

RESULTS REPORT

2018

21st MARCH

REN 

2018 HIGHLIGHTS

MAIN INDICATORS

€M	4Q18	2018	2017	Δ%	Δ Abs.
EBITDA	113.9	492.3	487.5	1.0%	4.8
Financial Result	-14.3	-57.8	-61.2	5.7%	3.5
Net Profit	24.8	115.7	125.9	-8.1%	-10.2
Recurrent Net Profit	24.7	137.2	154.8	-11.4%	-17.6
Average RAB	3 832.0	3 832.0	3 924.7	-2.4%	-92.8
CAPEX	54.7	121.9	155.6	-21.6%	-33.6
Net Debt	2 653.1	2 653.1	2 756.2	-3.7%	-103.1

▶ In 2018, EBITDA stood at €492.3M, an increase of 1.0% compared with the previous year, mainly driven by the Portgás consolidation (€34.2M). Additionally, there was a positive contribution from the sale of the LPG⁽¹⁾ business (€3.7M) and Electrogas (Δ€0.7M). However, these gains were partially offset by the decline in asset remuneration (-Δ€35.3M), following the parameters set in the current electricity regulatory period and the decrease in bond yields;

▶ Net profit and Recurrent Net Profit decreased to €115.7M (-8.1%) and €137.2M (-11.4%), respectively, in spite of the positive contribution of Financial Results that reached €57.8M (5.7% YoY). Financials benefited from the reduction in the average cost of debt (2.2% versus 2.5% in 2017) and the decrease in Net Debt (-€103.1M to €2,653.1M);

▶ The maintenance of CESE⁽²⁾ led to an effective taxes rate of 42.0% for the full year;

▶ The Cabinet of the Energy Secretary of State approved the PDIRGN⁽³⁾, in January 04, and the PDIRT-E⁽⁴⁾, in February 19, which include a total amount of CAPEX of €55M and €535.1M, respectively, for the period 2018-2027.

(1) Liquefied Petroleum Gas; (2) Extraordinary energy sector levy; (3) Natural Gas System's Development and Investment Plan; (4) Electricity Transmission System's Development and Investment Plan.

CAPEX REACHED €121.9M

Of which Portgás accounted for €24.9M

CAPEX and RAB

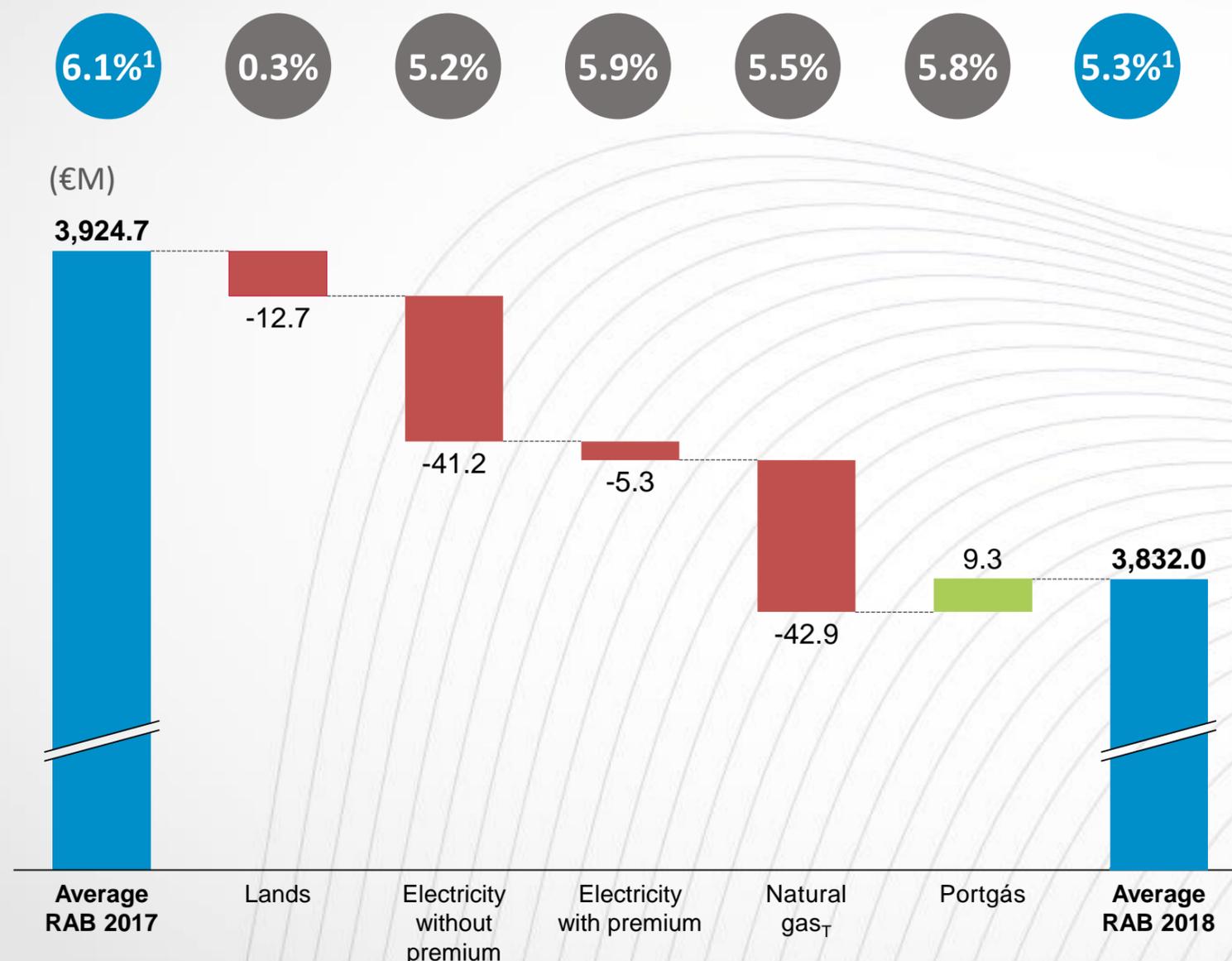
€M	2018	2017	Δ%	Δ Abs.
Average RAB	3,832.0	3,924.7	-2.4%	-92.8
Electricity	2,091.9	2,138.4	-2.2%	-46.5
Land	242.9	255.6	-5.0%	-12.7
Natural gas _T	1,032.6	1,075.5	-4.0%	-42.9
Natural gas _D	464.5	455.2		9.3
RAB end of period	3,767.7	3,898.7	-3.4%	-131.0
Electricity	2,052.7	2,134.2	-3.8%	-81.5
Land	236.6	249.2	-5.0%	-12.6
Natural gas _T	1,010.0	1,055.2	-4.3%	-45.2
Natural gas _D	468.4	460.0		8.4
CAPEX	121.9	155.6	-21.6%	-33.6
Electricity	85.6	134.8	-36.5%	-49.2
Natural gas _T	11.3	14.2	-19.9%	-2.8
Natural gas _D	24.9	6.3		18.5
Other	0.1	0.3	-54.3%	-0.2
RAB variation e.o.p.	-131.0	378.9		
Electricity	-81.5	-27.8		
Land	-12.6	-12.7		
Natural gas _T	-45.2	-40.6		
Natural gas _D	8.4	460.0		

Note: T - Transmission; D - Distribution.

- ▶ The deceleration of demand for new gas and electricity infrastructures resulted in a reduction in Total CAPEX and Transfers to RAB. Capex amounted to €121.9M (€155.6M in 2017) and Transfers to RAB to €88.5M (€158.8M in 2017);
- ▶ In electricity transmission the following projects were among the ones completed in 2018:
 - Refurbishment of command and protection systems and High Voltage switchgear at Riba de Ave and Canelas substations;
 - Refurbishment of command and protection systems at Carriche and Santarém substations.
- ▶ Within NG transportation and storage the most important projects were:
 - Expansion of detection and extinction fire network;
 - Adequacy of ground system at LNG Terminal;
 - Replacement of flow computers in GRM.
- ▶ Investments in Portgás were focused above all in network expansion and densification, mostly for B2C.

AVERAGE RAB DOWN BY 2.4% TO €3,832.0M

Portgás had a positive contribution of €9.3M



- ▶ Average RAB was lower €92.8M year-on-year, penalized by the negative path of NG transportation and electricity transmission;
- ▶ In the electricity transmission, the base rate of return (RoR) was down by 1.2p.p. to 5.2%, driven by the new 2018-2020 regulatory framework, in which the starting point is 5.9%, vs 6.4% in the previous period. The electricity with premium decreased by €5.3M YoY, while lands, the category with the lowest RoR (0.3%), was down by €12.7M to €242.9M;
- ▶ In natural gas transportation, the average RAB decreased by €42.9M (RoR 5.5%) to €1,032.6M;
- ▶ By year-end, electricity accounted for 54.6% of the average RAB, natural gas for 39.1% (Portgás included) and lands for the remaining 6.3%.

