



The and share and and the share a state of the state of the

1H14 highlights

1 Maria 1 1

Results/ Financial	 Net profit of €290.0 million, 6.6% up on 1H13 Payment of a dividend on 2013 earnings of €2.5422 per share €300 million issue, at a cost of 2.176%, 9 years maturity S&P's and Fitch improve their outlook for the REE rating from neutral to positive, as a result of the improved rating for Spain
	 Investment of €249 million, of which €230 million relates to the transmission grid in Spain Commissioning of a new interconnection with Portugal which connects with 400kV Almaraz-Guillena line
	 Commissioning of the 220 kV Tintaya-Socabaya line and substations in Peru, in a 30 year concession involving Transmisora Eléctrica del Sur
Investment	Addition of new activities to the Transmission Grid Development Plan (IET/1132/214) worth €917.5 million, particularly investment in island systems
	■ REE wins a tender for the operation and commercialization of the fibre- optic network of ADIF for 20 years. The deal is valuated at €462 million, subject to performance of the conditions set out in the tender terms and conditions

ŴŊ

a for a for the for the for the

1H14 highlights

Regulation	Submission of evidence to the regulator demonstrating investment in renewing and improving facilities commissioned prior to 1998 in order to request an increase of their residual life
	Submission of audited information relating to the construction, operation and maintenance standards of

transmission facilities

Corporate governance and Responsibility

- Signature of a new collective bargaining agreement to run for 5 years, based on principles of labour-market efficiency, work-life balance and sustainability.
- The undersea interconnection between Mallorca and the peninsula will reduce CO₂
- Highest rating among spanish corporates for the European Seal of Excellence +500



Results 1H14: main figures

€M	1H2013	1H2014	∆%
Revenue	856	926	8.2
Gross operating result (EBITDA)	645	695	7.7
Net operating result (EBIT)	445	485	9.0
Profit before tax	362	415	14.5
Profit for the year	272	290	6.6

6.6% increase in profit, including the positive impact of asset revaluation in 2013 (Law 16/2012).



2013 balance sheet: net debt



Average cost of debt 3.61%. Average debt maturity 5.2 years

(*) "Other" includes changes in other non-current assets and liabilities, suppliers of property, plant and equipment, and exchange rate derivatives



Debt: Robust cash position



(*) On 1 July, there was a payment of \in 300 million for the bond issued on 16 June

SOLVENCY RATIOS

	2013	1H2014
EBITDA / Interest ^(*)	6.8	8.5
FFO / Debt	21.5%	20.9%
Debt/EBITDA	3.5	3.6

(*) EBITDA / (net finance costs excluding capitalisations)

DEBT STRUCTURE BY INSTRUMENT



6



2014 outlook





relacioninversores@ree.es

Presentation available at:

www.ree.es Shareholders and investors





Consolidated income statement

(should be the for the should be the should

(in thousands of euros)	30/06/2014	30/06/2013	2014/2013
Revenue	926,472	856,363	8.2%
Own work capitalised	9,101	8,295	9.7%
Supply costs	(35,667)	(26,049)	36.9%
Other operating income	2,448	6,783	(63.9%)
Personnel expenses	(65,176)	(62,411)	4.4%
Other operating expenses	(142,509)	(137,740)	3.5%
Gross Operating Result (EBITDA)	694,669	645,241	7.7%
Amortisation/depreciation of non-current assets	(216,003)	(207,022)	4.3%
Release of grants related to non-financial assets	6,627	6,589	0.6%
Impairment of and gains/losses on disposals of fixed assets	-	212	(100.0%)
Net Operating result (EBIT)	485,293	445,020	9.0%
Finance income	8,223	9,551	(13.9%)
Financial costs	(78,438)	(95,602)	(18.0%)
Exchange differences	(176)	(325)	-
Impairment and gains/losses on disposal of financial instruments	-	3,219	(100.0%)
Net finance expense	(70,391)	(83,157)	(15.4%)
Results of companies accounted for using the equity method	-	411	(100.0%)
Profit before tax	414,902	362,274	14.5%
Income tax expense	(124,282)	(90,224)	37.7%
Consolidated profit for the period	290,620	272,050	6.8%
A) Consolidated profit attributable to the parent company	289,972	271,975	6.6%
B) Consolidated profit attributable to non-controlling interests	648	75	-

