



Financial Results 1H09

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EDP 1H09 Financial Performance: Main Highlights



The financial statements presented in this document are non-audited.

Income Statement (€ m)	1H09	1H08	% Δ	Δ Abs.
Gross Profit	2,454	2,445	0.4%	+9
Supplies and services	353	355	-0.5%	-2
Personnel costs	284	301	-5.9%	-18
Costs with social benefits	66	58	14%	+8
Concession fees	124	118	5.8%	+7
Other operating costs (net)	16	28	-45%	-13
Operating costs	843	860	-2.0%	-17
EBITDA	1,611	1,585	1.6%	+26
Provisions	19	17	-	+1
Net Depreciation and amortisation ⁽¹⁾	612	594	3.2%	+19
EBIT	979	973	0.6%	+6
Capital gains/(losses)	28	482	-94%	-454
Financial Results	(287)	(511)	44%	+224
Results from associated companies	14	19	-28%	-5
Pre-tax profit	734	962	-24%	-229
Income taxes	194	184	5.2%	+9
Discontinued Activities	-	(8)	-	+8
Net Profit for the period	540	770	-30%	-230
Net Profit attribut. to EDP shareholders	479	703	-32%	-224
Minority interests	61	67	-9.3%	-6

Key Operational Data	1H09	1H08	% Δ	Δ Abs.
Employees	11,996	13,049	-8%	-1,053
Installed Capacity (MW)	18,888	16,294	16%	+2,594

Key Financial Data (€ m)	1H09	1H08	% Δ	Δ Abs.
FFO (Funds from Operations)	1,282	1,015	26%	+267
Capex	1,653	1,345	23%	+308
Maintenance	281	300	-6.3%	-19
Expansion	1,372	1,045	31%	+327
Net Financial Investment in the period	-4	-1,610	100%	+1,605

Key Balance Sheet Data (€ m)	Jun-09	Dec-08	% Δ	Δ Abs.
Equity Book Value	6,612	6,365	3.9%	+247
Net Debt	14,218	13,890	2.4%	+329
Regulatory Receivables	795	1,891	-58%	-1,096
Net debt/EBITDA (x)	4.4x	4.4x	0.3%	+0.0
Adjusted ² Net debt/EBITDA (x)	4.2x	3.8x	10%	+0.4

Consolidated EBITDA rose 2% (€26m), to €1,611m in 1H09, driven by liberalized activities in Iberia (+€100m) and wind operations (+€44m). EBITDA from LT contracted generation and from regulated networks, in turn, were penalized by lower non-recurrent results in 1H09 (vs 1H08): (1) €29m loss on fuel procurement costs above international indexes in 1H09 (vs €28 positive impact in 1H08), in LT Contracted generation and (2) €58m positive impact related to the recovery through electricity tariffs in 2008 of previous years' tariff deviations from our electricity distribution activity in Portugal. **Recurrent EBITDA increased 7%, from €1,507m to €1,607m.**

Operational costs retreated 2% YoY, to €843m, reflecting important efficiency gains achieved by our OPEX program in 1H09 (€53m). Costs with supplies and services decreased 1% YoY, to €354m following the mixed impact from tight cost control, the positive impact from asset swap in Brazil and from increasing activity. Personnel costs dropped 6% YoY, reflecting recent HR restructuring effort, namely in Brazil and Portugal distribution. Cost with social benefits increased 14% (+€8m) inflated by €5m HR restructuring costs booked in Brazil and by higher pension premium booked in Portugal distribution. Other operating costs decreased 45% (-€13m) driven by higher revenues from PTCs in USA.

Net depreciation and amortization charges increased 3% (€19m) YoY, to €613m, as a result of: (1) larger scale of operations in renewables and conventional generation; (2) wider consolidation perimeter (acquisition of Pebble Hydro); (3) investment in new Desox facilities concluded in mid 2008. This was only partially compensated by the recognition in 1H08 of an one-off €50m accelerated depreciation (impairment) at Eversul in the wake of regulatory changes.

Net financial costs retreated 44% YoY, to €287m in 1H09, mainly reflecting: (1) lower net financial interests paid (-14% YoY) thanks to an average cost of debt 140bp lower in 1H09 (at 4.2%); (2) Lower other financials costs mainly resulting from lower impairment losses (€29m in 1Q09 to reflect the lower market value of our stake in BCP vs €148m booked in 1H08 in respect of the stake in BCP and Sonaecom).

Net profit declined 32% YoY, to €479m, penalized by lower capital gains. 1H09, capital gains (€28m) include: i) €13m stemming from the entry of Sonatrach into the capital of Soto 4 and ii) the recognition of €15m gain from the sale of Energias do Brasil's stake in ESC 90. Capital gains in 1H08 (€482m) were mainly impacted by a €405m gain stemming from the dilution of EDP's equity stake in EDP Renováveis as a result of the IPO. **Net profit adjusted for non-recurrent items rose by 7% to €505m.**

In 1H09, **funds from operations rose 32%** to €1,335m as a result of: (1) a 16% increase in installed capacity, (2) a decline in energy sourcing costs that more than compensated the decline in electricity selling prices, (3) efficiency improvements and (4) decrease in average cost of debt. **Capex** totaled €1,653m, 83% of which devoted to expansion projects. New hydro and wind projects accounted for 90% of expansion capex. **Regulatory receivables** declined from €1,891m in Dec-09 to €795m as a result of the sale without recourse of Portugal's tariff deficit (€1.2bn) and an increase in receivables from CMECs revisability (€+157m to €432m, due to be received in up to 2 years). Overall, **net debt** in Jun-09 amounted €14.2bn, up from €13.9bn in Dec-08, following the payment of annual dividends (€507m) in May-09.

By the end of Jun-09, EDP's net debt/EBITDA was 4.4x. Excluding regulatory receivables, net debt/EBITDA stood at 4.2x. In 1H09, EDP further strengthened its financial and liquidity positioned with a €1bn 5-year bond issue (Feb-09), the replacement of a €1.3bn RCF due in Jul-09 by a 3-year €1.6bn RCF and a €1bn 7-year bond issue (Jun-09). **Total cash position and available credit lines in Jun-09 amounted €4.5bn.**

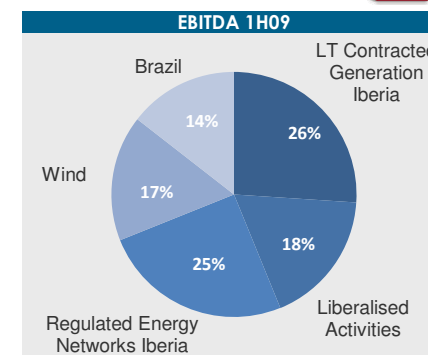
(1) Depreciation and amortisation expense net of compensation of depreciation and amortisation

(2) Excluding Regulatory receivables.