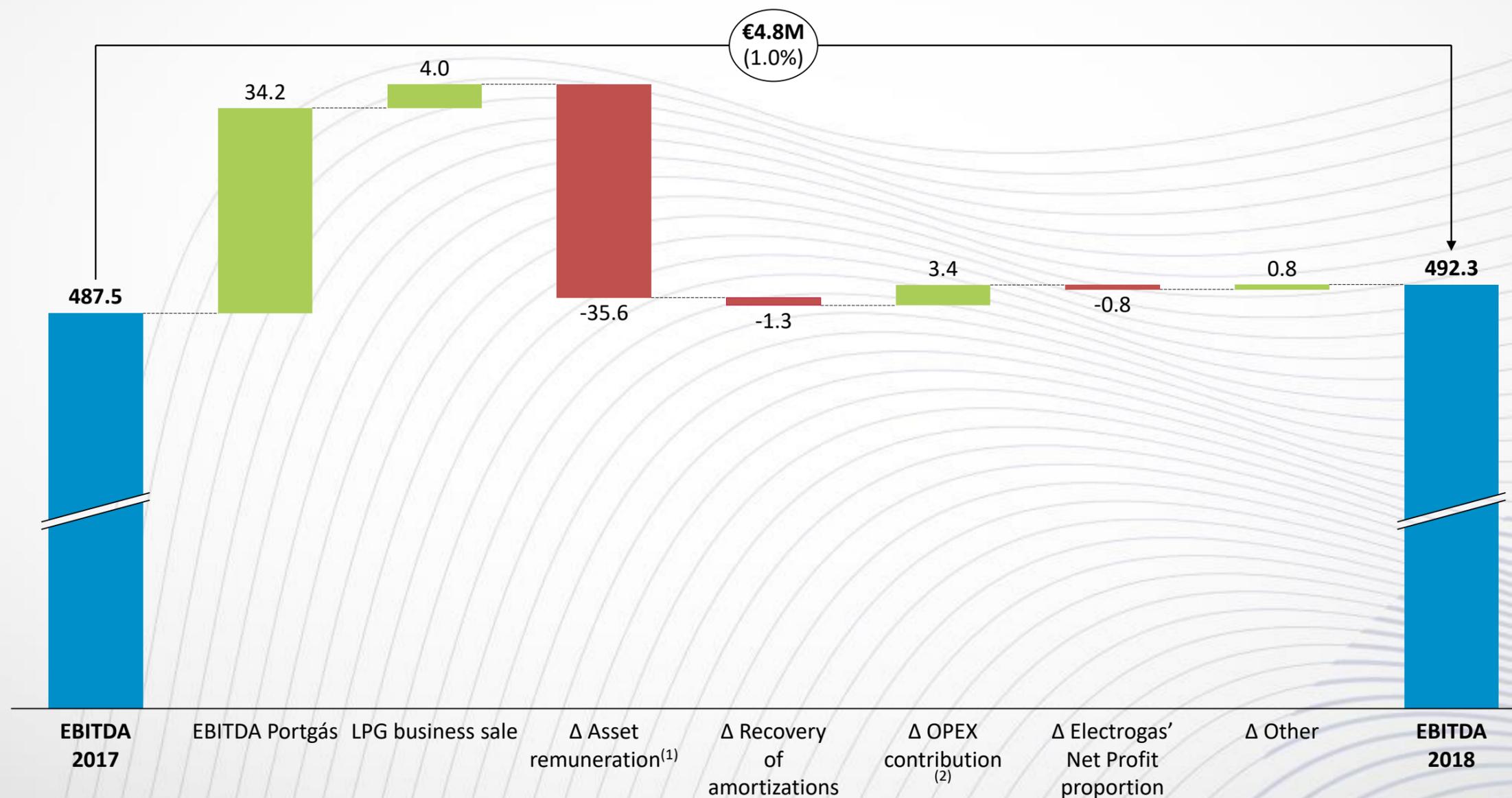
1) RoR is equal to the specific asset remuneration, divided by the average RAB.

EBITDA REACHED €492.3M

Portgás contributed with €34.2M

EBITDA

(€M)



(1) Includes -Δ€0.6M of NG tariff smoothing effect (natural gas);

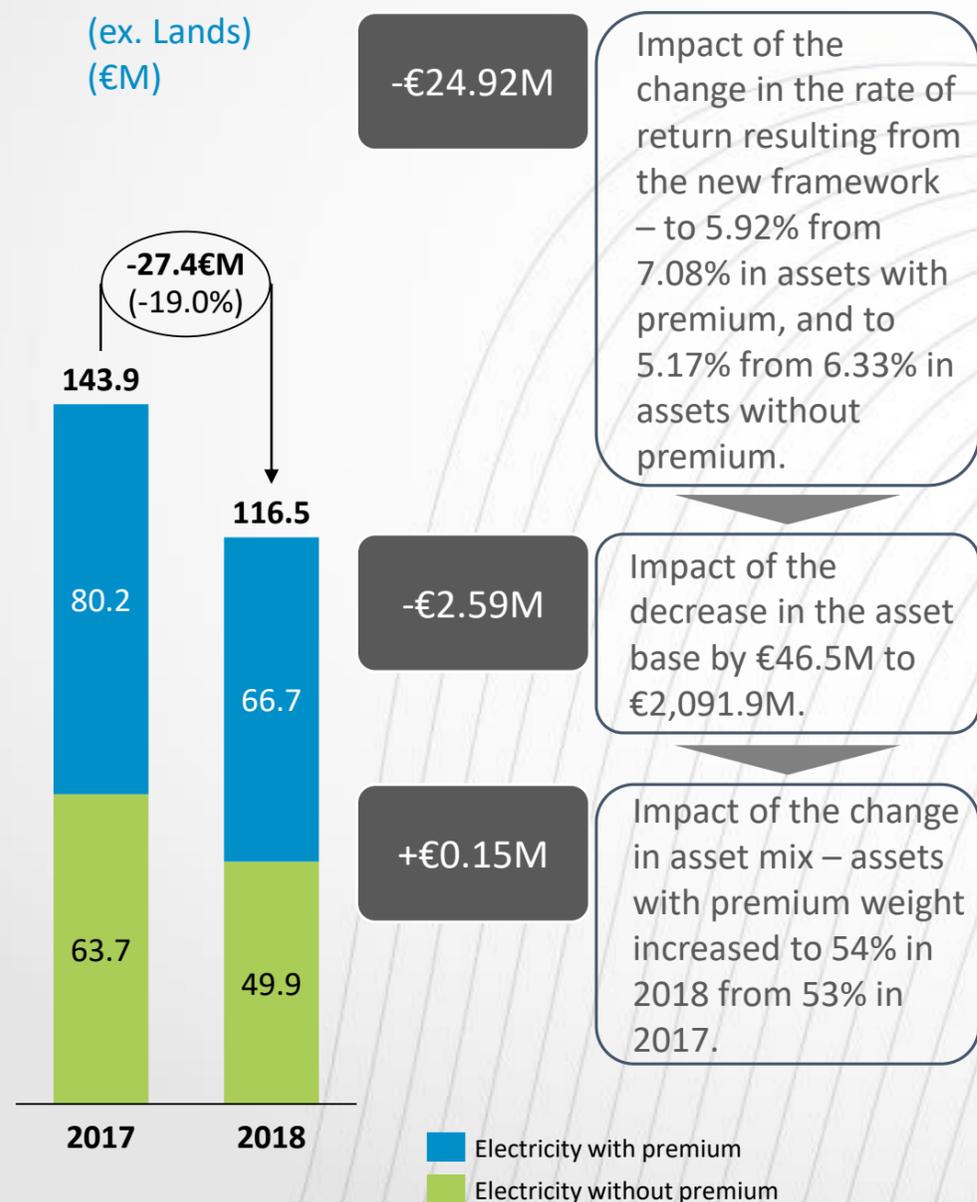
(2) Includes €1.2M related to the one-off costs with Electrogas (in 1Q17) and Δ€0.09M of OPEX own works.

RAB REMUNERATION DROPPED BY €36.7M

Driven by the decrease in both RoR and asset bases (Electricity and NG_T)

