

# redeia

El valor de lo esencial

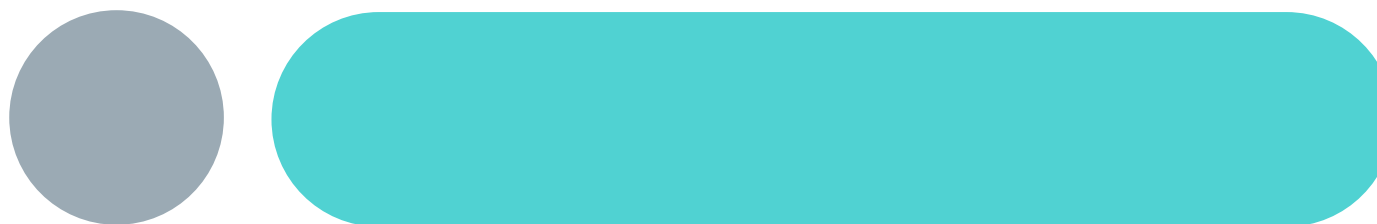
## Financial Results

January-September 2024

October 30<sup>th</sup>, 2024

[redeia.com](http://redeia.com)





For the purpose of facilitating the understanding of the information provided in this document, certain alternative performance measures have been included. Their definition can be found at:

<https://www.redeia.com/en/shareholders-and-investors/financial-information/alternative-performance-measures>

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ETH/USD  
NEOS/USD  
ZEC/USD  
ADA/USD  
BCH/USD

Crypto  
**1845.97**  
MARKET OPEN  
1845.45+0.04  
1757.00  
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# 1. Highlights

## The Spanish electric system and the energy transition

Electricity demand during the first nine months of the year 2024 in Spain reached 185.6 TWh, which represents an increase of 0.8% compared to the same period of the previous year. Demand corrected for temperature and labour effects grew by 1.5%.

Electricity generation during the first nine months of 2024 reached 201.1 TWh, of which 115.5 TWh came from renewable energy sources, accounting for 57.4% of the total generated in our country. Likewise, energy from sources that do not generate CO2 accounted for 77.1% of the total, compared to 69.8% the previous year. This increase is largely explained by the increase experienced by electricity from hydro and photovoltaic sources, over 60% and 19% respectively, compared to the same period in 2023. Electricity from wind power, with a weight of 22.4%, was the most used by our system, increasing by a slight 2.3% compared to the previous year.

Between January 1<sup>st</sup>, and September 30<sup>th</sup>, 2024, the average price of electricity on the Spanish spot market stood at 52.42 euros per MWh, almost 40% below the average price recorded in 2023, which stood at 87.1 euros per MWh. A lower price of natural gas and a higher share of renewable generation sources in the energy mix have made this evolution possible.

## Regulatory developments

At the national level, we can highlight the following in terms of regulatory developments in the first nine months of 2024:

- **Approval of the CNMC calendar**, which includes the modification of Circular 2/2019, to make certain **adjustments** to the methodology for **calculating the financial remuneration rate to adapt it to the challenges of the energy transition, and to enable efficient investment in networks**. This calendar estimates an expected date for the hearing process at the beginning of December 2024.
- Progress towards **implementing new Planning 2025-2030**, with its objectives defined in Order TED/1375/2023 of December 21<sup>st</sup>. In April the Studies Phase began, in which the system operator, with all the information received and the criteria established by the Ministry, carries out the pertinent technical studies and prepares the initial development proposal to be submitted to the Ministry.

- On April 4<sup>th</sup>, 2024, the CNMC Board approved the Resolution establishing the **remuneration of electricity transmission facilities for 2021**. This resolution has allowed the refund of part of the excess tariffs charged by Redeia in previous years, amounting to 122 million euros in this period. Given that the tariffs for **2022, 2023 and 2024 are still provisional**, at the end of September 2024, 229 million euros are pending to be returned to the system.
- On April 16<sup>th</sup>, the Council of Ministers approved the **Amendment of Specific Aspects of the current Planning**, with a 2026 horizon. The modification includes 73 actions, with an associated investment of 489 million, to implement strategic projects for the energy transition and the industrial value chain. The addendum to the Recovery, Transformation and Resilience Plan (Investment 4 of Component 31, linked to the REPowerEU funds) includes an item of 931 million to partially finance the cost of actions included in the Plan.
- On May 9<sup>th</sup>, 2024, the **CNMC opened a specific public consultation on the financial remuneration rate for electricity transmission and natural gas regasification for the next regulatory period 2026-2031**. The deadline for submitting a response to this consultation was set at June 10<sup>th</sup>, 2024.
- On June 4<sup>th</sup>, 2024, the **Ministry for Ecological Transition and the Demographic Challenge opened a public consultation on the modification of the network investment limit**, with a deadline of July 3<sup>rd</sup>, 2024. The objectives of this consultation are:
  - In particular, the aim is to adapt regulation to the new industrial and economic opportunities that the energy transition represents for Spain through greater investment in transmission and distribution networks with maximum economic efficiency.
  - The regulatory reform will also aim at an efficient development of the transmission and distribution network, giving priority to maximising the use of the already built network and preserving the signs of electrification and economic competitiveness by minimising the cost of tolls for consumers.
- On June 24<sup>th</sup>, 2024, the **CNMC opened a specific public consultation on the review of the methodology for calculating the remuneration of the electricity transmission activity for the period 2026-2031**, with a deadline of September 15<sup>th</sup>, 2024. This specific consultation is particularly justified by the challenges identified for the new period, which are different from those of the previous regulatory period. Thus, the methodology must be adapted to the changes derived from the decarbonisation process, ensuring a balance between infrastructure development, efficient use of existing grids and the incorporation of the new functionalities expected of them associated with digitalisation and the new figures emerging in the electricity market.
- On September 25<sup>th</sup>, 2024, the Government approved Royal Decree 986/2024, **which updates the National Integrated Energy and Climate Plan (PNIEC) 2023-2030**. The PNIEC is the national strategic orientation tool that integrates the energy and climate policy,