EBITDA Breakdown



EBITDA (€ m)	1H09	1H08	% Δ	Abs. Δ	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
LT Contracted Generation	424.7	450.4	-5.7%	(26)	227.5	222.9	212.7	193.5	220.2	204.6		
Liberalised Activities Iberia	290.1	189.9	53%	100	98.4	91.5	83.0	112.5	161.0	129.2		
Regulated Networks Iberia	409.4	458.1	-11%	(49)	228.1	230.0	265.7	235.4	218.4	191.0		
Wind Power	270.8	226.7	19%	44	125.5	101.2	79.7	131.4	154.4	116.4		
Brazil	235.9	297.7	-21%	(62)	160.7	137.0	156.3	108.3	111.9	124.0		
Other	(20.5)	(38.3)	46%	18	(31.5)	(6.8)	(11.8)	3.6	(16.8)	(3.8)	-	-
Consolidated	1,610.5	1,584.5	1.6%	26	808.7	775.9	785.6	784.8	849.1	761.4		



EDP showed a 2% (+€26m) YoY increase in 1H09 consolidated EBITDA, to €1,611m from €1,585m. Excluding non-recurrent items, EBITDA rose 7%, from €1,507m to €1,607m. Main highlights are as follows:

LT CONTRACTED GENERATION IBERIA - 1H09 EBITDA retreated 6% (-€26m) YoY, penalised by non-recurrent losses of €29m (vs €28m gain in 1H08) largely related to fuel procurement. Note that as a result of EDP's strategy to hedge through financial instruments the change in fuel prices between the moment of purchase and the moment of consumption, this negative impact is compensated at the level of financial results, either in the previous, current or next quarters. Recurrent EBITDA rose 6% to €452m propelled by (i) 4% (+€17m) rise in PPA/CMECs recurrent gross profit on higher than contracted availability and efficiency ratios, additional contracted gross profit resulting from the new Sines coal plant's Desox facilities (under PPA); (2) special regime's wider consolidation perimeter (+€12m) and (3) tight cost control.

LIBERALISED ACTIVITIES IBERIA - EBITDA rose 53% (+€100m) driven by a 38% (+€112m) increase in gross profit: (1) +€85m in liberalised generation backed by higher margins and higher volume contribution from coal and from hydro; (2) +€14m in electricity supply, driven by volumes and margins and (3) +€14m in gas supply, backed by stronger volumes and margins in the Spanish residential and commercial segments. As a result of EDP's strategy of forward contracting electricity sales and locking-in its margins, this unit achieved electricity realised spreads 21% higher YoY, at €25/MWh. Output from our liberalised generation decreased 2.6% clearly outperforming the Spanish conventional regime (-15% YoY). EDP was a net buyer in the pool, profiting from low prices whenever this was below its own marginal generation cost. Out of total liberalised output, 85% was sold to liberalised retail clients (which volumes grew 31% YoY) and 110% was sold at fixed prices.

REGULATED NETWORKS IBERIA - EBITDA decreased 11% (-€49m) to €409m mainly reflecting (i) the performance of electricity distribution in Portugal (-€42m) and (ii) gas distribution in Portugal (-€12m). In electricity distribution in Portugal (70% of EBITDA from regulated networks Iberia), regulated gross profit retreated 3% to €660m, reflecting the impact from the recovery through the 2008 electricity tariffs of €58m related to previous years' tariff deviations, on the one hand, and improvements achieved in new regulatory period 2009-2011, on the other hand. In turn, EBITDA from gas operations in Spain rose 10% YoY, to €79m.

Electricity demand in Portugal maintained a sound growth of around 4% YoY in the low voltage segment (mostly residential clients) while in normal voltage (mostly industrial clients) the decline reached around 8% YoY. EBITDA YoY performance in gas distribution in Portugal was penalized by the regulatory review occurred in Jul-08 which extended the concession period but decreased short term gross profit.

WIND – EBITDA from EDP Renováveis (EDPR) rose 19% (€44m) propelled by higher gross profit (+21%, +€53m) on higher electricity output (+33% YoY) and a low exposure to merchant power prices. In the US, gross profit adjusted for PTCs and other revenues related to institutional partners (+64% YoY, at €156) was driven by a 53% increase in output in the wake of capacity additions (+61%). Avg. electricity price in the period was 2% lower YoY, at USD47.5/MWh, penalized by wind farms without PPA agreement. In Europe, even with a sharp decrease in avg. achieved Spanish pool price and a lower load factor, EDPR was able to deliver a 3% YoY increase in gross profit, to €199m, benefiting from the group's active risk management to reduce its exposure to the pool price. During 1H09 EDPR sold forward c1TWh, which resulted in an €12m gain. Average load factors in Europe (-2pp YoY at 25%) and US (-2pp YoY at 36%) were penalized by low availability factors, low wind resources and Spain's peak wind conditions in 1Q08.

BRAZIL – As from Sep-09, following the conclusion of asset swap with Grupo Rede, the distribution company Enersul was excluded from consolidation perimeter while our Lajeado hydro plant (73% owned vs 27.65% before) started to be fully consolidated. In 1H09, Energias do Brasil's contribution to consolidated EBITDA was 21% (€62m) lower YoY, negatively affected by the 11% depreciation of the Real against the Euro (€29m), non-recurrent HR restructuring costs booked in 1H09 (€5m) and non-recurrent gains booked in 1H08 results (€26m, as a result of volumes sold above volumes produced). Distribution EBITDA (local currency, excluding Enersul in 2008) rose 3% to R\$373m, supported by (1) a mere 1.0% increase in volumes sold (9.1% decline in volumes sold to the industrial segment, 5% increase in volumes sold to residential and commercial segments) and (2) lower exposure of regulated revenues to a decrease in industrial demand than to changes in residential/commercial demand, (3) 25% YoY decline in electricity distributed to free market clients due to decrease of consumption of large industrial consumers.

