Focus on profitable growth

Strategic Plan 2006

December 2nd, 2003

Forward-looking statements

This presentation contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations and business of the EDP and certain of the plans and objectives of the EDP with respect to these items. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. The actual results and developments may differ materially from those expressed or implied in the forward-looking statements due to any number of different factors. These factors include, but are not limited to, changes in costs, changes in economic conditions and changes in regulatory and government policy. Additional information, including information on factors which may affect EDP's business, is contained in EDP's 2002 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission.

Agenda

- **A very competitive energy player**
- Key EDP value levers
- Financial targets
- Capabilities and performance culture

EDP: a competitive energy player looking forward to an Iberian market

- Operating in one of **Europe's most attractive markets – Iberia** (+3,5% average yearly growth in electricity and +9% in gas)

- **Efficient cost structure in generation** allowing EDP to reap the benefits of Iberian liberalised market

- Uniquely positioned to **profit from gas-electricity convergence** in both Portugal and Spain

- Clear commitment to **create value through cost cutting** in regulated distribution

- Past investments **(telecoms, and Brazil) will post a significant turnaround**

Operating in one of Europe's most attractive markets…

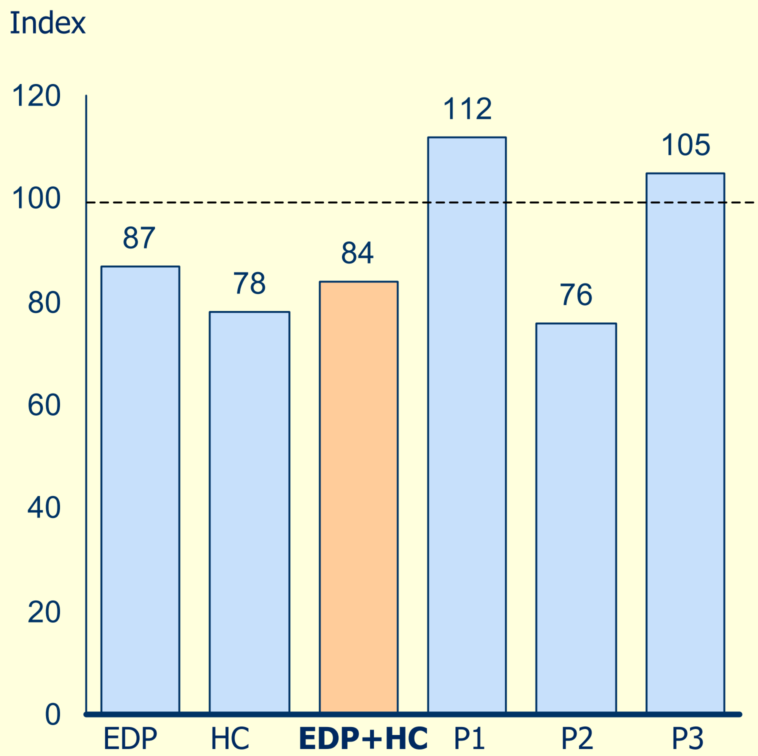
	Consumption of electricity per capita (2002) (KWh/inhabitant)	**Electricity consumption** CAGR (2002-2010) Percent	**Gas consumption** CAGR (2002-2010) Percent
Portugal	**4,042**	3,6	10,1
Spain	**5,270**	3,1	8,5
Italy	5,230	3,0	2,3
France	7,266	2,1	2,0
Belgium	8,082	1,6	2,2
Germany	6,081	1,0	1,6
EU	6,313	2,4	2,7

Source: EDP; REN; Spanish Ministry of Economy; Eurelectric; UCTE; Unipede; Europrog 2003

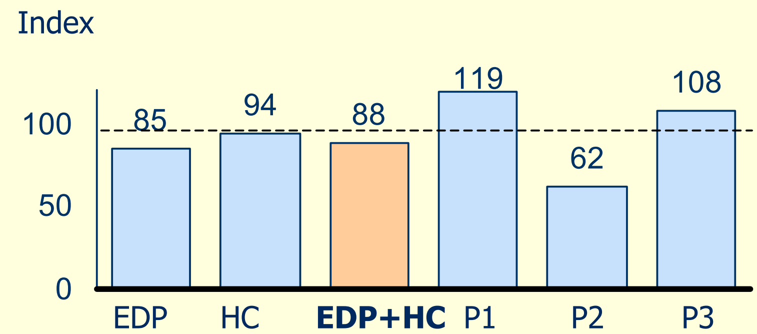
… with a very efficient generation portfolio

Average year
2002 costs

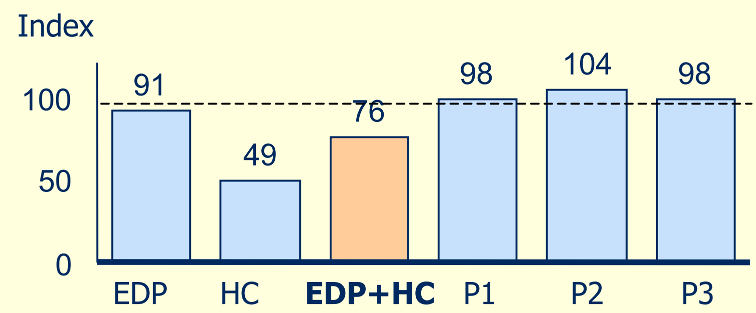
Total cash-costs per MWh of generated energy for an average year*



Fuel costs per MWh of generated energy for an average year



O&M costs per MWh generated energy for an average year**



* Considering all operating costs except depreciation & amortisation and provisions

** Cash-costs other than fuel (supplies and services, personnel and other operating costs)

EDP is prepared to profit from the Iberian market integration

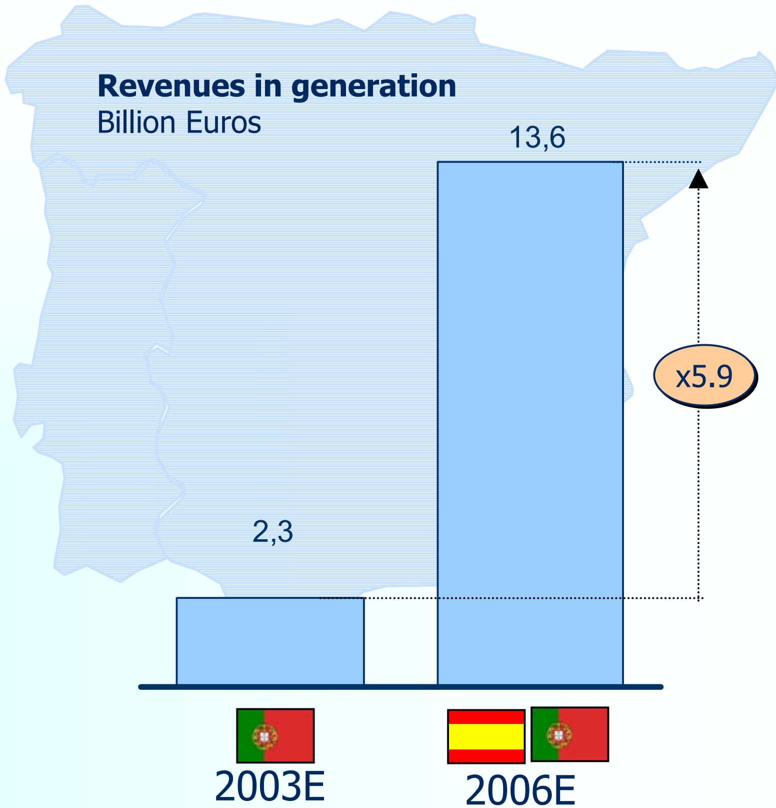
Termination of PPAs will be value neutral

Highly competitive generation will benefit from market growth

Fully prepared for low voltage liberalisation

Additional value from Iberian portfolio once interconnection increases

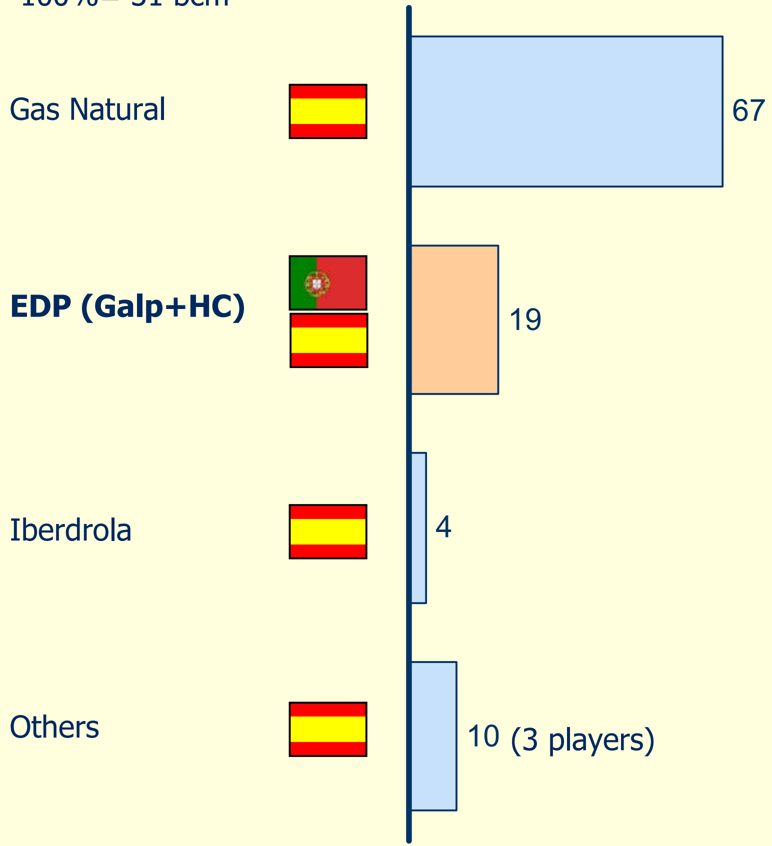
Significant increase in revenue pool following market integration



EDP is uniquely positioned to profit from gas-electricity convergence in Portugal and Spain…

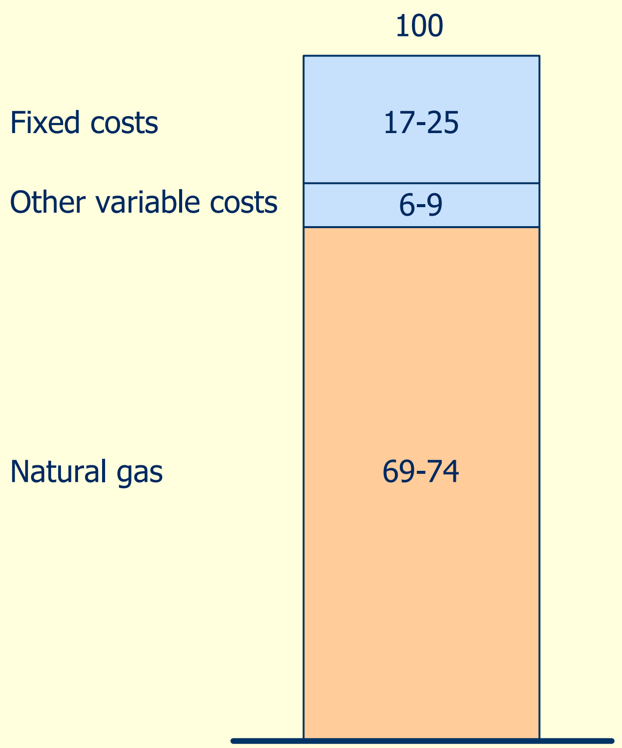
Strong position in gas sourcing …

Market shares in natural gas sourcing (2003)
Percent
100%= 31 bcm



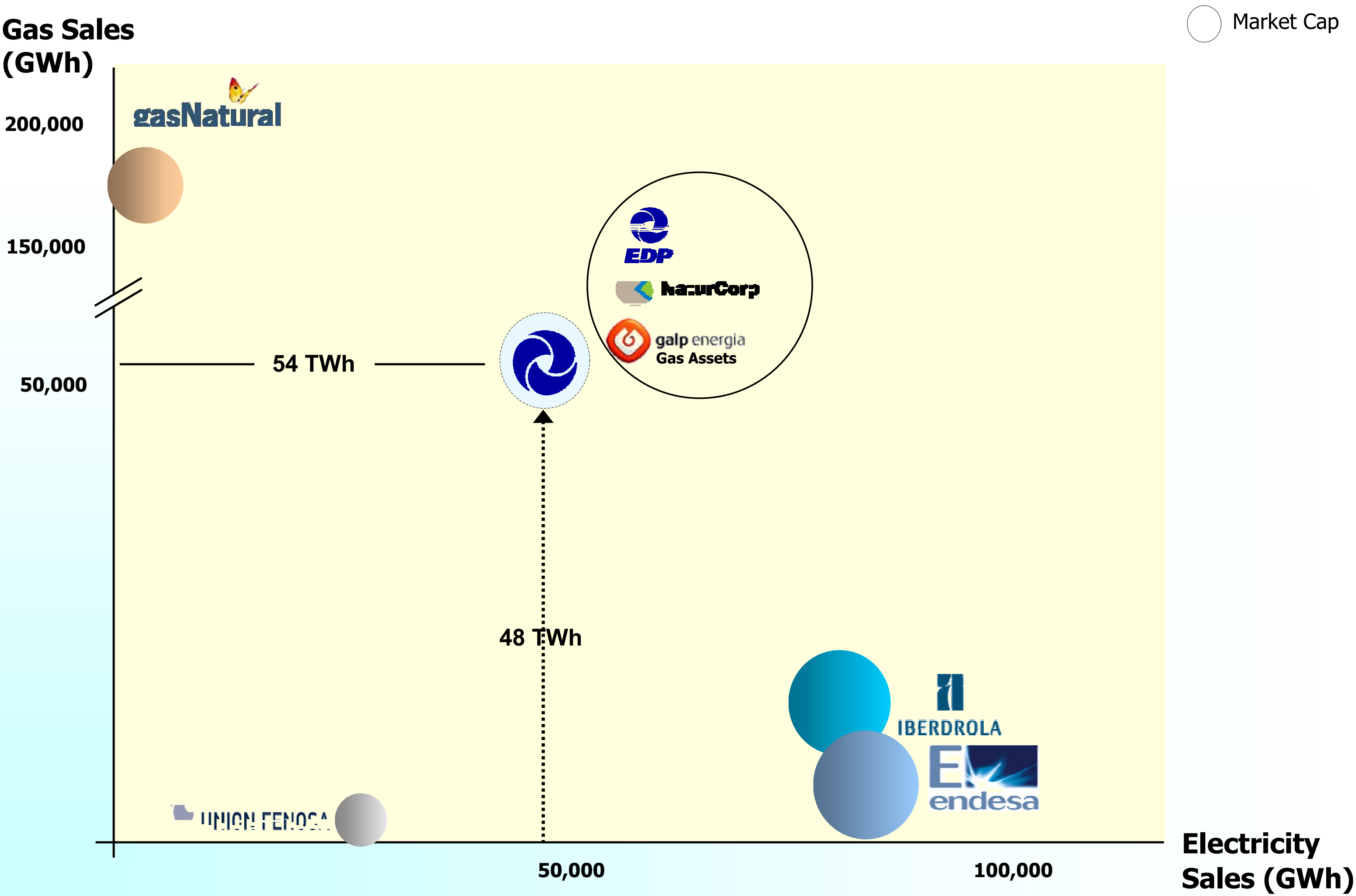
… as a critical factor for competitiveness in new generation capacity

