



RED
ELÉCTRICA
CORPORACIÓN

Alternative Performance Measures

January - September 2018



Alternative Performance Measures: Aggregates

(in thousand of euros)

		30/09/2018	30/09/2017
Earnings before interest, taxes, depreciation and amortisation (EBITDA)			
	Results from operating activities (EBIT)	792,514	767,776
	Amortisation and depreciation	372,332	386,379
	Non-financial and other capital grants	(17,472)	(17,533)
	Impairment and gains/(losses) on disposal of fixed assets	33	(54)
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		1,147,407	1,136,568
Funds From Operations (FFO)			
	Profit before tax	692,920	661,540
	Income tax received/(paid)	(69,563)	(71,086)
	Amortisation and depreciation	372,332	386,379
	Other adjustments to items that do not entail movements in cash	(14,868)	(12,858)
Funds From Operations (FFO)		980,821	963,975
Changes in other assets and liabilities			
	Accrual / Payment of financial expenses	(25,612)	(25,387)
	Other cash flows from investing activities	18,481	7,281
	Proceeds from equity instruments	(11,586)	3,231
	Effect of changes exchange rates	492	(3,208)
	Other cash flows used in financing activities	(6,072)	(11,145)
	Investment payments Other financial assets	(13,419)	(17,166)
Changes in other assets and liabilities		(37,715)	(46,394)
Gross Financial Debt			
	Non-current financial liabilities	4,942,461	4,699,124
	Current financial liabilities	1,162,302	1,255,836
	Total Financial Liabilities	6,104,763	5,954,960
	- Derivatives and not current securities	(59,765)	(67,700)
	- Interest to pay	(60,286)	(76,444)
	- Short-term fixed-income providers and others	(508,253)	(427,084)
Gross Financial Debt		5,476,459	5,383,731
Net Financial Debt			
	Gross Financial Debt	5,476,460	5,383,731
	- Cash and cash equivalents	(611,098)	(523,888)
Net Financial Debt		4,865,361	4,859,843



Alternative Performance Measures: Ratios

Debt coverage ratios (times)		30/09/2018	30/09/2017
Net Financial Debt / EBITDA	Net Financial Debt	4,865,361	4,859,843
	EBITDA of the last 12 months	1,530,337	1,493,958
Debt coverage ratios (times)		3.2	3.3

Interest coverage ratio (times)		30/09/2018	30/09/2017
EBITDA / Financial profit/(loss) excluding capitalised interest	EBITDA	1,147,407	1,136,568
	Financial result excluding capitalised interest	103,997	110,964
Interest coverage ratio (times)		11.0	10.2

FFO / Deuda financiera neta (%)		30/09/2018	30/09/2017
Funds From Operations (FFO) / Net financial debt	Funds From Operations (FFO) of the last 12 months	1,204,772	1,162,903
	Net Financial Debt	4,865,361	4,859,843
FFO / Deuda financiera neta (%)		24.8%	23.9%

EBITDA margin (%)		30/09/2018	30/09/2017
EBITDA / Revenue	EBITDA	1,147,407	1,136,568
	Revenue	1,470,184	1,465,360
EBITDA margin (%)		78.0%	77.6%

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.