Profit & Loss Items below EBITDA



Provisions, Depreciations & Amortizations (€m)	1H09	1H08	% Δ	Abs. Δ
EBITDA	1,610.5	1,584.5	1.6%	+26.0
Provisions	18.8	17.5	-	+1.3
Depreciation and amortisation	666.3	648.1	3%	+18.3
Compensation of deprec. and amortisation	(53.9)	(54.4)	1%	+0.5
EBIT	979.3	973.4	0.6%	+5.9
Financial Results (€m)	1H09	1H08	% Δ	Abs. Δ
Net financial interest	(294.9)	(341.2)	13.6%	+46.3
Net foreign exchange differences	7.7	5.4	42%	+2.3
Investment income	7.6	4.1	-	+3.5
Other Financials	(7.6)	(179.7)	96%	+172.2
Financial results	(287.2)	(511.4)	43.8%	+224.2
Income from Equity Method (€m)	1H09	1H08	% Δ	Abs. Δ
Setgás (19.8%)	1.6	1.0	68%	+0.7
CEM (21%)	5.0	4.7	5%	+0.2
Turbogás (40%)	-	4.3	-	-4.3
DECA II (EEGSA (21%))	2.5	6.5	-61%	-4.0
Portsinés	2.0	0.1	-	+1.9
EDP Renováveis subsidiaries	1.8	2.1	-16%	-0.3
Other	0.8	0.3	-	+0.5
Results from associated companies	13.7	19.0	-27.8%	-5.3
Capital Gains/(Losses) (€m)	1H09	1H08	% Δ	Abs. Δ
IPO EDP Renováveis (22.5%)	-	405.3	-	-405.3
Turbogás (40%) & Portugal (27%)	-	49.4	-	-49.4
ESC 90	14.7	-	-	+14.7
REN (1.5%)	-	17.0	-	-17.0
Edinfor (40%)	-	4.8	-	-4.8
Soto IV	12.9	-	-	+12.9
Other	0.3	5.0	-94.3%	-4.7
EDP Group	27.9	481.5	-94.2%	-453.6
Income Tax (€m)	1H09	1H08	% Δ	Abs. Δ
Pre-tax profit	733.7	962.4	-23.8%	-228.7
Income taxes	193.5	184.1	5.2%	+9.5
Effective Tax rate (%)	26.4%	19.1%	7.3 pp	-
Discontinued Activities	-	(8.5)	-	+8.5
Minority Interests (€m)	1H09	1H08	% Δ	Abs. Δ
EDP Renováveis	14.0	5.0	-	+9.0
HC Energia + Naturgas	1.3	2.8	-54%	-1.5
Gas Portugal Subsidiaries	1.0	1.9	-47%	-0.9
Energias do Brasil	44.4	57.1	-22%	-12.7
Other	-	0.1	-	-0.1
EDP Group	60.7	66.9	-9.3%	-6.2

Depreciation and amortization increased by 3% YoY, on the back of: i) an increase of EDPR depreciations, following the increase of installed capacity; ii) the investments that were undertaken in PPA/CMEC Desox facilities; iii) the start of operations of Soto 4 CCGT in Spain in Sep-08; and iv) a wider consolidation perimeter with the acquisition of Pebble mini-hydro, which more than offset the impact from v) the recognition in 1H08 of a €50m accelerated depreciation (impairment) at Enersul that resulted from regulatory changes.

Financial Results:

Net financial interests decreased by 14% YoY, to €295m in 1H09, following a c140bp decrease in the average cost of debt from 5.6% in 1H08 to 4.2% in 1H09, driven by the decline in short term interest rates (note that c56% of EDP's debt has floating rate, with the most significant indexing being the Euribor 3 months that fell from an avg. of 4.67% in 1H08 to 1.66% in 1H09), which offset the 18% increase in net debt;

Other financials include: i) an impairment loss of €29m in 1H09, to reflect the decrease in market value of EDP's stake in BCP (3.2%) (vs. €148m loss in 1H08 to reflect the decrease in market value of EDP's stakes in BCP and Sonaecom (8%)); and ii) a €16m loss in 1H09 related to hedging operations in energy markets from our generation activity (vs. a €73m loss in 1H08).

Income from associated companies amounted to €14m in 1H09, down €5m YoY: i) 1H08 includes a €4m contribution from Turbogás (disposed of in May-08); and ii) DECA II's contribution fell by €4m YoY.

Capital gains/(losses) amounted to €28m in 1H09, as a consequence of: i) the entry of Sonatrach into the capital of Soto 4 (with a 25% stake), in line with what was defined in the strategic partnership established in 2007, which reflected into a €13m gain; and ii) the recognition of €15m gain from the sale of Energias do Brasil's stake in ESC 90. Capital gains in 1H08 include: i) a €405m gain stemming from the dilution of EDP's equity stake in EDP Renováveis as a result of the IPO; ii) a €49m gain resulting from the sale of EDP's stakes in Turbogás and Portugal; iii) €17m from the sale of a 1.5% stake in REN; and iv) a €4.8m gain booked on the exercise of EDP's put option over the 40% owned in Edinfor.

EDP Group's **effective tax rate** increased by 7.3pp when compared with 1H08, mostly due to the fact that 2008 capital gain that resulted from EDPR's IPO is not taxable.

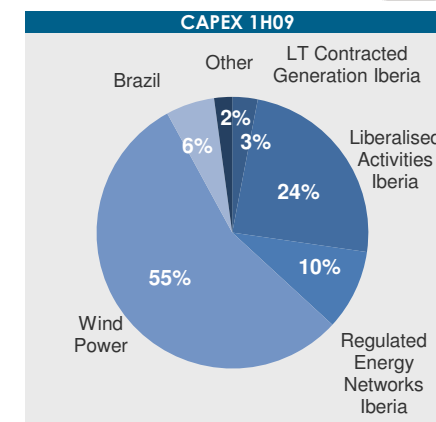
Minority interests decreased 9% YoY to €61m, on the back of a decrease in minority interests at Energias do Brasil following the share buyback programs and the minorities buy-out that resulted from the application of the Enersul/Lajeado asset swap regulatory rules (Oct-08), which led to an increase of EDP's stake in the company from 64.5% to 71.9%. Looking at EDPR, the strong increase in minorities reflects the IPO of EDPR that occurred in Jun-08 (free-float of 22.5%).