Total generation cost of a CCGT
Percent



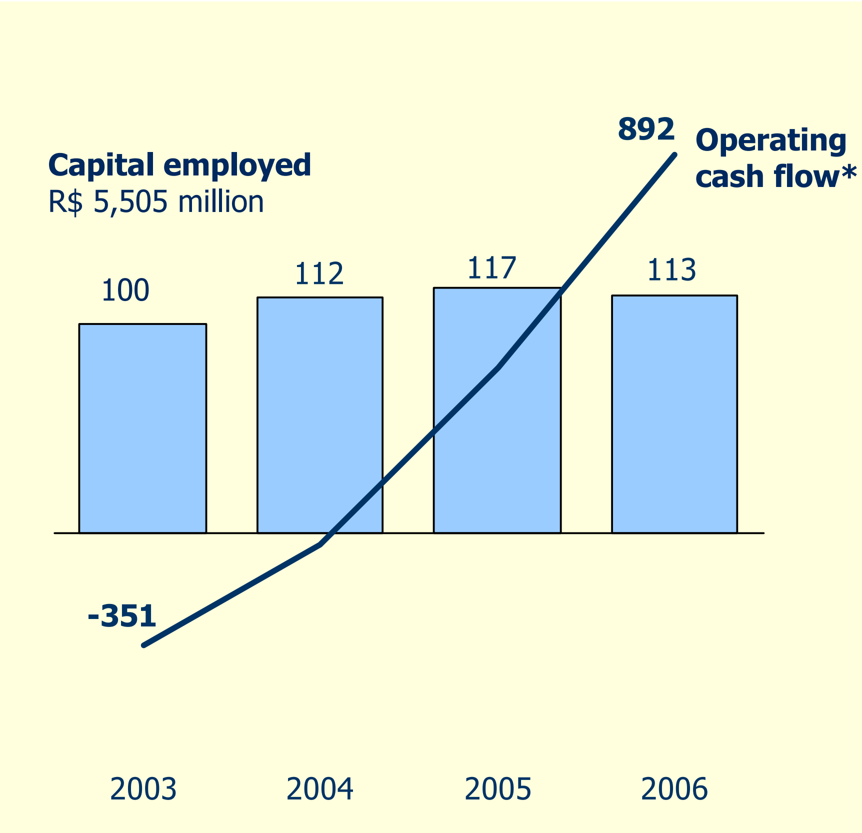
… and will become the most balanced player in the Iberian energy market

2003

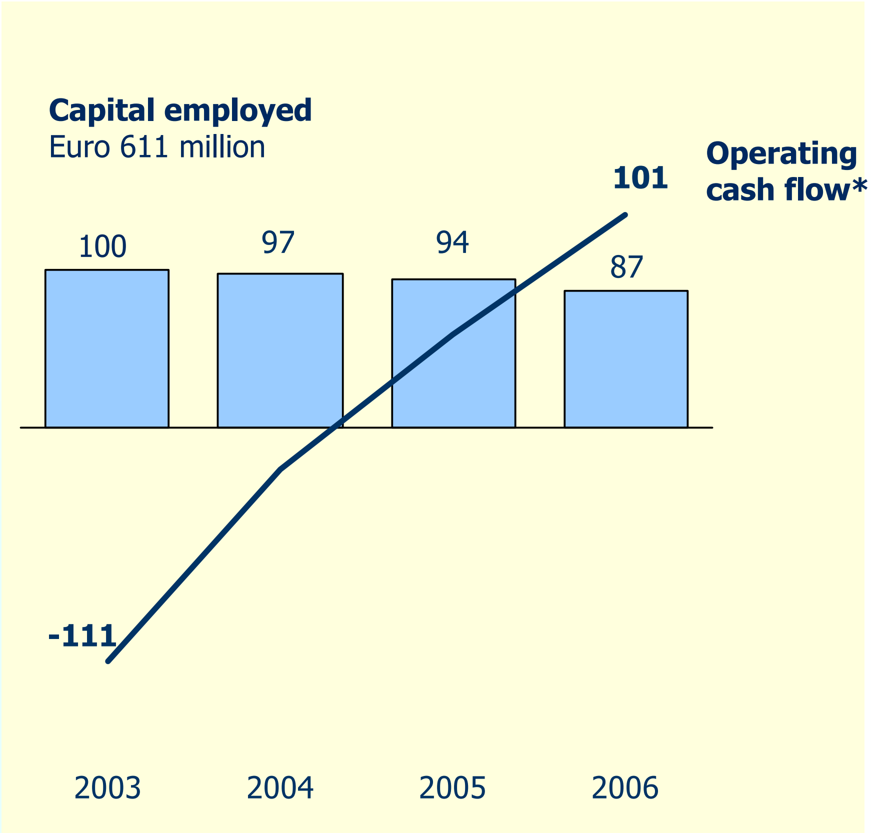


Past investments will post a significant turnaround

Brazil
Reais million



Telecoms (ONI)
Euro million



* Cash-flow = net income + depreciation + goodwill depreciation + provisions + net interest paid (adjusted with tax shield) – capex – investment in operating working capital

Operating and financial targets for 2006

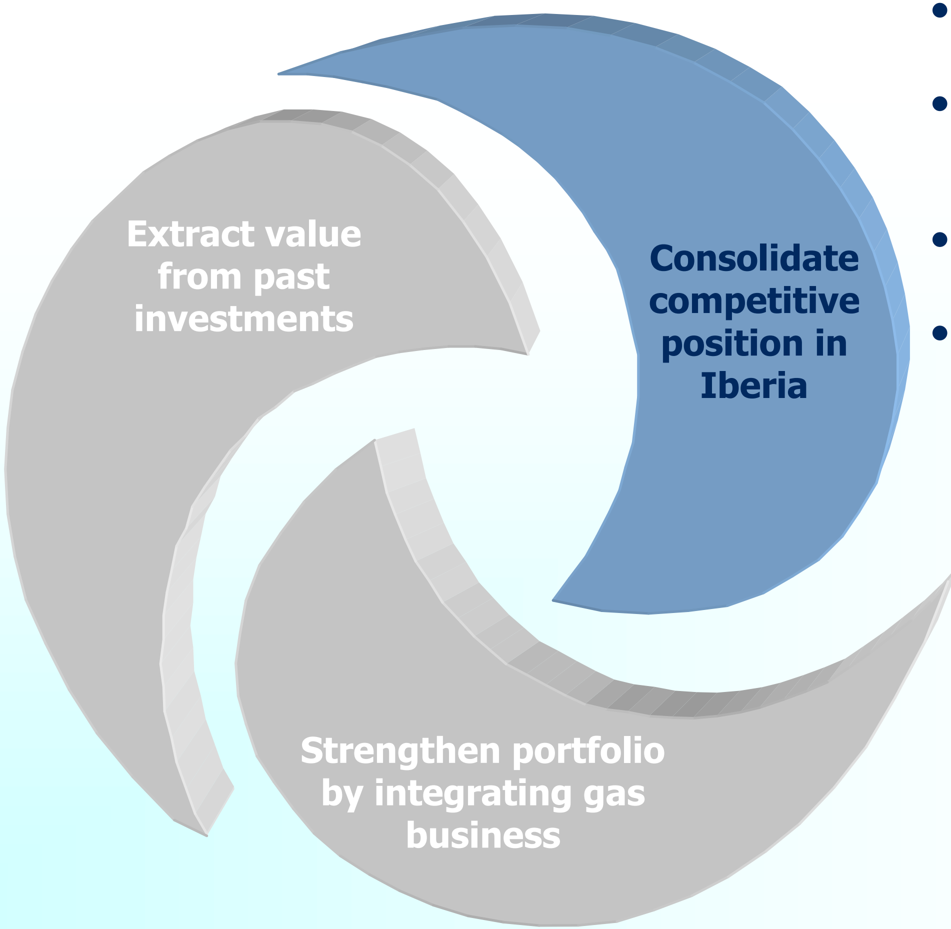
	2002 pro forma[f]	2006 (ex- Gas)[e]	Total Variation
Number of customers (Million)	9.0	10,0	**+11%**
Energy produced (TWh)	40.8	52,6	**+29%**
Energy sold (TWh)	67.8	74,9	**+10%**
Number of employees (000)	18.5	16.0	**-13%**
Gross margin (b€)	2.8	3.7	**+32%**
Operating costs (b€)	1.2	1.3	**+8%**
EBITDA (b€)	1.6	2.4	**+50%**
Capex[a] (b€)	1.2	1.0	**-16%**
Operating cash flow[b] (b€)	0.3	0.9	**x3.0**
Financial debt (b€)	8.0	6.8	**-15%**
ROIC (%)[c/d]	3.5	7.7	**x2.2**

a Average value 03-06
b 2003, cash flow after Capex and investment in working capital
c Adjusted EBIT x (1-t)/invested capital (including goodwill)
d Adjusted EBIT= EBIT adjusted by amortisation of subsidised investment
e Excluding Gas in Portugal
f Consolidation of full year HC, Enersul and Escelsa

Agenda

- A very competitive energy player
- **Key EDP value levers**
- Financial targets
- Capabilities and performance culture

Key value levers



- Ensure neutrality of PPAs resolution
- Leverage on competitiveness of Generation portfolio
- Recover Distribution margin
- Ensure stable development of Commercialisation

PPA's transition will be economically neutral

EDP

Key terms influencing value of stranded costs	Status of negotiation
Compensation rationale (defined by DL)	Done ✓
Revisibility	
• Mechanism	Advanced
• Time span	Advanced
Determining variables (reference assumptions)	
• Volume risk	Advanced
• Pool price	Advanced
• Fuel costs	Advanced
• O&M costs	Done ✓
• Premium over PPA returns	Preliminary
• Exogenous factors* (CO_2 and other)	Advanced

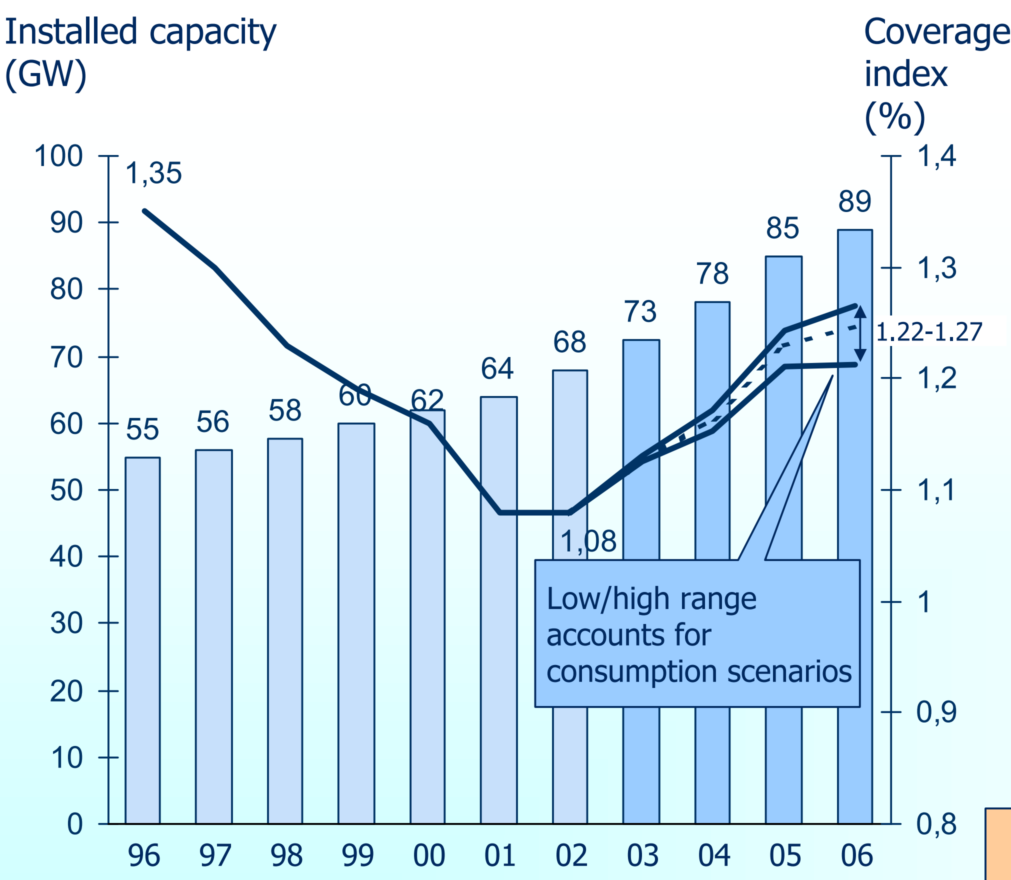
The resolution model will …

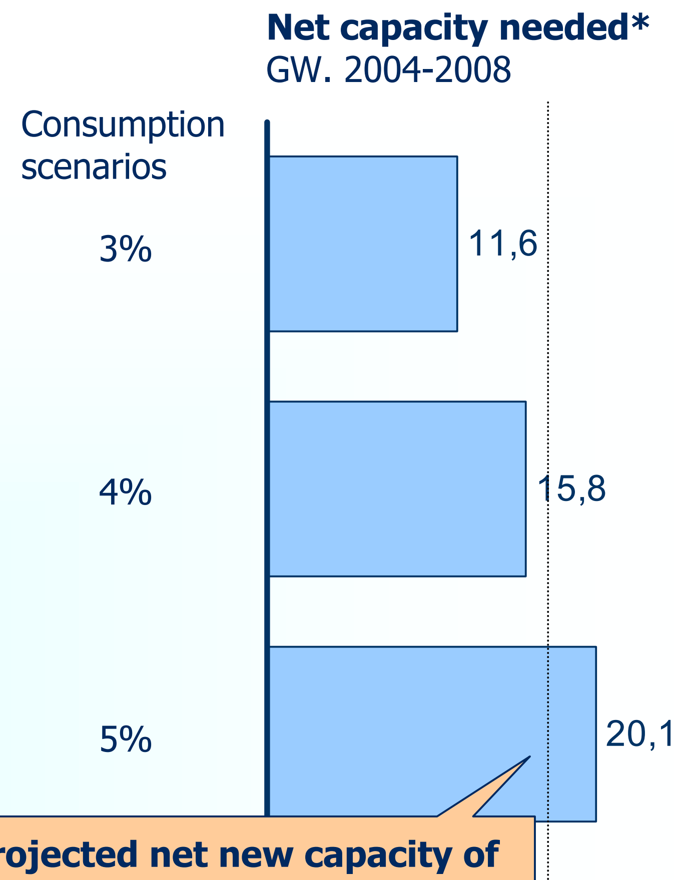
- … guarantee **neutral value**
- … guarantee **payment mechanism** (potential for securitization required)
- … allow EDP to retain potential efficiency gains

Otherwise EDP has always the right to keep existing PPAs

* All currently covered by PPAs

Generation in Iberia
Generation scenario in Iberia is attractive





Projected net new capacity of 16,5 GW to cover expected market growth net of expected decommissions of 4.5 GW**

* Assuming a constant coverage index of 1.12 (installed capacity x maximum number of hours in use)/total demand (GWh)

** Considers 100% probability for new construction, 100% for approved concessions and 50% for announced new capacity

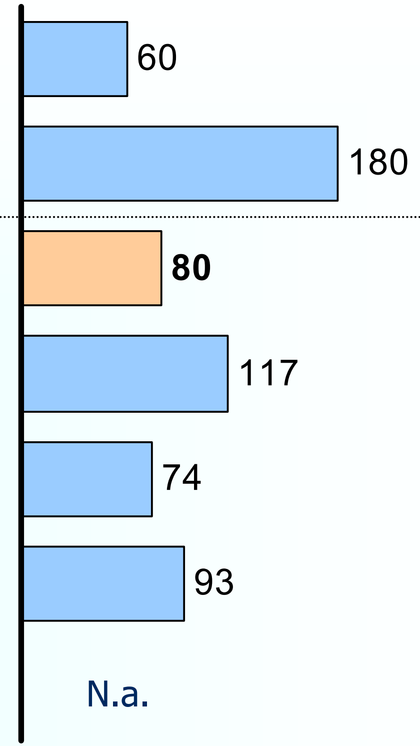
EDP has room to grow in generation

EDP

2003E

	Generation market share (%)	**Commercialisation market share** (%)
EDP	11	18
HC	6	4
EDP + HC	**16**	**22**
Endesa	37	32
Iberdrola	24	33
Unión Fenosa	11	12
Others	10	1