A Cabinit & the (, the gives a cable of the capital and the cabinet of the cabin

Consolidated balance sheet

- Have and - W

Intangible assets 99,618 86,693 Property, plant and equipment 8,447,234 8,426,782 Investment properties 2,531 3,532 Non-current financial assets 77,794 83,532 Deferred tax assets 33,440 34,586 Other non-current assets 33 3171 Non-current assets 33,471 8,661,018 8,614,471 Inventories 43,759 44,980 43,585 Current financial assets 670 1,018 63,947 Cash and cash equivalents 133,317 214,861 54,4535 Current assets 99,655,655 9,419,865 54,610,834 Equity 2,290,413 2,248,628 31,422,628 Share capital 2,200,413 2,248,628 1,732,436 1,548,523 Treasury shares and own equity instruments (-) (2,535,616 9,419,865 1,640,420 1,601,420,410 1,909 18,661 14,827 Adjust ment due to changes in value (47,867,420,410,410,410,410,410,410,410,410,410,41	Assets (in thousands of euros)	30/06/2014	31/12/2013
Investment properties2,5392,561Non-current financial assets77,79463,532Deferred tax assets3334,40Other non-current assets3334Inventories3344,70Inventories8,661,0188,661,47Inventories43,75944,803Current financial assets6701,018Current sests994,547805,394Total assets994,547805,394Total assets994,5472,206,413Equity2,206,4132,246,403Share capital270,5402,70,540Reserves1,732,4361,548,523Treasury shares and own equity instruments (-)(2,535)1,70,701Profit atributable to the parent company2,89,972529,113Interim dividend-(97,867)Adjustments due to changes in value(47,886)(42,041)Non-current financial liabilities44,861,16544,861,165Grants and other non-current advances415,126418,297Non-current financial liabilities4,861,1655,867,043Shore current financial liabilities5,87,0435,88,72,766Current activations4,681,1655,88,72,766Current financial liabilities5,87,70435,88,72,767Current financial liabilities1,194,28991,91,94Current financial liabilities5,87,70435,88,72,767Current financial liabilities5,87,70435,88,72,767Current financial liabilities5,	Intangible assets	99,618	86,693
Non-current financial assets 77,794 63,532 Deferred tax assets 33,440 34,586 Other non-current assets 393 317 Non-current assets 8,661,018 8,161,471 Inventories 43,759 44,980 Trade and other receivables 810,021 544,533 Current assets 670 1,018 Cash and cash equivalents 139,317 214,861 Current assets 994,547 805,394 Total assets 9,655,555 9,419,805 Current assets 9,065,565 9,419,805 Equity 2,290,413 2,248,628 Share capital 2,70,540 270,540 Reserves 1,732,436 1,548,523 Interim dividend - (9,387) Adjustments due to changes in value (47,886) (42,041) Non-current provisions 415,126 418,297 Non-current provisions 84,266 84,151 Non-current provisions 46,81,165 4,662,955 Non-current provision	Property, plant and equipment	8,447,234	8,426,782
Deferred tax assets 33,440 34,586 Other non-current assets 393 317 Non-current assets 8661,018 8,611,471 Inventories 43,759 44,800 Trade and other receivables 810,801 544,535 Current financial assets 670 1,018 Cash and cash equivalents 139,317 214.861 Current assets 945,57 805,394 IABILITIES (in thousands of euros) 30/06/2014 31/12/2013 Equity 2,290,413 2,248,623 Share capital 2,70,540 270,540 Reserves 1,732,436 1,548,523 Treasury shares and own equity instruments (-) (2,535) (1,707) Profit attributable to the parent company 289,972 529,139 Interim dividend - (97,867) Adjustments due to changes in value (47,886) 442,041 Non-current provisions 48,266 418,129 Non-current provisions 48,466 44,81,615 Other non-current advances 48,62,935 <td>Investment properties</td> <td>2,539</td> <td>2,561</td>	Investment properties	2,539	2,561
Other non-current assets 393 317 Non-current assets 8,661,018 8,614,471 Inventories 43,759 44,980 Trade and other receivables 810,801 544,535 Current financial assets 670 1,018 Cash and cash equivalents 139,317 214,861 Current assets 994,547 805,394 Total assets 994,5565 9,419,865 LIABILITIES (in thousands of euros) 30/06/2014 31/12/2013 Equity 2,290,413 2,248,628 Share capital 270,540 270,540 Reserves 1,732,436 1,548,523 Treasury shares and own equity instruments (-) (2,535) (1,707) Profit attributable to the parent company 289,972 529,139 Interim dividend (47,886) (42,041) Non-controlling interests 19,909 18,061 Equity 2,262,436 2,224,648 Grants and other non-current advances 416,1297 34,1297 Non-current financial liabilities 4,681,16	Non-current financial assets	77,794	63,532