with a time horizon of 2030 in accordance with national and European regulations. The first national energy and climate plan, covering the period 2021-2030, was adopted in 2020, and since then there has been an increase in climate ambition at European level, reflected in the European Climate Act and in the "Objective 55" and "REPowerEU" plans. Consequently, the PNIEC 2023-2030 update has been prepared and includes targets consistent with the emission reductions adopted at European level, which are specified in the following results for 2030:

- 32% reduction in greenhouse gas emissions compared to 1990.
  - 48% renewables in energy end use.
  - 43% energy efficiency improvement in terms of final energy.
  - 81% renewable energy in electricity generation.
  - Reduction of energy dependence by up to 50%.
- Also on September 25<sup>th</sup>, 2024, **the Council of Ministers**, at the request of the Ministry for Ecological Transition and the Demographic Challenge and the Ministry of Economy, Trade and Enterprise, **approved the preliminary draft law to re-establish the National Energy Commission (CNE)**, which has been sent to the Congress of Deputies to continue with its processing as a Bill. The re-establishment **of the CNE will strengthen the regulator's capacity at a key moment for the energy transition**, responding to the growing need for specialisation and efficiency derived from the new energy and regulatory paradigm.

## Results of the Group

In this period, the Group's results have been marked by the end of the regulatory useful life of the pre-1998 assets with an annual impact of approximately 260 million euros on revenues, generating a negative impact on all the figures of the Group's Income Statement.

Nevertheless, the results obtained are as expected and in line with market expectations.

Redeia has been preparing during the last years to provide the organisation with the necessary capabilities to significantly increase investment in the coming years. In fact, TSO's investment in 2024 (around €1 billion) will be the highest in its history, making 2024 the turning point for strong future revenue growth.

Also, we ratify our estimates for the 2024 year-end with EBITDA above 1,300 million euros and Net Profit around 500 million euros.

## TSO activity in Spain

### Operation of the electricity system

Red Eléctrica continues providing high levels of **service quality**. The availability index of the national transmission grid on September 30<sup>th</sup>, 2024 was 97.8%, higher than the 97.6% reached in 2023. In the Canary Islands this index was 99.3%, higher than the 98.9% in 2023; in the Balearic Islands it was 97.8%, the same figure as in 2023, while on the mainland it was 97.7%, slightly higher than a year earlier.

### TSO investments in Spain

**TSO investment** at the end of September 2024 amounted to **603.2 million euros, 18% higher** than the investment made in the same period of the previous year, in line with the annual target of 1,000 million euros.

The most important milestones of the period have been:

- The electricity interconnection between Spain and France across the Bay of Biscay continues to progress on schedule. In February 2024, the Administrative Authorisation for Construction (AAC) and the Declaration of Public Utility (DUP) were obtained on the Spanish side. In addition, RTE already has the necessary authorisations. Work continues with the aim of reaching the milestone of commissioning the first link, scheduled for 2027.
- The aim of the Galicia - Portugal Interconnection axis is to strengthen the international connection with Portugal. During the month of May, the Beariz substation and the Beariz incoming and outgoing lines were commissioned, with the rest of the actions planned for the last quarter of 2024, thus completing the strengthening of the international connection with Portugal.
- The La Gomera - Tenerife interconnection aims to integrate the electricity systems of both islands, increasing the quality and security of supply and reducing production costs, thanks to improved generation efficiency, allowing for greater integration of renewables. In the third quarter of the year, work continued on the civil works for the substations, with the Chío substation scheduled to be commissioned in 2024.



- The Peninsula - Ceuta interconnection aims to improve the security and quality of supply of Ceuta's electricity system by integrating it with the peninsular system. In June, the previous Administrative Authorisation was obtained which authorises the civil works for the interconnection.
- In Canary Islands Storage, civil works continue on the Reversible Hydroelectric Plant for the integration of renewable energy into the electricity system in Gran Canaria, together with the challenge of being able to store it when there are surpluses. Work is progressing on the hydraulic pipeline for the execution of the rising main and installation of the pumping station.

## Telecommunications

As a member of the SpaceRise consortium, Hispasat has a leading role in IRIS2, a programme designed by the European Commission and the European Space Agency that will define the future of secure European satellite communications. The proposal submitted to the programme is currently under evaluation by the European Commission.

