



**RED**  
ELÉCTRICA  
CORPORACIÓN

## Alternative Performance Measures

January - March 2019



## Alternative Performance Measures: Aggregates

*(in thousand of euros)*

	31/03/2019	31/03/2018
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>		
Results from operating activities (EBIT)	289,032	284,732
Amortisation and depreciation	122,916	123,423
Non-financial and other capital grants	(6,050)	(5,762)
Impairment and gains/(losses) on disposal of fixed assets	-	22
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>405,898</b>	<b>402,415</b>
<b>Funds From Operations (FFO)</b>		
Profit before tax	253,928	250,928
Income tax received/(paid)	(3,260)	(2,239)
Amortisation and depreciation	122,916	123,423
Other adjustments	(5,600)	(6,821)
<b>Funds From Operations (FFO)</b>	<b>367,984</b>	<b>365,291</b>
<b>Changes in other assets and liabilities</b>		
Accrual / Payment of financial expenses	(5,491)	(29,515)
Other cash flows from investing activities	3,257	1,101
Proceeds from equity instruments	(2,814)	(16,875)
Effect of changes exchange rates	198	(427)
Other cash flows used in financing activities	(1,321)	(6,072)
Investment payments in other financial assets	16,125	(1,326)
<b>Changes in other assets and liabilities</b>	<b>9,954</b>	<b>(53,113)</b>
<b>Gross Financial Debt</b>		
Non-current loans and borrowings, bonds and other marketable securities	4,944,278	5,243,443
Current loans and borrowings, bonds and other marketable securities	952,767	202,910
- Foreign currency derivatives	(25,490)	5,061
- Accrued interest payable	(71,214)	(69,830)
<b>Gross Financial Debt</b>	<b>5,800,341</b>	<b>5,381,583</b>
<b>Net Financial Debt</b>		
Gross Financial Debt	5,800,341	5,381,583
- Cash and cash equivalents	(1,216,161)	(650,402)
<b>Net Financial Debt</b>	<b>4,584,180</b>	<b>4,731,180</b>


**Alternative Performance Measures: Ratios**

<b>Debt coverage ratios (times)</b>		<b>31/03/2019</b>	<b>31/03/2018</b>
Net Financial Debt / EBITDA	Net Financial Debt	4,584,180	4,731,180
	EBITDA of the last 12 months	1,543,153	1,521,137
<b>Debt coverage ratios (times)</b>		<b>3.0</b>	<b>3.1</b>
<b>Interest coverage ratio (times)</b>		<b>31/03/2019</b>	<b>31/03/2018</b>
EBITDA / Financial profit/(loss) excluding capitalised interest	EBITDA	405,898	402,415
	Financial result excluding capitalised interest and exchange differences	36,674	37,481
<b>Interest coverage ratio (times)</b>		<b>11.1</b>	<b>10.7</b>
<b>FFO / Net Financial Debt (%)</b>		<b>31/03/2019</b>	<b>31/03/2018</b>
Funds From Operations (FFO) / Net financial debt	Funds From Operations (FFO) of the last 12 months	1,221,621	1,186,905
	Net Financial Debt	4,584,180	4,731,180
<b>FFO / Net Financial Debt (%)</b>		<b>26.6%</b>	<b>25.1%</b>
<b>EBITDA margin (%)</b>		<b>31/03/2019</b>	<b>31/03/2018</b>
EBITDA / Revenue	EBITDA	405,898	402,415
	Revenue	499,738	496,997
<b>EBITDA margin (%)</b>		<b>81.2%</b>	<b>81.0%</b>
<b>Return on equity (ROE) (%)</b>		<b>31/03/2019</b>	<b>31/03/2018</b>
Profit for the year / Equity	Profit for the year of the last 12 months	706,438	677,097
	Equity	3,157,972	2,940,999
<b>Return on equity (ROE) (%)</b>		<b>22.4%</b>	<b>23.0%</b>

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.