



May, 03rd 2018

RESULTS REPORT 1Q18



1Q18 HIGHLIGHTS



RESULTS
REPORT

MAIN INDICATORS

€M	1Q18	1Q17	Δ%	Δ Abs.
EBITDA¹⁾	128.4	123.7	3.8%	4.7
Financial Result¹⁾	-16.6	-15.5	-7.2%	-1.1
Net Profit	13.1	13.5	-3.0%	-0.4
Recurrent Net Profit	38.4	40.9	-6.2%	-2.5
Average RAB	3,877.8	3,495.3	10.9%	382.5
CAPEX	13.9	13.2	5.2%	0.7
Net Debt²⁾	2,643.7	2,543.5	3.9%	100.2

1) Financial result from the interconnection capacity auctions between Spain and Portugal (-€0.4M in 1Q18 and -€0.3M in 1Q17) – known as FTR (Financial Transaction Rights) was reclassified from Financial Result to Revenues (EBITDA level);

2) Fixed/Variable rates: 60%/40%.

- ▶ **EBITDA** was up by €4.7M (3.8%) to €128.4M, essentially due to the impact in results of the recent acquisition of Portgás (€10.9M). However, this was partially mitigated by the lower rates of return resulting from the new regulatory framework in electricity and the decrease in bond yields that caused an additional decline in **returns** of €10.2M yoy, in transmission;
- ▶ **Net Profit** stood at €13.1M, 3.0% below the same period of 2017. The decrease was mainly driven by the growth in **Amortizations**, the **Financial Result** and the maintenance of the recognition of the **extraordinary levy on the energy sector** (€25.3M in 2018);
- ▶ **Financial Result** evolution (-€1.1M, to -€16.6M) was affected by the increase in **Net Debt** (€2,643.7M versus €2,543.5M in 1Q17), following the Portgás' acquisition (€530.3M). Furthermore, REN continued to fine-tune its **cost of debt** which was down to 2.3% from 2.6% in 1Q17;
- ▶ **Recurrent Net Profit** amounted to €38.4M, €2.5M (6.2%) below 1Q17's number;
- ▶ In 11th April 2018, **Fitch reaffirmed REN's Rating at 'BBB'**, with a **stable outlook**.

CAPEX STOOD AT €13.9M

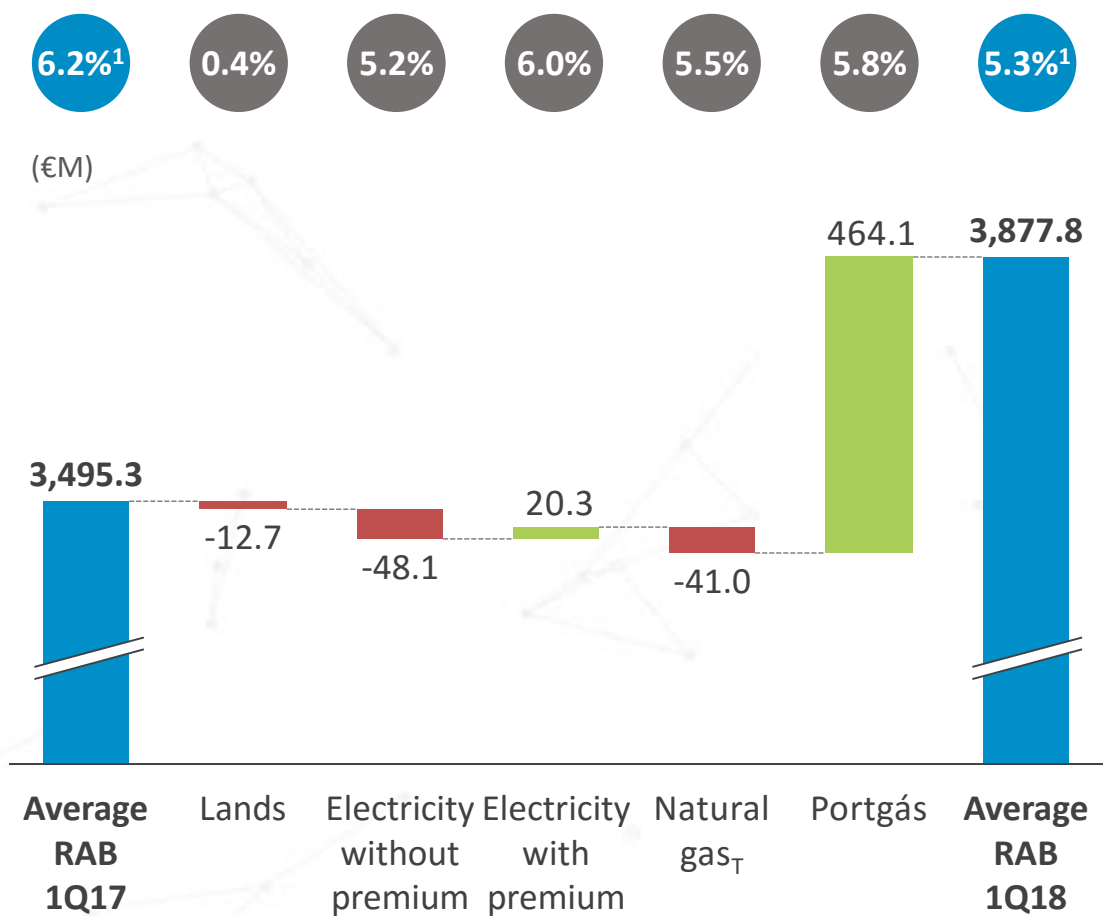
CAPEX and RAB

€M	1Q18	1Q17	Δ%	Δ Abs.
Average RAB	3,877.8	3,495.3	10.9%	382.5
Electricity	2,117.8	2,145.6	-1.3%	-27.8
Land	247.6	260.4	-4.9%	-12.7
Natural gas _T	1,048.3	1,089.3	-3.8%	-41.0
Natural gas _D	464.1			464.1
RAB end of period	3,856.9	3,470.7	11.1%	386.3
Electricity	2,101.4	2,129.1	-1.3%	-27.7
Land	246.1	258.8	-4.9%	-12.7
Natural gas _T	1,041.3	1,082.8	-3.8%	-41.5
Natural gas _D	468.1			
CAPEX	13.9	13.2	5.2%	0.7
Electricity	8.7	11.8	-26.0%	-3.1
Natural gas _T	1.3	1.3	0.7%	0.0
Natural gas _D	3.8			
Other	0.0	0.1	-96.4%	-0.1
RAB variation e.o.p.	-41.7	-49.1		
Electricity	-32.8	-32.9		
Land	-3.1	-3.2		
Natural gas _T	-13.9	-13.0		
Natural gas _D	8.1			

- ▶ Both **CAPEX** and **Transfers to RAB** have displayed a positive evolution due to Portugás, standing at €13.9M (from €13.2M in 1Q17) and €2.3M (from €1.1M in 1Q17), respectively. Furthermore, **Average RAB** grew by 10.9% to €3,877.8M, again helped by the contribution of Portugás (€464.1M);
- ▶ Within the scope of the **electricity transmission** infrastructures, the following projects were under way:
 - Remodelling of the last phases of the protection, automation, control systems and AT/BT equipment in the substations of Riba de Ave, Canelas, Santarém and Carriche;
 - Insulation reinforcement of the high voltage switchgear in the substation of Alto de Mira.
- ▶ **Natural Gas** investments were in line with 1Q18, with no highlighted projects.

AVERAGE RAB ROSE BY 10.9%

Impacted by the Portgás acquisition



- ▶ The main reason why RAB was higher this year was the integration of Portgás, with an additional €464.1M of assets;
- ▶ The negative contribution of NG transmission and electricity without premium mitigated the increase in average RAB that was up by 10.9%;
- ▶ In the electricity business, the base rate of return (RoR) decreased to 5.2% from 6.5%. Electricity with premium (with a 6.0% RoR) was up by €20.3M vs 1Q17, while lands, the category with the lowest RoR (0.4%), saw a decrease in the value of its average RAB of €12.7M, to €247.6M year-on-year;
- ▶ In natural gas transmission, the average RAB had a decrease of €41.0M (RoR 5.5%);
- ▶ At the end of 1Q18, electricity accounted for 54.6% of the average RAB, natural gas for 39.0% (Portgás included) and lands for the remaining 6.4%.