Non-current assets 8,661,018 8,614,471 Inventories 43,759 44,980 Trade and other receivables 810,801 544,535 Current financial assets 670 1,018 Cash and cash equivalents 139,317 214,861 Current assets 994,547 805,394 Total assets 9,655,565 9,419,865 LIABILITIES (in thousands of euros) 30/06/2014 31/12/2013 Equity 2,290,413 2,248,628 Share capital 270,540 270,540 Reserves 1,732,436 1,548,523 Treasury shares and own equity instruments (-) (2,535) (1,707) Profit attributable to the parent company 289,972 529,139 Interim dividend - (97,867) Adjustments due to changes in value (47,788) (42,041) Non-current provisions 84,266 84,151 Non-current provisions 84,266 84,151 Non-current provisions 44,681,165 4,662,995 Deferred tax liabilities 7,1769	Deferred tax assets	33,440	34,586
Inventories 43,759 44,980 Trade and other receivables 810,801 544,535 Current financial assets 670 1,018 Cash and cash equivalents 139,317 214,861 Current assets 994,547 805,394 Total assets 9,655,565 9,419,865 LIABILITIES (in thousands of euros) 30/06/2014 31/12/2013 Equity 2,290,413 2,248,628 Share capital 270,540 270,540 Reserves 1,732,436 1,548,523 Treasury shares and own equity instruments (-) (2,535) (1,707) Profit attributable to the parent company 289,972 529,139 Interim dividend - (97,867) Adjustments due to changes in value (47,886) (42,041) Non-controlling interests 19,909 18,061 Equity 2,262,436 2,224,648 Grants and other non-current advances 415,126 418,297 Non-current financial liabilities 71,769 72,978 Non-current finabilities	Other non-current assets	393	317
Trade and other receivables 810,801 544,535 Current financial assets 670 1,018 Cash and cash equivalents 139,317 214,861 Current assets 9,655,556 9,419,865 Classets 9,655,556 9,419,865 LIABILITIES (in thousands of euros) 30/06/2014 31/12/2013 Equity 2,290,413 2,248,628 Share capital 270,540 270,540 Reserves 1,732,436 1,548,523 Treasury shares and own equity instruments (-) 2,253 1,777 Profit attributable to the parent company 289,972 529,139 Interim dividend - (97,867) Non-controlling interests 19,909 18,616 Equity 2,262,436 2,224,648 Grants and other non-current advances 415,126 418,297 Non-current financial liabilities 604,717 598,855 Other non-current liabilities 604,717 598,855 Other non-current liabilities 604,717 598,855 Other non-current liabilities 5,837,043 5,837,246 Non-current	Non-current assets	8,661,018	8,614,471
Current financial assets 670 1,018 Cash and cash equivalents 139,317 214,861 Current assets 994,547 805,394 Total assets 9,655,565 9,419,865 LABILITIES (in thousands of euros) 30/06/2014 31/12/2013 Equity 2,290,413 2,248,628 Share capital 270,540 270,540 Reserves 1,732,436 1,548,523 Treasury shares and own equity instruments (-) (2,535) (1,77) Profit attributable to the parent company 289,972 529,139 Interim dividend (47,886) (42,041) Non-controlling interests 19,909 18,061 Equity 2,224,648 244,564 Grants and other non-current advances 415,126 418,297 Non-current financial liabilities 4,661,165 4,662,995 Other non-current liabilities 71,769 72,978 Non-current liabilities 5,857,043 5,837,043 Deferred tax liabilities 5,837,043 5,837,043 Current provisions	Inventories	43,759	44,980
Cash and cash equivalents 139,317 214,861 Current assets 994,547 805,394 Total assets 9,655,565 9,419,865 LIABILITIES (in thousands of euros) 30/06/2014 31/12/2013 Equity 2,290,413 2,248,628 Share capital 270,540 270,540 Reserves 1,732,436 1,548,523 Treasury shares and own equity instruments (.) (.2,535) (.1,707) Profit attributable to the parent company 289,972 529,139 Interim dividend (.97,867) (.97,867) Adjustments due to changes in value (.47,886) (.42,041) Non-controlling interests 19,909 18,061 Equity 2,266,436 2,224,448 Grants and other non-current advances 115,126 418,297 Non-current financial liabilities 604,717 598,855 Other non-current liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Non-current financial liabilities 5,837,206 5,837,206 Current financial liabilities 1,904 991,904	Trade and other receivables	810,801	544,535
Current assets 994,547 805,394 Total assets 9,655,565 9,419,865 LIABILITIES (in thousands of euros) 30/06/2014 31/12/2013 Equity 2,290,413 2,248,628 Share capital 270,540 270,540 Reserves 1,732,436 1,548,523 Treasury shares and own equity instruments (-) (2,535) (1,707) Profit attributable to the parent company 289,972 529,139 Interim dividend (97,867) (42,041) Non-controlling interests 19,909 18,061 Equity 2,262,436 2,224,648 Grants and other non-current advances 415,126 418,297 Non-current financial liabilities 4,681,165 4,662,995 Deferred tax liabilities 604,717 598,855 Other non-current liabilities 5,837,276 2,978 Non-current financial liabilities 5,837,276 10 Current financial liabilities 1,99,289 991,904 Trade and other payables 341,797 366,027 Cu	Current financial assets	670	1,018