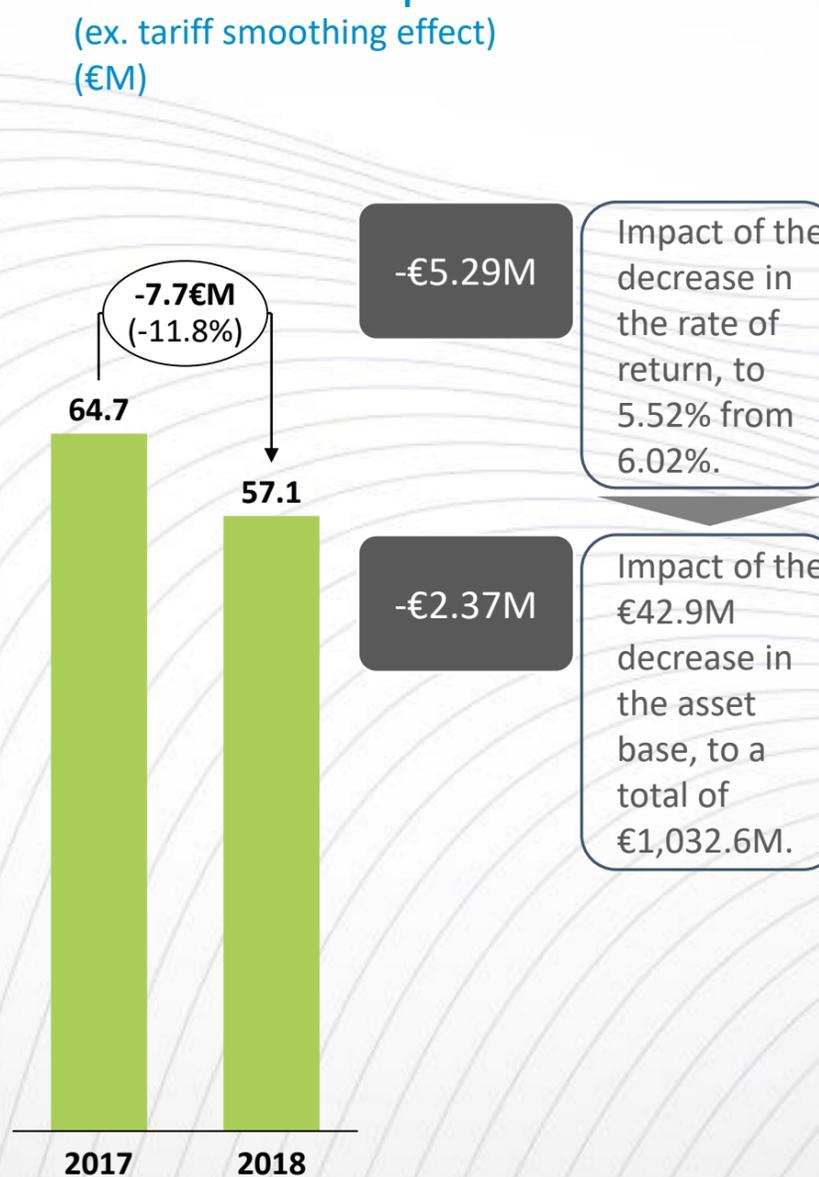
RAB REMUNERATION ELECTRICITY

(ex. Lands)
(€M)



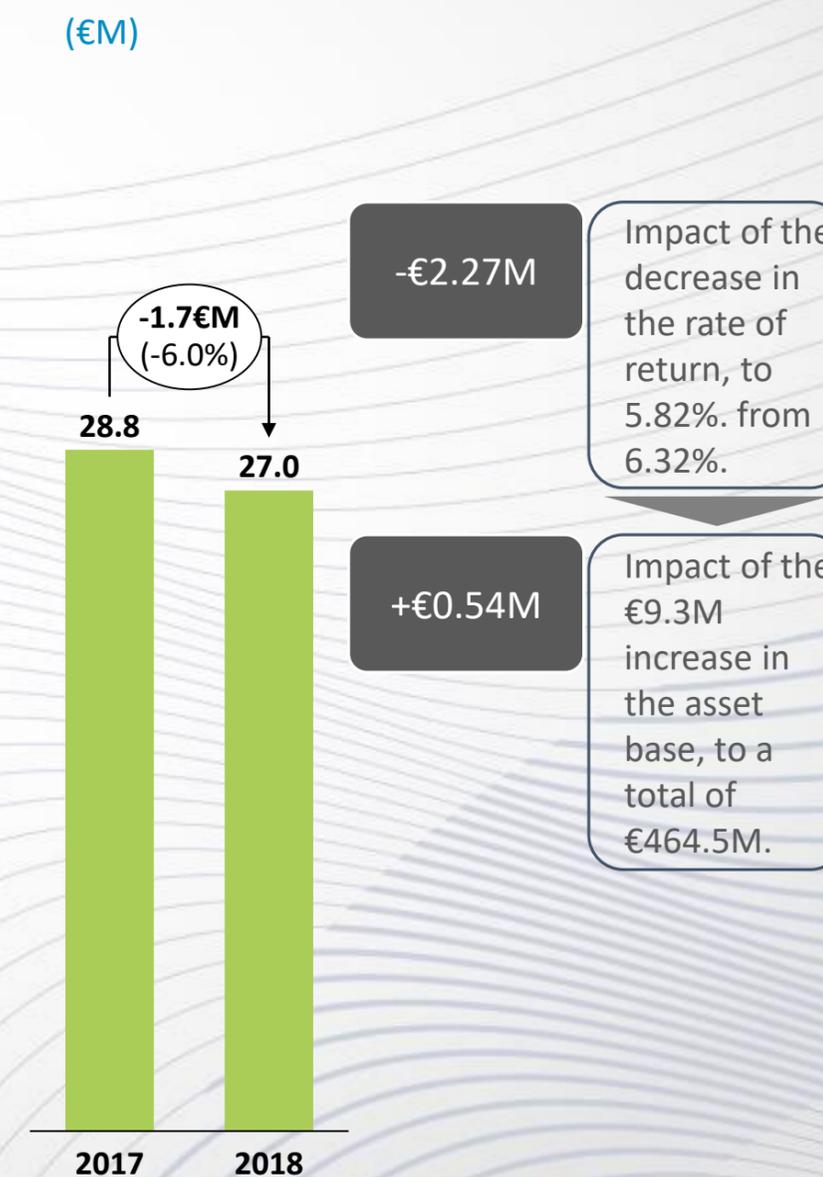
RAB REMUNERATION NATURAL GAS_T

(ex. tariff smoothing effect)
(€M)



RAB REMUNERATION PORTGÁS

(€M)



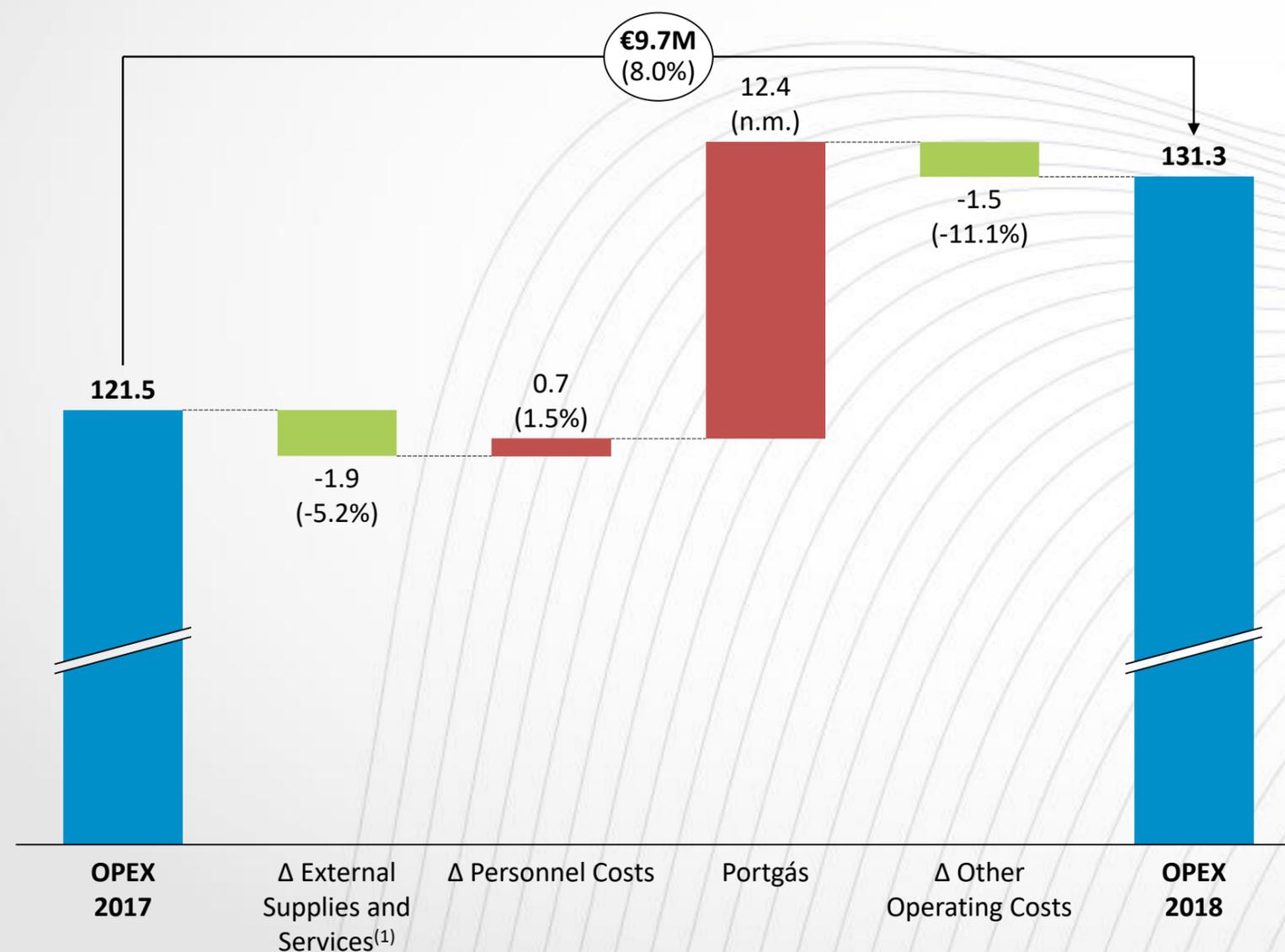
1) In 2017, Portgás contributed with €7.1M (last 3 months of 2017) for REN's RAB remuneration.