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

EBITDA INCREASED BY 3.8%

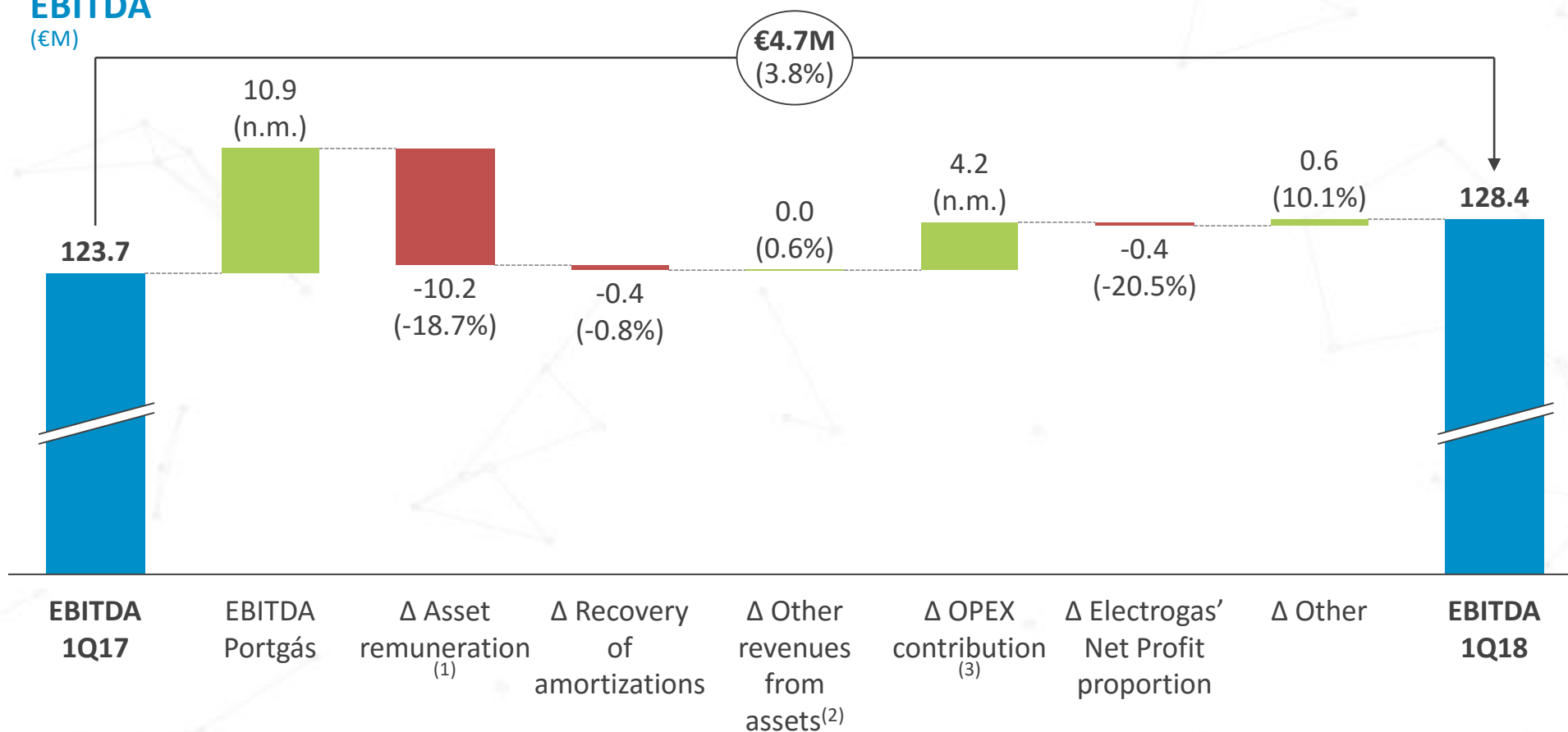
Benefiting from the Portgás acquisition (€10.9M)



RESULTS
REPORT

EBITDA

(€M)



⁽¹⁾ Includes -Δ€0.2M of NG tariff smoothing effect (natural gas);

⁽²⁾ Transmission business only;

⁽³⁾ Includes €1.2M related to the one-off costs with Electrogas (in 1Q17) and Δ€0.7M of OPEX own works.

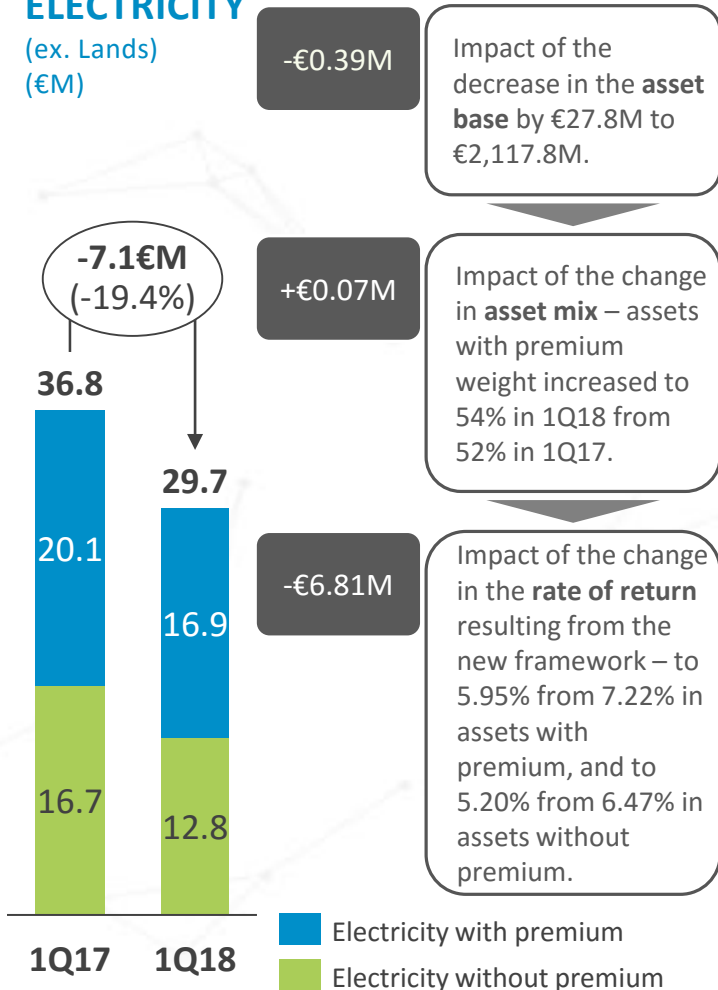
IN TRANSMISSION, RAB REMUNERATION FELL BY €10.0M



RESULTS
REPORT

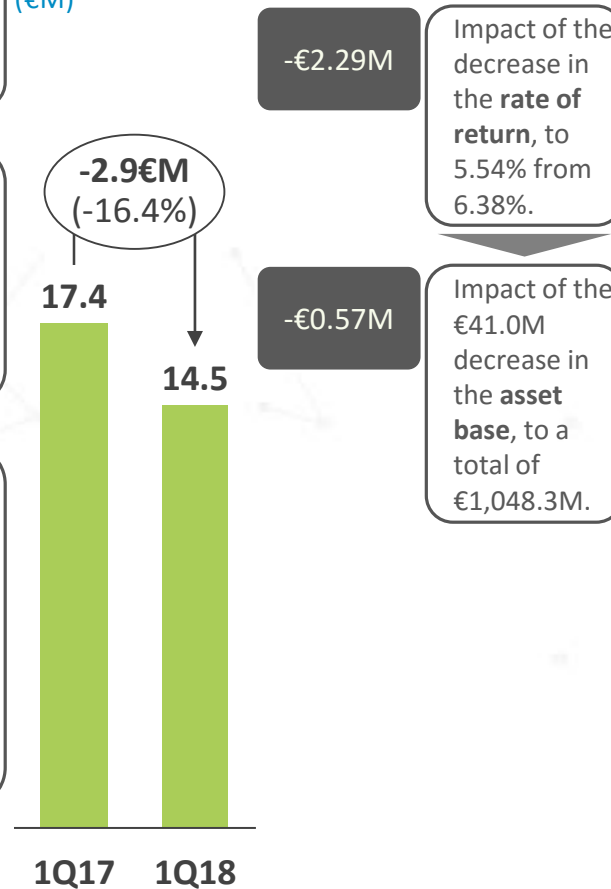
RAB REMUNERATION ELECTRICITY

(ex. Lands)
(€M)



