



**RED**  
ELÉCTRICA  
CORPORACIÓN

## Alternative Performance Measures

January - June 2021



<b>Alternative Performance Measures: Aggregates</b>		<i>(in thousand of euros)</i>	
<b>Recurring profit attributable to the parent company</b>		<b>30/06/2021</b>	<b>30/06/2020</b>
	Consolidated profit for the year	358,170	331,701
	Impairment and losses on disposal of fixed assets	(324)	660
	Income tax and y non-controlling interests of the impairment	106	(216)
		<b>357,952</b>	<b>332,151</b>
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>		<b>30/06/2021</b>	<b>30/06/2020</b>
	Results from operating activities (EBIT)	527,538	509,264
	Amortisation and depreciation	258,167	271,679
	Non-financial and other capital grants	(14,112)	(15,354)
	Impairment and gains/(losses) on disposal of fixed assets	(324)	660
		<b>771,269</b>	<b>766,249</b>
<b>Funds From Operations (FFO)</b>		<b>30/06/2021</b>	<b>30/06/2020</b>
	Profit before tax	477,912	439,718
	Income tax received/(paid)	(61,693)	(55,895)
	Amortisation and depreciation	258,167	271,679
	Other adjustments (*)	(21,748)	(9,043)
		<b>652,638</b>	<b>646,459</b>
<b>Changes in other assets and liabilities</b>		<b>30/06/2021</b>	<b>30/06/2020</b>
	Accrual / Payment of financial expenses	56,365	75,358
	Payment of financial expenses	(76,674)	(104,739)
	Other cash flows from investing activities	7,157	10,521
	Proceeds from equity instruments	-	(4,892)
	Effect of changes exchange rates	1,238	(2,894)
	Other cash flows used in financing activities	(23,716)	(20,114)
	Investment payments in other financial assets	(653)	3,463
		<b>(36,283)</b>	<b>(43,297)</b>
<b>Gross Financial Debt</b>		<b>30/06/2021</b>	<b>30/06/2020</b>
	Non-current loans and borrowings, bonds and other marketable securities	6,357,397	6,519,282
	Current loans and borrowings, bonds and other marketable securities	601,064	380,704
	- Foreign currency derivatives	(4,259)	(29,282)
	- Accrued interest payable	(33,079)	(36,414)
		<b>6,921,123</b>	<b>6,834,290</b>
<b>Net Financial Debt</b>		<b>30/06/2021</b>	<b>30/06/2020</b>
	Gross Financial Debt	6,921,123	6,834,290
	- Cash and cash equivalents	(1,150,258)	(568,116)
		<b>5,770,865</b>	<b>6,266,174</b>



<b>Net Financial cost of the period (%)</b>		<b>30/06/2021</b>	<b>30/06/2020</b>
Financial results excluding capitalised interest	Financial cost of the period	60,133	79,292
	Borrowing costs capitalised	(3,768)	(3,933)
	Financial revenues of the period	(6,037)	(8,697)
		<b>50,328</b>	<b>66,662</b>

### Alternative Performance Measures: Ratios

<b>Debt coverage ratios (times)</b>		<b>30/06/2021</b>	<b>30/06/2020</b>
Net Financial Debt / EBITDA	Net Financial Debt	5,770,865	6,266,174
	EBITDA of the last 12 months	1,573,537	1,570,546
		<b>3.7</b>	<b>4.0</b>

<b>Interest coverage ratio (times)</b>		<b>30/06/2021</b>	<b>30/06/2020</b>
EBITDA / Financial profit/(loss) excluding capitalised interest	EBITDA	771,269	766,249
	Net financial cost for the period	50,328	66,662
		<b>15.3</b>	<b>11.5</b>

<b>FFO / Net Financial Debt (%)</b>		<b>30/06/2021</b>	<b>30/06/2020</b>
Funds From Operations (FFO) / Net financial Debt	Funds From Operations (FFO) of the last 12 months	1,238,369	1,256,685
	Net Financial Debt	5,770,865	6,266,174
		<b>21.5</b>	<b>20.1</b>

<b>EBITDA margin (%)</b>		<b>30/06/2021</b>	<b>30/06/2020</b>
EBITDA / Revenue	EBITDA	771,269	766,249
	Revenue	975,853	977,892
		<b>79.0</b>	<b>78.4</b>

<b>Return on equity (ROE) (%)</b>		<b>30/06/2021</b>	<b>30/06/2020</b>
Profit for the year / Equity	Profit for the year of the last 12 months	639,491	684,296
	Equity	3,494,961	3,399,175
		<b>18.3</b>	<b>20.1</b>

<b>Leverage (%)</b>		<b>30/06/2021</b>	<b>30/06/2020</b>
Net financial debt /(Net financial debt +Equity)	Net Financial Debt	5,770,865	6,266,174
	Equity	3,494,961	3,399,175
<b>Leverage ratio (%)</b>		<b>62.3</b>	<b>64.8</b>

(\*) Includes other adjustments to profit and loss not reflected in the foregoing lines, such as the result of investments accounted for using the equity method, financial income, provisions reversed; Gain/Loss on disposal/impairment of non-current assets and valuation of financial instruments, capital subsidies and other prepaid expenses transferred to profit and loss, income from dividends and interest and other operating income or payments, all of which are included in the Consolidated Statement of Cash Flows,



The APMs are used to provide greater clarity regarding financial performance of , and compare this performance with previous periods and with that of Red Eléctrica Corporación, S,A These measures must be considered by the reader as supplementary with regard to those presented in accordance with EU-IFRSs, although they are not considered a substitute, Also, the way in which Red Eléctrica Corporación, S,A, defines and calculates these APMs may differ from other entities that use similar measures and, therefore, may not be comparable among them,