OPEX WAS €131.3M, 8.0% ABOVE 2017 VALUE

Without Portgás, OPEX fell by 2.3%

OPERATIONAL COSTS

(€M)



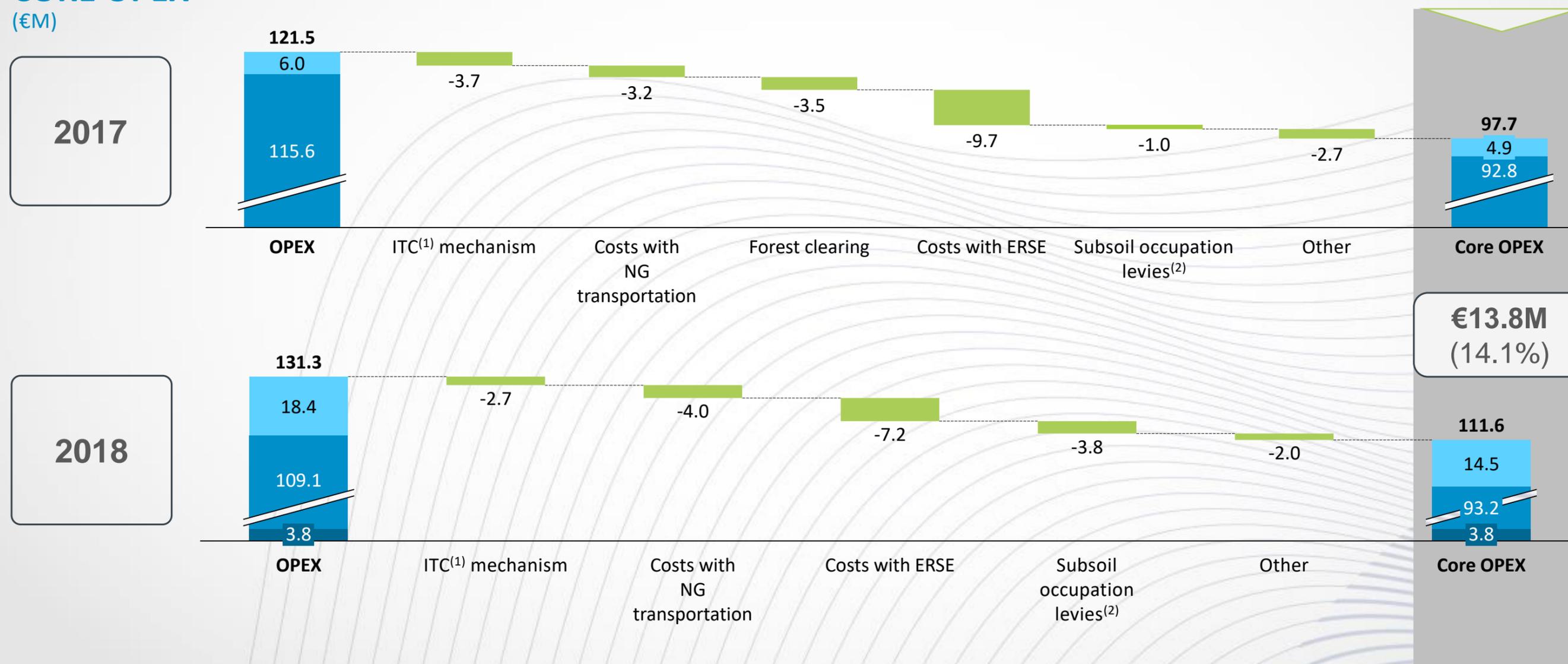
- ▶ OPEX variation was mainly affected by the Portgás' acquisition;
- ▶ External Supplies and Services include €1.2M from Electrogas' acquisition in 2017.

CORE OPEX WAS €13.8M HIGHER YOY

Excluding Portgás and Forest clearing it was €0.4M above the previous year

CORE OPEX (€M)

■ Distribution
 ■ Transmission
 ■ Forest Clearing



▶ With the new electricity regulatory period starting in 2018, “Forest clearing” costs are now subject to revenue cap (Core OPEX), and therefore no longer a pass-through cost. This amounted to €3.8M in extra Core OPEX.

(1) ITC - Inter Transmission System Operator Compensation for Transits; (2) Item related to Portgás.

BELOW EBITDA

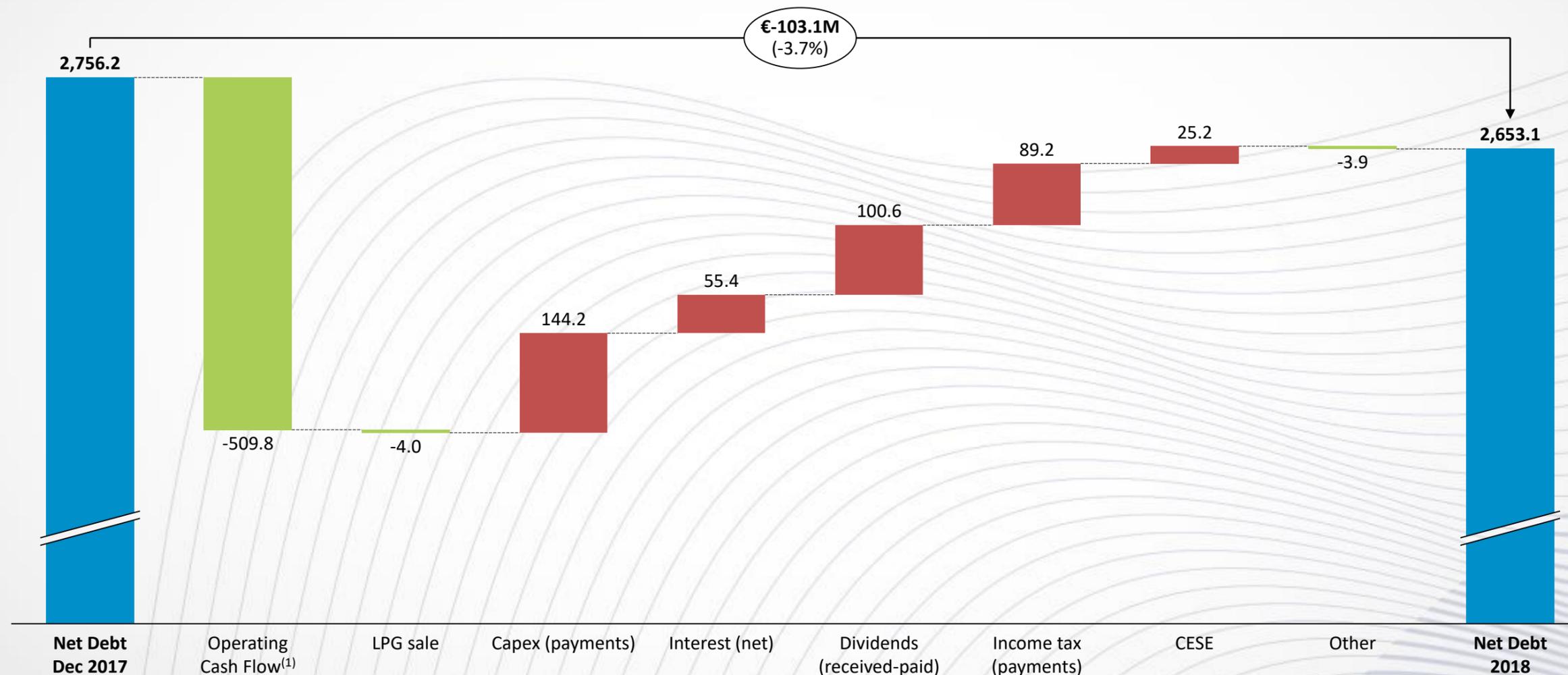
Financials benefited from both lower stock and lower cost of debt

€M	2018	2017	Δ%	Δ Abs.
EBITDA	492.3	487.5	1.0%	4.8
Depreciations and amortizations	235.1	222.0	5.9%	13.1
Financial Result	-57.8	-61.2	5.7%	3.5
Profit before income tax and levy	199.5	204.3	-2.4%	-4.8
Taxes	58.5	52.5	11.3%	5.9
Extraordinary levy	25.3	25.8	-2.1%	-0.5
Net Profit	115.7	125.9	-8.1%	-10.2
Recurrent Net Profit	137.2	154.8	-11.4%	-17.6

- ▶ Depreciations and amortizations rose by 5.9% to €222.0M, as a result of the integration of Portgás;
- ▶ Income Tax grew to €52.5M. Without taking into account the special levy on the energy sector, the effective tax rate reached 29.3%, versus 25.7% in the previous year. This €5.9M variation was mainly due to a higher State surcharge (Δ€2.2M), to 9% in 2018 from 7% in 2017, and a higher amount of deferred taxes, due to the increase in receivables from tariff deviations (Δ€2M);
- ▶ In 2018, the Group was taxed at a Corporate Income Tax rate of 21%, increased 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;
- ▶ Average cost of debt declined to 2.2%, from 2.5% in 2017;
- ▶ Financial Result improved by 5.7%, with the reduction in the average cost of debt and its stock.