## Other relevant items

### Interim dividend

The Board of Directors has approved the distribution of an interim dividend of €0.20 per share against 2024 earnings, in line with the dividend policy set out in the company's strategic plan until 2025. This policy establishes a floor of €0.80 per share for the dividend to be paid out of 2024 and 2025 results.

### Financing

During the period, **Redeia has carried out two green bond issues** to continue promoting the energy transition in Spain, one on January 3<sup>rd</sup>, 2024 through Red Eléctrica Financiaciones, S.A.U. for **an amount of 500 million euros**, a 10-year term and an interest rate of 3.070%, and the most recent, on June 27<sup>th</sup>, 2024 through Redeia Corporación S.A., **also for an amount of 500 million euros**, for a term of 8 years and an interest rate of 3.458%. This is the company's fourth and fifth green bond issue.

## Rating

On April 12<sup>th</sup>, 2024, the rating agency **S&P** affirmed the Group's '**A-**' rating with a stable outlook.

**Fitch's** credit rating was affirmed on October 8<sup>th</sup>, 2024, at '**A-**', with a stable outlook.

## Sustainability

We accelerate our efforts in all aspects of sustainability for greater future value creation through a **sustainable business model** to achieve social transformation.

To this end, we have designed an **Integrated Impact Strategy** with which we will amplify our social and environmental contribution to the entire geography and business areas in Spain and Latin America, seeking to deploy a positive net impact, pursuing that our facilities are networks of the future that improve the lives of communities, and making possible the development of the environment by guaranteeing access to electricity and digital inclusion.

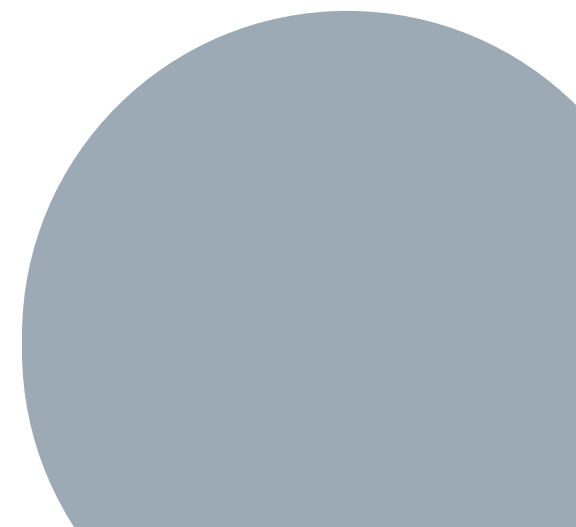
During the second quarter of the year, **Redeia was recognised as an adopter of the Taskforce in nature-related financial disclosures (TNFD) framework**, the first global initiative that defines how companies take nature into account in their financial decisions. Redeia has already incorporated some of the 14 recommendations of this framework in its 2023 Sustainability Report, demonstrating its strong commitment to biodiversity.

**Redeia's financing is linked to sustainable criteria and aligned with the European Taxonomy.** The two issuances made in 2024 are considered **green issues**, reaffirming the company's commitment in this area, **with 66% of its financing contracted under sustainable criteria**. It is worth highlighting the **EIB's support** for these issues, as well as for previous ones made by the group, enabling it to strengthen the soundness of its capital structure and materialise the planned investment in the transmission network to make Spain's energy transition possible.

## 2. Redeia: Key figures

### Income Statement

(EUR million)	January - September			July - September		
	2024	2023	Δ %	2024	2023	Δ %
Revenue	1,364.6	1,548.4	(11.9%)	453.8	519.3	(12.6%)
Share of profit of companies accounted for using the equity method	63.5	49.4	28.6%	26.0	14.6	78.1%
Gross operating profit (EBITDA)	1,024.0	1,183.1	(13.4%)	342.8	393.7	(12.9%)
Net operating profit (EBIT)	618.9	790.1	(21.7%)	205.2	262.4	(21.8%)
Profit before tax	546.2	725.3	(24.7%)	176.5	237.2	(25.6%)
Profit for the year	408.8	535.3	(23.6%)	139.4	181.0	(23.0%)



## Results by business September 2024

<i>(EUR million)</i>	Management and Operation of Electricity Infrastructures		Telecommunications		Other Business, Corp. and Adjustments	Total
	Spain	International	Satellite Business	Optical Fibre		
Revenue	1,040.1	59.6	178.1	114.5	(27.7)	1,364.6
Share of profit of companies accounted for using the equity method	0.0	50.0	12.9	0.0	0.6	63.5
Gross operating profit (EBITDA)	729.5	90.0	100.6	88.2	15.7	1,024.0
Net operating profit (EBIT)	439.6	73.8	25.4	66.8	13.3	618.9
Profit before tax	387.3	43.7	14.8	63.4	36.9	546.2
Profit for the year	300.1	44.8	18.2	47.5	21.0	431.6
A) Profit attributable to the parent company	300.1	45.2	18.2	24.2	21.0	408.8
B) Profit attributable to non-controlling interests	0.0	(0.3)	(0.1)	23.3	0.0	22.9

