

**Final Terms dated 18 June 2014**

**RED ELÉCTRICA FINANCIACIONES, SOCIEDAD ANÓNIMA UNIPERSONAL**

**Issue of EUR 300,000,000 2.125 per cent. Notes due 2023**

**under the  
EUR 3,500,000,000 Euro Medium Term Note Programme**

Guaranteed by  
**RED ELÉCTRICA CORPORACIÓN, SOCIEDAD ANÓNIMA**  
*(incorporated with limited liability in Spain)*

and  
**RED ELÉCTRICA DE ESPAÑA, SOCIEDAD ANÓNIMA UNIPERSONAL**  
*(incorporated with limited liability in Spain)*

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 3 June 2014 which constitutes a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC) and amendments thereto, including Directive 2010/73/EU (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive. These Final Terms contain the final terms of the Notes and must be read in conjunction with such Base Prospectus.

Full information on the Issuer, the Guarantors and the offer of the Notes described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and copies may be obtained from Deutsche Bank Luxembourg, S.A. at 2, Boulevard Konrad Adenauer, L-1115 Luxembourg.

1. (i) Series Number: 7  
(ii) Tranche Number: 1
2. Specified Currency or Euro ("**EUR**")  
Currencies:
3. Aggregate Nominal Amount:  
(i) Series: EUR 300,000,000  
(ii) Tranche: EUR 300,000,000
4. Issue Price: 99.587 per cent. of the Aggregate Nominal Amount
5. (i) Specified Denominations: EUR 100,000



- |     |      |   |   |
|-----|------|---|---|
|     | (ii) | Calculation Amount:                           | EUR 100,000   |
| 6.  | (i)  | Issue Date:                                   | 1 July 2014   |
|     | (ii) | Interest Commencement Date:                   | Issue Date  |
| 7.  |      | Maturity Date:                                | 1 July 2023   |
| 8.  |      | Interest Basis:                               | 2.125 per cent. Fixed Rate  |
| 9.  |      | Redemption/Payment Basis:                     | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount. |
| 10. |      | Change of Interest Basis:                     | Not Applicable  |
| 11. |      | Put/Call Options:                             | Not Applicable  |
| 12. |      | Date approval for issuance of Notes obtained: | Resolution of the shareholders: 16 June 2014<br>Resolution of the joint administrator: 16 June 2014<br>Deed of public issuance: 18 June 2014            |

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

- |     |       |                                      |  |
|-----|-------|--------------------------------------|--|
| 13. |       | <b>Fixed Rate Note Provisions</b>    | Applicable   |
|     | (i)   | Rate of Interest:                    | 2.125 per cent. <i>per annum</i> payable in arrear on each Interest Payment Date |
|     | (ii)  | Interest Payment Date(s):            | 1 July in each year commencing 1 July 2015 up to and including the Maturity Date |
|     | (iii) | Fixed Coupon Amount:                 | EUR 2,125 per Calculation Amount   |
|     | (iv)  | Broken Amount(s):                    | Not Applicable   |
|     | (v)   | Day Count Fraction:                  | Actual/Actual (ICMA)   |
| 14. |       | <b>Floating Rate Note Provisions</b> | Not Applicable   |

#### **PROVISIONS RELATING TO REDEMPTION**

- |     |  |   |                            |
|-----|--|---|----------------------------|
| 15. |  | <b>Call Option</b>                          | Not Applicable             |
| 16. |  | <b>Put Option</b>                           | Not Applicable             |
| 17. |  | <b>Final Redemption Amount of each Note</b> | Par per Calculation Amount |



18. **Early Redemption Amount** Not Applicable

Early Redemption Amount(s)  
per Calculation Amount  
payable on redemption for  
taxation reasons or on event of  
default or other early  
redemption:

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

19. **Form of Notes:** Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on in the limited circumstances specified in the Permanent Global Note

20. **New Global Note:** Yes


21. **Additional Financial Centre(s):** Not Applicable

22. **Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):** No

23. **Temporary Commissioner:** Rosa María Velasco Miranda

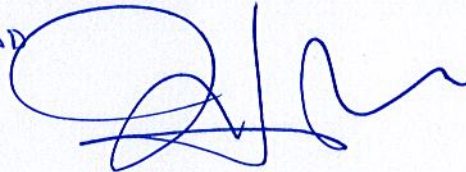
Signed on behalf of Red Eléctrica Financiaciones, Sociedad Anónima Unipersonal:

By: ROSA VELASCO MIRANDA  
Duly authorised



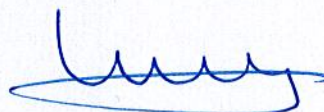
Signed on behalf of the Red Eléctrica Corporación, Sociedad Anónima:

By: JUAN LASALA BERNAD  
Duly authorised



Signed on behalf of the Red Eléctrica de España, Sociedad Anónima Unipersonal:

By: TERESA QUIROS ALVAREZ  
Duly authorised





## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Luxembourg Stock Exchange with effect from 1 July 2014.
- (ii) Estimate of total expenses related to admission to trading: EUR 5,215

### 2. RATINGS

Ratings: The Notes to be issued are expected to be rated:

S & P: BBB

Fitch: A-

Each of Standard & Poor's Credit Market Services France SAS ("**S&P**") and Fitch Ratings Limited ("**Fitch**") is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for any fees payable to the Joint Lead Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantors and their affiliates in the ordinary course of business.

### 4. YIELD

Indication of yield: 2.176 per cent. *per annum*

### 5. HISTORIC INTEREST RATES

Not Applicable

### 6. OPERATIONAL INFORMATION

ISIN: XS1079698376



|  |  |
|--|--|
| Common Code:   | 107969837  |
| Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): | Not Applicable   |
| Delivery:  | Delivery against payment   |
| Names and addresses of initial Paying Agent(s):  | Deutsche Bank AG, London Branch<br>Winchester House<br>1 Great Winchester Street<br>London EC2N 2DB<br>United Kingdom  |
| Names and addresses of additional Paying Agent(s) (if any):  | Not Applicable   |
| Intended to be held in a manner which would allow Eurosystem eligibility:  | Yes<br>Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met. |

7. **DISTRIBUTION**

- |  |   |
|--|---|
| (i) Method of distribution:              | Syndicated  |
| (ii) If syndicated:                      |   |
| (A) Names of Managers:                   | <b>Joint Lead Managers:</b><br>BNP Paribas<br>J.P. Morgan Securities plc<br>Mitsubishi UFJ Securities International plc |
| (B) Stabilisation Manager(s) if any:     | J.P. Morgan Securities plc  |
| (iii) If non-syndicated, name of Dealer: | Not Applicable  |



(iv) US Selling Restrictions      Reg. S Compliance Category 2; TEFRA D