Capital Expenditure Breakdown



Capex (€m)	1H09	1H08	% Δ	Abs. Δ
LT Contracted Gen. Iberia	49.6	51.9	-4%	-2.3
Liberalised Activities Iberia	401.0	252.7	59%	+148.2
Regulated Networks Iberia	158.1	132.8	19.1%	+25.3
Wind Power	912.5	759.8	20%	+152.7
Brazil	96.3	129.6	-26%	-33.3
Other	35.5	18.0	98%	+17.5
EDP Group	1,653.0	1,344.8	23%	+308.1
Expansion Capex	1,372.1	1,044.9	31%	+327.2
Maintenance Capex	280.9	299.9	-6%	-19.0

1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
24.7	27.2	45.4	42.7	21.0	28.6		
85.6	167.2	101.7	162.4	292.2	108.8		
58.9	73.9	88.8	139.2	63.4	94.7		
369.6	390.2	489.1	841.9	403.5	509.0		
57.0	72.6	53.2	246.2	39.7	56.5		
10.8	7.2	47.9	14.9	20.6	14.9		
606.6	738.2	826.1	1,447.3	840.5	812.5	-	-
465.6	579.3	606.9	1,186.8	716.3	655.8		
141.0	159.0	219.2	260.4	124.2	156.7		



Generation Projects Installed in 2009 (€m)	MW ⁽¹⁾	Capex 1H09
Wind Power	218	286.5
Biomass	14	10.7
Hydro (Brazil)	29	18.0
Total	261	315.2

Gen. Projects Under Development (€m)	MW	Capex 1H09	Acc. Capex
Under Construction			
Hydro Portugal	847	59.3	185.8
Wind Power ²	1,261	626.1	1,540.1
CCGT Iberia	1,286	88.1	555.5
Coal Brazil	360	16.2	199.5
Hydro Brazil	25	10.1	15.2
Total	3,779	799.8	2,496.1
Hydro Concession Payments		231.7	479.8
Total		1,031.5	2,975.9

Consolidated capex rose 23% YoY (or +€308m) to €1,653m, essentially driven by a €327m increase in expansion capex (which represents 83% of total capex). New hydro and wind projects absorbed 90% of total expansion capex. The main growth drivers of expansion capex were our liberalized generation activity in Iberia, following the payment of €232m regarding the concession rights of the Fridão (231 MW) and Alvito (220 MW) hydro plants, and wind power, with the conclusion of 218 MW and the construction of another 1,261 MW. Note that 76% of EDP's 1H09 capex was allocated to operations with a low risk profile. In 1H09, EDP installed 274 MW of capacity: i) 218 MW of wind capacity (200 MW in US and 18 MW in Europe); ii) 28 MW of biomass capacity in Portugal; and iii) 29 MW of hydro capacity in Brazil. Moreover, by Jun-09, EDP had close to 3,800 MW of additional capacity under construction, with a total amount of €2,575m already invested. Maintenance capex decreased 6% YoY, following the exclusion of Enersul from the consolidation perimeter, as well as lower Desox/Denox investments at our Sines, Aboño and Soto coal power plants.

In **wind power**, total capex amounted to €913m: (1) €287m were invested in the 218MW that started operations in late 2008); and (2) €625m were invested in capacity under construction by the end of Jun-09 (1,261MW) and projects under development but already with capex committed (namely upfront payments to manufacturers and wind turbine orders).

A total of €401m were invested in our **liberalized generation activity** in Iberia, up by €148m YoY. A total of €291m were invested in new **hydro** generation in Portugal, out of which €232m relate to the payment of Fridão (231 MW) and Alvito (220 MW) hydro power plants concession rights (expected to start operations in 2016). The balance was mostly invested in the construction works of 4 hydro power plants: 3 repowering (Picote II, Bemposta II and Alqueva II, totaling 677 MW) and 1 new dam (Baixo Sabor with 170 MW). Regarding **CCGTs**, a total of €88m were invested in 1H09 in the construction works of: i) Soto5 in Spain (424 MW), which is expected to start operations in 2011; and ii) and Lares I & II in Portugal (862 MW), due to come on stream in the 3Q09.

Capex at our **regulated networks in Iberia** amounted to €158m in 1H09, of which 71% were invested at our electricity distribution grid activity in Portugal, in order to expand the network and to improve service quality.

In **Brazil**, capex amounted to €96m in 1H09: i) €34m were invested in the expansion of the generation capacity, with the construction of Pecém PPA coal plant (720 MW, 50% owned by Energias do Brasil) due to start operations in Dec-2011, and Santa Fé PPA Hydro power plant (29 MW) started operations in Jul-09; ii) €48m were invested in the electricity distribution grid (maintenance capex).

⁽¹⁾ MW EBITDA

⁽²⁾ MW includes Eólicas de Portugal (91MW)

Cash Flow



Consolidated Cash Flow (€m)	1H09	1H08	% Δ	Abs. Δ
Net profit before minorities	540.2	769.9	-30%	(229.7)
Net depreciation and amortization	612.5	593.7	3.2%	18.8
Net provisions	71.1	29.7	139%	41.3
Non cash financial results	(7.7)	(153.8)	-	146.1
Taxes	26.6	90.8	-71%	(64.2)
Other adjustments	39.2	(315.3)	-	354.5
FFO (Funds From Operations)	1,281.8	1,015.0	26%	266.8
Net financial interest	294.9	302.3	-2.4%	(7.3)
Net Income from Associates and other Investments	(13.7)	(19.0)	-28%	5.3
Change in operating working capital	846.5	(335.1)	-	1,181.6
Regulatory Receivables	1,096.4	(199.7)	-	1,296.1
Operating Cash Flow	2,409.5	963.2	150%	1,446
Expansion Capex	(1,372.1)	(1,044.9)	31%	(327.2)
Maintenance Capex	(280.9)	(299.9)	-6.3%	19.0
Change in working capital from equipment suppliers	(243.9)	(861.8)	-72%	617.9
Net Operating Cash Flow	512.6	(1,243.4)	-	1,756.0
Net financial (investments)/Divestments	4.1	1,609.5	-	(1,605.4)
Net financial interest paid	(290.9)	(236.7)	23%	(54.2)
Dividends received from Associates and other Investments	21.4	4.1	421%	17.3
Dividends paid	(507.2)	(454.9)	11%	(52.2)
Anticipated proceeds from institutional partnership in US wind	39.3	168.1	-77%	(128.8)
Other non-operating changes	(108.1)	(182.8)	-41%	74.7
Decrease/(Increase) in Net Debt	(328.7)	(336.2)	2.2%	7.5
Major Net Financial Investments (€m)	1H09	1H08	% Δ	Abs. Δ
MAJOR FINANCIAL INVESTMENTS	63.9	185.7	-66%	(121.8)
Consolidation Perimeter EDP Renováveis	53.3	69.9	-24%	(16.6)
BCP	-	42.0	-	(42.0)
Biomass	-	21.7	-	(21.7)
Energias do Brasil	-	45.5	-	(45.5)
Other	10.5	6.5	61%	4.0
MAJOR FINANCIAL DIVESTMENTS	68.0	1,795.2	-96%	(1,727.2)
CCGT Soto IV	17.0	-	-	17.0
ESC90 (Brazil)	34.4	-	-	34.4
IPO EDP Renováveis	-	1,566.7	-	(1,566.7)
Turbogás/Portugal (40%/27%)	-	140.1	-	(140.1)
REN	-	28.0	-	(28.0)
Consolidation Perimeter EDP Renováveis	-	7.7	-	(7.7)
Edinfor (40%)	-	46.4	-	(46.4)
Other	16.5	6.2	166%	10.3
Major Net Financial Investments	(4.1)	(1,609.5)	-	1,605.4