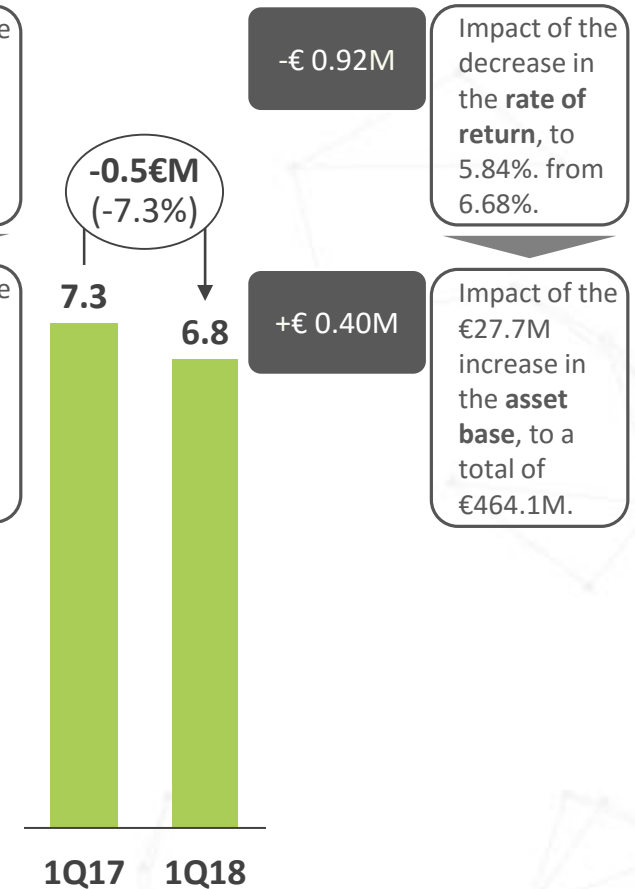
RAB REMUNERATION NATURAL GAS_T

(ex. tariff smoothing effect)
(€M)



RAB REMUNERATION PORTGÁS⁽¹⁾

(€M)



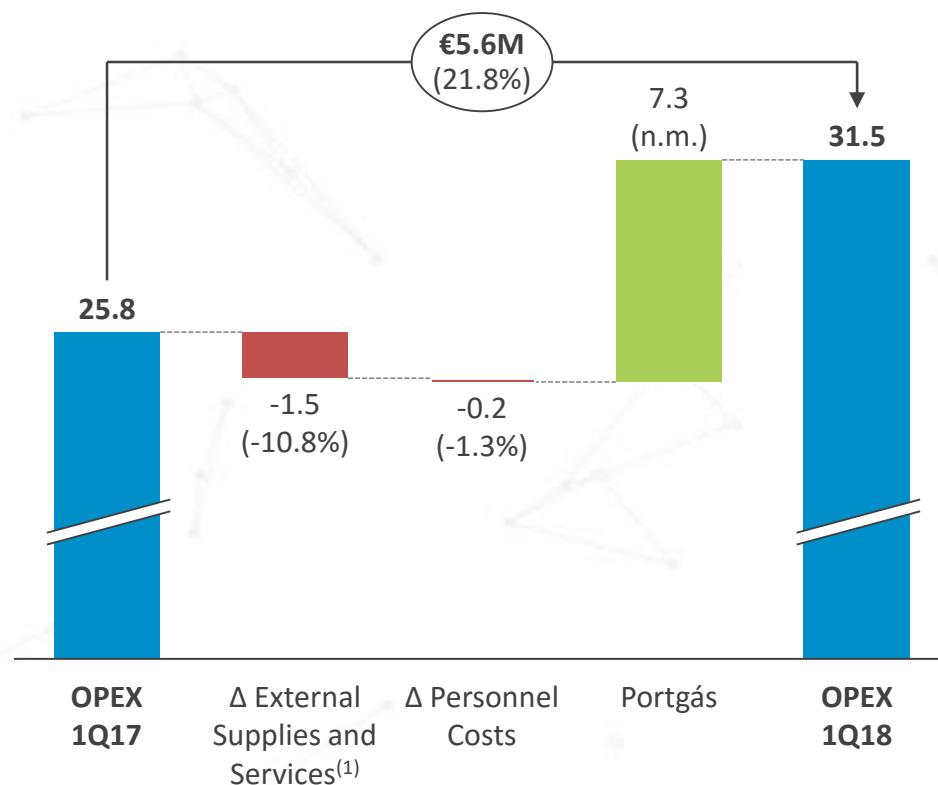
1) Portgás accounted for asset returns using ERSE's *ex-ante* allowed return (6.40%). REN used the effective rate calculated using the 10-Year bond yields (6.68%).

OPEX ROSE BY €5.6M DUE TO PORTGÁS

Excluding this effect OPEX decreased by €1.6M

OPERATIONAL COSTS

(€M)



- ▶ OPEX variation was mostly explained by the acquisition of Portgás. *External Supplies and Services* includes €1.2M from Electrogas acquisition in 2017.

⁽¹⁾ Include -Δ€0.8M of Other Operating Costs.

IN 1Q18, CORE OPEX WAS UP BY €1.9M (9.2%)

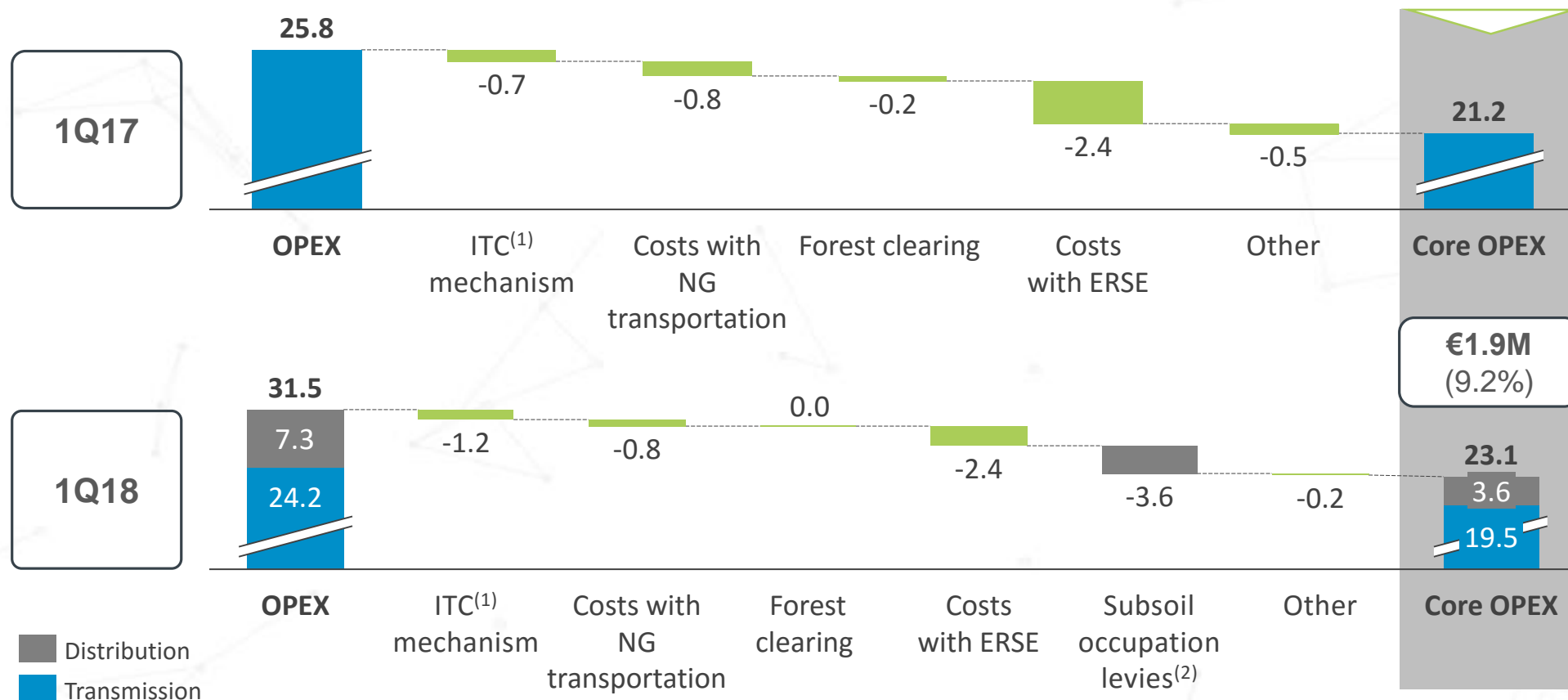
Without Portgás it went down by 7.9%



RESULTS
REPORT

CORE OPEX

(€M)



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

(2) Related to Portgás.