## Results by business September 2023

<i>(EUR million)</i>	Management and Operation Electricity Infrastructure		Telecommunications		Other Business, Corp. and Adjustments	Total
	Spain	International	Satellite Business	Optical Fibre		
Revenue	1,221.0	55.6	181.5	112.3	(21.9)	1,548.4
Share of profit of companies accounted for using the equity method	0.0	45.9	3.5	0.0	0.0	49.4
Gross operating profit (EBITDA)	904.0	80.6	97.4	83.2	17.9	1,183.1
Net operating profit (EBIT)	615.2	64.5	30.4	61.9	18.2	790.1
Profit before tax	567.8	37.2	26.3	56.6	37.3	725.3
Profit for the year	425.2	38.3	30.1	42.4	21.6	557.6
A) Profit attributable to the parent company	425.2	39.5	27.3	21.6	21.6	535.3
B) Profit attributable to non-controlling interests	0.0	(1.2)	2.7	20.8	(0.0)	22.3

## Other financial figures

(EUR million)	January - September			July - September		
	2024	2023	Δ %	2024	2023	Δ %
FFO	1,016.3	991.3	2.5%	323.3	358.9	(9.9%)
Investments	671.0	621.6	8.0%	214.2	208.1	2.9%
Dividends paid	564.0	555.9	1.5%	403.5	404.9	(0.3%)

## Consolidated balance sheet

(EUR million)	September 2024	December 2023	Δ %
Non-current assets	12,377.6	12,262.8	0.9%
Equity	5,448.3	5,529.1	(1.5%)
Net financial debt	5,427.9	4,975.4	9.1%

## Credit rating

Agency	Credit rating	Perspective	Date
Standard & Poor's	A-	Stable	12/04/2024
Fitch Ratings	A-	Stable	08/10/2024



### 3. Earnings performance

#### Income: Revenue and share of profit from companies accounted for using the equity method (with similar activity)

The sum of **revenue** and the **share of profits of companies accounted for using the equity method (with similar activity)** amounted to 1,428.2 million euros, 10.6% lower than the 1,597.8 million euros recorded at the end of September 2023. However, if we make a like-for-like comparison, eliminating the effect of pre-98 assets in both years, the sum of turnover and the share in the profits of companies valued by the equity method for this period grows by 1.9%.

By activity, the evolution has been as follows:

- **Management and operation of national electricity infrastructures:** revenues generated by this activity totalled 1,040.1 million euros, 14.8% lower than in the same period of the previous year, due to lower revenues from the transmission activity (-186.6 million euros) following the end of the useful remunerative life of the pre-98 assets. System operation activity shows higher revenues of 2.4 million euros.
- **International electricity transmission:** the revenues and profits of the investee companies in this activity amounted to 109.6 million euros, 8.0% higher than those recorded in the same period of 2023. The detail of this variation is due to:
  - Revenues amounted to 59.6 million euros in the period, compared to 55.6 million euros in September 2023. The 7.2% increase is mainly due to the good performance in Peru and Chile.
  - The result of the international business investees amounted to 50.0 million euros, compared to 45.9 million euros the previous year, with a better result in Argo (Brazil) and a lower result in TEN (Chile).
- **Telecommunications:** this activity generated a revenue and profit from investees of 305.5 million euros in the first nine months of 2024, compared to 297.2 million euros in the same period of 2023.
  - **Satellite business:** Satellite revenues together with the share in the profits of investees increased by 3.3% year-on-year to 191.0 million euros, thanks to revenues from the new Amazonas Nexus satellite, in commercial operation since July 2023, and the result associated with companies accounted for using the equity method.
  - **Optical fibre:** Revenues amounted to 114.5 million euros, 2.3 million euros higher than in the first nine months of the previous year. The higher revenues reflect the impact of the inflation-linked nature of some contracts.

## Income: Other operating income and work carried out by the company for its assets

Both items amounted to 111.5 million euros in the first nine months of 2024, compared to 82.7 million euros in the previous year, an increase of 34.8%.

The **work carried out by the company for fixed assets** amounted to 44.7 million euros, compared to 40.5 million euros in the first nine months of the previous year. This evolution is mainly explained by higher activation of projects in Spain, partially offset by a lower volume of international construction.

**Other operating income** includes the Chira-Soria pumping station, which has been recognised as a financial asset under concession since December 2022. This accounting implies revenues during these nine months of 2024 of 54.5 million euros (46.4 million euros associated with construction revenues and 8.1 million euros derived from applying the project's financial profitability rate), compared to 34.6 million euros in the same period of the previous year. The rest of this item amounted to 12.3 million euros, higher than last year's figure, mainly due to higher subsidies at Hispasat for the Único Rural programme as well as other incomes.

## Operating costs

Operating costs (EUR million)	January - September			July - September		
	2024	2023	Δ %	2024	2023	Δ %
Procurements and other operating costs	354.3	339.0	4.5%	117.5	115.0	2.2%
Personnel expenses	161.4	158.5	1.8%	54.8	52.7	3.9%
<b>Total operating costs</b>	<b>515.6</b>	<b>497.5</b>	<b>3.7%</b>	<b>172.4</b>	<b>167.7</b>	<b>2.8%</b>

Operating costs amounted to 515.6 million euros, 3.7% higher than in the same period of the previous year. However, excluding expenses that have a counterpart in other operating income, operating expenses were contained, falling by 1.4%:

- Higher **expenses with a counterpart in other operating income**, such as Chira Soria due to higher work progress, as well as projects for third parties and others.

