

**Final Terms dated 15 June 2017**

**RED ELÉCTRICA FINANCIACIONES, SOCIEDAD ANÓNIMA UNIPERSONAL**

**Issue of EUR 200,000,000 1.00 per cent. Notes due 2026**  
**(To be consolidated and form a single series with the EUR 300,000,000 1.00% Notes due**  
**April 2026)**

**under the**  
**EUR 4,500,000,000 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 2015 which are incorporated by reference in the base prospectus dated 2 June 2017. These Final Terms contain the final terms of the Notes and must be read in conjunction with the Base Prospectus dated 2 June 2017 which constitutes a base prospectus (the "**Base Prospectus**") for the purposes of the Directive 2003/71/EC, as amended (the "**Prospectus Directive**"), save in respect of the Conditions which are set forth in the base prospectus dated 3 June 2015 and are incorporated by reference in the Base Prospectus. This document constitutes the Final Terms relating to the issue of Notes described herein for the purposes of Article 5.4 of the Prospectus Directive.

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: 10
- (ii) Tranche Number: 2
- (iii) Date on which the Notes become fungible: The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the EUR 300,000,000 1.00 per cent. Notes due 2026, issued on 21 April 2016 (the "**Original Notes**"), on exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 19, which is expected to occur on or after the date which is 40 days after the Issue Date.

2.	Specified Currency or Currencies:	Euro (" <b>EUR</b> ")
3.	Aggregate Nominal Amount:	
	(i) Series:	EUR 500,000,000
	(ii) Tranche:	EUR 200,000,000
4.	Issue Price:	99.454 per cent. of the Aggregate Nominal Amount <i>plus</i> EUR 334,246.58 in respect of 61 days of accrued interest from, and including, 21 April 2017 to but excluding the Issue Date
5.	(i) Specified Denominations:	EUR 100,000
	(ii) Calculation Amount:	EUR 100,000
6.	(i) Issue Date:	21 June 2017
	(ii) Interest Commencement Date:	Issue Date
7.	Maturity Date:	21 April 2026
8.	Interest Basis:	1.00 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 dated 8 June 2017  Resolution of the Joint Administrators dated 8 June 2017  Deed of public issuance dated 16 June 2017

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

13.	<b>Fixed Rate Note Provisions</b>	Applicable
	(i) Rate of Interest:	1.00 per cent. <i>per annum</i> payable in arrear on each Interest Payment Date

- (ii) Interest Payment Date(s): 21 April in each year commencing 21 April 2018 up to and including the Maturity Date
- (iii) Fixed Coupon Amount: EUR 1,000 per EUR 100,000 Specified Denomination
- (iv) Broken Amount(s): Not Applicable
- (v) Day Count Fraction: Actual/Actual (ICMA)

14. **Floating Rate Note Provisions** Not Applicable

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

- 15. **Call Option** Not Applicable
- 16. **Put Option** Not Applicable
- 17. **Final Redemption Amount of each Note** 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.
- 18. **Early Redemption Amount** EUR 100,000 per Calculation Amount

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 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

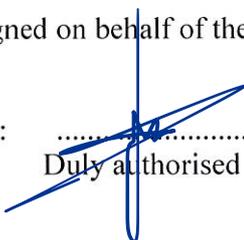
Signed on behalf of Red Eléctrica Financiaciones, Sociedad Anónima Unipersonal:

By:  .....  
Duly authorised ROSA VELASCO MIRANDA

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

By:  .....  
Duly authorised FERNANDO FRÍAS MONTEJO

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

By:  .....  
Duly authorised TOMÁS GALLEGO ARJIZ

## 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 21 June 2017.
- (ii) Estimate of total expenses related to admission to trading: EUR 600

### 2. RATINGS

Ratings: The Notes to be issued have been rated:

S&P: A- (stable)

Fitch: A (stable)

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**"). Each of S&P and Fitch appears on the latest update of the list of registered credit rating agencies (as of 29 March 2017) on the ESMA website at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

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

Save for any fees payable to the 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 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: 1.065 per cent. *per annum*

### 5. HISTORIC INTEREST RATES

Not Applicable

6. **OPERATIONAL INFORMATION**

ISIN:	Until the Notes are consolidated, become fungible with and form a single series with the Original Notes, the Notes will have the temporary ISIN XS1633929929. Thereafter, the Notes will have the same ISIN as the Original Notes, which is XS1395060491.
Common Code:	Until the Notes are consolidated, become fungible with and form a single series with the Original Notes, the Notes will have the temporary Common Code 163392992. Thereafter, the Notes will have the same Common Code as the Original Notes, which is 139506049.
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 Winchester House 1 Great Winchester Street London EC2N 2DB 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 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: Banco Santander, S.A.  
CaixaBank, S.A.
  - (B) Stabilisation Manager(s) if any: Not applicable
- (iii) If non-syndicated, name of Dealer: Not applicable
- (iv) US Selling Restrictions: Reg. S Compliance Category 2; TEFRA D

8. **USE OF PROCEEDS**

The net proceeds of the issue of the Notes will be used for general corporate purposes of the Red Eléctrica Group.