BELOW EBITDA

Average cost of debt maintained its downward trend (from 2.6% to 2.3%)



RESULTS
REPORT

€M	1Q18	1Q17	Δ%	Δ Abs.
EBITDA	128.4	123.7	3.8%	4.7
Depreciations and amortizations	58.7	54.4	7.9%	4.3
Financial Result	-16.6	-15.5	-7.2%	-1.1
Profit before income tax and levy	53.1	53.8	-1.3%	-0.7
Taxes	14.7	14.5	1.0%	0.2
Extraordinary levy	25.3	25.8	-1.8%	-0.5
Net Profit	13.1	13.5	-3.0%	-0.4
Recurrent Net Profit	38.4	40.9	-6.2%	-2.5

- ▶ **Average cost of debt** was 2.3% versus 2.6% in 1Q17;
- ▶ **Financial Result** stood at -€16.6M, impacted by the Net Debt evolution that included Portgás acquisition.

- ▶ **Depreciations and amortizations** increased by €4.3M (7.9%) to €58.7M, due to Portgás integration;
- ▶ Reported **Income Tax** decreased by €0.3M to €40.0M. The effective tax rate reached **27.7%**, without taking into account the special levy on the energy sector;
- ▶ In 1Q18, the Group was taxed at a Corporate Income Tax rate of 21%, added by a municipal surcharge up to the maximum of 1.5% over the taxable profit plus (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) 9.0% over the taxable profit in excess of €35.0M.

NET DEBT REACHED €2,643.7M

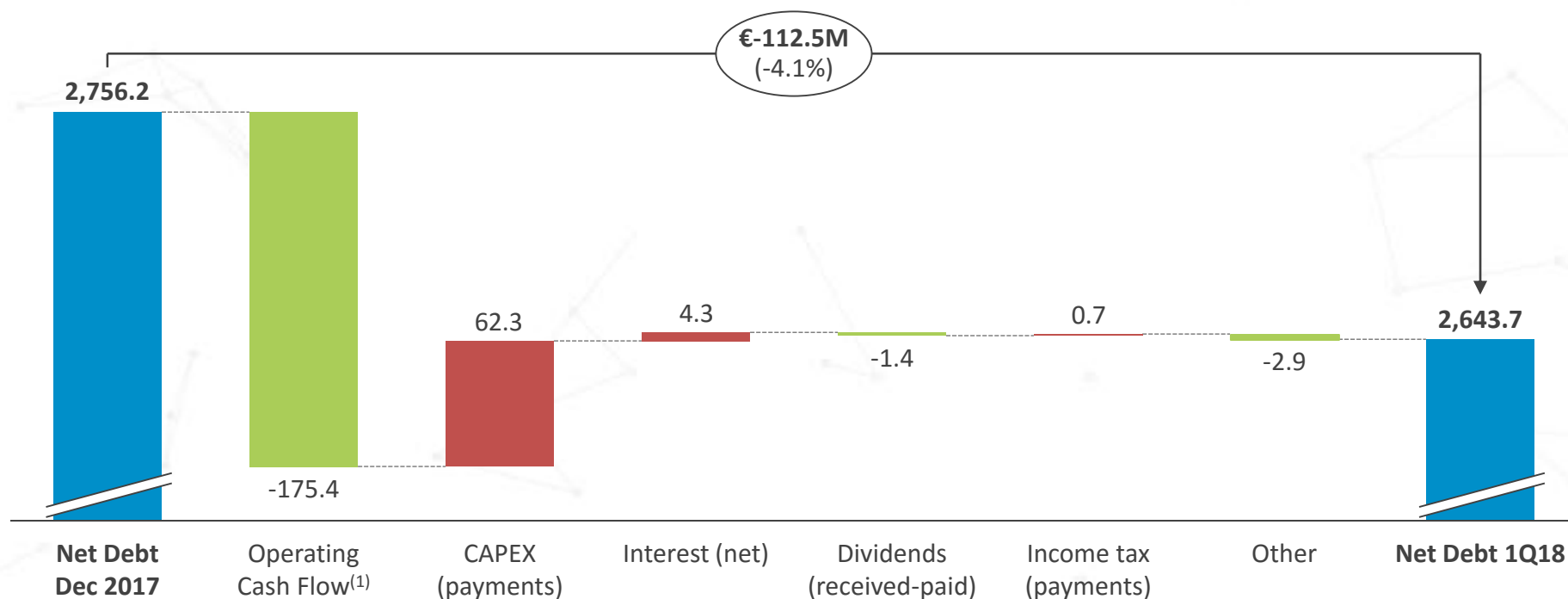
With a very positive free cash-flow after Capex



RESULTS
REPORT

NET DEBT

(€M)



- ▶ **Average cost of debt** decreased over the last twelve months (2.3% in 1Q18 vs 2.6% in 1Q17);
- ▶ **FFO/Net Debt** went up to 11.8%.

(1) Includes Δ€39.4M of tariff deviations.

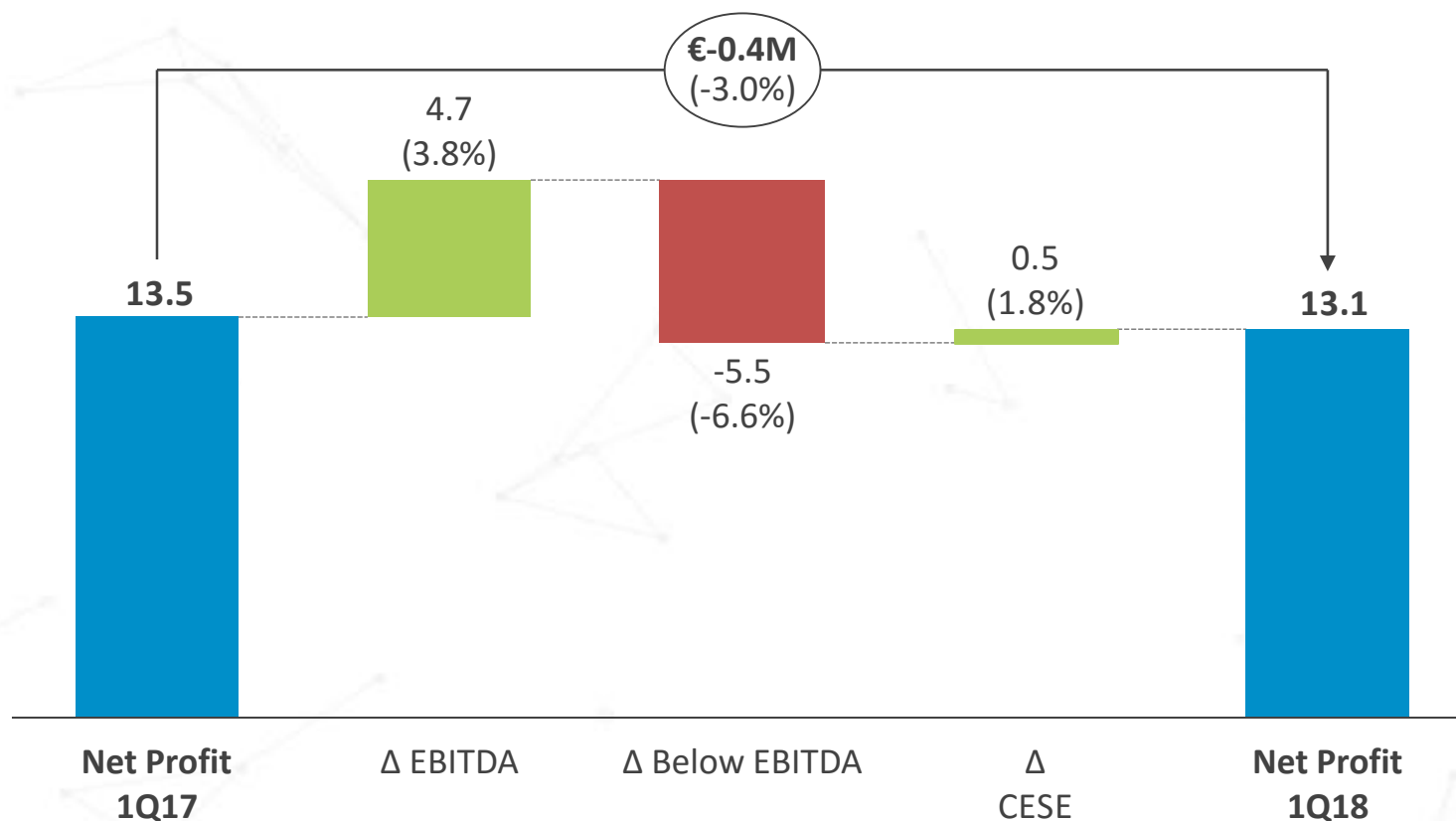
NET PROFIT AMOUNTED TO €13.1M (-3.0%)