- **Other supplies and other operating expenses** decreased by 9.7 million euros due to lower asset maintenance at the TSO, as a result of the completion of an extraordinary plan in 2023, partly offset by higher expenses for European projects of the System Operator. During the last quarter, the reduction in expenses compared to the previous year will intensify due to the fact that the aforementioned plan was basically executed in the second part of 2023.
- **Personnel expenses** increased by 2.8 million euros due to a higher average workforce, partly offset by the non-recurring effect of the new collective bargaining agreements in the first half of 2023.

The **final workforce** September 30<sup>th</sup> stood at 2,482 compared to 2,442 a year earlier. The **average number of employees** was 2,466, with 2,441 at the end of September 2023.

## Results

EBITDA amounted to 1,024.0 million euros, 13.4% lower than in the first nine months of 2023, mainly due to the impact of the end of the regulatory useful life of the pre-98 assets, as mentioned above. However, if we make a like-for-like comparison eliminating the effect of the pre-98 assets and in both years, EBITDA is 3.8% higher.

By activity, the evolution of EBITDA was as follows:

- **Management and operation of national electricity infrastructures:** EBITDA generated amounted to 729.5 million euros, 19.3% lower than in the same period of the previous year, mainly due to the effect of the pre-98 assets. If we compare on a like-for-like basis, eliminating the effect of pre-98 assets, EBITDA grew by 3.0%.
- **International electricity transmission:** the EBITDA generated amounted to 90.0 million euros, up 9.4 million euros (+11.7%) compared to the previous year.
- **Telecommunications:** EBITDA from telecommunications activities amounted to 188.9 million euros, 4.6% higher than in the first nine months of 2023.
  - In the **satellite business**, EBITDA amounted to 100.6 million euros, 3.3% higher than in the same period last year. In addition to the aforementioned evolution of revenues, there was a higher operating expense due to a higher average workforce, among other factors.
  - EBITDA in the **fibre optic** business amounted to 88.2 million euros, 6.1% higher than in the same period of the previous year, reflecting the positive impact of inflation on contracts and operating cost containment.

**Net operating profit (EBIT)** amounted to 618.9 million euros, 21.7% lower than in the same period of the previous year. In addition to the aforementioned EBITDA evolution, there was an increase in depreciation and amortisation, mainly at Hispasat due to the new satellite in operation, partially offset by higher revenues from subsidies received by Hispasat, associated with the Único programme.

The **financial result** worsened by 12.3% to -72.7 million euros, compared to -64.8 million euros in the same period of the previous year. Financial expenses amounted to -115.4 million euros in the first nine months of 2024, 9.0 million euros higher than in the first nine months of 2023, mainly as a result of the higher average cost of debt, which increased from 2.13% to 2.26% at the end of September 2024, as well as higher average balances. This item was partly offset by higher financial income of 45.0 million euros, as a result of the efficient financial management of the placement of existing liquidity.

The Group's **effective corporate income tax rate** was 21.0%, down from 23.1% in the previous year. The reason for this drop in the tax rate is mainly due to the contribution of the companies accounted for using the equity method, recorded net of tax.

Finally, **consolidated profit attributable to the parent company** amounted to 408.8 million euros, 23.6% lower than in the first nine months of 2023, with profit attributable to minority interests 0.5 million euros higher. On a like-for-like basis, eliminating the effect of pre-98 assets, the consolidated profit attributable to the parent company grew by 5.4%. By business line, the performance of this item is as follows:

- **Management and operation of national electricity infrastructures:** the net income attributable to this activity amounted to 300.1 million euros, 125.1 million euros lower than in September 2023. This decrease is mainly due to lower EBITDA, due to the impact of pre-98 assets.
- **International electricity transmission:** the net result of this activity was 45.2 million euros in the period, compared to 39.5 million euros in the previous year, mainly due to the higher EBITDA mentioned above, partly offset by higher financial costs.
- **Telecommunications:** the net result of this activity amounted to 42.5 million euros, compared to 49.0 million euros in September 2023 due to higher depreciation and amortisation of the Amazonas Nexus for the most part, as well as a worse financial result in the satellite business.



## 4. Investments

Investments  (EUR million)	January - September			July - September		
	2024	2023	Δ %	2024	2023	Δ %
Management and operation of national national electricity	603.2	512.9	17.6%	181.9	159.4	14.1%
Infrastructure management and operation international electricity	4.1	5.4	(23.9%)	2.3	3.9	(42.3%)
Satellite Business	15.4	69.8	(77.9%)	7.6	31.4	(75.7%)
Optical Fibre	7.6	6.9	9.5%	3.1	1.6	87.9%
Other investments	40.7	26.5	53.4%	19.4	11.7	65.7%
<b>Total</b>	<b>671.0</b>	<b>621.6</b>	<b>8.0%</b>	<b>214.2</b>	<b>208.1</b>	<b>2.9%</b>

During these first nine months of 2024, total investments amounted to 671.0 million euros and Redeia continues to accelerate its investment plan in the national regulated business, exceeding 600 million euros in this period, assuming its responsibilities as the backbone of the energy transition. These investments will be accelerated in the following months to reach approximately 1,000 million euros by the end of 2024.