Total assets 9,655,565 9,419,865 LIABILITIES (in thousands of euros) 30/06/2014 31/12/2013 Equity 2,290,413 2,248,628 Share capital 270,540 270,540 Reserves 1,732,436 1,548,523 Treasury shares and own equity instruments (-) (2,535) (1,707) Profit attributable to the parent company 289,972 529,139 Interim dividend - (97,867) Adjustments due to changes in value (47,886) (42,041) Non-controlling interests 19,909 18,061 Equity 2,224,648 4415,126 418,297 Non-current provisions 84,266 84,151 Non-current financial liabilities 4,661,165 4,662,995 Deferred tax liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Non-current financial liabilities 5,877,043 587,043 Current financial liabilities 1,904 10 Current financial liabilities 100 100	Cash and cash equivalents	139,317	214,861
LIABILITIES (in thousands of euros) 30/06/2014 31/12/2013 Equity 2,290,413 2,248,628 Share capital 270,540 270,540 Reserves 1,732,436 1,548,523 Treasury shares and own equity instruments (-) (2,535) (1,707) Profit attributable to the parent company 289,972 529,139 Interim dividend - (97,867) Adjustments due to changes in value (47,886) (42,041) Non-controlling interests 19,909 18,061 Equity 2,224,648 418,297 Non-current provisions 84,266 84,151 Non-current financial liabilities 4,681,165 4,662,995 Deferred tax liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Non-current financial liabilities 5,837,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current	Current assets	994,547	805,394
Equity 2,290,413 2,248,628 Share capital 270,540 270,540 Reserves 1,732,436 1,548,523 Treasury shares and own equity instruments (-) (2,535) (1,707) Profit attributable to the parent company 289,972 529,139 Interim dividend - (97,867) Adjustments due to changes in value (47,886) (42,041) Non-controlling interests 19,909 18,061 Grants and other non-current advances 415,126 418,297 Non-current financial liabilities 4,662,995 4,662,995 Deferred tax liabilities 604,717 598,855 Other non-current liabilities 71,769 72,974 Non-current liabilities 5,857,043 5,837,946 Current provisions - 10 Current financial liabilities 5,857,043 991,904 Trade and other payables 341,797 366,027 Current financial liabilities 341,797 366,027	Total assets	9,655,565	9,419,865
Share capital 270,540 270,540 Reserves 1,732,436 1,548,523 Treasury shares and own equity instruments (-) (2,535) (1,707) Profit attributable to the parent company 289,972 529,139 Interim dividend - (97,867) Adjustments due to changes in value (47,886) (42,041) Non-controlling interests 19,909 18,061 Equity 2,262,436 2,224,648 Grants and other non-current advances 415,126 418,297 Non-current provisions 84,266 84,151 Non-current financial liabilities 604,717 598,855 Other non-current liabilities 604,717 598,855 Other non-current liabilities 5,837,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,356,086 1,357,941	LIABILITIES (in thousands of euros)	30/06/2014	31/12/2013
Reserves 1,732,436 1,548,523 Treasury shares and own equity instruments (-) (2,535) (1,707) Profit attributable to the parent company 289,972 529,139 Interim dividend - (97,867) Adjustments due to changes in value (47,886) (42,041) Non-controlling interests 19,909 18,061 Equity 2,262,436 2,224,648 Grants and other non-current advances 415,126 418,297 Non-current provisions 84,266 84,151 Non-current financial liabilities 604,717 598,855 Other non-current liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 341,797 366,027	Equity	2,290,413	2,248,628
Treasury shares and own equity instruments (-) (2,535) (1,707) Profit attributable to the parent company 289,972 529,139 Interim dividend (47,866) (42,041) Adjustments due to changes in value (47,866) (42,041) Non-controlling interests 19,909 18,061 Equity 2,262,436 2,224,648 Grants and other non-current advances 415,126 418,297 Non-current provisions 84,266 84,151 Non-current financial liabilities 4,681,165 4,662,995 Deferred tax liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Non-current liabilities 5,857,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,536,086 1,357,941	Share capital	270,540	270,540