NET DEBT DOWN BY 3.7% TO €2,653.1M

NET DEBT (€M)



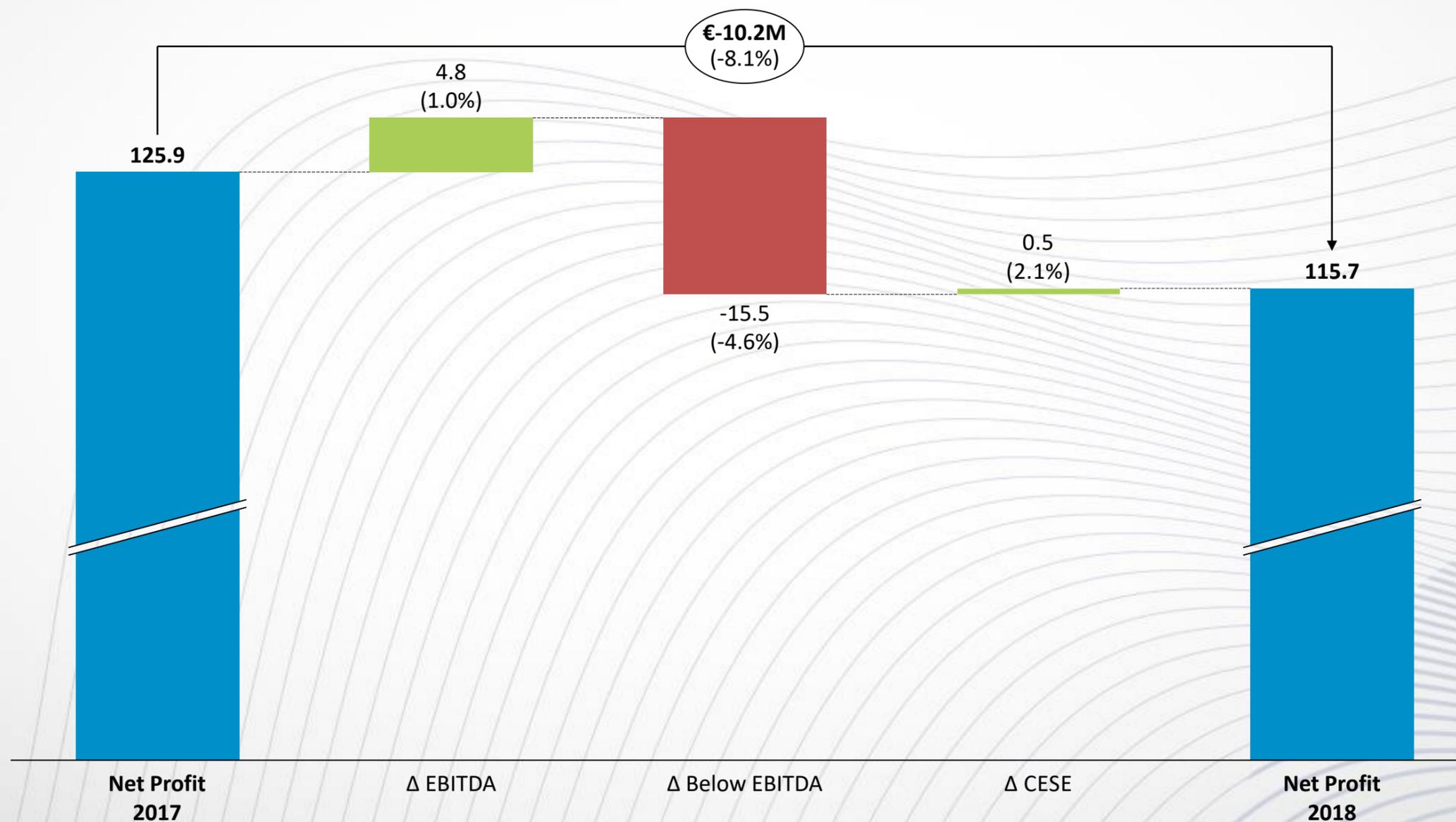
▶ The Average cost of debt decreased by 0.31p.p. to 2.2%.

(1) Includes Δ€6.4M of positive tariff deviations.

NET PROFIT DECREASED BY 8.1% TO €115.7M

On the back of higher amortizations (€13.1M) due to the Portgás acquisition

NET PROFIT (€M)

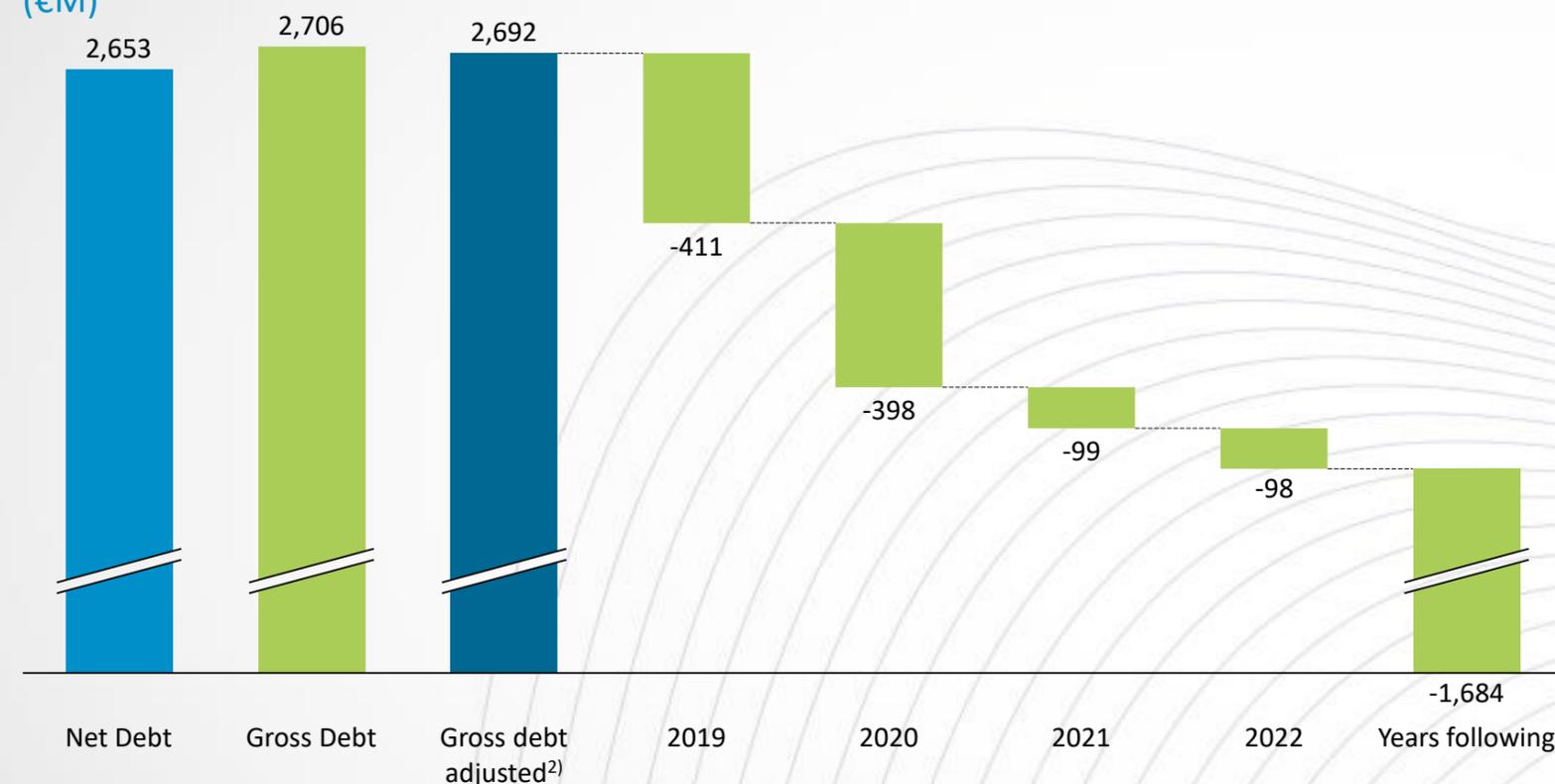


REN IS FUNDED OVER THE NEXT TWO YEARS

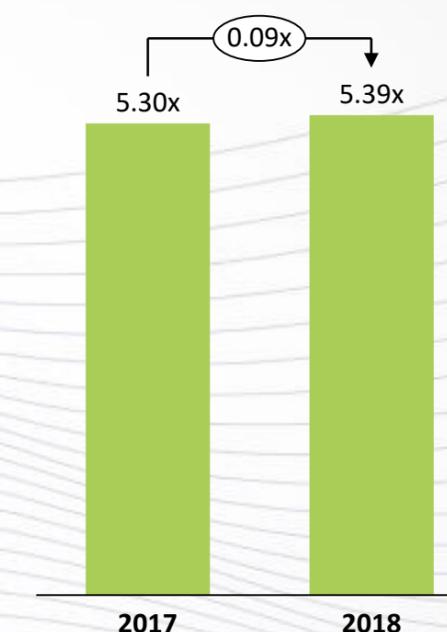
The average debt maturity at the end of the period was 4.35 years

DEBT MATURITY SCHEDULE

(€M)



Net Debt / EBITDA¹⁾



- ▶ In 2018, the cost of REN's debt decreased to 2.2% due to 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;
- ▶ During this year, S&P upgraded REN's rating to 'BBB/A-2' from 'BBB-/A-3' (in October) and Fitch reaffirmed REN's Rating at 'BBB', with a stable outlook (in April). Consequently, REN maintained its position as the Portuguese listed company with the best rating from all three major agencies, that lead to a more favourable climate among REN's creditors and helps to open the door for future issues of debt securities at potentially lower costs.