Investments linked to the **management and operation of national electricity infrastructures** amounted to 603.2 million euros, 17.6% more than in the same period of the previous year, facilitating the energy transition in our country by enabling greater integration of renewable energy sources. The breakdown by business is as follows:

- **Development of the national transmission grid:** 525.9 million euros were allocated to this item, compared to 463.1 million euros in the previous period. Greater efforts in the construction of new lines, substations and asset renewal, together with progress in interconnections with other countries and between islands, explain this evolution.
- For its part, the **System Operator** has invested 22.7 million euros, compared to 15.2 million euros in September 2023.



- Finally, investment in **storage in the Canary Islands** amounted to 54.7 million euros, compared to 34.6 million euros in the same period of the previous year, demonstrating the greater progress made in this important project of the group.

The investment in the **management and operation of international electricity infrastructures** amounted to 4.1 million euros compared to 5.4 million euros in the same period of 2023. The 2024 investment includes, among others, the acquisition of a Control Centre in Chile in the first quarter.

In the **telecommunications** business, 15.4 million euros was allocated to the **satellite business**, mainly linked to the leasing of satellite capacity. Investment in the **fibre optic** business amounted to 7.6 million euros, compared to 6.9 million euros the previous year, in line with the investment plan.

Finally, it should be noted that 40.7 million euros were allocated to other items. This item includes, among others, investments in technology and corporate applications for the Group as well as investments developed by Elewit, Redeia's venture capital investment vehicle.

## 5. Cash flow and balance sheet performance

### Cash flow evolution

Cash flows	January - September			July - September		
	2024	2023	Δ %	2024	2023	Δ %
(EUR million)						
Profit before tax	546.2	725.3	(24.7%)	176.5	237.2	(25.6%)
Adjustments to profit <sup>(i)</sup>	406.8	407.0	(0.0%)	139.1	140.4	(0.9%)
Other cash flows used in operating activities <sup>(ii)</sup>	63.3	(141.0)	(144.9%)	7.7	(18.7)	(141.2%)
<b>Operating cash flow after taxes</b>	<b>1,016.3</b>	<b>991.3</b>	<b>2.5%</b>	<b>323.3</b>	<b>358.9</b>	<b>(9.9%)</b>
Changes in working capital	(249.4)	(777.1)	(67.9%)	(19.6)	(432.6)	(95.5%)
<b>Cash flows from operating activities</b>	<b>766.9</b>	<b>214.1</b>	<b>258.1%</b>	<b>303.7</b>	<b>(73.7)</b>	<b>(512.3%)</b>
Investments	(671.0)	(621.6)	8.0%	(214.2)	(208.1)	2.9%
Changes to suppliers of fixed assets	(52.8)	(83.6)	(36.8%)	(34.2)	(46.5)	(26.3%)
Changes in other assets and liabilities	69.7	716.9	(90.3%)	10.0	90.7	(89.0%)
<b>Free cash flow for shareholders</b>	<b>112.8</b>	<b>225.9</b>	<b>(50.1%)</b>	<b>65.3</b>	<b>(237.5)</b>	<b>(127.5%)</b>
Dividends paid	(564.0)	(555.9)	1.5%	(403.5)	(404.9)	(0.3%)
Movements not entailing cash flows <sup>(iii)</sup>	(1.3)	(6.7)	(80.9%)	21.4	(15.5)	(238.4%)
<b>Change in net financial debt</b>	<b>452.5</b>	<b>336.7</b>	<b>34.4%</b>	<b>316.7</b>	<b>657.9</b>	<b>(51.9%)</b>

(i) Mainly includes amortisation of non-current assets, grants of non-financial fixed assets and share of profits of companies accounted for using the equity method.

(ii) Mainly includes cash movements associated with corporate income tax, interest and dividends received.

(iii) Mainly includes exchange rate changes, consolidation entries and amortised cost adjustments.

Note: Short-term money market investments amounting to EUR 776.4 million on 30 September 2024 and EUR 100 million in September 2023 have been considered as lower Net Financial Debt. In the Consolidated Cash Flow Statement in the Appendix, these amounts are considered as investment receipts and/or payments.

The most significant changes in cash flows for the period are presented below:

**Operating cash flow after tax (FFO)** amounted to 1,016.3 million euros, 2.5% higher than in the same period of the previous year. This is due to the collection of the 2022 income tax refund amounting to 193 million euros, mainly from the capital gain on the sale of Reintel, offset by a lower pre-tax result.

**Changes in working capital** resulted in a cash outflow of 249.4 million euros during the period compared to an outflow of 777.1 million euros in the same period of the previous year. This is due to the fact that in the first nine months of last year 444 million euros of excess tariffs collected in previous years were refunded, with a counterpart of 122 million euros in the first nine months of 2024. The amount outstanding at the end of September 2024 totalled 229 million euros, which is expected to be repaid in the coming months.

