

RED
ELÉCTRICA
CORPORACIÓN

GENERAL SHAREHOLDERS MEETING

14 April

2016

PRESS CONFERENCE



Key milestones in 2015

Ushering in a period of certainty and growth

1 Completion of the regulatory and remunerative process for our core business



2 Approval of the 2015-2020 Electrical Infrastructure Plan



3 Culmination of the process of separating the roles of board chairman and chief executive





2015 results: key figures

Millions of euros	2015	2014	Δ%
Revenue	1,939	1,847	5.0
Gross operating profit (EBITDA)	1,458	1,385	5.3
Profit before tax	830	854	(2.8)
Profit for the period	606	718	(15.6)
Recurring profit for the period*	606	560	8.3

* Stripping out non-recurring items from profit for 2014: TDE compensation of M€ 52.3 and M€ 106.1 impact of the tax reform.



**Profit from ordinary course of business in 2015
up 8.3 % year on year**



Milestones in 2015

Transmission activity: a more meshed and interconnected grid

HIGHLIGHTS

- **414** kilometres of new lines.
- **136** new substations.
- **605** MVA improvement in transformation capacity.
- **98 %** availability for the transmission grid.

43,000 km of power lines in service

TRANSMISSION GRID



INVESTMENT - 2015

M€ **410.7**



Shareholder returns

We continue to honour our commitments in these testing times

EARNINGS
PER SHARE
2014-2019



5-6 %

GROWTH
[CAGR in
the period]

NET PROFIT
2015



M€ 606

[+8.3 %] Versus
2014

On a like-for-like basis

GROSS DIVIDEND
2015



€ 3.21

PER SHARE

[+7 %] Versus
2014

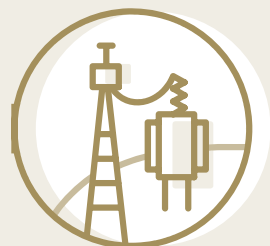


Investment plan

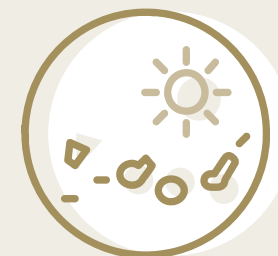
Highly visible investments over the coming years



Investments envisaged in the 2015-2020 Electrical Infrastructure Plan



Investments deriving from EU energy policy (three new interconnections with France and the rest of Europe)



Investments associated with the new energy model for the Canary Islands



Strategic Plan 2014-2019

Implementation of the Plan in 2015

CONSOLIDATE AS A TSO



- Approval of the 2015-2020 Plan.
- Regulatory reform finalised.
- Operational start-up of the interconnection with France.
- Start-up of the first cable of the Mallorca-Ibiza connection.

EXPAND BUSINESS BASE



- Creation of Red Eléctrica Infraestructuras de Telecomunicaciones (REINTEL).
- Incorporation of Red Eléctrica Infraestructuras en Canarias (REINCAN).
- Award of two new lines in Peru.
- Acquisition of a 50 % stake in Transmisora Eléctrica del Norte (TEN), in Chile.

EFFICIENCY



- Improvement in the EBITDA margin: from 74 % in 2013 to 75.2 % in 2015.
- Financing structure optimised by buying back bonds.
- REDESUR refinanced by issuing bonds in Peru.



Strategic Plan 2014-2019

Implementation of the Plan in 2015

INNOVATION



- Development of 76 technological innovation projects to improve system efficiency and integrate renewables.
- New technological innovation and development plan for 2016-2019.

PEOPLE



- Implementation of the healthy business model.
- New measures rolled out to reconcile health and well-being.
- Development of new knowledge management programmes and leadership model.
- Added focus on internal promotions.

EXCELLENCE



- Company listed on the Dow Jones global and European sustainability indices.
- European EFQM 500+ excellence award renewed, with a score of over 700 points.
- Approval of the 2015-2020 Climate Change Action Plan.
- Roll-out of the sustainable mobility plan.



Corporate responsibility

We follow best corporate governance practices

ACTIONS

**Gender diversity
on the Board of Directors**

RESULTS 2015

- **42 % female directors (50 % for non-executive female directors).**
- **Ranks first among Ibex 35 companies.**

**Variable remuneration of the CEO
and management team**

- **Pegged to attainment of the multi-year corporate responsibility plan.**

**Annual self-assessment
of the Board of Directors**

- **Conducted with the advice and support of independent experts.**

**Good Governance Code
of Listed Companies**

- **Compliance with virtually all recommendations:**
 - Only non-compliant with recommendations: 48, 61 and 62.



Corporate responsibility

In touch with talent, equality and personal well-being

ACTIONS

Commitment to internal promotion and equal opportunities

Implementation of the healthy company model

Work climate survey

Accolades in the field of sustainability

RESULTS 2015

- 80 % of appointments of new executive officers carried out through internal promotions.
- 31 % of these promotions involved women.
- New initiatives when it comes to promoting personal health and a work-life balance and preventing occupational risks.
- 9.4 out of 10 in employee satisfaction, with a 91 % survey turnout.
- Featured on the global and European Dow Jones sustainability indices.
- European EFQM 500+ excellence award renewed for a score of over 700 points.