RESULTS
REPORT

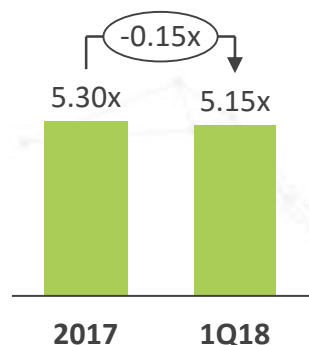
NET PROFIT

(€M)

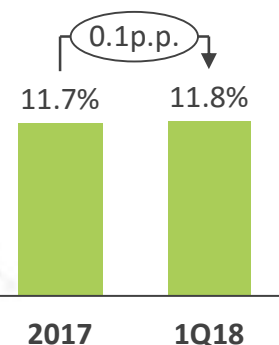


REN IS ALREADY FUNDED OVER THE NEXT TWO YEARS

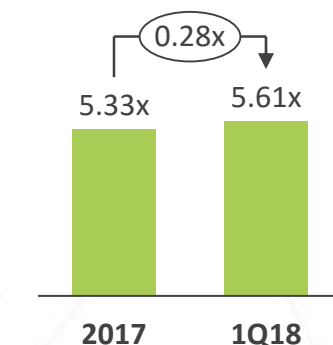
Net Debt / EBITDA¹⁾



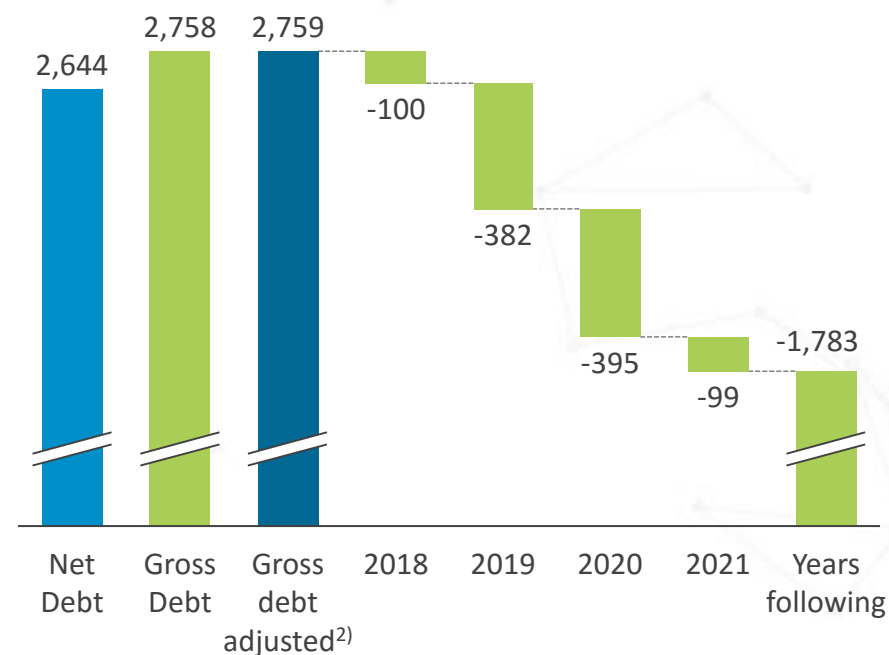
FFO / Net Debt



FFO interest coverage



DEBT MATURITY SCHEDULE (€M)



▶ In 1Q18, the cost of REN's debt continued to come down, thus maintaining the trend set in 2014. This reduction was due to the relevant improvements in market conditions and REN's own risk profile that warrants its debt as investment grade by the three major rating agencies - S&P, Fitch and Moody's;

▶ The average debt maturity at the end of 1Q18 was **4.98** years.

1) The ratio was affected by the Portgás acquisition;
2) Value adjusted by interest accruals and hedging on yen denominated debt.

BALANCE SHEET



RESULTS
REPORT

€M	1Q18	2017
Fixed assets c. related	4,147.6	4,179.2
Investments and goodwill ¹	332.4	345.5
Tariff deviations	105.2	105.4
Receivables ²	499.0	539.8
Cash	102.3	61.5
Other ³	120.1	133.4
Total assets	5,306.6	5,364.7
Shareholders equity	1,441.0	1,429.2
Debt (end of period)	2,758.3	2,829.7
Provisions	9.0	9.0
Tariff deviations	138.5	110.5
Payables ⁴	833.0	857.3
Other ⁵	126.7	128.9
Total equity and liabilities	5,306.6	5,364.7

- ▶ The total amount of **fixed assets concessions related** decreased to **€4,147.6M** (this value includes investment subsidies);
- ▶ **Investments and goodwill** (1) decreased to €332.4M from €345.5M at the end of 2017. This item includes goodwill, available-for-sale financial assets, derivative financial instruments, investments in associates (including Electrogas) and other investments;
- ▶ **Receivables** (2) related to trade and other receivables, deferred tax assets and current income tax recoverable, reached €499.0M in 1Q18, a decrease from €539.8M at the end of 2017;
- ▶ **Other Assets** (3) stood at €120.1M. 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 €833.0M at the end of the period, versus €857.3M in 2017;
- ▶ **Other liabilities** (5) stood at €126.7M. These include retirement and other benefit obligations, derivative financial instruments and guarantee deposits (€128.9M in 2017).

THE BALANCE OF TARIFFS DEVIATIONS FELL TO €26.2M

To be received from tariffs over the next two years



RESULTS
REPORT

TARIFF DEVIATIONS

€M	1Q18	2017
Electricity ¹⁾	58.4	94.2
Trading	61.0	46.8
Natural gas _T	-87.3	-73.4
Natural gas _D	-5.8	-2.1
TOTAL	26.2	65.7

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

1) Value adjusted to include the amount to be received from the Fund for the Systemic Sustainability of the Energy Sector (FSSSE) related with the PPA's (€70.8M in 2017 and €59.5M in 1Q18).

BORROWINGS

€M	Current	Non Current	TOTAL
Bonds	30.0	1,733.0	1,763.0
Bank borrowings	249.8	605.8	855.6
Commercial paper	0.0	150.0	150.0
Bank overdrafts	0.4	0.0	0.4
Finance lease	1.4	1.8	3.2
TOTAL	281.5	2,490.6	2,772.1
Accrued interest	28.4	0.0	28.4
Prepaid interest	-14.5	-27.7	-42.2
TOTAL	295.4	2,462.9	2,758.3

- ▶ In 1Q18, REN's total liquidity reached €1,128M, including credit facilities, loans, non-used commercial paper programmes, cash and bank deposits;
- ▶ **Bank borrowings** were mainly represented by EIB loans (€450M);
- ▶ The Group had **credit lines** negotiated and not used in the amount of €91.5M, maturing up to one year, which are automatically renewed periodically (if they are not resigned in the contractually specified period for that purpose);
- ▶ REN also had five active **commercial paper** programmes in the amount of €1,075M, of which €925M were available for use;
- ▶ REN's financial liabilities had the following main types of covenants: Cross Default, Pari Passu, Negative Pledge, Leverage ratios and Gearing (ratio of total consolidated equity with the total consolidated regulated assets).