Funds from operations (FFO) rose 26% YoY to €1,282m as a result of: 1) a 16% increase of installed capacity, 2) a decline of sourcing costs that more than compensated the decrease in electricity selling price, 3) efficiency improvements and 4) decrease of our average cost of debt. Note that in 1H08, the item “non cash financial results” and “other adjustments” includes impairment losses in our financial stakes and the gain from the dilution of our equity stake in EDP Renováveis as a result of the IPO. FFO does not include the impact of tariff deviations in the regulated or long term contracted activities, reflected at the level of changes in working capital.

Consolidated operating cash flow increased by 1.5x in 1H09 to €2,410m reflecting the sale without recourse of the right to receive the Portuguese's tariff deficit accumulated in 2007 and 2008 in the amount of €1.2bn. Excluding this deal, regulatory receivables generated in the 1H09 had a negative contribution of €109m for EDP's free cash flow in the period, essentially due to tariff deficit in Spain and negative cash flow deviations from the CMECs system in the period to be recovered over the next 2 years.

Expansion capex rose 31% to €1,372m in 1H09 mainly due to the payment of €232m regarding the concession rights of the Fridão/Alvito hydro plants in Portugal and investments in wind business activity. The decrease in “change in working capital related to property and equipment suppliers” reflects the €759M paid, in 1H08, for the right to operate the hydro plants currently under PPAs/CMECs after the term of these contracts. This item also considers payments related to fixed assets included in the 2008YE balance sheet.

Financial divestments mainly include the cash proceeds from the sale of telecom company ESC90 in Brazil and the entry of Sonatrach into the capital of Soto 4 (with a 25% stake) in 1H09. Financial investments in 1H09 include the acquisition by EDPR of CENAEEL, which holds wind farms and projects in Brazil and payment of success fees in related to development of wind projects previously acquired by EDP.

On May14th 2009, EDP paid its annual **dividend** amounting to €507m (€0.14/share).

In 1H09, our US wind subsidiary, received from **institutional equity partners** €39m, related to agreements signed in Dec-08.

Overall, **net debt** in 1H09 increased €0.3bn.

Consolidated Balance Sheet



Assets (€ m)	Jun vs. Dec			Year-on-Year	
	Jun-09	Dec-08	Δ abs.	Jun-08	Δ abs.
Property, plant and equipment, net	22,299	21,126	1,174	19,487	2,812
Intangible assets, net	6,014	5,842	171	5,472	542
Financial Investments, net	568	524	44	657	-89
Deferred Tax asset	685	540	145	682	3
Inventories	258	277	-19	315	-56
Accounts receivable - trade, net	1,652	1,759	-106	1,715	-63
Accounts receivable - other, net	4,188	4,845	-657	3,489	699
Financial assets held for Trading	91	83	7	42	49
Cash and cash equivalents	1,871	714	1,158	1,325	546
Total assets	37,627	35,709	1,535	33,184	3,267
Equity (€ m)	Jun vs. Dec			Year-on-Year	
	Jun-09	Dec-08	Δ abs.	Jun-08	Δ abs.
Share capital	3,657	3,657	-	3,657	-
Treasury stock and share premium	377	375	2	398	-21
Reserves and retained earnings	2,099	1,241	858	1,580	519
Consolidated net profit EDP shareholders	479	1,092	-612	703	-224
Minority Interest	2,382	2,182	201	2,155	228
Total equity	8,995	8,547	448	8,493	502
Liabilities (€ m)	Jun vs. Dec			Year-on-Year	
	Jun-09	Dec-08	Δ abs.	Jun-08	Δ abs.
Medium/ Long-term debt & borrowings	12,610	10,874	1,736	11,217	1,393
Short-term debt & borrowings	3,570	3,812	-242	2,178	1,391
Provisions	346	324	22	391	-45
Hydrological correction account	243	238	5	233	10
Deferred Tax liability	703	656	47	650	53
Accounts payable - other, net	11,160	11,258	-99	10,023	1,137
Total liabilities	28,632	27,162	1,469	24,692	3,940
Total equity and liabilities	37,627	35,709	1,917	33,184	4,442
Regulatory Receivables (€m)	Jun vs. Dec			Year-on-Year	
	Jun-09	Dec-08	Δ abs.	Jun-08	Δ abs.
Portugal ⁽¹⁾	(60)	1,145	-1,205	607	-667
Spain ⁽²⁾	373	415	-42	315	58
Brazil ⁽¹⁾	50	56	-6	44	6
Annual Deviation - Mkt vs. CMEC	432	275	157	187	245
Total	795	1,891	-1,096	1,153	-358
Prov. for Social Benefits & I. P. Liability (€m)	Jun vs. Dec			Year-on-Year	
	Jun-09	Dec-08	Δ abs.	Jun-08	Δ abs.
Pensions ⁽³⁾	1,040.1	1,082.9	-42.8	997.3	42.9
Medical Care	758.6	751.0	7.7	785.2	-26.5
Adjusted Institutional Partnership Liability ⁽⁴⁾	825.5	851.8	-26.3	738.9	86.6
Total	2,624.3	2,685.7	-61.4	2,521.3	102.9

Tangible fixed assets rose by €2.8bn YoY and by €1.2bn vs. Dec-08 to €22.3bn following the investments made in the construction of new generation plants, namely wind power and CCGT plants and due to an increase in the extension of our regulated network. The €0.2bn increase vs. Dec-08 of intangible assets is related to the €232m payment for the concession right to build and operate the Fridão/Alvito hydro plants in Portugal and as explained in last results release is related to the deliver of 2008 CO2 emission rights that were consumed to Instituto de Ambiente. This item is fully balanced by a similar decrease on the liabilities side at accounts payable level. Note that in Jun-09 EDP's balance sheet include €4.4bn of works in progress, (15.5% of total consolidated fixed assets of €28bn) related to investments already made in plants, equipment or concession rights which are not yet operating neither being depreciated.