1) The ratio was affected by the Portgás acquisition;

2) Value adjusted by interest accruals and hedging on yen denominated debt.

BALANCE SHEET

€M	2018	2017
Fixed assets c. related	4 072.9	4 186.1
Investments and goodwill ¹	355.3	345.5
Tariff deviations	160.8	105.4
Receivables ²	444.4	539.8
Cash	35.7	61.5
Other ³	122.4	126.5
Total assets	5 191.6	5 364.7
Shareholders equity	1 463.8	1 429.2
Debt (end of period)	2 706.3	2 829.7
Provisions	8.9	9.0
Tariff deviations	120.4	110.5
Payables ⁴	780.9	857.3
Other ⁵	111.2	128.9
Total equity and liabilities	5 191.6	5 364.7

- ▶ The total amount of *fixed assets concessions related* decreased to €4,072.9M (this value includes investment subsidies);
- ▶ *Investments and goodwill (1)* increased to €355.3M 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 €444.4M in 2018, decreasing from €539.8M at the end of 2017;
- ▶ *Other Assets (3)* stood at €122.4M. 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 €780.9M at the end of the period, versus €857.3M in 2017;
- ▶ *Other liabilities (5)* stood at €111.2M. These include retirement and other benefit obligations, derivative financial instruments and guarantee deposits (€128.9M in 2017).

THE BALANCE OF TARIFFS DEVIATIONS WAS €72.0M

To be received from tariffs over the next two years

TARIFF DEVIATIONS

€M	2018	2017
Electricity ¹⁾	16.6	94.2
Trading	128.0	46.8
Natural Gas _T ²⁾	-71.5	-73.4
Natural Gas _D	-1.1	-2.1
TOTAL	72.0	65.6

▶ 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): €70.8M in 2017 and €25.8M in 2018;

2) Value adjusted to include the amount to be received from the FSSSE: €5.8M in 2018.

DIVERSIFIED FUNDING SOURCES

BORROWINGS

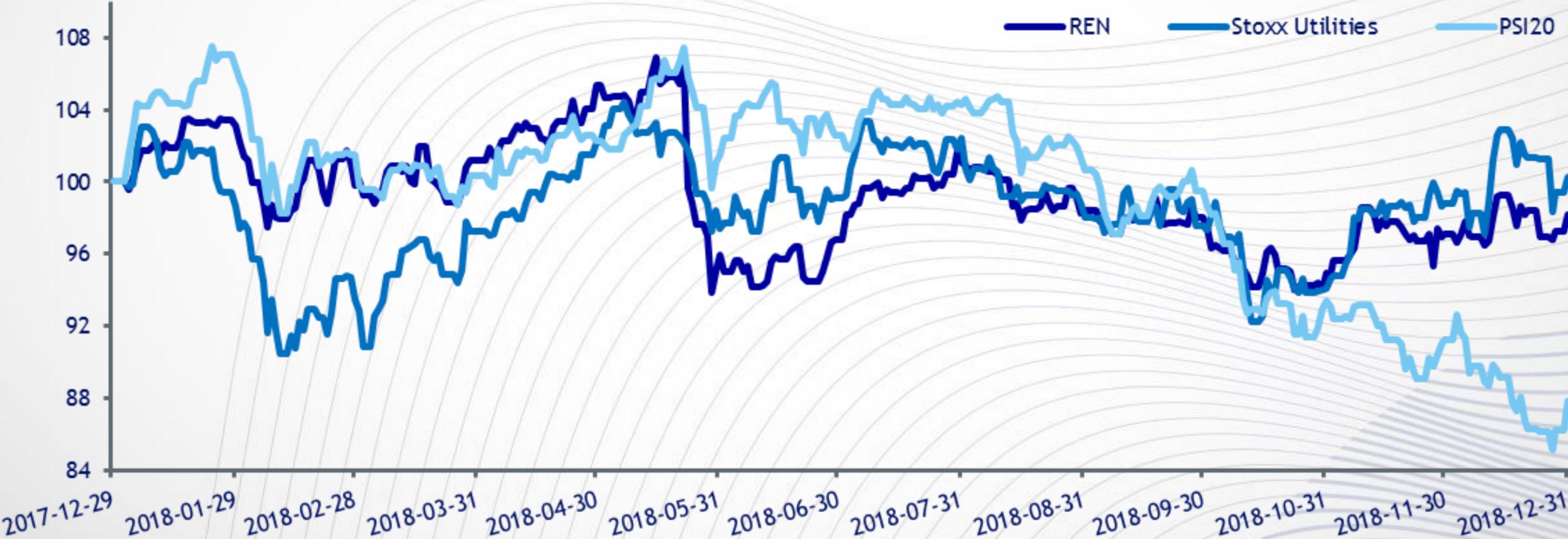
€M	Current	Non Current	TOTAL
Bonds	30.0	1,738.2	1,768.2
Bank borrowings	200.1	556.4	756.6
Commercial paper	180.0	0.0	180.0
Bank overdrafts	1.6	0.0	1.6
Finance lease	1.6	2.8	4.3
TOTAL	413.3	2,297.4	2,710.7
Accrued interest	24.6	0.0	24.6
Prepaid interest	-6.5	-22.5	-29.0
TOTAL	431.4	2,274.9	2,706.3

- ▶ In 2018, REN's total liquidity reached €904M, including credit facilities, loans, non-used commercial paper programmes, cash and bank deposits;
- ▶ Bank borrowings were mainly represented by EIB loans (€409.4M);
- ▶ The Group had credit lines negotiated and not used in the amount of €87.5M, 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 €1,050M, of which €870M were available for use;
- ▶ REN's financial liabilities had the following main types of covenants: Cross Default, *Pari Passu*, Negative Pledge and Gearing (ratio of total consolidated equity with the total consolidated regulated assets).

SHARE PERFORMANCE

In 2018, REN's share price decreased by 1.8% YTD

ANNUALIZED CLOSING PRICES

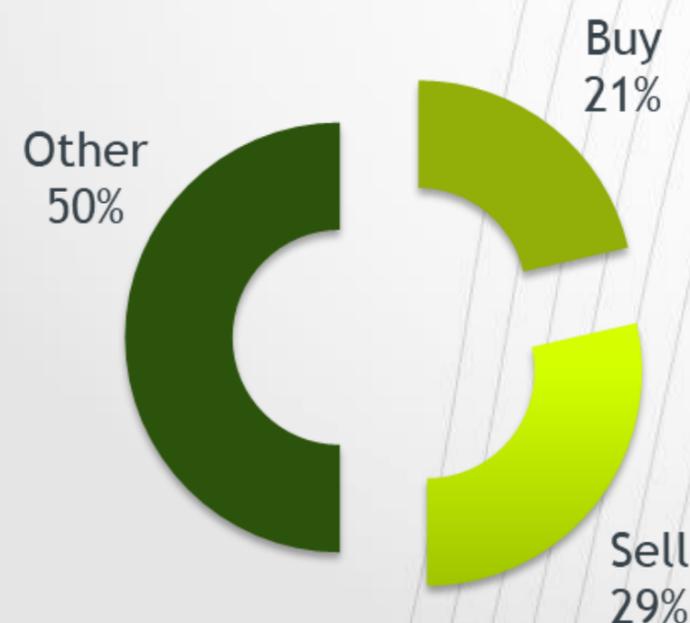


Source: Bloomberg

MARKET INFORMATION

ANALYST RECOMMENDATIONS⁽¹⁾

- ▶ **Average Price target**
€2.64
- ▶ **Upside/Downside(+/-)**
8.5%



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
- ▶ **May-03:** 1Q18 Consolidated results
- ▶ **May-03 :** Resolutions approved at the general shareholders meeting
- ▶ **May-04 :** Strategic Update 2018-2021
- ▶ **May-10 :** Payment of dividends relating to the financial year of 2017
- ▶ **May-30 :** Manager's transaction over REN' shares (Manuel Sebastião)
- ▶ **Jul-02:** Sale of LPG business
- ▶ **Jul-03 :** Supplement to the communication of 02 July
- ▶ **Jul-26:** 1H18 Consolidated results
- ▶ **Oct-16:** S&P raises REN's rating to BBB/A-2, with a stable outlook
- ▶ **Nov-08:** 2017 Consolidated results
- ▶ **Nov-23:** Change in Corporate Bodies

1) March 18th, 2019.

REN'S TOTAL SHAREHOLDER RETURN WAS +5.0% (YTD)



REN END OF PERIOD	2018	2017
Price (€)		
Close	2.434	2.479
Average	2.458	2.510
High YTD	2.650	2.767
Low YTD	2.326	2.254
<i>Variation YTD</i>	-1.8%	3.4%
Market cap. (€M)	1,624	1,654
Number of shares	667,191,262	667,191,262
Own shares (mn)	3.9	3.9
Volume (th shares)	0.263	0.644
Average Daily Volume (th shares)	959	838
Performance indicators		
Dividend yield	7.0%	6.5%
Total shareholder return YTD	5.0%	10.1%
Cumulative total return*		
REN	85.6%	76.7%
PSI20	-45.1%	-39.9%
EuroStoxx Utilities	-6.5%	-11.3%

*Inception to date (July 09th 2007).