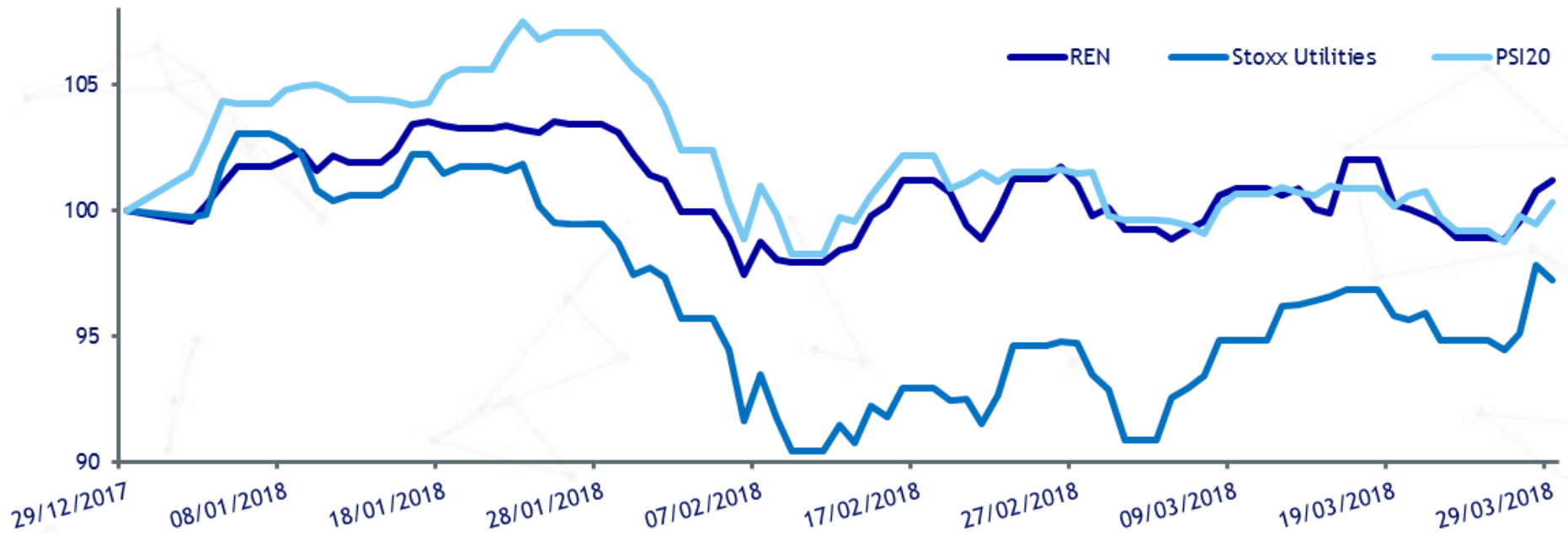
SHARE PERFORMANCE



RESULTS
REPORT

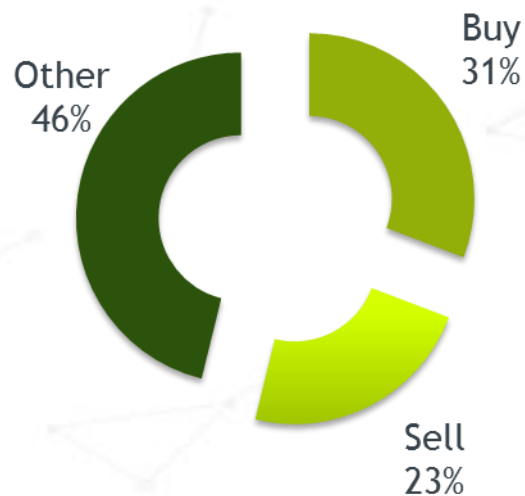
In the end of 1Q18, REN's share price displayed a positive YTD evolution

ANNUALIZED CLOSING PRICES



ANALYST RECOMMENDATIONS⁽¹⁾

- ▶ **Average Price target**
€2.70
- ▶ **Upside/Downside(+/-)**
3.4%



CMVM: MAIN PRESS RELEASES (from January 2018)

- ▶ **Jan-23:** Qualified shareholding and transactions over REN shares (Fidelidade, Jorge Magalhães Correia)
- ▶ **Feb-21:** Summary of annual information disclosed in 2017
- ▶ **Mar-15:** 2017 Consolidated results
- ▶ **Mar-23:** Notice to convene the Annual General Shareholders Meeting and deliberation proposals
- ▶ **Mar-23:** Accounts Reporting Document referring to the financial year 2017 - Item 1 of the agenda for the General Shareholders Meeting

1) April 30th, 2018.

REN'S TOTAL SHAREHOLDER RETURN WAS +1.2% (YTD)



RESULTS
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REN END OF PERIOD	1Q18	2017
Price (€)		
Close	2.508	2.479
Average	2.497	2.510
High YTD	2.566	2.767
Low YTD	2.416	2.254
<i>Variation YTD</i>	<i>1.2%</i>	<i>3.4%</i>
Market cap. (€M)	1,673	1,654
Number of shares	667,191,262	667,191,262
Own shares (M)	3.9	3.9
Volume (M shares)	1.865	0.644
Volume WAP	2.495	2.672
Performance indicators		
Dividend yield	6.8%	6.5%
Total shareholder return YTD	1.2%	10.1%
Cumulative total return*		
REN	78.8%	76.7%
PSI20	-39.7%	-39.9%
EuroStoxx Utilities	-12.8%	-11.3%

*Inception to date (July 09th 2007).

The background of the page is a network diagram. It features a central cluster of nodes connected by thin lines. The nodes are represented by small circles, some of which are colored green, blue, or grey. The connections form a complex web of triangles and polygons. The overall aesthetic is clean and modern, with a light grey background and a focus on geometric shapes and connectivity.

APPENDIX

RESULTS BREAKDOWN



RESULTS
REPORT

€M	1Q18	1Q17	2017	1Q18/1Q17	
				Δ %	Δ Abs.
1) TOTAL REVENUES	169.5	159.6	747.8	6.2%	9.9
Revenues from assets	114.2	114.7	460.3	-0.5%	-0.5
Return on RAB	51.0	54.2	215.7	-5.9%	-3.2
Electricity	29.7	36.8	143.9	-19.4%	-7.1
Natural gas	14.5	17.4	64.7	-16.4%	-2.9
Portgás	6.8		7.1		6.8
Hydro land remuneration	0.1	0.1	0.2	-4.9%	0.0
Lease revenues from hydro protection zone	0.2	0.2	0.7	-1.2%	0.0
Economic efficiency of investments	5.4	5.4	21.8	0.7%	0.0
Tariff smoothing effect (natural gas)	0.0	0.2	0.6		-0.2
Recovery of amortizations (net from subsidies)	53.1	50.3	203.4	5.7%	2.9
Subsidies amortization	4.5	4.5	18.0	-0.5%	0.0
Revenues of OPEX	33.6	25.0	108.2	34.3%	8.6
Other revenues	7.8	6.8	24.7	15.8%	1.1
Construction revenues (IFRIC 12)	13.9	13.1	154.7	5.9%	0.8
2) OPEX	31.5	25.8	121.5	21.8%	5.6
Personnel costs	13.4	12.3	51.8	9.1%	1.1
External supplies and services	10.7	9.6	55.0	11.8%	1.1
Other operational costs	7.4	4.0	14.7	84.6%	3.4
3) Construction costs (IFRIC 12)	9.7	10.1	136.7	-4.0%	-0.4
4) Depreciations and amortizations	58.7	54.4	222.0	7.9%	4.3
5) Other	0.0	0.0	2.1	-29.2%	0.0
6) EBIT	69.7	69.3	265.5	0.6%	0.4
7) Depreciations and amortizations	58.7	54.4	222.0	7.9%	4.3
8) EBITDA	128.4	123.7	487.5	3.8%	4.7
9) Depreciations and amortizations	58.7	54.4	222.0	7.9%	4.3
10) Financial result	-16.6	-15.5	-61.2	7.2%	-1.1
11) Income tax expense	14.7	14.5	52.5	1.0%	0.2
12) Extraordinary contribution on energy sector	25.3	25.8	25.8	-1.8%	-0.5
13) NET PROFIT	13.1	13.5	125.9	-3.0%	-0.4
14) Non recurrent items*	25.3	27.5	28.9	-7.7%	-2.1
15) RECURRENT NET PROFIT	38.4	40.9	154.8	-6.2%	-2.5

* NON RECURRENT ITEMS:

1Q18: i) Extraordinary energy sector levy, as established in the 2018 State budget law (€25.3M);

1Q17: i) Extraordinary energy sector levy, as established in the 2017 State budget law (€25.8M); ii) one-off costs from the Electrogas and Portgás acquisition processes (€2.3M, €1.7M after taxes).

