop in ESS more than compensated the rise in Personnel Costs

CORE OPEX

(€M)

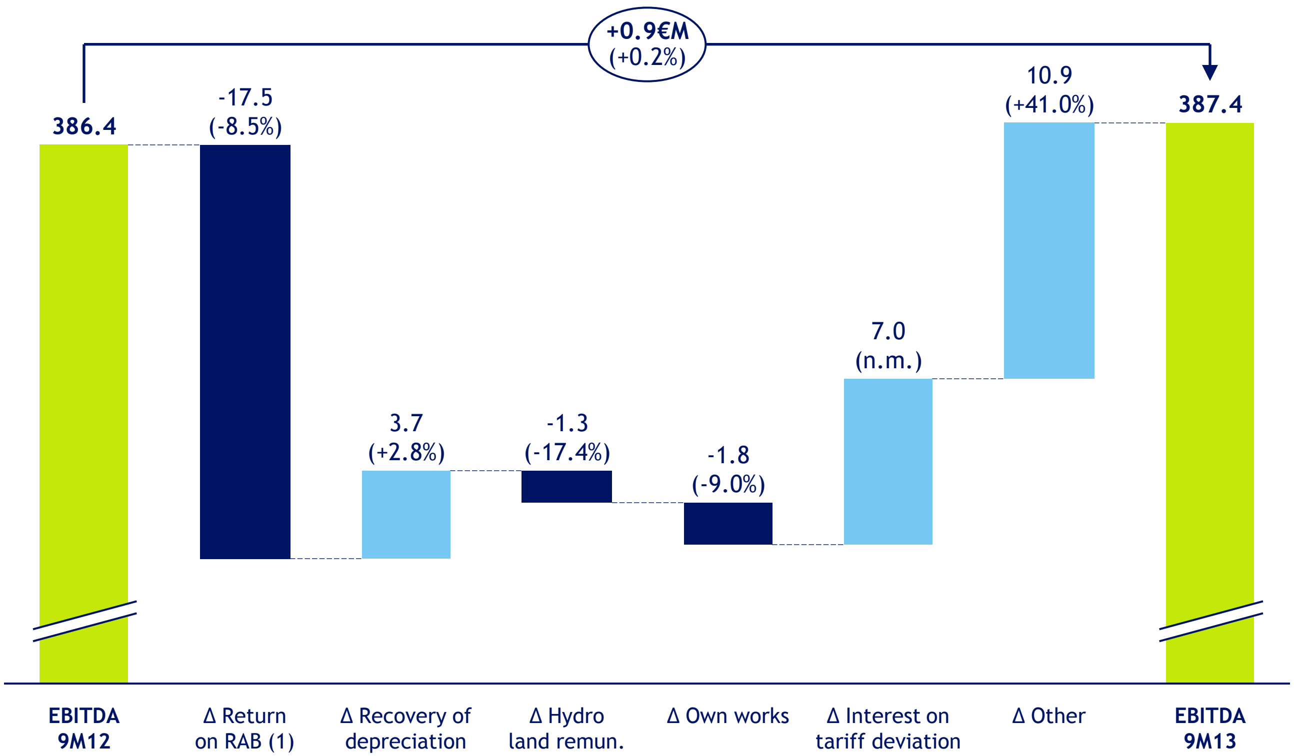


Note: values do not include costs incurred with the construction of concession assets (IFRIC 12): €91.5M in 9M13 and €104.1M in 9M12.

EBITDA increased slightly by €0.9M

3Q better than 1H, as expected

(€M)



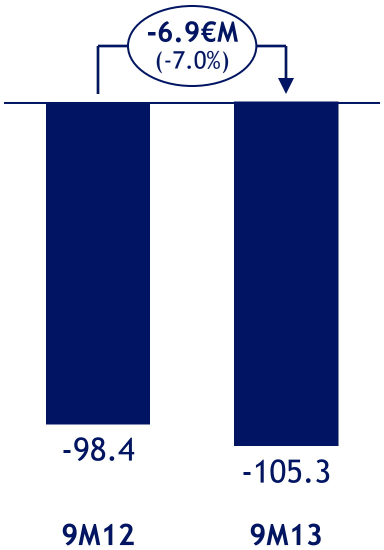
(1) Includes Δ-€3.3M of NG tariff smoothing effect.