The book value of **financial investments & financial assets** amounted to €659m including of essentially our financial stakes at BCP (3%), REN (3.5%), Ampla (7.7%), Deca (17%), CEM (21%) and Sonaecom (8%).

Accounts receivable other than trade recorded an decrease by €0.7bn vs. Dec-08, following the securitization in Mar-09 of €1.2bn of the Portuguese tariff deficit generated in 2007 and 2008 and the impact of mark-to market on derivative financial instruments. By Jun-09, EDP's balance sheet continued to include €745m of net regulatory receivables, not including regulatory receivables from Brazil, which are recognized in the balance sheet under Brazilian GAAP but not under IFRS.

The €0.2bn vs. Dec-08 increase of **equity attributable to EDP's shareholders** reflects the net profit in the period, the annual dividend payment of €507m made in May-09 plus changes in reserves over the period (related to forex, mark-to-market of financial assets, etc.).

The €0.2bn vs. Dec-08 increase of **equity attributable to minority interests** is mostly related to appreciation of the real against the euro (3.24 in Dec-08 vs. 2.74 in Jun-08).

The €11.2bn of **accounts payable (other, net)** include €1.8bn of unfunded pension fund and medical care liabilities. This amount is gross of taxes, and more than 70% of these liabilities are related to employees from regulated electricity distribution and supply in Portugal, meaning that most of these liabilities should be part of the regulated cost base in the moment of payment.

The €1.1bn YoY increase in **accounts payable (other, net)** reflects: 1) the recognition of a tariff surplus in 1H09 in the Portuguese last resource electricity supply activity, to be repaid to the tariff system in the future (€0.7bn), 2) the seasonal variation in CO2 emission rights, similar to the one referred above at the level of intangible assets and 3) a decline in the accounts of current and equipment suppliers in the 1H09. The 0.1m decline vs. Dec-08 reflects the decrease in accounts of current and equipment suppliers over the 1H09.

Adjusted institutional partnership liability, related to investments made by our financial partners in our wind power plants in USA amounted to €826m by Jun-09. This amount of investment should be gradually reduced over the lifetime of each wind power plant.

⁽¹⁾ Tariff deviations to be recovered in the following years through tariffs

⁽³⁾ Pensions include the Provision for the HR Restructuring Program costs of EDP Distribuição, which is being recovered through the tariffs

⁽²⁾ 1H09 amount is net of CO2 clawback costs

⁽⁴⁾ Adjusted by the non-current deferred revenue.

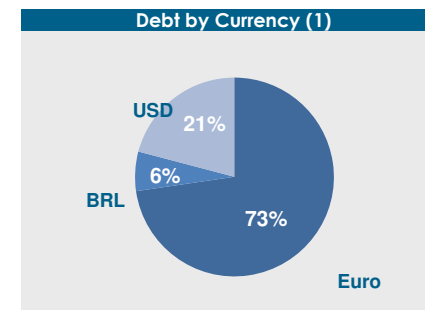
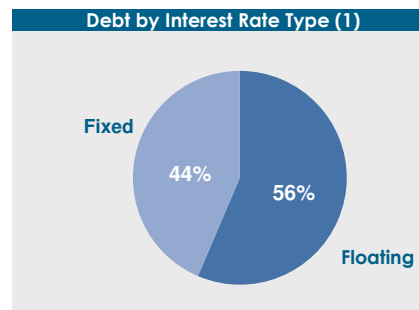
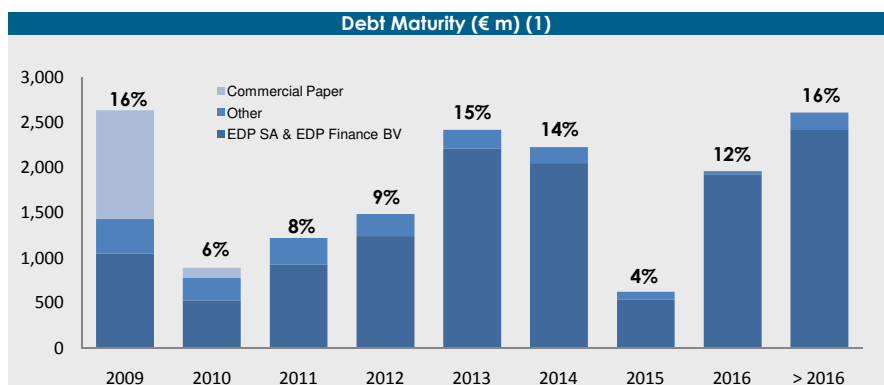
Consolidated Net Financial Debt



Nominal Financial Debt by Company (€m)	1H09	YE2008	EDP %
EDP S.A. and EDP Finance BV	13,651.7	12,417.5	100%
EDP Produção	195.6	190.2	100%
HC Energia	509.5	448.7	97%
EDP Renováveis	545.1	558.1	78%
Portgás	104.7	111.4	72%
Energias do Brasil	1,087.7	935.5	72%
Other	(0.0)	(0.0)	-
Nominal Financial Debt	16,094.2	14,661.5	
Accrued Interest on Debt	148.4	142.2	
Nominal Financial Debt + Accrued Interest	16,242.7	14,803.7	
Fair Value of Hedged Debt	(62.6)	(117.3)	
Total Financial Debt	16,180.1	14,686.3	
Cash and cash equivalents	1,871.3	713.6	162%
EDP S.A., EDP Finance BV and Other	1,365.8	290.1	
HC Energia and Subsidiaries	42.5	23.8	
EDP Renováveis	289.5	229.7	
EDP Gás	0.1	-	
Energias do Brasil	173.4	170.0	
Financial assets held for trading	90.6	83.2	
EDP Consolidated Net Debt	14,218.2	13,889.5	

Debt Ratings	S&P	Moody's	Fitch
EDP SA & EDP Finance BV	A-/Stab/A2	A3/Stab/P2	A-/Stab/F2
Last Rating Action	03/07/2008	09/06/2009	06/02/2009

Debt Ratios	1H09	YE2008
Net Debt / EBITDA	4.4x	4.4x
Net Debt / EBITDA adjusted by Reg. Receivables	4.2x	3.8x



EDP's net debt/EBITDA and net debt/EBITDA adjusted for regulatory receivables in 1H09 was 4.4x and 4.2x, respectively.