OTHER OPERATIONAL REVENUES AND COSTS BREAKDOWN



RESULTS
REPORT

€M	1Q18	1Q17	2017	1Q18/1Q17	
				Δ %	Δ Abs.
Other revenues	7.8	6.8	24.7	15.8%	1.1
Allowed incentives	2.2	2.1	3.2	6.1%	0.1
Interest on tariff deviation	0.1	0.4	1.4	-85.1%	-0.3
Adjustments previous years	-0.1	0.0	-0.3		-0.1
Telecommunication sales and services rendered	1.6	1.3	5.2	23.7%	0.3
Consultancy services and other services provided	1.3	0.4	2.8		1.0
Other revenues*	2.8	2.7	12.4	3.5%	0.1
Other costs	7.4	4.0	14.7	84.6%	3.4
Costs with ERSE	2.4	2.4	9.7	-0.1%	0.0
Other	4.9	1.6	5.0		3.4

*Include revenues related to Electrogas (€1.4M in 1Q18 and €1.8M in 1Q17).

EBITDA BREAKDOWN (ELECTRICITY¹)

€M	1Q18	1Q17	2017	1Q18/1Q17	
				Δ %	Δ Abs.
1) REVENUES	101.6	109.7	530.4	-7.4%	-8.1
Revenues from assets	74.2	82.0	324.2	-9.4%	-7.7
Return on RAB	29.7	36.8	143.9	-19.4%	-7.1
Hydro land remuneration	0.1	0.1	0.2	-4.9%	0.0
Lease revenues from hydro protection zone	0.2	0.2	0.7	-1.2%	0.0
Economic efficiency of investments	5.4	5.4	21.8	0.7%	0.0
Recovery of amortizations (net from subsidies)	35.9	36.5	145.4	-1.7%	-0.6
Subsidies amortization	3.0	3.1	12.1	-0.6%	0.0
Revenues of OPEX	17.1	15.2	64.5	12.4%	1.9
Other revenues	1.6	0.8	6.9	109.5%	0.8
Interest on tariff deviation	0.1	0.2	0.9	-58.6%	-0.1
Other	1.5	0.5	6.0		1.0
Construction revenues (IFRIC 12)	8.7	11.8	134.8	-26.0%	-3.1
2) OPEX	10.6	11.2	53.8	-5.6%	-0.6
Personnel costs	4.6	4.9	19.5	-6.2%	-0.3
External supplies and services	4.1	3.6	26.0	14.3%	0.5
Other operational costs	1.9	2.8	8.3	-30.6%	-0.8
3) Construction costs (IFRIC 12)	5.4	9.1	119.7	-40.5%	-3.7
4) Depreciations and amortizations	38.8	39.3	157.0	-1.2%	-0.5
5) Other	0.0	0.0	1.2	-74.0%	-0.2
6) EBIT (1-2-3-4-5)	46.7	50.0	198.7	-6.6%	-3.3
7) Depreciations and amortizations	38.8	39.3	157.0	-1.2%	-0.5
8) EBITDA (6+7)	85.6	89.3	355.8	-4.2%	-3.8

1) Included Electricity and Enondas (wave energy concession).

EBITDA BREAKDOWN (NATURAL GAS TRANSPORTATION)



RESULTS
REPORT

€M	1Q18	1Q17	2017	1Q18/1Q17	
				Δ %	Δ Abs.
1) REVENUES	41.1	44.2	180.7	-7.1%	-3.1
Revenues from assets	29.9	32.8	126.2	-8.7%	-2.8
Return on RAB	14.5	17.4	64.7	-16.4%	-2.9
Tariff smoothing effect (natural gas)	0.0	0.2	0.6		-0.2
Recovery of amortizations (net from subsidies)	13.9	13.8	55.1	1.3%	0.2
Subsidies amortization	1.5	1.5	5.9	-0.1%	0.0
Revenues of OPEX	9.8	9.8	39.6	-0.7%	-0.1
Other revenues	0.1	0.3	0.6	-75.1%	-0.2
Interest on tariff deviation	0.0	0.1	0.3	-95.5%	-0.1
Other services provided	0.0	0.1	0.0		-0.1
Other	0.1	0.1	0.3	-7.3%	0.0
Construction revenues (IFRIC 12)	1.3	1.3	14.2	0.7%	0.0
2) OPEX	6.1	6.6	26.9	-8.6%	-0.6
Personnel costs	1.8	1.8	7.4	1.7%	0.0
External supplies and services	3.1	3.8	15.4	-18.6%	-0.7
Other operational costs	1.2	1.1	4.1	9.6%	0.1
3) Construction costs (IFRIC 12)	0.9	0.9	11.8	0.1%	0.0
4) Depreciations and amortizations	15.2	15.0	60.2	1.2%	0.2
5) Other	0.0	0.0	0.1		0.0
6) EBIT	18.9	21.6	81.5	-12.7%	-2.7
7) Depreciations and amortizations	15.2	15.0	60.2	1.2%	0.2
8) EBITDA	34.1	36.6	141.8	-7.0%	-2.6

EBITDA BREAKDOWN (PORTGÁS)



RESULTS
REPORT

€M	1Q18	4Q17 ⁽¹⁾
1) REVENUES	21.4	19.9
Revenues from assets	10.1	9.9
Return on RAB	6.8	7.1
Recovery of amortizations (net from subsidies)	3.3	2.8
Revenues of OPEX	6.8	4.1
Other revenues	0.7	0.3
Interest on tariff deviation	0.0	0.0
Adjustments previous years	-0.1	-0.3
Other services provided	0.7	0.7
Other	0.0	0.0
Construction revenues (IFRIC 12)	3.8	5.7
2) OPEX	7.3	6.0
Personnel costs	1.3	1.5
External supplies and services	1.8	3.0
Other operational costs	4.2	1.5
3) Construction costs (IFRIC 12)	3.3	5.1
4) Depreciations and amortizations	4.5	4.5
5) Other	-0.1	-0.1
6) EBIT	6.3	4.4
7) Depreciations and amortizations	4.5	4.5
8) EBITDA	10.9	8.9

(1) REN only started to consolidate Portgás in 4Q17.

EBITDA BREAKDOWN (OTHER¹)



RESULTS
REPORT

€M	1Q18	1Q17	2017	1Q18/1Q17	
				Δ %	Δ Abs.
1) TOTAL REVENUES	5.5	5.7	16.9	-5%	-0.3
Revenues of OPEX	0.0	0.0	0.1		0.0
Recovery of net OPEX	0.0	0.0	0.1		0.0
Other revenues	5.5	5.7	16.8	-5%	-0.3
Allowed incentives	2.2	2.1	3.2	6%	0.1
Interest on tariff deviation	0.0	0.1	0.2		-0.1
Telecommunication sales and services rendered	1.6	1.3	5.2	24%	0.3
Consultancy services and other services provided	0.6	0.3	2.1		0.3
Other	1.2	2.1	6.1	-44%	-0.9
Construction revenues (IFRIC 12)	0.0	0.0	0.0		0.0
2) OPEX	7.6	8.0	34.9	-5%	-0.4
Personnel costs	5.7	5.6	23.4	2%	0.1
External supplies and services	1.7	2.2	10.6	-22%	-0.5
Other operational costs	0.1	0.2	0.9	-38%	-0.1
3) Construction costs (IFRIC 12)	0.0	0.0	0.0		0.0
4) Depreciations and amortizations	0.1	0.1	0.2	0%	0.0
5) Other	0.1	0.0	0.9		0.1
6) EBIT	-2.2	-2.4	-19.2	-4%	0.1
7) Depreciations and amortizations	0.1	0.1	0.2	0%	0.0
8) EBITDA	-2.2	-2.3	-19.0	-5%	0.1

(1) Includes REN SGPS, REN Serviços, REN Telecom, REN Trading, Aerio Chile SPA and REN Finance B.V.