**Investments** in the year amounted to 671.0 million euros, 8.0% higher than in the previous year, mainly driven by the increase in the domestic regulated business.

**Changes in other assets and liabilities** amounted to 69.7 million euros, 90.3% lower than the 716.9 million euros in the same period of the previous year. This is mainly due to the fact that this item last year included the proceeds from the hybrid bond issue in January 2023, which resulted in a collection of 500 million euros. In addition, in 2023 this item included subsidies, highlighting 76 million euros relating to Hispasat's Único Rural programme. Likewise, the remaining components of this item in 2024 correspond to subsidies received in the period, associated with access positions in Red Eléctrica, and collections from derivative settlements offset by lease payments.

**Dividends paid** increased by 1.5% to 564.0 million euros.

The evolution of these items explains an increase in **net financial debt** of 452.5 million euros compared to that existing on December 31<sup>st</sup>, 2023.

## Net financial debt evolution

**Net financial debt** at September 30<sup>th</sup>, 2024 stood at 5,428.0 million euros, 9.1% higher than the 4,975.4 million euros at the end of 2023.

### Net financial debt (\*)

(EUR million)	National currency	Foreign currency	Total
Non-current debt securities	4,358.1	347.9	4,705.9
Long-term loans	1,505.0	481.5	1,986.5
<b>Total gross financial debt</b>	<b>5,863.0</b>	<b>829.4</b>	<b>6,692.4</b>
Cash, cash equivalents and term deposits	(1,219.0)	(45.5)	(1,264.5)
<b>Total net financial debt</b>	<b>4,644.0</b>	<b>783.9</b>	<b>5,428.0</b>

(\*) Debt classified according to its original contract, without considering short-term transfers.

At the end of September 2024, all of the Group's financial debt had been contracted on a **long-term** basis. In terms of interest rates, **92%** of the Group's debt is at a **fixed rate**, while the remaining **8%** is at **floating rate**.

The **average cost of the Group's financial debt** was **2.26%** in the period, compared to 2.13% in the same period of the previous year. At the end of December 2023, the average cost of debt was 2.14%.

**The average gross debt balance** during the period was **6,332 million euros**, compared to 6,008 million euros of the previous year.

Redeia has set a **target that 100% of its financial debt will be contracted under ESG criteria by 2030**. In line with the achievement of this objective, it is noteworthy that the Group's financing that incorporates these **ESG criteria** currently stands at **66%**, up from 59% on December 31<sup>st</sup> of the previous year.

## Equity evolution

On September 30<sup>th</sup>, 2024, Redeia's **equity** amounted to 5,448.3 million euros, a decrease of 80.8 million euros compared to December 31<sup>st</sup>, 2023. The evolution of this item reflects the contribution of the accumulated result for the year and the distribution of dividends, translation differences and minority interests



## Annex 1. Consolidated financial statements (Redeia)

### Consolidated income statement

(EUR million)	30/09/2024	30/09/2023	2024/2023
Revenue	1,364.6	1,548.4	(11.9%)
Work carried out by the company for its assets	44.7	40.5	10.3%
Share of profit of companies accounted for using the equity method (with activities similar to those of the Group)	63.5	49.4	28.6%
Procurements	(42.7)	(32.8)	29.9%
Other operating income	66.8	42.2	58.3%
Personnel expenses	(161.4)	(158.5)	1.8%
Other operating costs	(311.6)	(306.1)	1.8%
<b>Gross operating profit (EBITDA)</b>	<b>1,024.0</b>	<b>1,183.1</b>	<b>(13.4%)</b>
Depreciation and amortisation charge for non-current assets	(423.3)	(405.6)	4.4%
Allocation to profit or loss of grants relating to non-financial assets	18.1	12.8	41.2%
Impairment of and gains/losses on disposals of fixed assets	0.1	(0.3)	(133.9%)
<b>Net operating profit (EBIT)</b>	<b>618.9</b>	<b>790.1</b>	<b>(21.7%)</b>
Financial income	45.0	39.6	13.6%
Financial costs	(115.4)	(106.4)	8.5%
Exchange differences	(2.2)	2.5	(186.8%)
Changes in fair value of financial instruments	(0.2)	(0.5)	(68.4%)
<b>Financial result</b>	<b>(72.7)</b>	<b>(64.8)</b>	<b>12.3%</b>
<b>Profit before tax</b>	<b>546.2</b>	<b>725.3</b>	<b>(24.7%)</b>
Income tax expense	(114.5)	(167.6)	(31.7%)
<b>Consolidated result for the period</b>	<b>431.6</b>	<b>557.6</b>	<b>(22.6%)</b>
<b>A) Consolidated profit attributable to the parent company</b>	<b>408.8</b>	<b>535.3</b>	<b>(23.6%)</b>
<b>B) Consolidated profit attributable to non-controlling interests</b>	<b>22.9</b>	<b>22.3</b>	<b>2.4%</b>