Profit attributable to the parent company 289,972 529,139 Interim dividend - (97,867) Adjustments due to changes in value (47,886) (42,041) Non-controlling interests 19,909 18,061 Equity 2,262,436 2,224,648 Grants and other non-current advances 415,126 418,297 Non-current provisions 84,266 84,151 Non-current financial liabilities 4,681,165 4,662,995 Deferred tax liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Non-current liabilities 5,857,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,353,086 1,357,941	Reserves	1,732,436	1,548,523
Interim dividend - (97,867) Adjustments due to changes in value (47,886) (42,041) Non-controlling interests 19,909 18,061 Equity 2,262,436 2,224,648 Grants and other non-current advances 418,297 Non-current provisions 84,266 84,151 Non-current financial liabilities 604,717 598,855 Other non-current liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Non-current liabilities 5,857,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027	Treasury shares and own equity instruments (-)	(2,535)	(1,707)
Adjustments due to changes in value (47,886) (42,041) Non-controlling interests 19,909 18,061 Equity 2,262,436 2,224,648 Grants and other non-current advances 415,126 418,297 Non-current provisions 84,266 84,151 Non-current financial liabilities 4,681,165 4,662,995 Deferred tax liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Non-current liabilities 5,857,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,356,086 1,357,941	Profit attributable to the parent company	289,972	529,139
Non-controlling interests 19,909 18,061 Equity 2,262,436 2,224,648 Grants and other non-current advances 415,126 418,297 Non-current provisions 84,266 84,151 Non-current financial liabilities 4,681,165 4,662,995 Deferred tax liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Non-current liabilities 5,857,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,336,086 1,357,941	Interim dividend	-	(97,867)
Equity 2,262,436 2,224,648 Grants and other non-current advances 415,126 418,297 Non-current provisions 84,266 84,151 Non-current financial liabilities 4,681,165 4,662,995 Deferred tax liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Non-current liabilities 5,857,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,337,941 1,337,941	Adjustments due to changes in value	(47,886)	(42,041)
Grants and other non-current advances 415,126 418,297 Non-current provisions 84,266 84,151 Non-current financial liabilities 4,681,165 4,662,995 Deferred tax liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Non-current liabilities 5,857,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,336,086 1,357,941	Non-controlling interests	19,909	18,061
Non-current provisions 84,266 84,151 Non-current financial liabilities 4,681,165 4,662,995 Deferred tax liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Non-current liabilities 5,857,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,336,086 1,357,941	Equity	2,262,436	2,224,648
Non-current financial liabilities 4,681,165 4,662,995 Deferred tax liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Non-current liabilities 5,857,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,336,086 1,357,941	Grants and other non-current advances	415,126	418,297
Deferred tax liabilities 604,717 598,855 Other non-current liabilities 71,769 72,978 Non-current liabilities 5,857,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,336,086 1,357,941	Non-current provisions	84,266	84,151
Other non-current liabilities 71,769 72,978 Non-current liabilities 5,857,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,336,086 1,357,941	Non-current financial liabilities	4,681,165	4,662,995
Non-current liabilities 5,857,043 5,837,276 Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,336,086 1,357,941	Deferred tax liabilities	604,717	598,855
Current provisions - 10 Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,336,086 1,357,941	Other non-current liabilities	71,769	72,978
Current financial liabilities 1,194,289 991,904 Trade and other payables 341,797 366,027 Current liabilities 1,536,086 1,357,941	Non-current liabilities	5,857,043	5,837,276
Trade and other payables 341,797 366,027 Current liabilities 1,536,086 1,357,941	Current provisions	-	10
Current liabilities 1,536,086 1,357,941	Current financial liabilities	1,194,289	991,904
	Trade and other payables	341,797	366,027
Total equity and liabilities9,655,5659,419,865	Current liabilities	1,536,086	1,357,941
	Total equity and liabilities	9,655,565	9,419,865