Coverage ratio (Generation/Commercialisation)



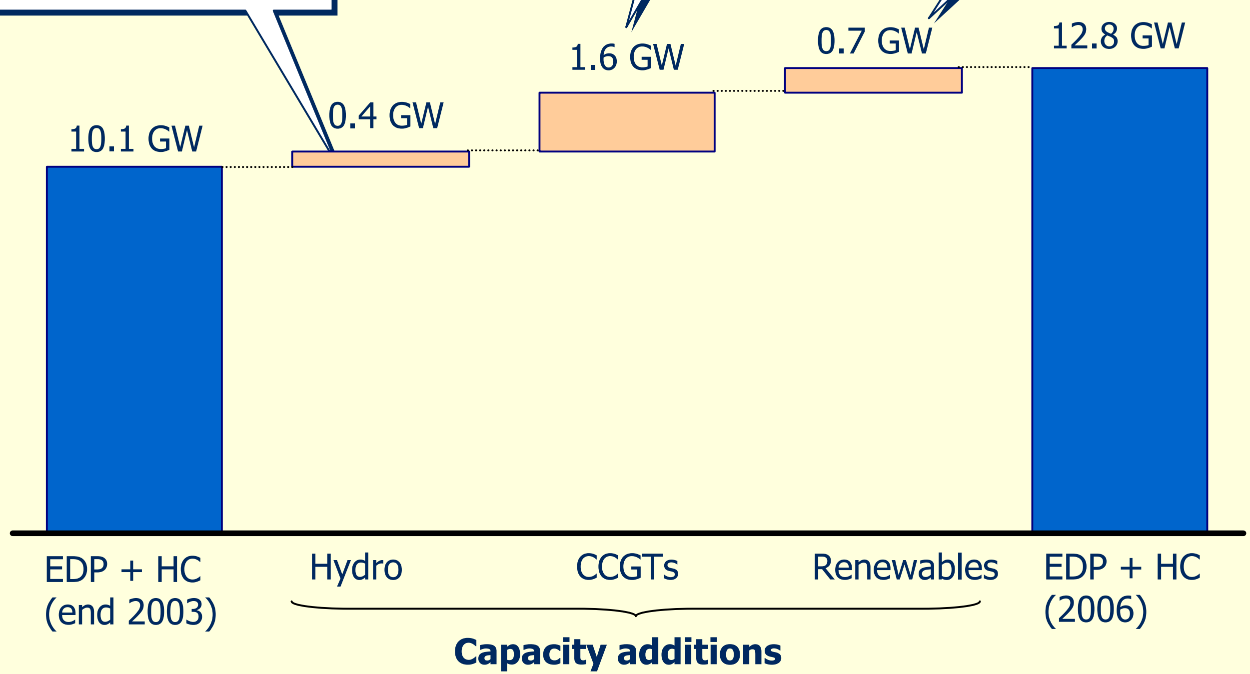
EDP will increase generation capacity

S Spain
P Portugal

	Capex M€	Capacity MW	Start-up
Alqueva (P)	98	240	2004
Venda Nova (P)	25	192	2004

	Capex M€	Capacity MW	Start-up
TER I & II (P)	83	784	2004
TER III (P)	167	392	2006
HC Soto (S)	195	392	2006

	Capex M€	Capacity MW	Start-up
Wind farms (P)	212	280	2004-2006
Wind farms + Other (S)	380	398	2004-2006



12.8 GW generation capacity up to 2006

16% market share in Iberia (in 2002 and 2006)

By 2008: +1 CCGT in Spain (400 MW); + Wind Farms in Portugal (300 MW) + Wind Farms in Spain (400 MW) + 1 reservoir dam Picote II (236MW)

One of the best generation portfolios

	Installed capacity GW	Market share Iberia (%)	Capacity mix (2006) Percent: Nuclear	Hydro	Coal	CCGTs	Fuel	Renewables
EDP	9.4	12%	0	49	13	13	20	5
HC	3.4	4%	5	12	42	22	0	19
EDP + HC	**12.8**	**16%**	1	39	21	15	15	9
Endesa	21.0	27%	17	25	27	9	12	10
Iberdrola	23.4	30%	14	36	6	16	12	16
Unión Fenosa	8.6	11%	9	21	23	31	9	7

Significant weight on high margin hydro generation

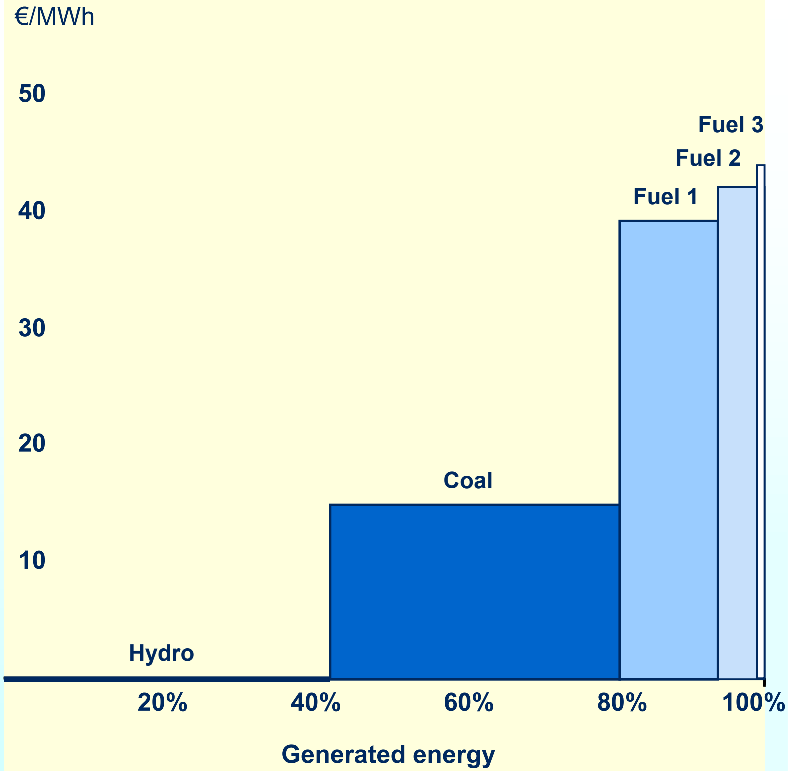
Owner of two of the most efficient coal power plants in Europe

Note: Installed capacity for other Iberian players based on public announcements

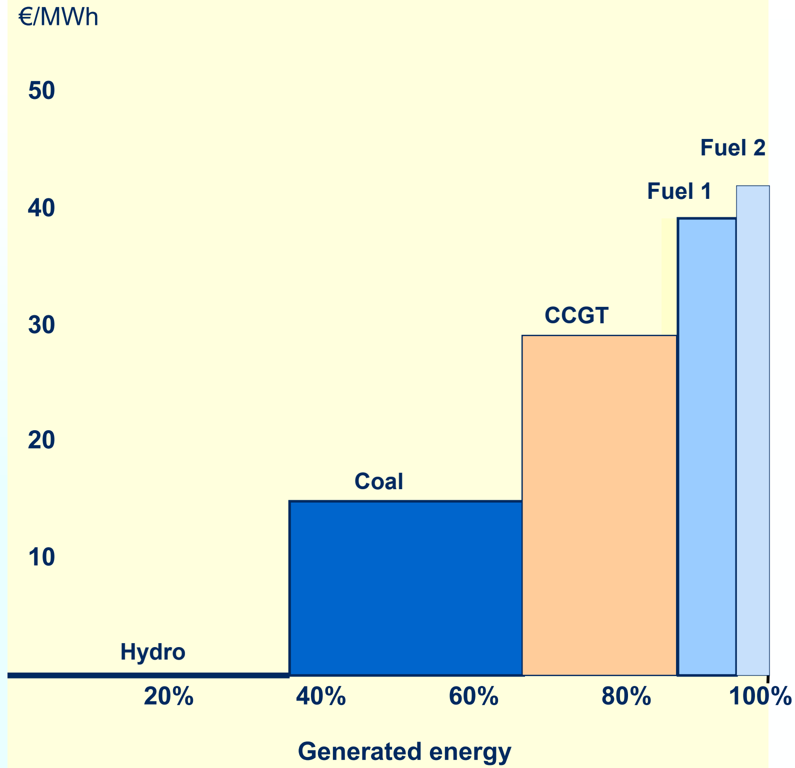
Portfolio about to become even more competitive

ONLY PORTUGUESE ASSETS

EDP's marginal cost curve with current portfolio (2003)



EDP's marginal cost curve after CCGT introduction* (2006)



The new CCGT plants will increase output by 30% at a lower marginal cost …

… allowing EDP to be an even more active player along the supply curve

* Assuming 5.500h/year of operation for the new CCGT plant

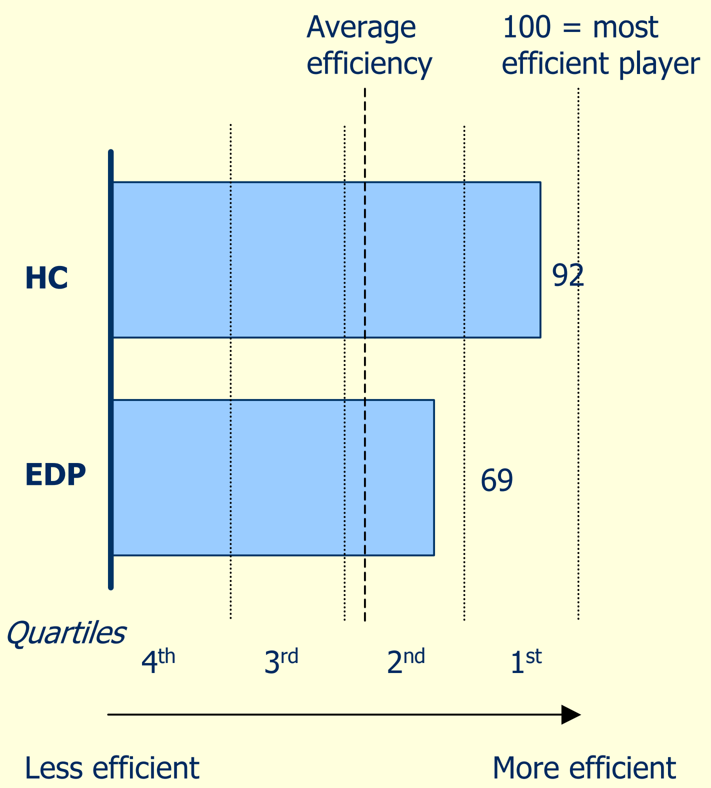
Note: Considering reference marginal costs and the energy mix generated in an average year

Generation in Iberia

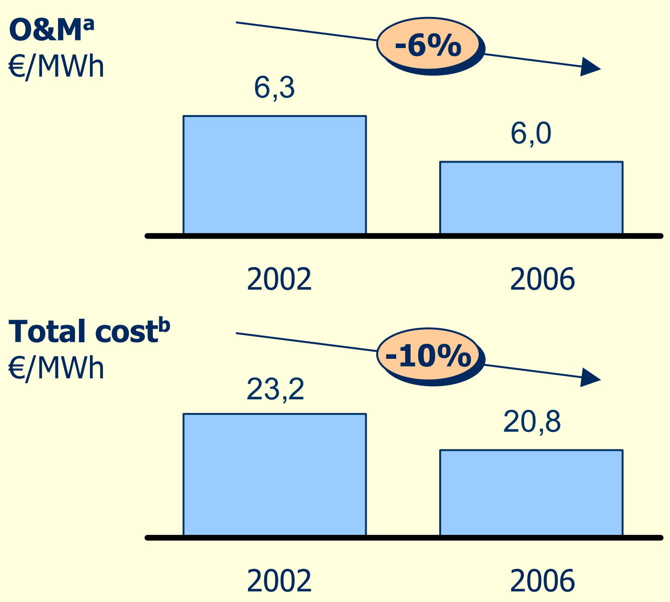
Improvement in operational excellence

Already attractive cost position ...

Efficiency Index[c], Max = 100



... which will improve further



- Reduction 300 workers
- Optimisation fuel mix
- Optimisation of dispatching in new environment
- Optimisation of O&M based on new dispatching

a Supplies and services + active personnel costs + other operating costs + concession rents

b Total cost = O&M cost + fuel costs

c Based on O&M costs for coal plants/kWh producers (adjusted); Based on a benchmark of 48 generation plants in Europe

Reinforced position in renewables

Market context

Regulation demands investment in renewables

Social awareness to environmental issues

Economic incentives (protected tariff)

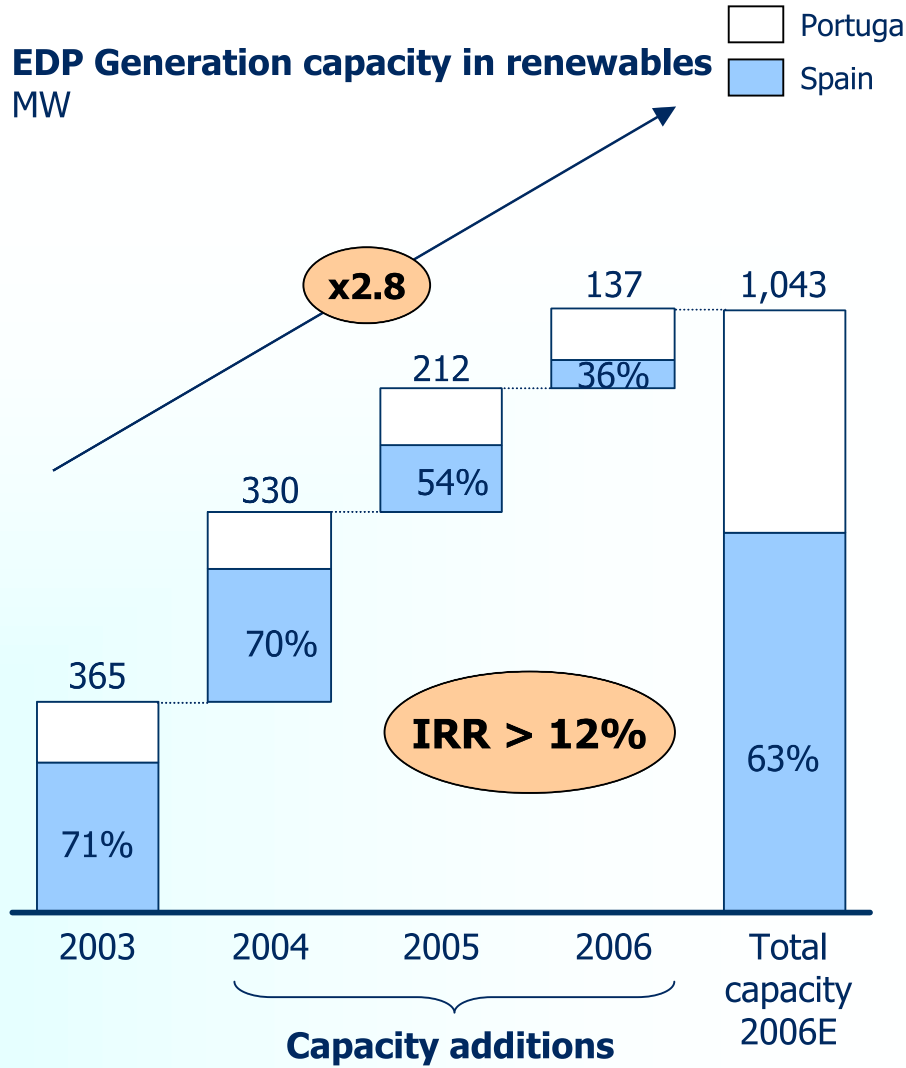
EDPs positioning

Recognized technical competences

Balanced expansion plans until 2006

Cautious approach given tariff subsidisation risks

EDP Generation capacity in renewables
MW



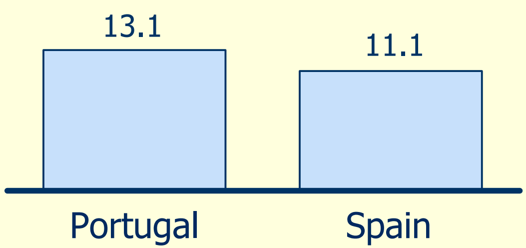
By 2008: + Wind Farms in Portugal (300 MW) + Wind Farms in Spain (400 MW)