Below EBITDA

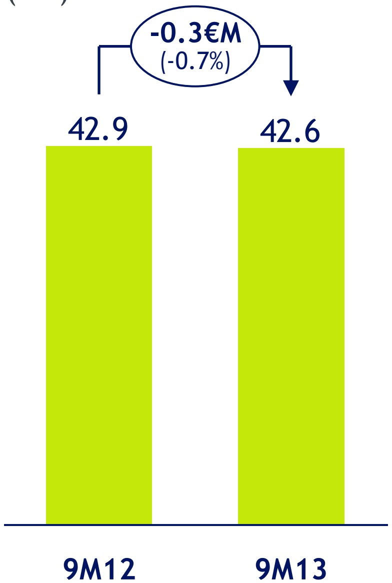
Financial costs affected by growth in gross debt

DEPRECIATION
(€M)

NET FINANCIAL INCOME
(€M)



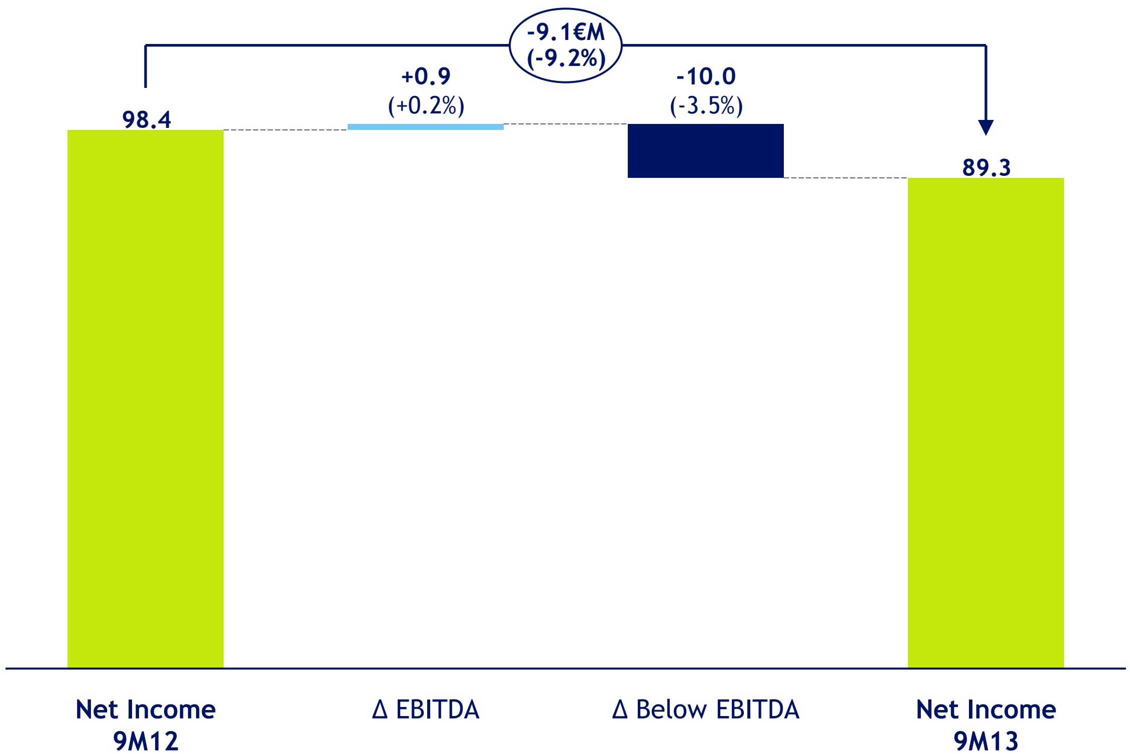
TAXES(1)
(€M)



(1) 9M12 includes a non-recurrent effect of -€5.6M.