CAPEX AND RAB



RESULTS
REPORT

€M	1Q18	1Q17	2017	1Q18/1Q17	
				Δ %	Δ Abs.
CAPEX*	13.9	13.2	155.6	5.2%	0.7
Electricity	8.7	11.8	134.8	-26.0%	-3.1
Natural gas _T	1.3	1.3	14.2	0.7%	0.0
Natural gas _D	3.8	0.0	6.3		3.8
Other	0.0	0.1	0.3	-96.4%	-0.1
Transfers to RAB**	2.3	1.1	158.8	113.4%	1.2
Electricity	0.1	0.3	134.2	-58.7%	-0.2
Natural gas _T	0.0	0.8	14.6	-98.5%	-0.8
Natural gas _D	2.1	0.0	10.0		2.1
Average RAB	3,877.8	3,495.3	3,924.7	10.9%	382.5
Electricity	2,117.8	2,145.6	2,138.4	-1.3%	-27.8
With premium	1,135.3	1,115.0	1,132.3	1.8%	20.3
Without premium	982.5	1,030.6	1,006.1	-4.7%	-48.1
Land	247.6	260.4	255.6	-4.9%	-12.7
Natural gas _T	1,048.3	1,089.3	1,075.5	-3.8%	-41.0
Natural gas _D	464.1	0.0	455.2		464.1
RAB e.o.p.	3,856.9	3,470.7	3,898.7	11.1%	386.3
Electricity	2,101.4	2,129.1	2,134.2	-1.3%	-27.7
Land	246.1	258.8	249.2	-4.9%	-12.7
Natural gas _T	1,041.3	1,082.8	1,055.2	-3.8%	-41.5
Natural gas _D	468.1	0.0	460.0		468.1
RAB's variation e.o.p.	-41.7	-49.1	378.9		
Electricity	-32.8	-32.9	-27.8		
Land	-3.1	-3.2	-12.7		
Natural gas _T	-13.9	-13.0	-40.6		
Natural gas _D	8.1	0.0	460.0		

€M	1Q18	1Q17	2017	1Q18/1Q17	
				Δ %	Δ Abs.
RAB's remuneration	51.2	54.4	216.7	-5.9%	-3.2
Electricity	29.7	36.8	143.9	-19.4%	-7.1
With premium	16.9	20.1	80.2	-16.1%	-3.2
Without premium	12.8	16.7	63.7	-23.4%	-3.9
Land	0.2	0.2	1.0	-2.1%	0.0
Natural gas _T	14.5	17.4	64.7	-16.4%	-2.9
Natural gas _D	6.8	0.0	7.2		
RoR's RAB	5.3%	6.2%	6.1%		-0.9p.p.
Electricity	5.6%	6.9%	6.7%		-1.3p.p.
With premium	6.0%	7.2%	7.1%		-1.3p.p.
Without premium	5.2%	6.5%	6.3%		-1.3p.p.
Land	0.4%	0.4%	0.4%		0.0p.p.
Natural gas _T	5.5%	6.4%	6.0%		-0.8p.p.
Natural gas _D	5.8%	0.0%	6.3%		5.8p.p.

* Total costs;

** Transfers to RAB include direct acquisitions RAB related.

	1Q18	1Q17	2017
Net Debt (€M)	2,643.7	2,543.5	2,756.2
Average cost	2.3%	2.6%	2.5%
Average maturity (years)	5.0	4.7	4.1

DEBT BREAKDOWN

Funding sources

Bond issues	63%	64%	59%
EIB	17%	19%	16%
Loans	15%	2%	17%
Other	5%	15%	8%

TYPE

Float	40%	38%	46%
Fixed	60%	62%	54%

CREDIT METRICS

Net Debt / EBITDA	5.1x	5.1x	5.3x
FFO / Net Debt	11.8%	10.6%	11.7%
FFO Interest Coverage	5.6x	5.3x	5.3x

RATING

	Long term	Short term	Outlook	Date
Moody's	Baa3	-	Stable	04/12/2017
Standard & Poor's	BBB-	A-3	Positive	10/26/2017
Fitch	BBB	F3	Stable	04/11/2018

The background of the slide is a light gray network of interconnected nodes and lines, resembling a molecular structure or a data network. The nodes are small circles, and the lines are thin, connecting them into various geometric shapes like triangles and polygons. Some nodes are highlighted in green, and some lines are also green, creating a focal point for the text.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS

Financial position (teuros)



RESULTS
REPORT

	Mar 2018	Dec 2017
ASSETS		
Non-current assets		
Property, plant and equipment	2,827	3,227
Goodwill	19,007	19,102
Intangible assets	4,261,916	4,306,417
Investments in associates and joint ventures	159,171	162,027
Investments in equity instruments at fair value through other comprehensive income	145,730	156,439
Derivative financial instruments	8,497	7,907
Other financial assets	31	27
Trade and other receivables	77,905	6,528
Deferred tax assets	105,630	97,737
	4,780,714	4,759,411
Current assets		
Inventories	2,958	2,958
Trade and other receivables	420,626	540,849
Cash and cash equivalents	102,291	61,458
	525,875	605,265
TOTAL ASSETS	5,306,589	5,364,676

	Mar 2018	Dec 2017
EQUITY		
Shareholders' equity:		
Share capital	667,191	667,191
Own shares	-10,728	-10,728
Share premium	116,809	116,809
Reserves	299,929	310,192
Retained earnings	360,271	225,342
Other changes in equity	-5,541	-5,541
Net profit for the year	13,073	125,925
TOTAL EQUITY	1,441,004	1,429,190
LIABILITIES		
Non-current liabilities		
Borrowings	2,462,854	2,205,390
Liability for retirement benefits and others	121,029	121,977
Derivative financial instruments	5,665	6,960
Provisions	9,035	9,035
Trade and other payables	379,398	364,962
Deferred tax liabilities	99,153	99,534
	3,077,134	2,807,858
Current liabilities		
Borrowings	295,438	624,336
Trade and other payables	442,021	473,337
Income tax payable	50,992	29,957
	788,451	1,127,630
TOTAL LIABILITIES	3,865,585	3,935,487
TOTAL EQUITY AND LIABILITIES	5,306,589	5,364,676

CONSOLIDATED STATEMENTS

Profit and loss (teuros)



RESULTS
REPORT

	Mar 2018	Mar 2017
Sales	8	15
Services rendered	144,911	139,445
Revenue from construction of concession assets	13,881	13,112
Gains / (losses) from associates and joint ventures	1,148	1,826
Other operating income	9,935	5,496
Operating income	169,883	159,894
Cost of goods sold	-433	-46
Cost with construction of concession assets	-9,656	-10,056
External supplies and services	-10,743	-9,688
Personnel costs	-13,361	-12,162
Depreciation and amortizations	-58,671	-54,399
Provisions	-	67
Impairments	-19	-94
Other expenses	-6,943	-3,951
Operating costs	-99,826	-90,330
Operating results	70,057	69,564
Financial costs	-17,946	-18,708
Financial income	972	2,944
Financial results	-16,974	-15,765
Profit before income tax	53,083	53,799
Income tax expense	-14,677	-14,526
Energy sector extraordinary contribution (ESEC)	-25,333	-25,798
Net profit for the year	13,073	13,475
Attributable to:		
Equity holders of the Company	13,073	13,475
Non-controlled interest		
Consolidated profit for the year	13,073	13,475

CONSOLIDATED STATEMENTS

Cash flow (teuros)



RESULTS
REPORT

	Mar 2018	Mar 2017
Cash flow from operating activities		
Cash receipts from customers (a)	574,102	634,639
Cash paid to suppliers (a)	-397,176	-433,442
Cash paid to employees	-14,261	-14,633
Income tax received/(paid)	-503	-1,192
Other receipts/(payments) relating to operating activities	12,524	-2,567
Net cash flows from operating activities (1)	174,687	182,805
Cash flow from investing activities		
Receipts related to:		
Other financial assets	0	1,309
Investment grants	3,018	0
Interests and other similar income	19	0
Dividends	1,380	1,290
Payments related to:		
Financial investments	-12	-168,618
Property, plant and equipment	-64	-143
Intangible assets - Concession assets	-62,255	-68,730
Net cash flow used in investing activities (2)	-57,914	-234,893
Cash flow from financing activities		
Receipts related to:		
Borrowings	949,999	1,112,500
Interests and other similar income	0	8
Payments related to:		
Borrowings	-1,001,339	-1,022,841
Interests and other similar expense	-23,905	-22,244
Net cash from/(used in) financing activities (3)	-75,245	67,423
Net (decrease)/increase in cash and cash equivalents (1)+(2)+(3)	41,528	15,335
Effect of exchange rates	-99	1,710
Cash and cash equivalents at the beginning of the year	60,449	10,680
Cash and cash equivalents at the end of the period	101,880	27,725
Detail of cash and cash equivalents		
Cash	23	21
Bank overdrafts	-412	-512
Bank deposits	102,269	28,217
	101,880	27,725

(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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