*Consolidated balance sheet**(EUR million)*










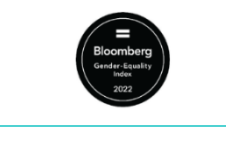




	30/09/2024	31/12/2023
<b>Assets</b>		
Non-current assets	12,377.6	12,262.8
Current assets	2,796.7	2,222.1
<b>Total assets</b>	<b>15,174.3</b>	<b>14,484.8</b>
<b>Liabilities</b>		
<b>Equity</b>	5,448.3	5,529.1
Non-current liabilities	7,087.4	6,852.9
Current liabilities	2,638.6	2,102.9
<b>Total liabilities</b>	<b>15,174.3</b>	<b>14,484.8</b>

*Consolidated cash flow statement*

<i>(EUR million)</i>	<b>30/09/2024</b>	<b>30/09/2023</b>
<b>Cash flows from operating activities</b>	<b>766.9</b>	<b>214.1</b>
Profit before tax	546.2	725.3
Adjustments to profit	406.8	407.0
Changes in working capital	(249.4)	(777.1)
Other cash flows from operating activities	63.3	(141.0)
<b>Cash flows from investing activities (*)</b>	<b>(1,447.2)</b>	<b>123.0</b>
Payments from investments	(2,260.5)	(1,205.2)
Proceeds from disposals	763.0	1,117.0
Other cash flows from investing activities	50.3	211.2
<b>Cash flows from financing activities</b>	<b>494.6</b>	<b>(488.5)</b>
Proceeds from/(payments for) equity instruments	0.0	506.7
Proceeds from/(payments for) financial liabilities	1,040.2	(432.8)
Dividend payments	(564.0)	(555.9)
Other cash flows from financing activities	18.4	(6.5)
<b>Effect of foreign exchange rate changes</b>	<b>(1.6)</b>	<b>3.6</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(187.3)</b>	<b>(147.7)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>675.4</b>	<b>794.8</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>488.1</b>	<b>647.1</b>

(\*) Includes in 2024 a net investment of EUR 776.4 million and in 2023 a net investment of EUR -615.0 million in deposits and repos with a maturity of less than 1 year.

## Annex 2. Sustainability certifications

 <p>Member of <b>Dow Jones Sustainability Indices</b> Powered by the S&amp;P Global CSA</p>	<p>Permanence in the Dow Jones Sustainability Index, in the World category, as one of the 8 most sustainable companies in its sector.</p>	 <p>Top 10% S&amp;P Global Corporate Sustainability Assessment (CSA) Score 2023</p>	<p>Inclusion in S&amp;P Global's <i>The Sustainability Yearbook 2024</i>, for an ESG score in the top 10%.</p>
 <p>FTSE4Good</p>	<p>Permanence in the FTSE4Good index(*) and remaining in the Top 5 best ESG performers in its sector.</p>	 <p>NYSE EURONEXT vigeo</p>	<p>Continued inclusion in the Euronext indices: Eurozone 120, Europe 120 and Global 120, entering the Top 5 of the best ESG performers in its sector.</p>
 <p>MSCI</p>	<p>Permanence in the MSCI ESG index, having obtained the highest score in its sector.</p>	 <p>CDP DISCLOSURE INSIGHT ACTION</p>	<p>Permanence on the CDP A-list for its commitment to the fight against climate change.</p>
 <p>SUSTAINALYTICS a Morningstar company</p>	<p>Permanence in the Sustainalytics index, being considered a company with negligible ESG risk "Negligible Risk".</p>	 <p>ISS ESG</p>	<p>Achievement of "Prime" status and "very high" transparency, awarded by ISS-ESG to leading companies in the sector.</p>
 <p>Member 2015/2016 STOXX ESG LEADERS INDICES</p>	<p>Permanence in the STOXX Global ESG Index Leaders.</p>	 <p>Bloomberg Gender Equality Index 2022</p>	<p>Permanence in the Bloomberg Gender Equality Index as a company committed to gender inclusion</p>
 <p>BME X BOLSA Y MERCADOS ESPAÑOLES a SIX company</p>	<p>Permanence in the Ibex Gender Equality index, due to the significant presence of women in management positions.</p>	 <p>BME X BOLSA Y MERCADOS ESPAÑOLES a SIX company</p>	<p>Permanence in the Ibex ESG index, for its environmental, social and governance performance.</p>
 <p>ETHIBEL EXCELLENCE Europe</p>	<p>Permanence in the Ethibel Sustainability Index Excellence Europe.</p>	 <p>haz FUNDACION</p>	<p>Obtaining the "t for transparent ***" seal.</p>

(\*) FTSE Group confirms that Redeia Corporación S.A. has been independently assessed against the FTSE4Good criteria and qualifies to become a constituent of the FTSE4Good indices, the global index created by FTSE Group. FTSE4Good is a stock market index designed to facilitate investment in companies that meet globally recognised standards of corporate responsibility. Companies included in this index have met stringent environmental, social and corporate governance criteria and are in a position to benefit from responsible business practice.

## Upcoming events

### Estimated dates

FY 2024 results presentation	February 25
2024 Interim dividend	January 25



MEMBER OF  
**Dow Jones  
 Sustainability Indices**  
 In Collaboration with RobecoSAM

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