In Jun-09, EDP issued a Eurobond in the amount of €1,000 million maturing in Sep-16 with a fixed coupon of 4.75%. The proceeds will be used for general corporate purposes and is in line with the Group's financial policy of extending the average life of its debt portfolio and reinforcing its financial flexibility, by pre-funding future financial needs.

In Mar-09, EDP signed a 3-year revolving credit facility ("RCF") in the amount of €1,600m. This RCF replaced the €1,300m RCF signed in 2004 that was due to mature in July 2009, keeping the same purpose: backup credit facility. The transaction, initially targeted at €1,000m, closed with an amount 1.6x higher. It was self-arranged as a club deal, involving 19 international banks.

In Feb-09, EDP issued a €1bn 5-year bond, to strengthen its liquidity position. A significant amount of this bond was swapped to USD-fixed rate, to hedge net investments of the US subsidiary.

The weight of fixed rate in the Group's consolidated debt increased due to the above mentioned issues of Feb-09 and Jun-09 (67% Floating/33% Fixed in 2008 vs. 56% Floating/44% Fixed in 1H09). Our main reference in floating interest rate is Euribor 3 months.

In Jun-09, Moody's downgraded EDP to "A3" with stable outlook from "A2/Neg". Nevertheless, Moody's notes that 60% of EDP's investment plan for 2009-12 is devoted to the expansion of its renewable business, which should lead to increasing cash flows for the company as the plants come on stream and therefore gradually improve the company's credit metrics in the latter period of the plan.

In Feb-09, Fitch confirmed EDP's long term credit rating of 'A-' with stable outlook. In Jul-08, reflecting the IPO of EDP Renováveis, which generated proceeds of €1.56bn, S&P had also revised the outlook of EDP's rating from negative to stable.

As at Jun-09, committed liquidity facilities amounted to €3,668m, of which €2,577m were available. All in all, EDP has €4,539m of cash and liquidity facilities available. Cash and cash equivalents increased by 162% primarily due to the sale without recourse of the rights to receive the tariff deficit for 2007 and 2008 in Mar-09 (€1.2bn) and the Eurobond issue in Jun-09.

For 2009, the largest debt issue maturity will be the €1bn bond that matures in Oct-09.

⁽¹⁾ Nominal Value



Business Areas

Iberian Electricity and Gas Markets



Electricity Balance (GWh)	Portugal			Spain		
	1H09	1H08	Δ%	1H09	1H08	Δ%
Hydro	4,336	3,699	17%	13,840	11,672	19%
Nuclear	-	-	-	26,006	30,419	-15%
Coal	5,977	4,238	41%	18,208	21,930	-17%
CCGT	5,302	6,613	-20%	34,998	45,530	-23%
Fuel/Gas/Diesel	236	180	31%	951	997	-4.6%
Own consumption	-	-	-	(3,499)	(4,109)	-15%
(-)Pumping	(399)	(377)	5.8%	(1,878)	(1,913)	-1.8%
Conventional Regime	15,452	14,353	7.7%	88,626	104,526	-15%
Wind	3,167	2,739	16%	17,160	15,773	8.8%
Other	3,251	3,128	3.9%	21,317	17,307	23%
Special Regime	6,418	5,867	9.4%	38,477	33,081	16%
Import / (Export) net	2,727	4,987	-45%	(3,324)	(5,417)	-39%
Gross demand (before grid losses)	24,597	25,207	-2.4%	123,779	132,189	-6.4%
Adjusted to temperature and working days			-3.1%			-6.9%

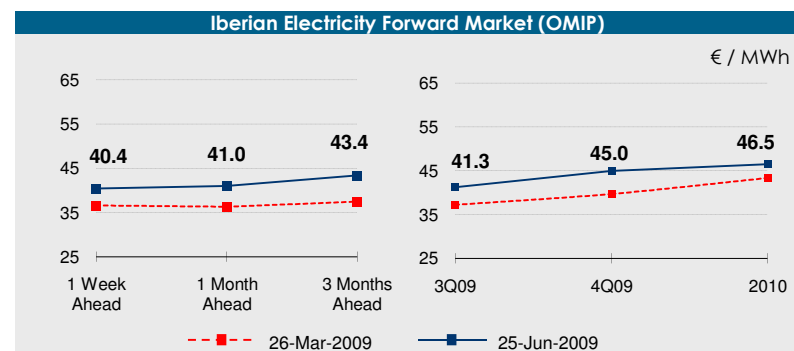
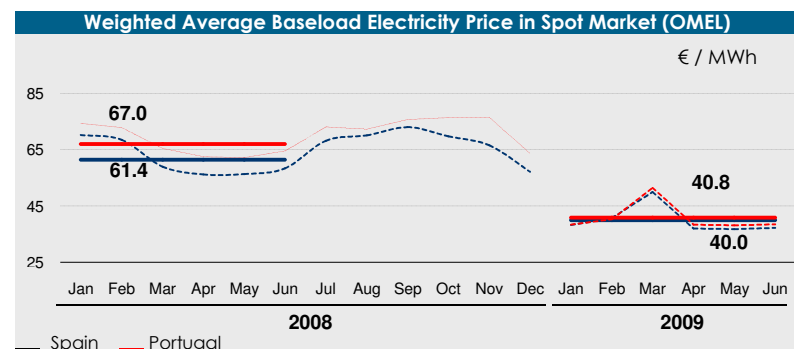
Gas Demand (GWh)	Portugal			Spain		
	1H09	1H08	Δ%	1H09	1H08	Δ%
Conventional Demand	n.a.	14,035	-	125,577	139,686	-10%
Demand for Electricity Generation	10,501	12,988	-19%	72,372	93,263	-22%
Total Demand	n.a.	27,023	-	197,949	232,948	-15%

Electricity demand in the Iberian market retreated 5.7% in 1H09 (-5% in 2Q09), penalised by lower demand from the industrial segment. Despite the faster pace of decline in Portugal's 2Q09 demand (-4.8% vs -1% in 1Q09), it continues to prove more resilient than Spain (-5.1% in 2Q09) and unveils some signs of stabilisation in June (-2% YoY).