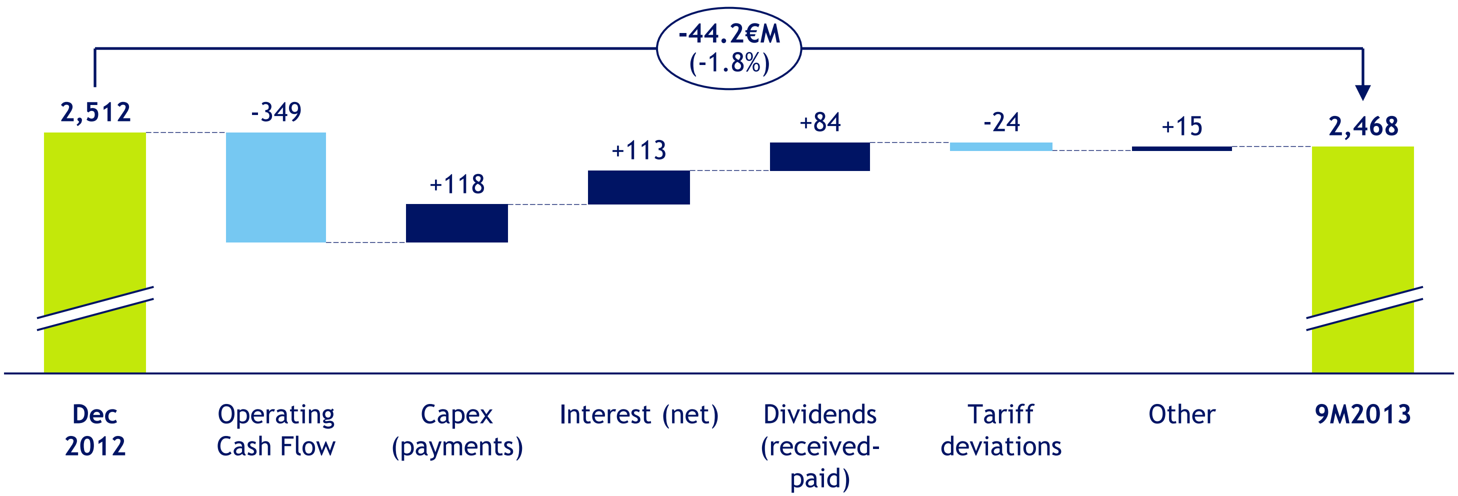
Net Income down by 9.2% (-€9.1M)

(€M)



Continued progress towards a lower Net Debt level

NET DEBT
(€M)



- The **average cost of debt** decreased to 5.62% (5.70% in 2012);
- **Net debt/EBITDA** improved (down to 4.78x from 4.91x).

Operating cash flow = EBIT + Depreciation + Provisions – Non cash items

Conclusion

- REN's operational results were flat in line with expectations, displaying a decrease due to the asymmetric timing of the impacts of interest rate reductions in the revenue and cost sides of the P&L (impact on revenues is immediate while impact on costs is delayed);

- The average cost of debt, which suffered heavily from the sovereign debt crisis, is now clearly in a downward trend; the level of net debt also decreased reflecting the slowdown in CAPEX;

- Investors' appetite for REN's debt was shown again in October, with the issue of €400M seven-year bond, which contributed to reduce REN's cost of debt. REN is already financed well into 2016;

- The conclusion of REN's privatization process will be accomplished during 2014. The placement of the State's remaining 11% stake, included in the 2014 Proposed Budget Law, will significantly improve the liquidity of the stock;

- The draft budget for 2014 was delivered by the Government to the Parliament on October 15th and includes a special levy on the energy sector which, in the case of REN, could amount to about €30MM euros. REN is analyzing the issue in all its aspects to protect the rights of the company and of all its stakeholders.

REN

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

Disclaimer

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