REN 

APPENDIX

RESULTS BREAKDOWN

€M	2018	2017	2018/2017	
			Δ %	Δ Abs.
1) TOTAL REVENUES	726.9	747.8	-2.8%	-21.0
Revenues from assets	455.3	460.3	-1.1%	-5.0
Return on RAB	200.6	215.7	-7.0%	-15.0
Electricity	116.5	143.9	-19.0%	-27.4
Natural gas	57.1	64.7	-11.8%	-7.7
Portgás	27.0	7.1		20.0
Hydro land remuneration	0.0	0.2		-0.2
Lease revenues from hydro protection zone	0.7	0.7	-1.2%	0.0
Economic efficiency of investments	23.6	21.8	8.4%	1.8
Tariff smoothing effect (natural gas)	0.0	0.6		-0.6
Recovery of amortizations (net from subsidies)	212.4	203.4	4.5%	9.1
Subsidies amortization	17.9	18.0	-0.1%	0.0
Revenues of OPEX	121.1	108.2	12.0%	12.9
Other revenues	28.6	24.7	16.0%	4.0
Construction revenues (IFRIC 12)	121.8	154.7	-21.3%	-32.9
2) OPEX	131.3	121.5	8.0%	9.7
Personnel costs	55.8	51.8	7.8%	4.0
External supplies and services	58.2	55.0	5.8%	3.2
Other operational costs	17.3	14.7	17.3%	2.5
3) Construction costs (IFRIC 12)	102.4	136.7	-25.1%	-34.3
4) Depreciations and amortizations	235.1	222.0	5.9%	13.1
5) Other	0.9	2.1	-55.5%	-1.2
6) EBIT	257.2	265.5	-3.1%	-8.3
7) Depreciations and amortizations	235.1	222.0	5.9%	13.1
8) EBITDA	492.3	487.5	1.0%	4.8
9) Depreciations and amortizations	235.1	222.0	5.9%	13.1
10) Financial result	-57.8	-61.2	-5.7%	3.5
11) Income tax expense	58.5	52.5	11.3%	5.9
12) Extraordinary contribution on energy sector	25.3	25.8	-2.1%	-0.5
13) NET PROFIT	115.7	125.9	-8.1%	-10.2
14) Non recurrent items*	21.5	28.9	-25.7%	-7.4
15) RECURRENT NET PROFIT	137.2	154.8	-11.4%	-17.6

* NON RECURRENT ITEMS:

2018: i) Extraordinary energy sector levy, as established in the 2018 State budget law (€25.3M); ii) One-off gains related to the sale of LPG business in July, net from associated costs (€3.7M, €3.8M after taxes);

2017: 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 (€3.3M, €2.4M after taxes); iii) Electrogas acquisition stamp duty (€1.0M, €0.7M after taxes).

OTHER OPERATIONAL REVENUES AND COSTS BREAKDOWN

€M	2018	2017	2018/2017	
			Δ %	Δ Abs.
Other revenues	28.6	24.7	16.0%	4.0
Allowed incentives	2.9	3.2	-9.4%	-0.3
Interest on tariff deviation	0.0	1.4		-1.4
Gains in related companies	4.0	0.0		4.0
Telecommunication sales and services rendered	6.1	5.2	18.9%	1.0
Consultancy services and other services provided	3.0	2.8	5.1%	0.1
Other revenues*	12.5	12.0	4.2%	0.5
Other costs	17.3	14.7	17.3%	2.5
Costs with ERSE	7.2	9.7	-25.9%	-2.5
Other	10.0	5.0		5.1

*Includes revenues related to Electrogas' Net Profit proportion (€6.5M in 2018 and €7.2M in 2017).

EBITDA BREAKDOWN (ELECTRICITY¹)

€M	2018	2017	2018/2017	
			Δ %	Δ Abs.
1) REVENUES	451.0	530.4	-15.0%	-79.4
Revenues from assets	296.6	324.2	-8.5%	-27.6
Return on RAB	116.5	143.9	-19.0%	-27.4
Hydro land remuneration	0.0	0.2		-0.2
Lease revenues from hydro protection zone	0.7	0.7	-1.2%	0.0
Economic efficiency of investments	23.6	21.8	8.4%	1.8
Recovery of amortizations (net from subsidies)	143.7	145.4	-1.2%	-1.8
Subsidies amortization	12.1	12.1	-0.2%	0.0
Revenues of OPEX	64.5	64.5	0.0%	0.0
Other revenues	4.3	6.9	-37.9%	-2.6
Interest on tariff deviation	0.4	0.9	-58.6%	-0.5
Other	3.9	6.0	-34.6%	-2.1
Construction revenues (IFRIC 12)	85.6	134.8	-36.5%	-49.2
2) OPEX	52.6	53.8	-2.2%	-1.2
Personnel costs	19.1	19.5	-2.1%	-0.4
External supplies and services	25.8	26.0	-0.7%	-0.2
Other operational costs	7.7	8.3	-7.2%	-0.6
3) Construction costs (IFRIC 12)	70.9	119.7	-40.8%	-48.8
4) Depreciations and amortizations	155.4	157.0	-1.0%	-1.6
5) Other	0.4	1.2	-64.5%	-0.7
6) EBIT (1-2-3-4-5)	171.7	198.7	-13.6%	-27.1
7) Depreciations and amortizations	155.4	157.0	-1.0%	-1.6
8) EBITDA (6+7)	327.1	355.8	-8.1%	-28.6

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

EBITDA BREAKDOWN (NATURAL GAS TRANSPORTATION)

€M	2018	2017	2018/2017	
			Δ %	Δ Abs.
1) REVENUES	171.3	180.7	-5.2%	-9.3
Revenues from assets	118.5	126.2	-6.1%	-7.7
Return on RAB	57.1	64.7	-11.8%	-7.7
Tariff smoothing effect (natural gas)	0.0	0.6		-0.6
Recovery of amortizations (net from subsidies)	55.6	55.1	0.9%	0.5
Subsidies amortization	5.9	5.9	-0.1%	0.0
Revenues of OPEX	40.4	39.6	1.9%	0.7
Other revenues	1.1	0.6	69.3%	0.4
Interest on tariff deviation	-0.2	0.3		-0.4
Consultancy services and other services provided	-0.3	0.0		-0.4
Other	1.6	0.3		1.2
Construction revenues (IFRIC 12)	11.3	14.2	-19.9%	-2.8
2) OPEX	27.3	26.9	1.5%	0.4
Personnel costs	7.6	7.4	2.7%	0.2
External supplies and services	16.3	15.4	5.7%	0.9
Other operational costs	3.4	4.1	-16.3%	-0.7
3) Construction costs (IFRIC 12)	9.3	11.8	-21.8%	-2.6
4) Depreciations and amortizations	60.8	60.2	0.9%	0.5
5) Other	0.0	0.1	-61.0%	-0.1
6) EBIT	73.9	81.5	-9.3%	-7.6
7) Depreciations and amortizations	60.8	60.2	0.9%	0.5
8) EBITDA	134.7	141.8	-5.0%	-7.1

EBITDA BREAKDOWN (PORTGÁS)

€M	2018	4Q17
1) REVENUES	87.9	19.9
Revenues from assets	40.1	9.9
Return on RAB	27.0	7.1
Recovery of amortizations (net from subsidies)	13.1	2.8
Revenues of OPEX	16.3	4.1
Other revenues	6.6	0.3
Interest on tariff deviation	0.0	0.0
Adjustments previous years	0.6	-0.3
Gains in related companies*	4.0	0.0
Other services provided	1.5	0.7
Other	0.6	0.0
Construction revenues (IFRIC 12)	24.8	5.7
2) OPEX	18.4	6.0
Personnel costs	4.8	1.5
External supplies and services	8.1	3.0
Other operational costs	5.5	1.5
3) Construction costs (IFRIC 12)	22.2	5.1
4) Depreciations and amortizations	13.4	3.3
5) Other	0.2	-0.1
6) EBIT	33.7	5.6
7) Depreciations and amortizations**	13.4	3.3
8) EBITDA	47.1	8.9

- ▶ REN's Portgás acquisition was only completed in October 2017 and REN started to consolidate Portgás in 4Q17 (full consolidation method). For this reason, Portgás' 2017 results are not entirely comparable with 2018 results.

* One-off related to the sale of LPG business;

** In 4Q17, Purchase Price Allocation €1.2M was reclassified to "Depreciations and amortizations" in "EBITDA breakdown (Other)" (page 25).