Distribution in Portugal

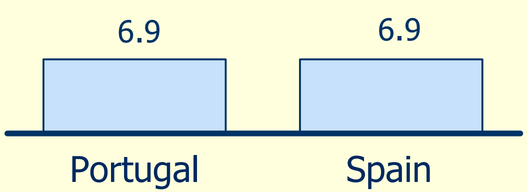
Like-for-like tariffs have converged between Portugal and Spain

Regulated tariffs
€cent/kWh

Low Voltage*
(residential)



Medium Voltage**
(Corporate)



Structural differences

- Lower consumption per capita in Portugal (25% below Spain)
- Higher weight of low voltage (55% in total consumption vs. 42%, in Spain)
- Higher geographical dispersion of low voltage customers (~+30km of network per customer)

Regulatory differences reflected in Portuguese tariff

- Investment and maintenance costs in public lighting
- 10% municipality payments on LV revenues
- Additional costs from monthly invoicing

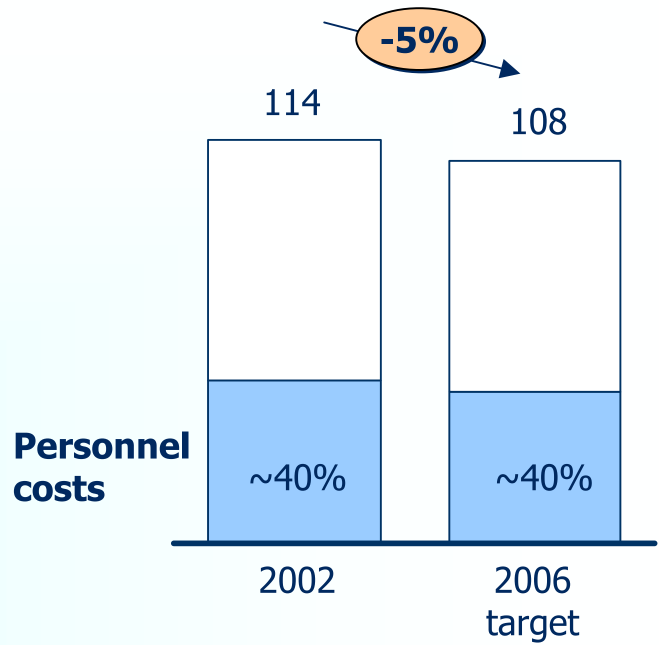
Structural and regulatory differences do not allow for a full tariff conver-gence

* Eurostat, electricity prices for EU household on Jan 2003
** Eurelectric, electricity tariff as of Jan 2003 (published tariff)

Distribution in Portugal
Delivery on cost reduction targets

Key initiatives		Estimated NPV impact (Before Tax) (Million €)
Personnel costs	Reduction of ~1.360 employees in Distribution in 2003-2006 and additional 140 in 2007 (20% decrease in workforce)	200-250
Other costs/ Capex	Optimisation of purchasing and supply management related to materials	30-40
	Reduction of recurring capex	100-150
	Reduction of cost of services	80-90

Cash Cost* per Customer
€/customer



	2002	2006 target
Operating costs** M€	644	754

* Personnel costs (only active employees) + S&S + Capex – investments supported by customers
** Personnel + S&S + other operating costs – other revenues (not driven by sales and services)
Excluding concession to municipality (a pass-through to the final tariff) CAGR 02-06 = 1.8%, i.e., -1.2% in real terms

Distribution in Portugal

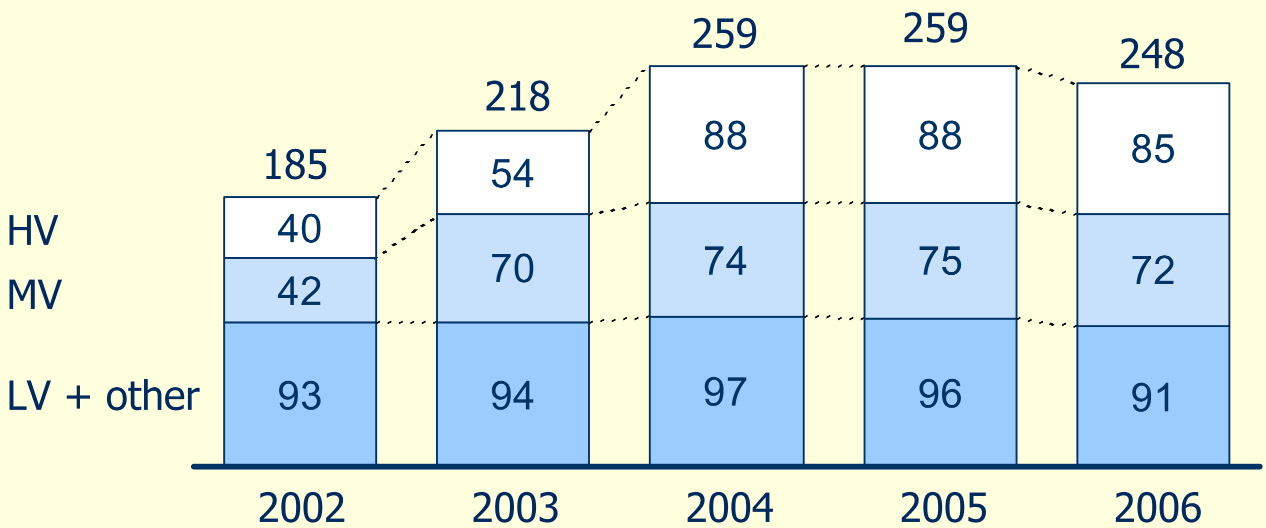
Investing in quality of infrastructure will yield a 9% return

Key initiatives

- Selective investments with a 9% target return
- Optimisation of field operations

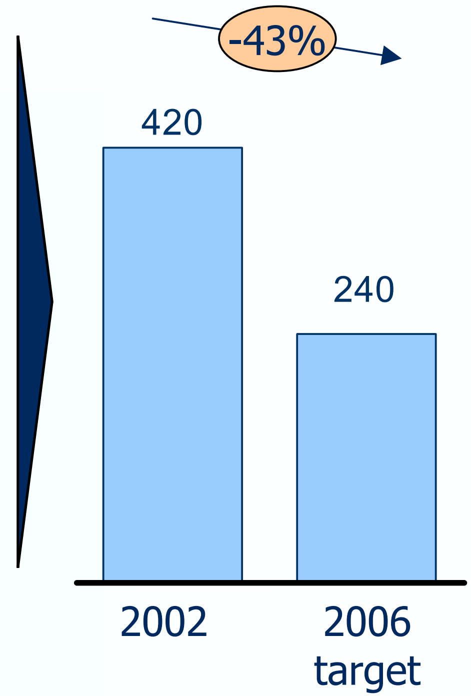
Distribution grid investment plan*

Million euros



Interruption Equivalent Time

Minutes



* Net of subsidised assets

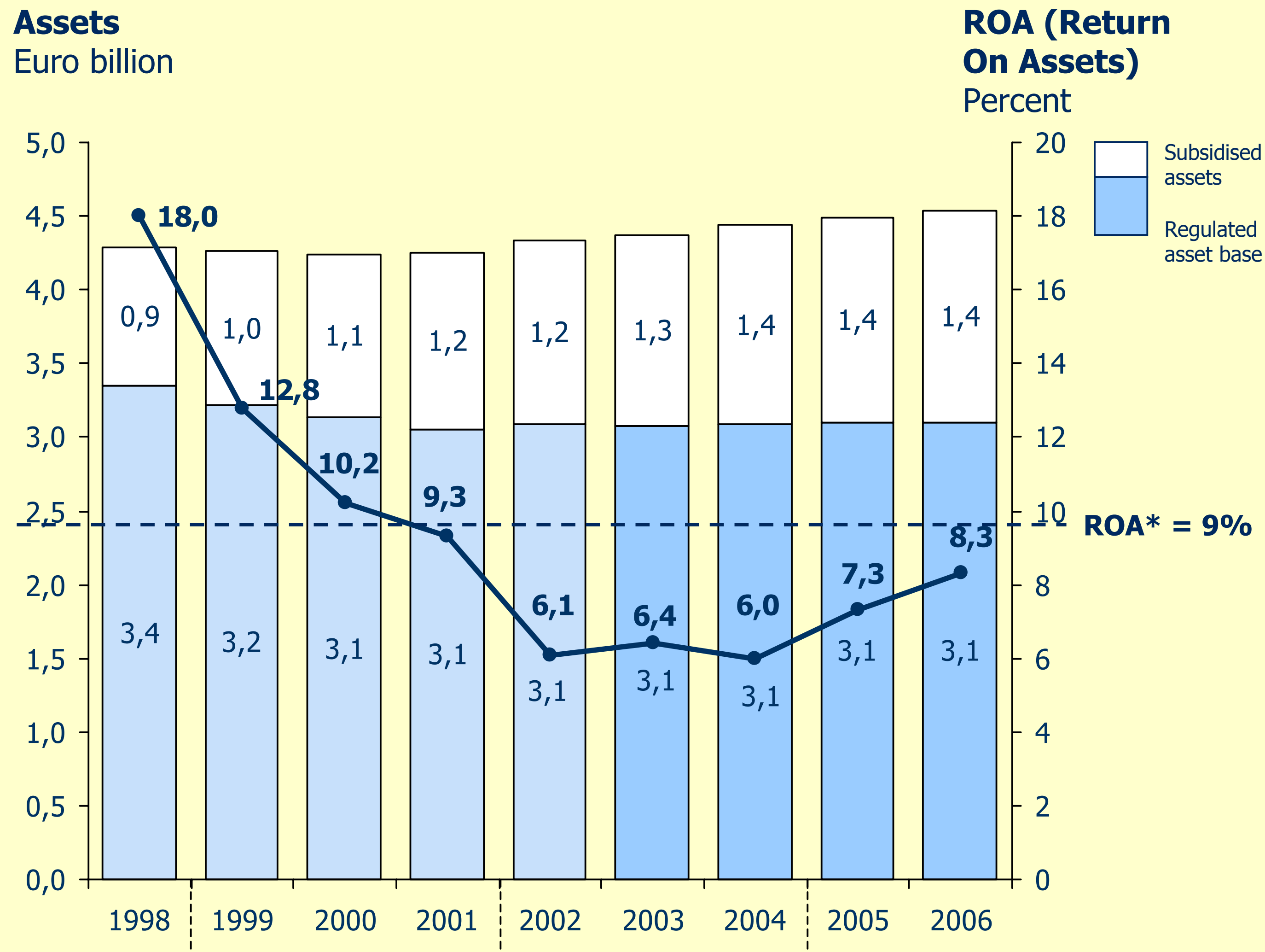
Distribution in Portugal
Recover lost margin

Key strategic thrusts

Delivery on cost reduction targets

Invest in service quality improvement with adequate returns

Regulatory environment enabling the recovery of the 9% ROA



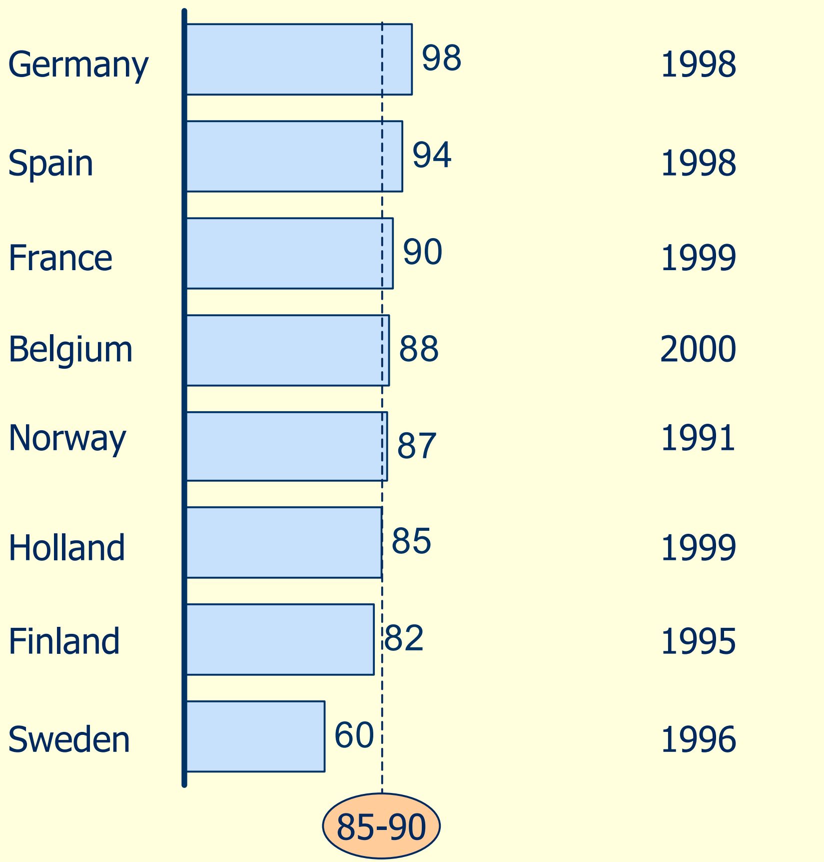
* Return on regulated asset base

Commercialisation in Portugal
Limited value at risk

High customer loyalty ...

