



RED
ELÉCTRICA
CORPORACIÓN

Alternative Performance Measures

January - December 2020



Alternative Performance Measures: Aggregates (*)		<i>(in thousand of euros)</i>	
Recurring profit attributable to the parent company		31/12/2020	31/12/2019 (*)
	Consolidated profit for the year	621,185	714,752
	Impairment and losses on disposal of fixed assets	121,575	1,258
	Income tax and y non-controlling interests of the impairment	(39,804)	(412)
		702,956	715,598
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		31/12/2020	31/12/2019 (*)
	Results from operating activities (EBIT)	929,007	1,082,213
	Amortisation and depreciation	548,184	525,910
	Non-financial and other capital grants	(30,248)	(25,724)
	Impairment and gains/(losses) on disposal of fixed assets	121,575	1,258
		1,568,518	1,583,657
Funds From Operations (FFO)		31/12/2020	31/12/2019 (*)
	Profit before tax	805,991	950,664
	Income tax received/(paid)	(196,903)	(198,354)
	Amortisation and depreciation	548,184	525,910
	Other adjustments	74,918	(19,164)
		1,232,190	1,259,056
Changes in other assets and liabilities		31/12/2020	31/12/2019 (*)
	Accrual / Payment of financial expenses	133,613	145,927
	Payment of financial expenses	(158,909)	(148,213)
	Other cash flows from investing activities	21,473	53,579
	Proceeds from equity instruments	(376)	(13,753)
	Effect of changes exchange rates	(7,007)	314
	Other cash flows used in financing activities	(23,612)	(16,863)
	Investment payments in other financial assets	(1,641)	23,651
		(36,459)	44,642
Gross Financial Debt		31/12/2020	31/12/2019 (*)
	Non-current loans and borrowings, bonds and other marketable securities	6,427,644	5,267,323
	Current loans and borrowings, bonds and other marketable securities	214,973	1,197,981
	- Foreign currency derivatives	2,199	(28,566)
	- Accrued interest payable	(49,703)	(70,099)
		6,595,113	6,366,639



Net Financial Debt		31/12/2020	31/12/2019 (*)
	Gross Financial Debt	6,595,113	6,366,639
	- Cash and cash equivalents	(481,772)	(328,570)
Net Financial Debt		6,113,341	6,038,069
Net Financial cost of the period (%)		31/12/2020	31/12/2019 (*)
Financial results excluding capitalised interest	Financial cost of the period	141,101	152,588
	Borrowing costs capitalised	(7,488)	(7,742)
	Financial revenues of the period	(16,014)	(12,817)
		117,599	132,029
Alternative Performance Measures: Ratios			
Debt coverage ratios (times)		31/12/2020	31/12/2019 (*)
Net Financial Debt / EBITDA	Net Financial Debt	6,113,341	6,038,069
	EBITDA of the last 12 months	1,568,518	1,583,657
		3.9	3.8
Interest coverage ratio (times)		31/12/2020	31/12/2019 (*)
EBITDA / Financial profit/(loss) excluding capitalised interest	EBITDA	1,568,518	1,583,657
	Net financial cost for the period	117,599	132,029
		13.3	12.0
FFO / Net Financial Debt (%)		31/12/2020	31/12/2019 (*)
Funds From Operations (FFO) / Net financial Debt	Funds From Operations (FFO) of the last 12 months	1,232,190	1,259,056
	Net Financial Debt	6,113,341	6,038,069
		20.2	20.9
EBITDA margin (%)		31/12/2020	31/12/2019 (*)
EBITDA / Revenue	EBITDA	1,568,518	1,583,657
	Revenue	1,985,751	2,007,240
		79.0	78.9
Return on equity (ROE) (%)		31/12/2020	31/12/2019 (*)
Profit for the year / Equity	Profit for the year of the last 12 months	621,185	714,752
	Equity	3,491,953	3,585,156
		17.8	19.9
Leverage (%)		31/12/2020	31/12/2019 (*)
Net financial debt /(Net financial debt +Equity)	Net Financial Debt	6,113,341	6,038,069
	Equity	3,491,953	3,585,156
Leverage ratio (%)		63.6	62.7



(*) Figures restated as a result of the recognition of the Hispasat business combination, effective 3 October 2019 (see notes 2.f and 6 of the Annual Report)

(**) 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,