EBITDA BREAKDOWN (OTHER*)

€M	2018	2017	2018/2017	
			Δ %	Δ Abs.
1) TOTAL REVENUES	16.6	16.9	-1.4%	-0.2
Revenues of OPEX	0.0	0.1		-0.1
Other revenues	16.6	16.8	-0.9%	-0.1
Allowed incentives	2.9	3.2	-9.4%	-0.3
Interest on tariff deviation	-0.1	0.2		-0.4
Telecommunication sales and services rendered	6.1	5.2	18.9%	1.0
Consultancy services and other services provided	1.9	2.1	-13.6%	-0.3
Other	5.9	6.1	-3.0%	-0.2
Construction revenues (IFRIC 12)	0.0	0.0		0.0
2) OPEX	33.0	34.9	-5.4%	-1.9
Personnel costs	24.3	23.4	4.0%	0.9
External supplies and services	8.0	10.6	-24.7%	-2.6
Other operational costs	0.7	0.9	-23.1%	-0.2
3) Construction costs (IFRIC 12)	0.0	0.0		0.0
4) Depreciations and amortizations**	5.5	1.5		4.0
5) Other	0.3	0.9	-71.8%	-0.7
6) EBIT	-22.1	-20.4	-8.3%	-1.7
7) Depreciations and amortizations	5.5	1.5		4.0
8) EBITDA	-16.6	-19.0	12.3%	2.3

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

(**) In 4Q17, Purchase Price Allocation €1.2M from “EBITDA breakdown (Portgás)” (page 24) was reclassified to “Depreciations and amortizations” in “EBITDA breakdown (Other)”.

CAPEX AND RAB

€M	2018	2017	2018/2017	
			Δ %	Δ Abs.
CAPEX*	121.9	155.6	-21.6%	-33.6
Electricity	85.6	134.8	-36.5%	-49.2
Natural gas _T	11.3	14.2	-19.9%	-2.8
Natural gas _D	24.9	6.3		18.5
Other	0.1	0.3	-54.3%	-0.2
Transfers to RAB**	88.5	158.8	-44.3%	-70.3
Electricity	53.8	134.2	-59.9%	-80.3
Natural gas _T	11.0	14.6	-25.0%	-3.6
Natural gas _D	23.7	10.0		13.7
Average RAB	3,832.0	3,924.7	-2.4%	-92.8
Electricity	2,091.9	2,138.4	-2.2%	-46.5
With premium	1,127.0	1,132.3	-0.5%	-5.3
Without premium	964.9	1,006.1	-4.1%	-41.2
Land	242.9	255.6	-5.0%	-12.7
Natural gas _T	1,032.6	1,075.5	-4.0%	-42.9
Natural gas _D	464.5	455.2	2.0%	9.3
RAB e.o.p.	3,767.7	3,898.7	-3.4%	-131.0
Electricity	2,052.7	2,134.2	-3.8%	-81.5
Land	236.6	249.2	-5.0%	-12.6
Natural gas _T	1,010.0	1,055.2	-4.3%	-45.2
Natural gas _D	468.4	460.0	1.8%	8.4
RAB's variation e.o.p.	-131.0	378.9		-509.9
Electricity	-81.5	-27.8		
Land	-12.6	-12.7		
Natural gas _T	-45.2	-40.6		
Natural gas _D	8.4	460.0		

€M	2018	2017	2018/2017	
			Δ %	Δ Abs.
RAB's remuneration	201.3	216.6	-7.1%	-15.3
Electricity	116.5	143.9	-19.0%	-27.4
With premium	66.7	80.2	-16.8%	-13.5
Without premium	49.9	63.7	-21.7%	-13.9
Land	0.7	1.0	-26.4%	-0.3
Natural gas _T	57.1	64.7	-11.8%	-7.7
Natural gas _D	27.0	7.1		20.0
RoR's RAB	5.3%	6.1%		-0.8p.p.
Electricity	5.6%	6.7%		-1.2p.p.
With premium	5.9%	7.1%		-1.2p.p.
Without premium	5.2%	6.3%		-1.2p.p.
Land	0.3%	0.4%		-0.1p.p.
Natural gas _T	5.5%	6.0%		-0.5p.p.
Natural gas _D	5.8%	6.3%		-0.5p.p.

* Total costs;

** Transfers to RAB include direct acquisitions RAB related.

DEBT

	2018	2017
Net Debt (€M)	2 653,1	2 756,2
Average cost	2,2%	2,5%
Average maturity (years)	4,3	4,1
Net Debt / EBITDA	5.4x	5.3x

DEBT BREAKDOWN

Funding sources		
Bond issues	65%	59%
EIB	15%	16%
Loans	13%	17%
Other	7%	8%

TYPE

Float	38%	46%
Fixed	62%	54%

RATING	Long term	Short term	Outlook	Date
Moody's	Baa3	-	Stable	04/12/2017
Standard & Poor's	BBB	A-2	Stable	10/19/2018
Fitch	BBB	F3	Stable	04/11/2018

REN

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS

Financial position (thousands of euros)

	Dec 2018	Dec 2017
ASSETS		
Non-current assets		
Property, plant and equipment	561	3 227
Goodwill	3 877	19 102
Intangible assets	4 192 619	4 306 417
Investments in associates and joint ventures	167 841	162 027
Investments in equity instruments at fair value through other comprehensive income	162 552	156 439
Derivative financial instruments	21 010	7 907
Other financial assets	45	27
Trade and other receivables	50 246	6 528
Deferred tax assets	92 495	97 737
	4 691 247	4 759 411
Current assets		
Inventories	2 095	2 958
Trade and other receivables	427 126	540 849
Current income tax recoverable	35 371	0
Cash and cash equivalents	35 735	61 458
	500 327	605 265
TOTAL ASSETS	5 191 574	5 364 676

	Dec 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	326 906	310 191
Retained earnings	253 505	225 342
Other changes in equity	-5 561	-5 541
Net profit for the year	115 715	125 925
TOTAL EQUITY	1 463 837	1 429 189
LIABILITIES		
Non-current liabilities		
Borrowings	2 274 939	2 205 390
Liability for retirement benefits and others	98 288	121 977
Derivative financial instruments	12 952	6 960
Provisions	8 852	9 035
Trade and other payables	367 743	364 961
Deferred tax liabilities	113 644	99 534
	2 876 418	2 807 857
Current liabilities		
Borrowings	431 401	624 336
Trade and other payables	419 917	473 337
Income tax payable	0	29 957
	851 319	1 127 630
TOTAL LIABILITIES	3 727 737	3 935 487
TOTAL EQUITY AND LIABILITIES	5 191 574	5 364 676

CONSOLIDATED STATEMENTS

Profit and loss (thousands of euros)

	Dec 2018	Dec 2017
Sales	117	82
Services rendered	567 371	561 414
Revenue from construction of concession assets	121 775	154 651
Gains / (losses) from associates and joint ventures	5 787	5 749
Other operating income	32 156	26 470
Operating income	727 207	748 366
Cost of goods sold	-1 456	-613
Cost with construction of concession assets	-102 351	-136 683
External supplies and services	-58 752	-55 418
Personnel costs	-55 287	-51 275
Depreciation and amortizations	-235 055	-221 991
Provisions	-301	-1 273
Impairments	-647	-955
Other expenses	-15 799	-14 103
Operating costs	-469 646	-482 311
Operating results	257 560	266 055
Financial costs	-69 656	-73 424
Financial income	5 125	5 360
Investment income - dividends	6 423	6 268
Financial results	-58 108	-61 796
Profit before income tax and ESEC	199 452	204 259
Income tax expense	-58 471	-52 536
Energy sector extraordinary contribution (ESEC)	-25 267	-25 798
Net profit for the year	115 714	125 925
Attributable to:		
Equity holders of the Company	115 715	125 925
Non-controlled interest	0	0
Consolidated profit for the year	115 715	125 925
Earnings per share (expressed in euro per share)	0,17	0,19

CONSOLIDATED STATEMENTS

Cash flow (thousands of euros)

	Dec 2018	Dec 2017
Cash flow from operating activities		
Cash receipts from customers	2 665 900	2 388 176 a)
Cash paid to suppliers	-2 082 327	-1 710 859 a)
Cash paid to employees	-73 230	-67 843
Income tax received/ paid	-114 353	-85 506
Other receipts/ (payments) relating to operating activities	-582	-44 857
Net cash flows from operating activities (1)	395 407	479 111
Cash flow from investing activities		
Receipts related to:		
Available-for-sale	0	10
Property, plant and equipment	120	1 597
Other financial assets	4 040	1 309
Investment grants	6 777	7 369
Interests and other similar income	10	175
Dividends	12 805	15 285
Payments related to:		
Financial investments	0	-699 792
Equity instruments through other comprehensive income	-49	0
Property, plant and equipment	-156	-285
Intangible assets - Concession assets	-144 007	-169 954
Net cash flow used in investing activities (2)	-120 459	-844 287
Cash flow from financing activities		
Receipts related to:		
Borrowings	2 397 999	5 427 401
Capital increase	0	250 000
Payments related to:		
Borrowings	-2 519 425	-5 120 734
Interests and other similar expense	-65 688	-67 615
Dividends	-113 426	-90 650
Net cash from/ (used in) financing activities (3)	-300 540	398 402
Net (decrease)/increase in cash and cash equivalents (1)+(2)+(3)	-25 592	33 226
Effect of exchange rates	-101	1 508
Cash and cash equivalents at the beginning of the year	60 448	10 680
Changes in the perimeter	-659	15 034
Cash and cash equivalents at the end of the period	34 096	60 448
Detail of cash and cash equivalents		
Cash	0	1
Bank overdrafts	-1 638	-1 009
Bank deposits	35 735	61 457
	34 096	60 448

(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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