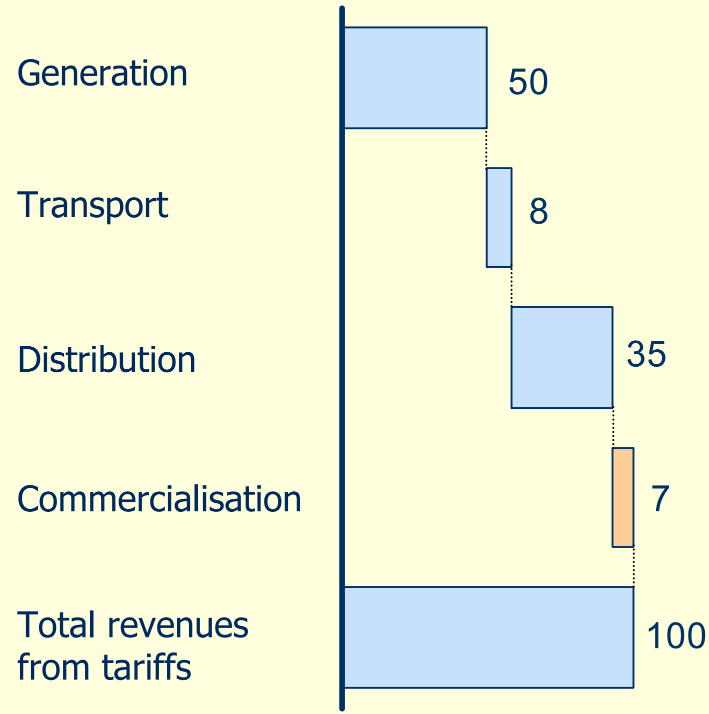
Market share of incumbents (commercialisation)
Percent

Year of liberalisation



... relatively low value at risk

Total revenues from tariffs in LV business
Percent



Ensure stable development of commercialisation business

EDP

Proactive but focused action to retain customers with service enhanced offering based on market research of client needs

Dedicated commercial player for "non-regulated customers"

Limited use of pricing lever

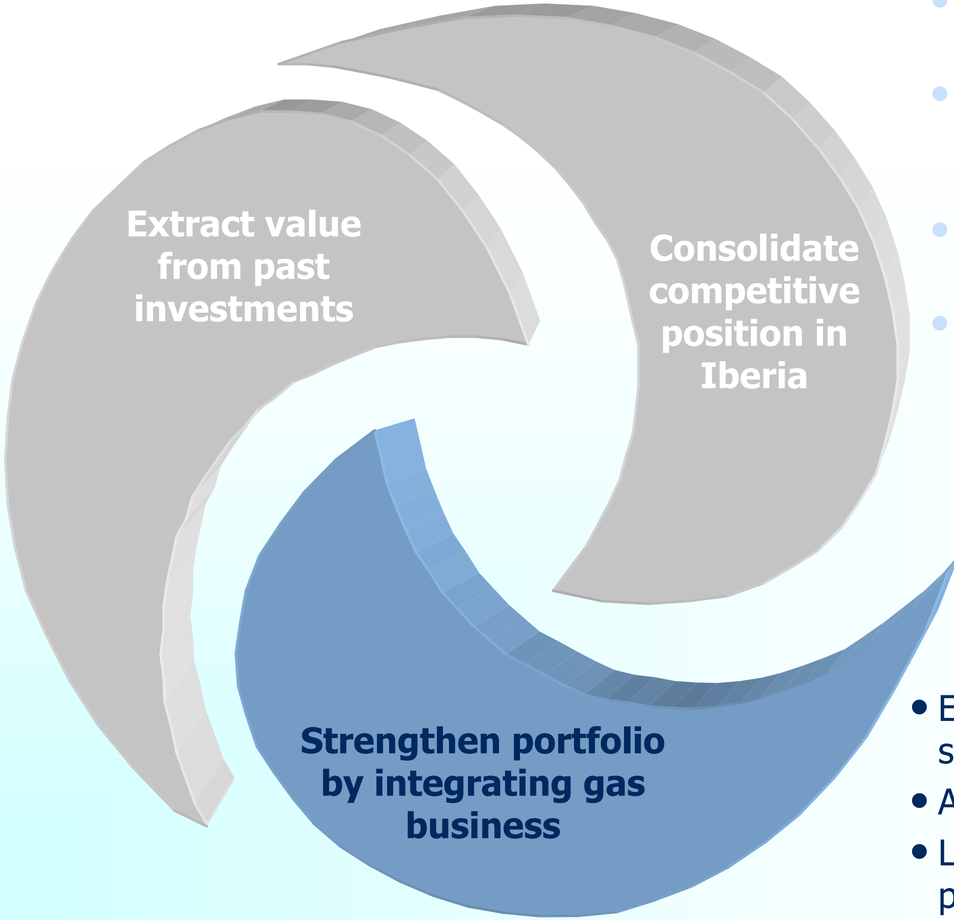
Improvement of service levels focused on client's needs

- Better service at call center
- Better commercial support at stores

Expectation of 10-15% clients in regulated commercialisation to become non-regulated

Expected capture of significant market share of non-regulated market (>66%)

Key value levers

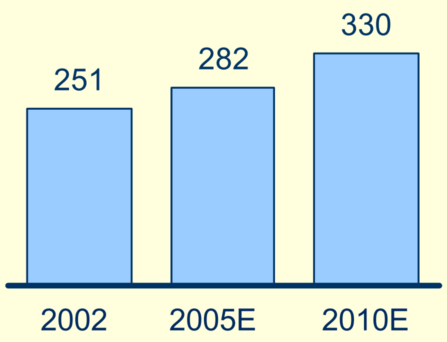


- Ensure neutrality of PPAs resolution
- Leverage on competitiveness of Generation portfolio
- Recover Distribution margin
- Ensure stable development of Commercialisation

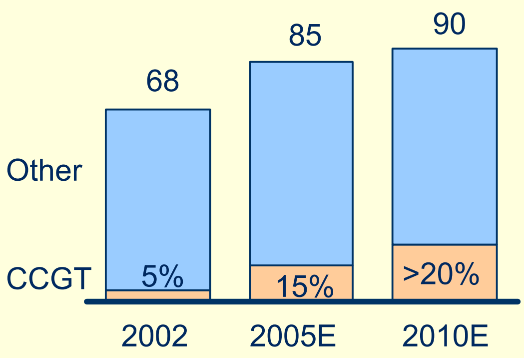
- Ensure flexibility in sourcing
- Acquire strategic assets
- Leverage leadership position in Iberian energy sector

Strong growth in electricity demand in Iberia will require new CCGT capacity

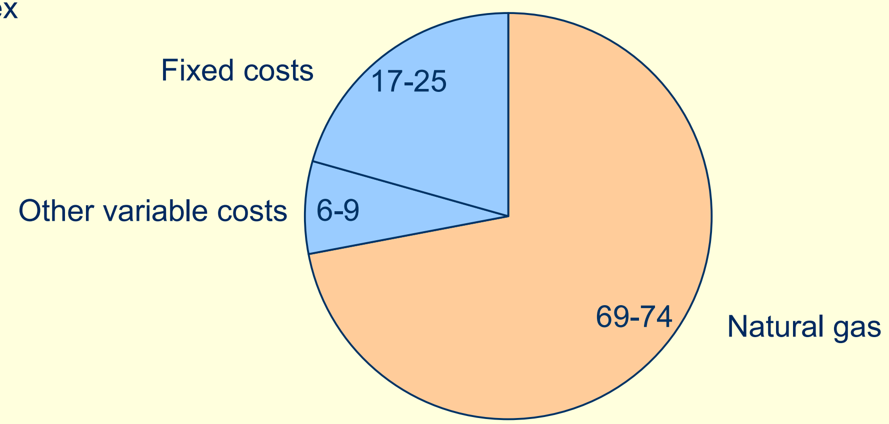
Electricity Consumption in Iberia
TWh



Installed Capacity in Iberia
GW



Total generation cost of CCGT
Index



CCGT is the preferred technology for new additions to current installed capacity in Iberia

Lower investment required

Lower operational costs

Increased operating flexibility

Higher efficiency levels

Lower environmental costs

Lower water consumption

Faster to build

Smaller sites

Strong rationale for EDP to enter gas business

Need to access sourcing thus reducing risk and protecting margins …

Characteristics of Iberian market

Diminishing negotiation power along value chain (sellers' market)

Existence of destination clauses

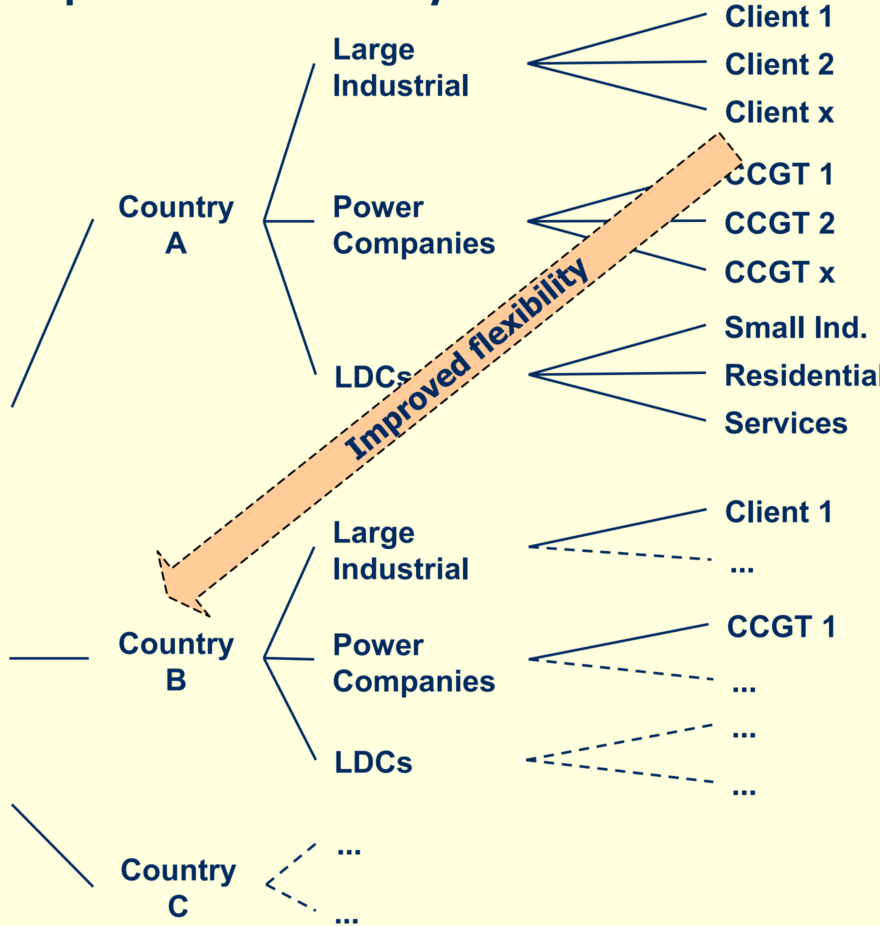
Reduced number of gas suppliers with significant market power

Rigid and obscure price formulas hamper bargaining power of CCGTs

Reduced flexibility in take-or-pay contracts vs high volatility in CCGTs dispatching

… need for improved flexibility for a more efficient management of CCGTs

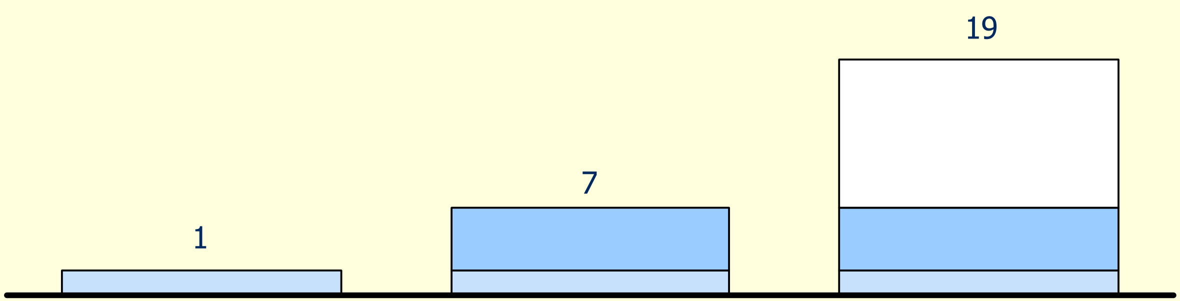
Importance of flexibility



Galp assets will allow strong position in gas business

2002	2003	2003-2004
Presence in Spain via Hidrocantábrico	**Acquisition of 62% of Naturcorp via Gas Asturias (Hidrocantábrico)**	**Sector restructuring and acquisition of Galp's assets**

Iberia market share 2002 (%)



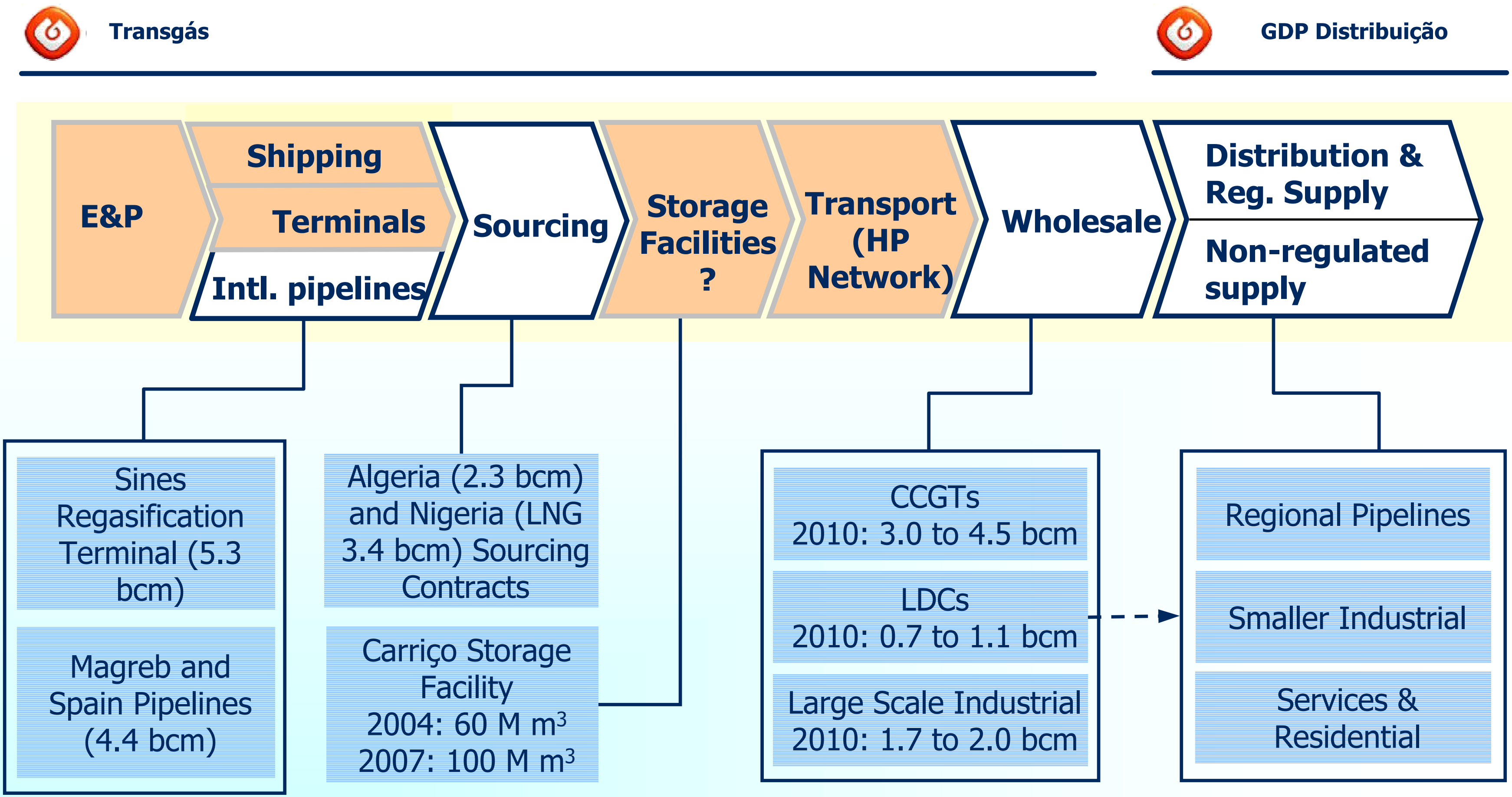
	2002	2003	2003-2004
Commercialized gas (bcm)	0,3	1,9	5,4
Customers (000)	146	510	1.270
Contracts	0,4 bcm	2,0 bcm	7,7 bcm
Access	—	Reserved access through Bilbao terminal	Sines terminal; transportation assets

Iberian energy operator with 20% market share

Access to gas at competitive prices with increased contract flexibility

Capture commercial synergies gradually between the electricity and gas businesses

Desired gas assets will be incorporated following the energy sector restructuring



Successful integration requires: (1) EDP to have operational control over targeted gas assets; (2) EDP´s exit of Galp´s oil business; (3) Final valuations of gas assets to reflect liberalized market context.