Consolidated cash flow statement

White the stand white

Consolidated Cash Flow Statement

(in thousands of euros)	30/06/2014	30/06/2013
CASH FLOWS FROM OPERATING ACTIVITIES	207,563	533,891
Profits before tax	414,902	362,274
Adjustments to profit	280,610	286,809
Depreciation/amortization	216,003	207,022
Other adjustments to results (net)	64,607	79,787
Changes in working capital	(320,189)	17,080
Other cash flows from operating activities	(167,760)	(132,272)
Interest paid	(113,800)	(90,954)
Collection of interest	3,657	2,578
Collection of dividends	4,566	5,310
Corporate income tax received/ (paid)	(56,731)	(48,706)
Other collections/(payments) on operating activities	(5,452)	(500)
CASH FLOWS FROM INVESTING ACTIVITIES	(401,671)	(317,996)
Payments from investments	(406,250)	(319,573)
Property, plant and equipment, intangible assets and investment property	(403,817)	(314,026)
Other financial assets	(2,433)	(5,547)
Proceeds from disposals	201	561
Other cash flows from investing activities	4,378	1,016
CASH FLOWS FROM FINANCING ACTIVITIES	118,383	426,984
Proceeds from/(payments for) equity instruments	334	3,147
Acquisitions	(37,167)	(78,449)
Disposals	37,501	81,596
Proceeds from/(payments for) financial liabilities	214,890	513,326
Issue and placements	486,873	739,510
Redemption and write-off	(271,983)	(226,184)
Dividend payments	(97,867)	(91,216)
Other cash flows from financing activities	1,026	1,727
Effect of variations in exchange rates	181	317
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(75,544)	643,196
Cash and cash equivalents at beginning of period	214,861	40,314
Cash and cash equivalents at end of period	139,317	683,510





This document has been produced by Red Eléctrica Corporación, S.A. for the sole purpose expressed therein. It should not in any event be construed as an offer of sale, exchange or acquisition, or as an invitation to make any kind of offer, in particular for the purchase of securities issued by Red Eléctrica Corporación, S.A.

Its content is provisional and purely for information purposes and the statements it contains reflect the intentions, expectations and forecasts of Red Eléctrica Corporación, S.A. and its management. The content has not necessarily been verified by independent third parties and is, in any event, subject to negotiation, changes and modifications.

In this respect, neither Red Eléctrica Corporación, S.A. nor its directors, executives, employees, consultants or advisors or the companies belonging to its group (referred to collectively as its "Representatives") may be held liable for the precision, accuracy or integrity of the information or statements included in this document, and no form of explicit or implicit declaration or guarantee on the part of Red Eléctrica Corporación S.A. or its Representatives may be construed from its content. Neither may Red Eléctrica Corporación, S.A. or any of its Representatives be held liable in any way (including negligence) for any damage which may arise from the use of this document or any information contained in it.

Furthermore, Red Eléctrica Corporación, S.A. does not assume any commitment to publish potential modifications or revisions to the information, data or statements contained in the document in the event of changes in strategy or intention, or any unforeseen events which may affect them.

This disclaimer should be taken into consideration by all the individuals or entities to whom this document is targeted and by those who consider that they have to make decisions or issue opinions related to securities issued by Red Eléctrica Corporación, S.A., especially analysts, notwithstanding the option to consult the public documentation and disclosures notified or registered with the Spanish stock market authority (CNMV), which Red Eléctrica Corporación, S.A. recommends all interested parties to do.