Current status

Design of energy sector restructuring

- Analysis of available options
- Assessment of rationale
- Recommendation to Portuguese Government

Initial negotiation phase

- Initial valuation exercise
- Negotiation between interested parties

Initial stage of implementation

- Final valuations
- Final transaction structure (de-merger vs. assets sale)
- Assets allocation
- Unbundling process definition
- Shareholder structures
- Shareholder agreements

Transaction approval and execution

Resolution from Government

Integrate gas and electricity businesses

The players to take initiative, the State to support

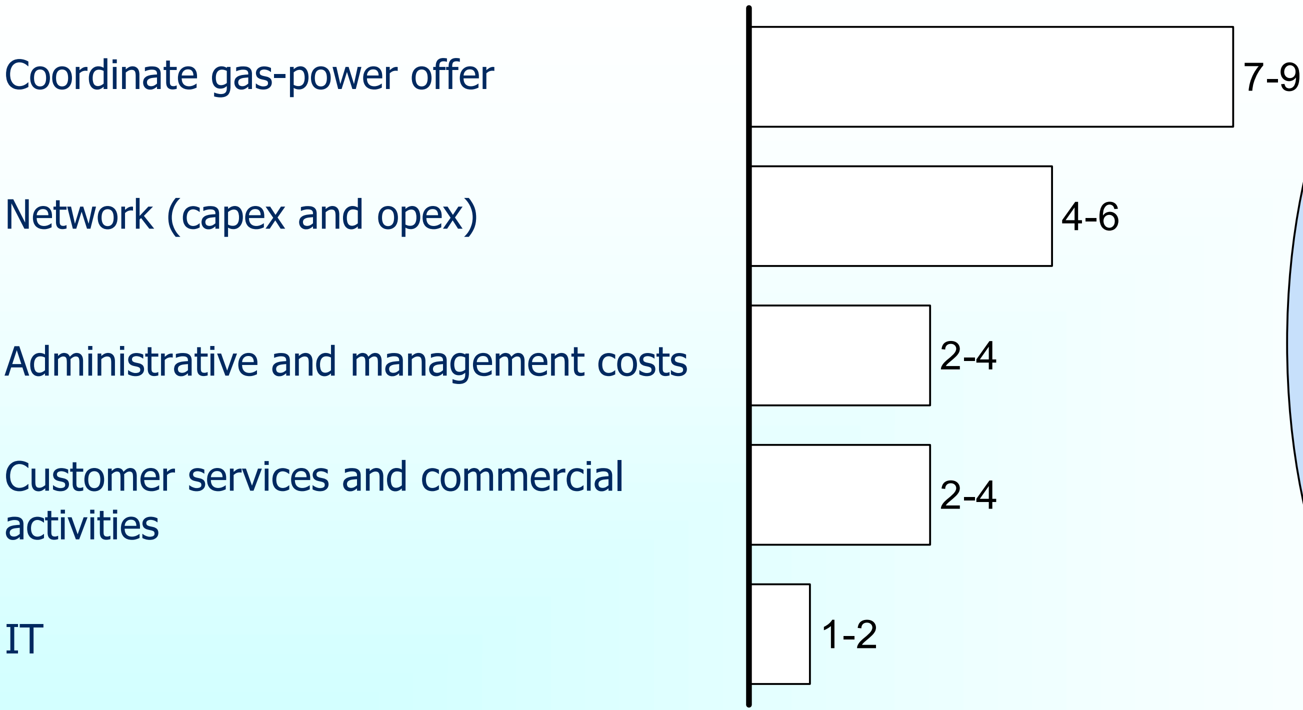
Galp's general assembly meeting

Support for restructuring proposal by majority of shareholders

Recommendation for Galp´s management to enable restructuring implementation (de-merger or sale of assets)

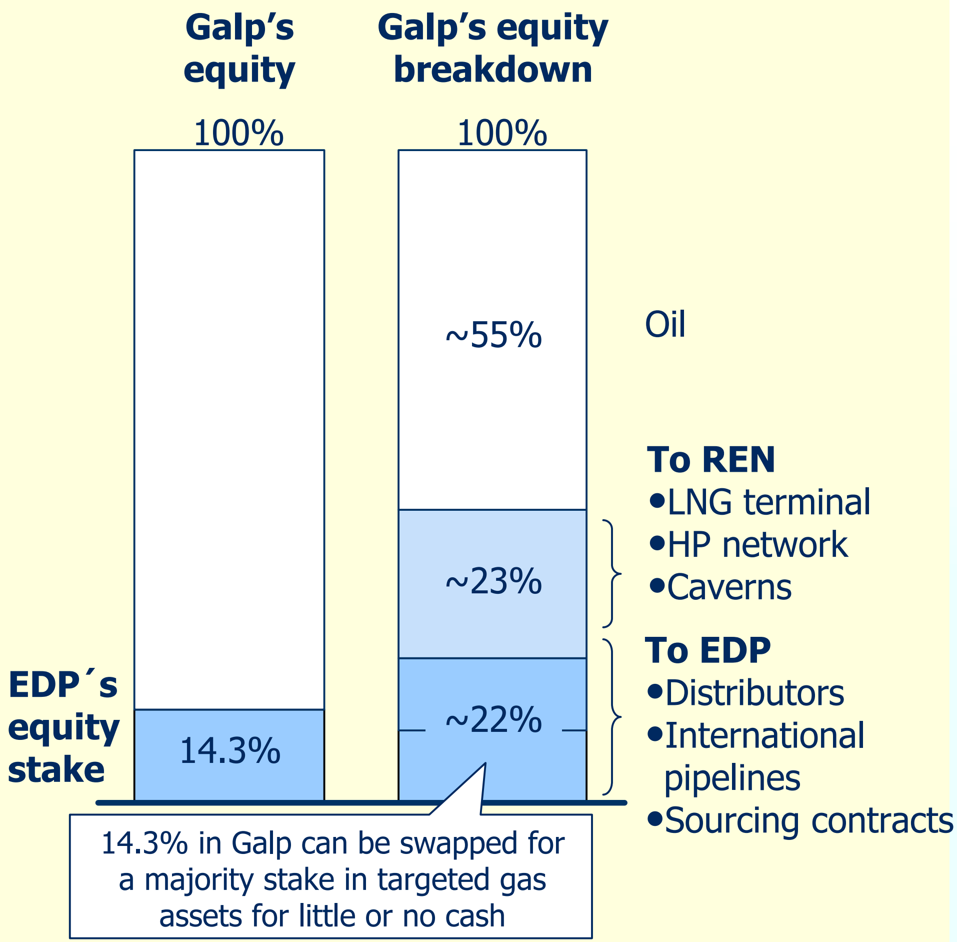
Expected operational synergies

Synergies
Million Euros p.a.



In addition to the flexibility value, other synergies are valued at 15 to 20 million Euros per year

Little or no cash needed for transaction



Maximise value of EDP's 14.3% equity stake in Galp

Expected Impact on key financial ratios* (2003E)	Before	After
Sales (€bn)	7.0	7.5
EBITDA (€bn)	1.8	1.9
Net income "EDP Gas" (€bn)	0.04	

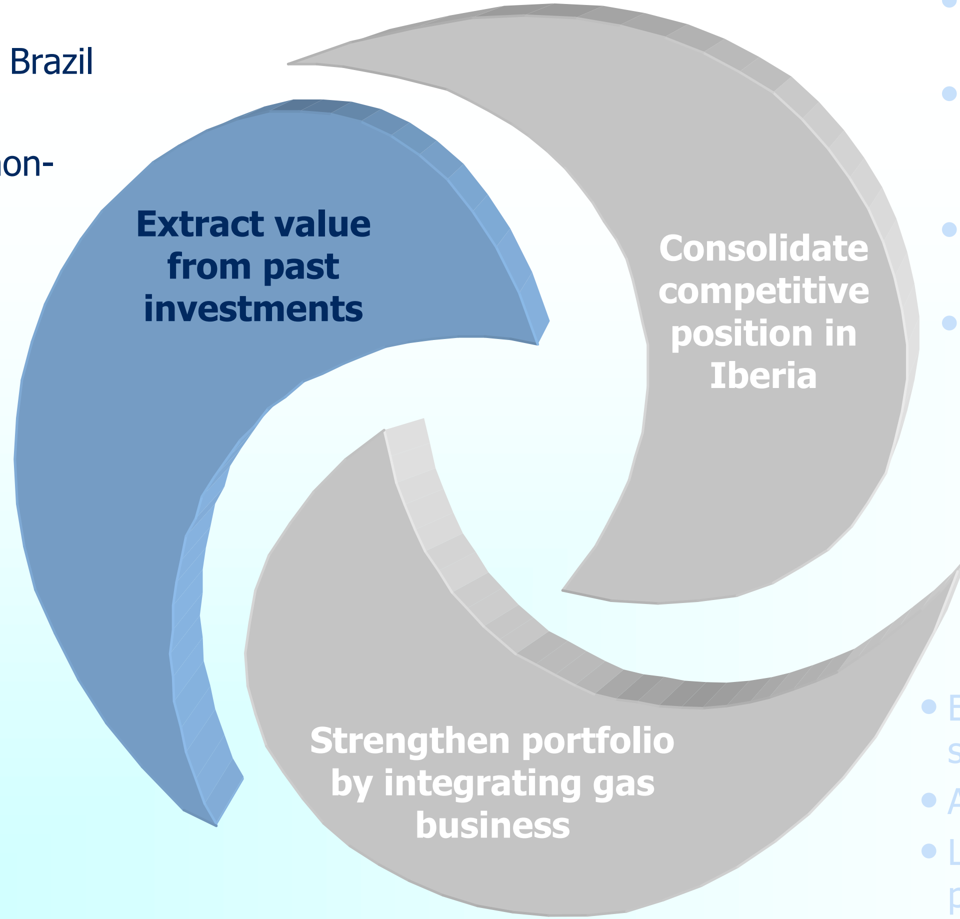
Expected Impact on credit ratios* (2003E)	Before	After
EBITDA interest cover	4.6	4.5
FFO interest cover	4.3	4.2
FFO/net debt (%)	16.2	16.0

Limited/no impact expected on credit ratios

* All based on preliminary valuation of unbundled gas assets. Final impact can differ substantially based on final structure of transaction.

Key value levers

- Materialise value in Brazil
- Consolidate ONI
- Divest from other non-core assets

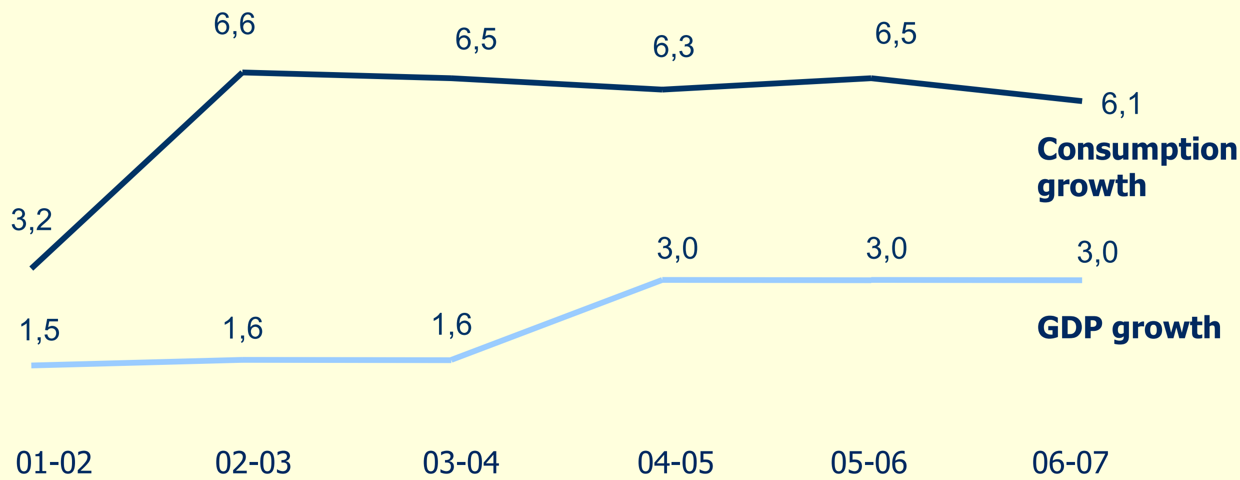


- Ensure neutrality of PPAs resolution
- Leverage on competitiveness of Generation portfolio
- Recover Distribution margin
- Ensure stable development of Commercialisation

- Ensure flexibility in sourcing
- Acquire strategic assets
- Leverage leadership position in Iberian energy sector

Brazil
Improved macroeconomic outlook and growing consumption

Expected power consumption evolution in Brazil



Year consumption 2001-2007
TWh/year

310 320 341 363 386 411 436

Rationalisation of power consumption established by the Government

Expected recovery beyond 2005

Steady recovery in consumption following the rationing programme

Economic turnaround and lower political risk

Equitable regulation based on a more adequate return of the invested capital

Incentives to private investment

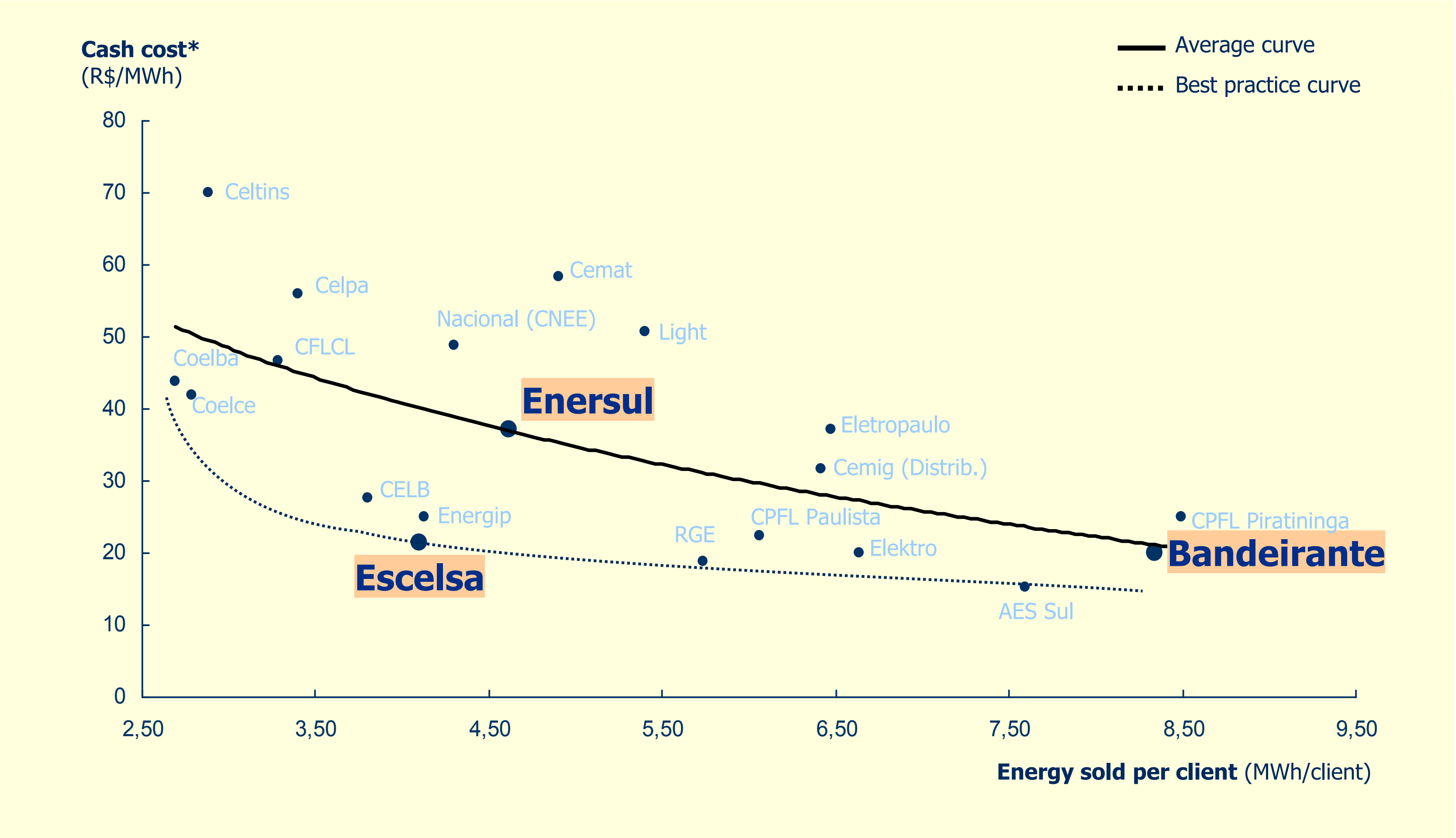
Key drivers

	Key drivers	
Tariff increase	**Tariff increase** (12% to 18% annual average increase from 2003 to 2006) following recognition by regulator of additional costs and adjustments of asset base Improvement of **customer mix** (more weight on SMEs and residential)	**+7% in real terms CAGR 03-06**
Reduction in operating costs	**Decrease of controllable costs** in real terms (~3%/year) – Reduction of 400 employees – O&M costs in line with inflation – Capture of synergies – Sharing of best practices	**-3% in real terms CAGR 03-06**
Corporate organisational and governance re-structuring	Improvement **of fiscal efficiency** Enabler of restructuring and **capture of synergies** **Elimination** of organisation **complexity**	**NPV: R$40 million**

Note: Assumed average inflation of 6%

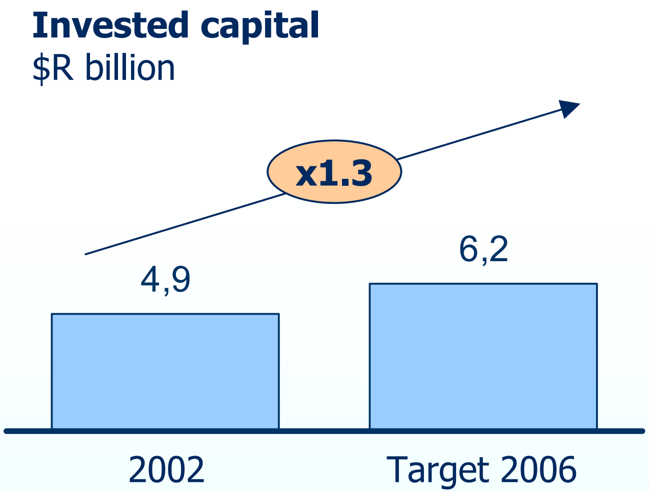
Brazil
Strong cost position following cost reduction program

2002

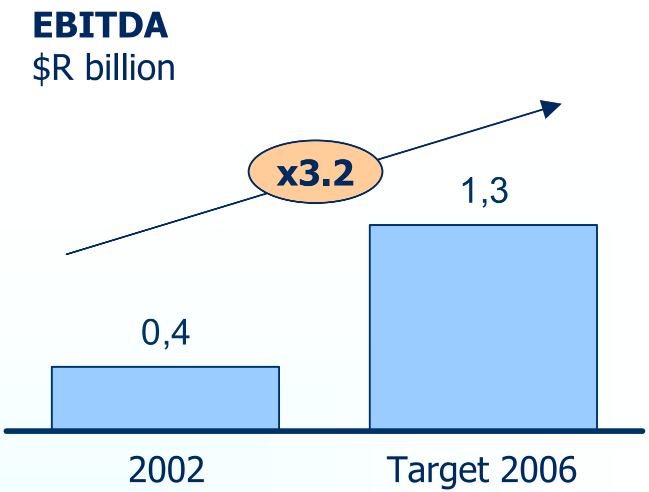


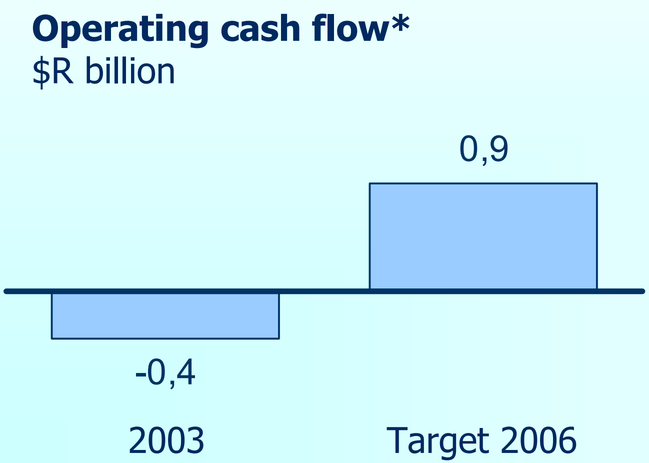
* Personnel, materials, services and other costs. Excludes amortisation and depreciation

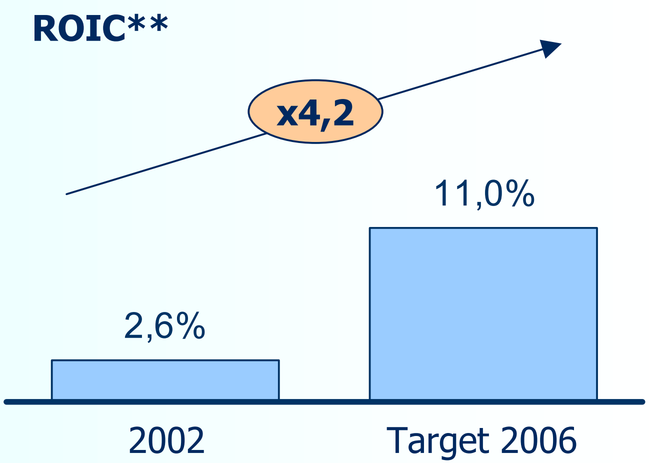
Brazilian “turnaround” following improved context and efficiency



No additional funded needed







* Cash flow after capex and investment in working capital

**After taxes and including goodwill

Telecoms (ONI) turnaround

2002-2003

Business restructuring (divestment of mobile)

Focus on high-priority segments (key accounts, corporate) with 22% market share

Aggressive rationalization of operating costs in Portugal (ongoing 40 m€)

2004-2006

Consolidate high-priority segments (+ 4 p.p. share)

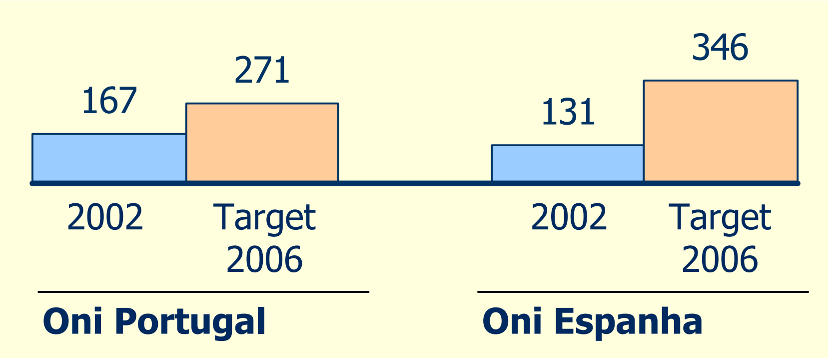
Develop SMEs and selected niches (from 3 to 7% share in SMEs)

Continued tight infrastructure management

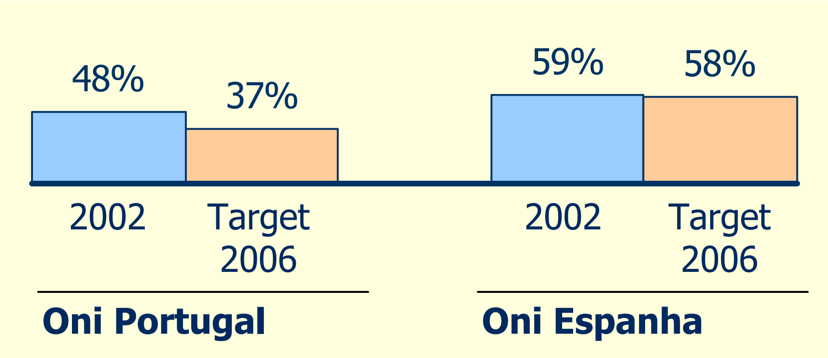
Expected decrease interconnection costs (5% p.a.)

Extracting value from fixed line services

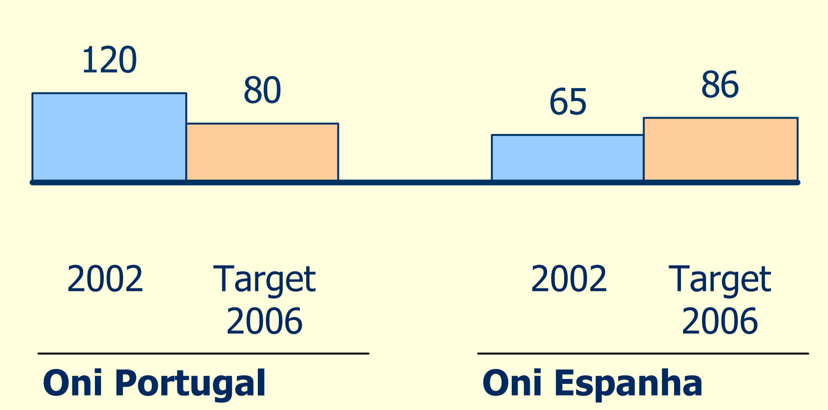
Revenues
M€



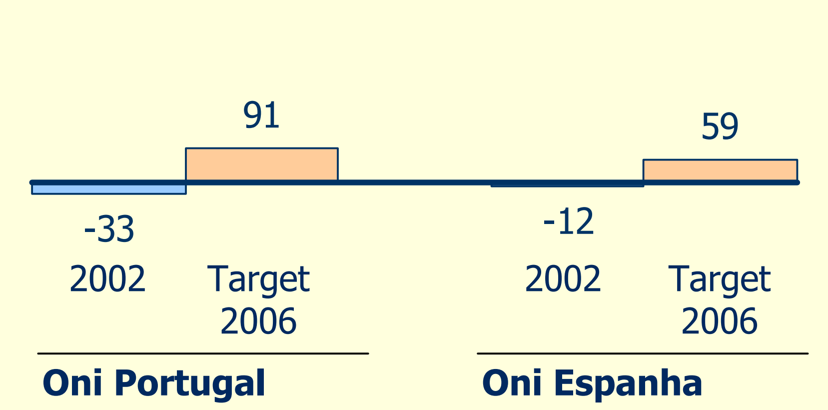
Direct activity costs*
Percentage of revenues



Operating costs
M€



EBITDA
M€



* Direct costs (e.g., interconnection tariff)

Divest from non-core assets

Main divestment options	Comments	Cash inflow Million euros
3% stake at Iberdrola	Finalised in October 2003	400
25% stake at REN*	Plan to sell (during 2004) as part of the remodelling of the electricity sector	200-300
Real Estate	Urban buildings with potential capital gains	70

Additionally, EDP is assessing options for a strategic partnership in IT and looking for consolidation opportunities in telecommunications

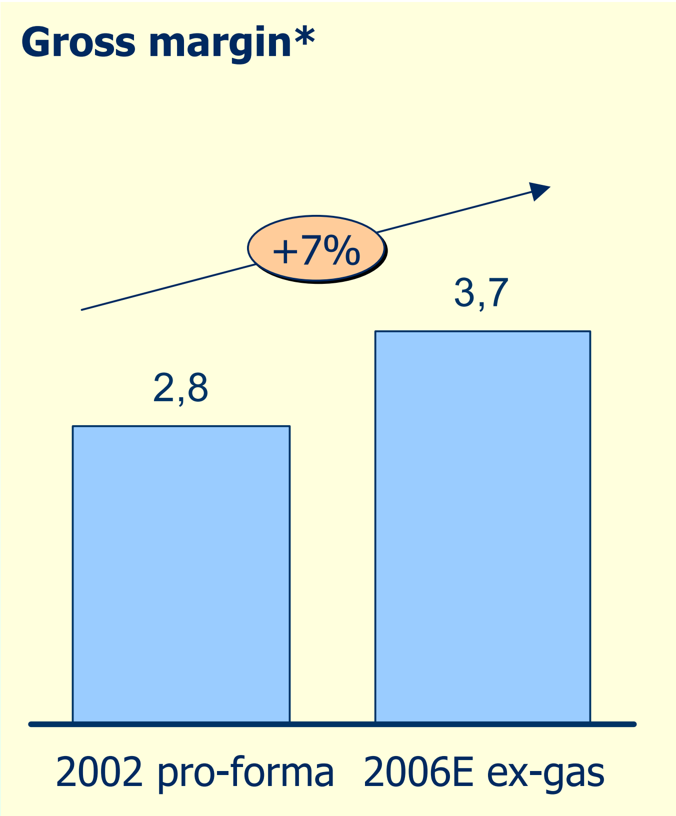
* REN-Rede Eléctrica Nacional (Portuguese Power Transportation Network)

Agenda

- A very competitive energy player
- Key EDP value levers
- **Financial targets**
- Capabilities and performance culture

Strong expected growth ...

Billion euros. Compound Annual Growth Rate



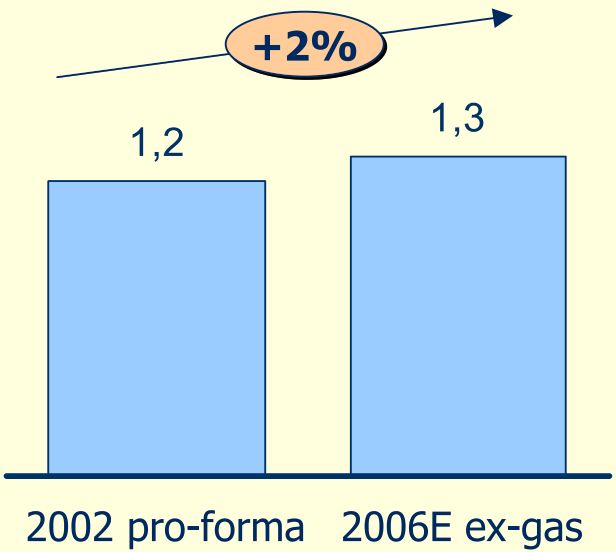
Breakdown by business unit (M€)	2002 pro-forma	2006E ex-gas	CAGR (%)
• Generation	959	1,095	+3
• Distribution	1,133	1,345	+4
• Hidrocantábrico**	191	328	+15
• Brazil	338	455	+8
• Oni	140	316	+23
• Renewables	—	60	N/a
• Other	75	81	+2

* Sales + services - direct sales costs
** 40% Consolidated

... whilst costs are expected to be flat in real terms ...

Billion euros. Compound Annual Growth Rate

Operating costs [a]



Breakdown by business unit (M€)	2002 pro-forma	2006E ex-gas	CAGR (%)
• Generation	169	189	+3
• Distribution	644	754	+2[c]
• Hidrocantábrico[b]	57	90	+6[d]
• Brazil	167	133	-6
• Oni	185	166	-3
• Renewables	—	7	N/a
• Other	-14	-8	N/a

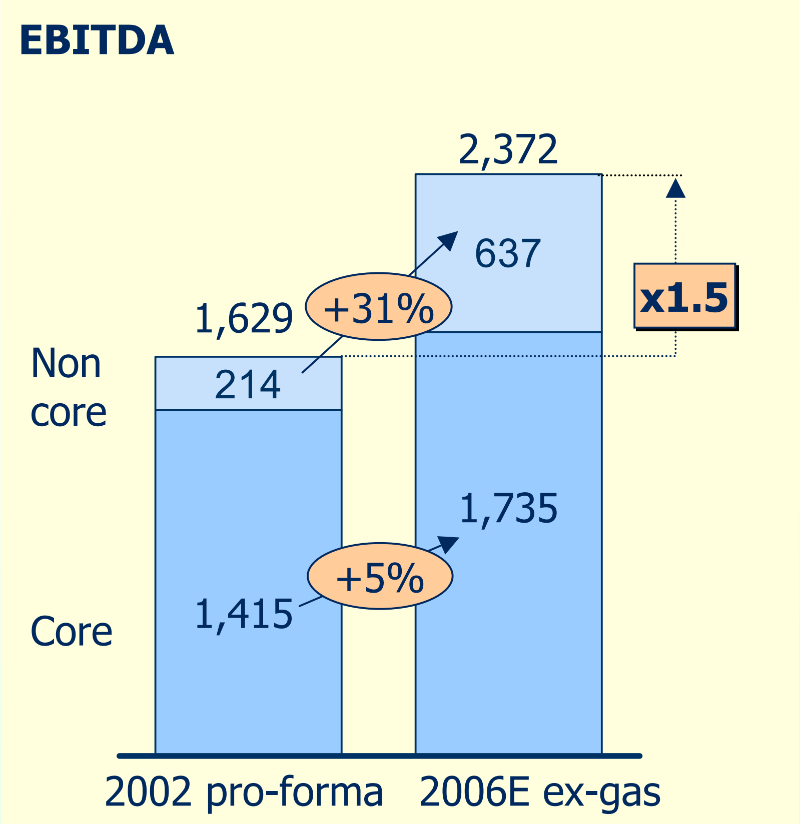
Distribution costs decreasing in real terms (excluding municipal tax increase)

Significant cost reduction effort for Brazil and Oni

a Personnel + services + other operating costs – other revenues (not driven by sales and services)
b Consolidated at 40%
c Excluding cost increase in municipality payment from 7% to 10% of revenues
d Excluding impact from consolidation of Naturcorp in 2003

...which should result in a 50% increase in EBITDA

Million euros. Compound Annual Growth Rate



	2002 pro forma	2006E ex-gas	Total Improvements
Generation	791	906	+115
Distribution	489	591	+102
Hidrocantábrico*	135	238	+103
Brazil	171	321	+150
Oni	-45	150	+195
Renewables	—	53	N/A
Others	88	113	+25

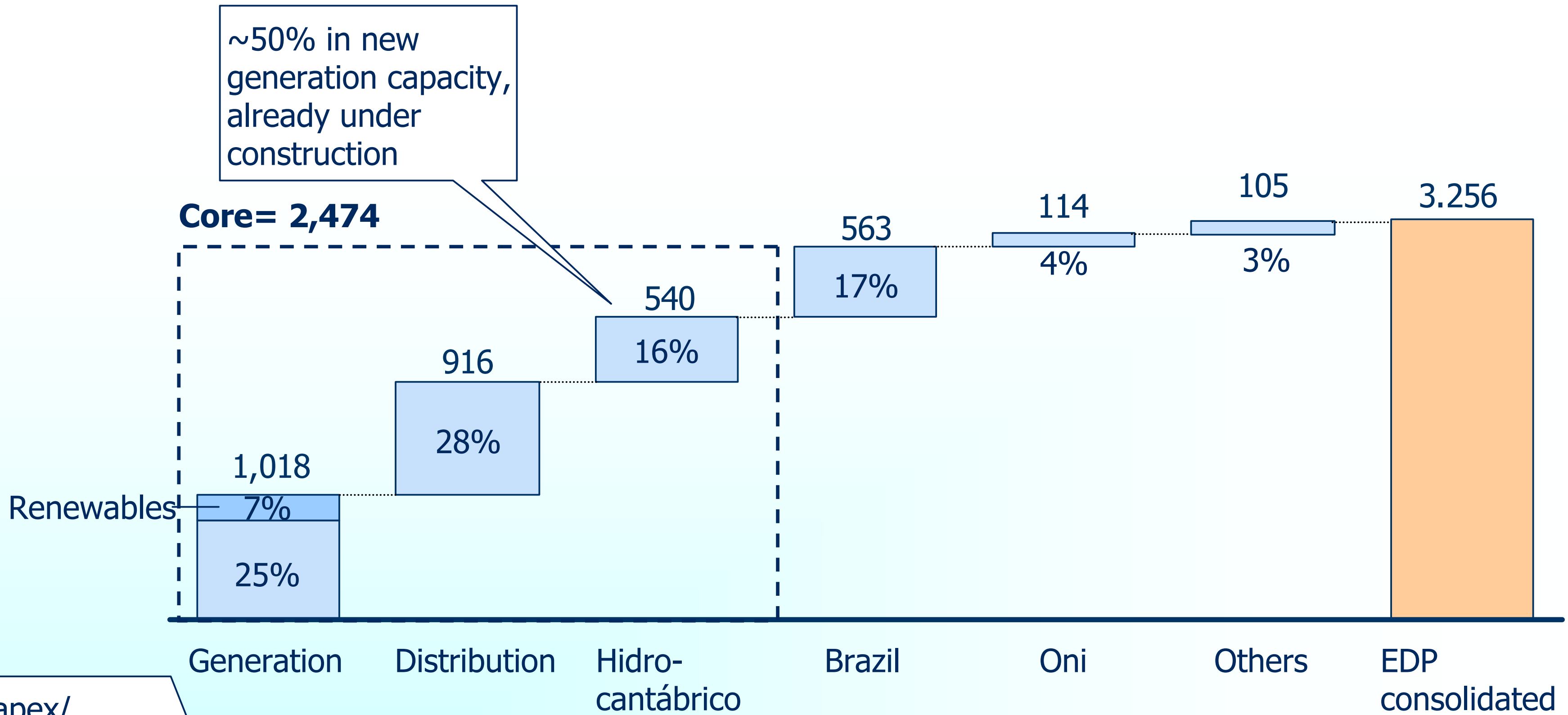
All business units expected to contribute to the increase in EBITDA

Turnaround of telecom business (Oni)

* 40% Consolidated

Bulk of investment is dedicated to core business…

Accumulated Capex 2004-2006, M€



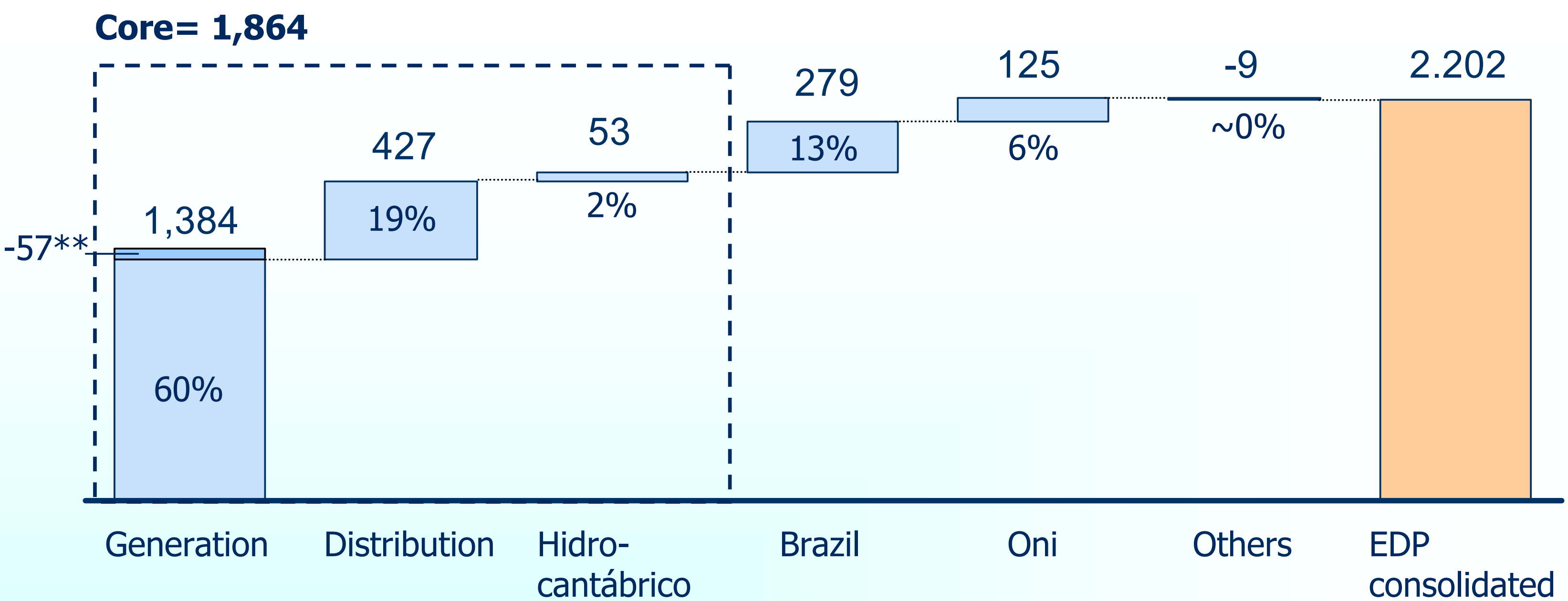
	Generation	Distribution	Hidro-cantábrico	Brazil	Oni	Others	EDP consolidated
Capex/ depreciation of fixed assets	1.4	0.8	2.4	2.9	0.6	0.3	1.2

Investment in replacement Capex with exception of Spain, Brazil and Generation (including renewables)

Investment in Brazil and Spain mostly driven by new generation assets

… which should continue to be the main cash generator

Accumulated cash flow* 2004-2006, M€



Strong cash flow generation in core business in Portugal

Both Brazil and Oni with a positive accumulative contribution for consolidated cash flow

* Net income + depreciation + goodwill depreciation + provisions + net interest paid (adjusted with tax shield) – capex – investment in operating working capital

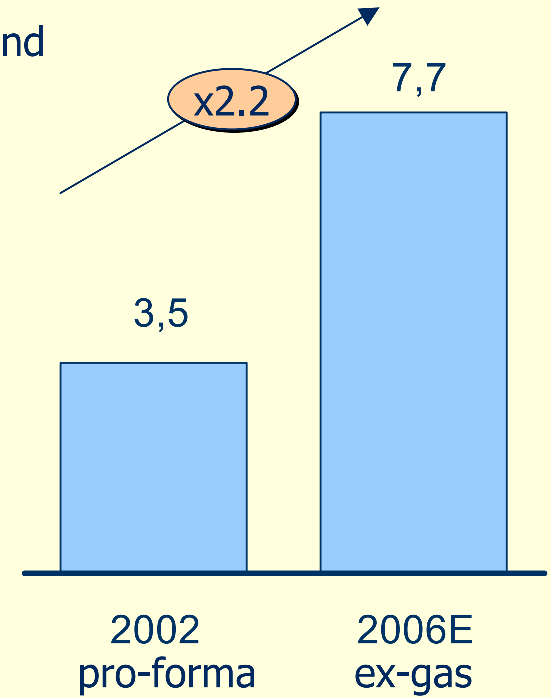
** Renewables

EDP expects to more than double the return on invested capital

EDP

Percent

Return on invested capital*
(after tax and goodwill)



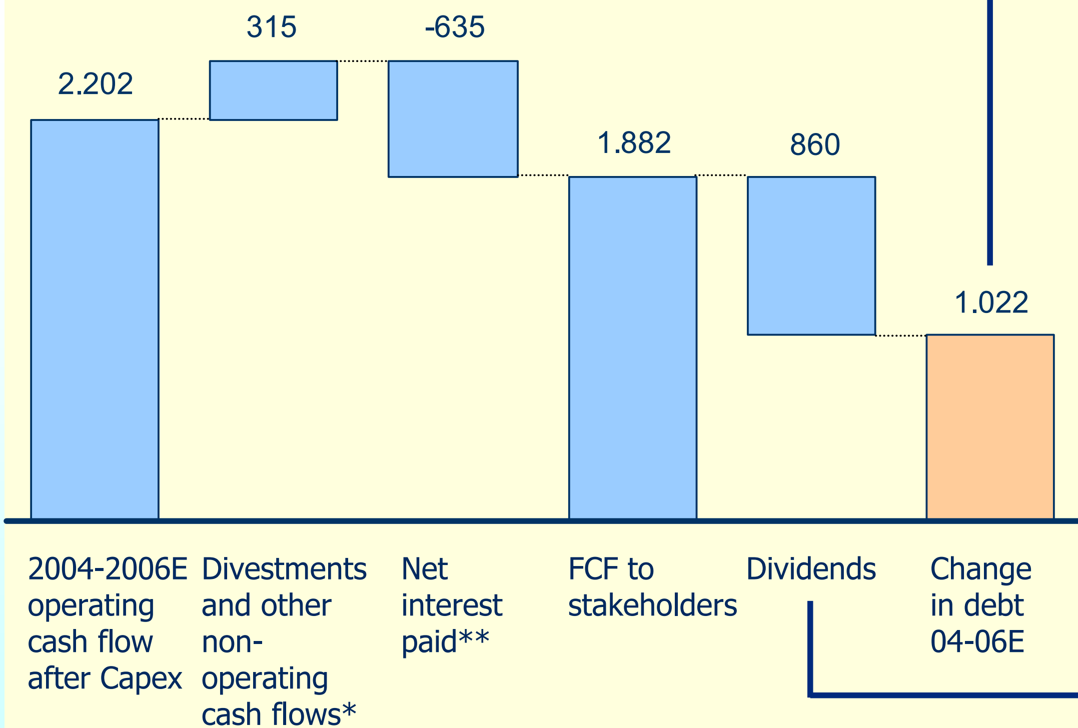
	2002 pro forma	2006E ex-gas	Growth
Generation	8.0	10.0	x1.2
Distribution	4.5	6.3	x1.4
Hidrocantábrico**	3.7	5.6	x1.5
Brazil	2.6	11.0	x4.2
Oni	-11.3	10.1	N/a
Renewables	-	10.0	N/a

* $EBIT_{Adjusted}$ x (1-t) / Invested Capital (including goodwill)
** 40% consolidation

EDP expects to be able to reduce its debt by € 1 bn. and strengthen credit ratios

Accumulated 2004-2006, M€

Cumulative cash flows



Credit ratios

	2002	2006E
EBITDA interest coverage	5.1	7.0
Net debt/ total capital	57%	52%
Debt/EBITDA	5.4	2.9

Expected sustainable growth of dividends (7-8% growth per year)

* Results distributed to personnel (~-59M€), changes financial investments (~+71M€)
** Net of income from financial investment

Agenda

- A very competitive energy player
- Key EDP value levers
- Financial targets
- **Capabilities and performance culture**

Reinforcing EDP's performance culture
Four integrated programs

Improved **planning** system combining financial and operational perspectives	Stretched, BU-driven targets Cascaded objectives
New systematic **monitoring** of performance drivers	New balanced scorecard per BU More demanding challenge of performance gaps (monthly)
Revised **evaluation** system emphasising accountability	Strengthened organization accountability Upgraded qualitative and quantitative metrics
Broad-based **HRM** program focused on staff development	Extended mentoring programs for top 250 Tailored development programs for high performers
Enhanced **internal communication**	Meeting with vast majority of EDP employees in Portugal (>10,000)

Already implemented

Installing a corporate-wide risk management system
Objectives of RM at EDP

Integrated approach to risk management
(netting risk exposure internally)

Increase risk transparency
(identification and quantification of risks)

Risk-adjusted capital allocation

Incorporate risk management insights into strategy and core business processes

Enhance quality of decision-making of senior management

Increase risk control and reporting
(alignment with best practices)

Dedicated team of 5 led by senior officer

Procedures/ systems currently being upgraded

Phased approach, focused on short-term results

Enhanced corporate governance

Reinforced independence

- Clearly separate the role of Chairman and CEO role
- Enlarged supervisory board (8 members, 4 independent, only 1 appointed by State)

Improved oversight

- Audit Committee reporting to Chairman
- Compensation Committee independent of Executive Committee

Renewed leadership

5 Member Executive Board

Joao Talone
CEO

Rui Horta e Costa
CFO, Oni

Jorge Godinho
Brazil, EDP Valor, Renewables

Navarro Machado
Distribution

Pedro Rezende
Generation, Hidrocantábrico

Summary of key messages

A competitive energy player looking forward to an Iberian market ...

- Most attractive market in Europe
- Efficient cost structure in generation
- Commitment to cut-cost in regulated distribution
- Uniquely positioned in Portugal and Spain

... focused value creating strategy ...

- Consolidate position in Iberian electricity
- Strengthen portfolio by integrating gas
- Extract value from past investments

... with expected strong financial impact

- x1.5 EBITDA in 2006
- x3.3 cash flow in 2006
- x2.2 ROIC in 2006
- Consolidation of balance sheet

Focus on profitable growth

Strategic Plan 2006

December 2nd, 2003

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