In 1H09, residual thermal demand (mainly CCGT, coal) declined by 17% (-14TWh), yet reflecting a more favourable 2Q09 (-8% YoY) supported by a very dry quarter and lower nuclear availability in Spain. Even so, residual thermal demand continues to be hurt by lower electricity demand, higher weight of wind (+10% YoY in 1H09) and other special regime technologies (+23% YoY). The decline was more striking in Spain than in Portugal since the latter benefited from a 45% reduction in net imports in 1H09. Hydro output (12% of total system output) rose 18% in 1H09 reflecting the mixed impact of an almost normal raining 1Q09 (vs a very dry 1Q08) and a dry 2Q09. The increase in wind output (14% of system output) is mainly backed by a 10% increase in installed capacity over the past year. In 2Q09, gas became cheaper than coal reflecting the decline in gas sourcing costs (-22% QoQ in 2Q09 based on CMP reference for Iberian LT contracts). As a result, CCGT output rose 22% QoQ in 2Q09, narrowing the YoY decline to 23% in 1H09. Again, load factors in Portugal (57%) remained healthier than in Spain (36%) in 1H09, thanks to Portugal's lower reserve margin. In turn, coal load factors deteriorated to 37% in 2Q09 (vs 54% in 1Q09) leading to a decline in output of 8% YoY in 1H09 (only partially offset by a weak comparison basis, as 2Q08 had been affected by uncompetitive coal costs). The decline in gas sourcing costs, together with the decline in demand for residual thermal energy in 2Q09 (-2% QoQ) led to a 14% QoQ decline in average electricity spot price in Spain. In Portugal, average pool price was €1.3/MWh higher than in Spain in 2Q09 (vs €0.4/MWh in 1Q09) reflecting the existing interconnection capacity restrictions, on the one hand, and lower availability from nuclear capacity in Spain (1H09) and wet weather in 1Q09 in Portugal, on the other hand.

In the Iberian gas market, decline in demand is being mainly driven by electricity generation (-22%). In turn, conventional demand is also reflecting gas' larger exposure (than electricity) to the industrial demand destruction, with consumption falling 10% in Spain (1H09) and 2.8% in Portugal (1Q09).

Installed Capacity in Electricity Generation (MW)	Iberian Peninsula		
	1H09	1H08	Δ%
Hydro	21,248	21,248	-
Nuclear	7,439	7,439	-
Coal	12,210	12,072	1.1%
CCGT	22,878	22,367	2.3%
Fuel/Gas/Diesel	5,952	6,427	-7.4%
Wind	19,541	17,816	10%
Other Special Regime	15,547	13,201	18%
Total	104,816	100,569	4.2%



Main Drivers of Generation Costs	1H09	1H08	Δ%
Hydro Coefficient (1.0 = average year)			
Portugal	0.69	0.61	13%
Spain	0.74	0.67	10%
CO ₂ Allowances (EUA) €/ton ₂	12.6	24.0	-48%
Coal (API2 CIF ARA) USD/t ₂	68.7	145.1	-53%
Gas (CMP Spain) €/MWh ₂	23.7	24.1	-1.7%
Brent (USD/bbl) ₂	52.4	108.8	-52%
Eur/USD ₂	1.32	1.53	-14%

LT Contracted Generation in the Iberian Market: PPAs/CMECs and Special Regime



Income Statement (€ m)	1H09	1H08	Δ%	Δ Abs.
PPA/CMEC Revenues	624.4	778.7	-20%	-154
Revenues in the market ¹	398.7	621.8	-36%	-223
Annual Deviation ²	199.3	85.9	132%	+113
PPAs/CMECs Accrued Income ³	26.4	71.0	-63%	-45
PPA/CMEC Direct Costs	160.2	274.7	-42%	-114
Coal	128.6	83.9	53%	+45
Fuel Oil	16.1	19.6	-18%	-4
CO2 and Other Costs (Net)	15.6	171.1	-91%	-156
Gross Profit PPAs/CMECs	464.2	504.0	-7.9%	-40
Thermal (Cogener., Waste, Biomass)	23.7	25.9	-8%	-2
Mini-Hydro	19.0	9.3	103%	+10
Gross Profit Special Regime	42.7	35.3	21%	+7
Operating Costs	82.2	88.9	-7.5%	-7
EBITDA	424.7	450.4	-5.7%	-26
Net Depreciation and Provision	131.4	126.9	4%	+5
EBIT	293.3	323.5	-9%	-30
At Fin. results: Hedging Gains (Losses) ¹	-4.6	-55.8	-92%	+51

Employees	1,406	1,475	-4.7%	-69
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PPA/CMECs: key data	1H09	1H08	Δ %	Δ Abs.
Real/Contr.Availability Factor (Km)				
Hydro Plants	1.02	1.02	0.1%	+0.0
Thermal Plants	1.09	1.06	3.0%	+0.0
Installed Capacity (MW)	6,987	6,987	-	-
Hydro ²	4,094	4,094	-	-
Coal	1,180	1,180	-	-
Fueloil	1,713	1,713	-	-

Special Regime: Key data	1H09	1H08	Δ %	Δ Abs.
Output (GWh)	1,068	924	16%	+144
Mini-Hydro Portugal	221	105	110%	+116
Thermal Portugal	391	326	20%	+65
Thermal Spain	455	492	-7%	-37
Average Gross Profit (€/MWh)				
Mini-Hydro Portugal	86	89	-3.3%	-3
Thermal Portugal	24	28	-15%	-4
Thermal Spain	32	34	-7%	-2

Capex (€ m)	1H09	1H08	Δ %	Δ Abs.
PPA/CMEC Generation	28.2	38.6	-27%	-10
Hydro Recurrent	7.3	3.5	108%	+4
Thermal Recurrent	8.8	13.7	-36%	-5
Non recurrent (environmental)	12.2	21.4	-43%	-9
Special Regime	21.4	13.3	61%	+8
Expansion	17.2	11.2	54%	+6
Maintenance	4.2	2.1	96%	+2
Total	49.6	51.9	-4.4%	-2

In 1H09, **gross profit from LT contracted generation** declined 6% YoY (-€32m), dragged by non-recurrent losses of €29m (vs €28m gain in 1H08): (1) €29m loss (vs €24m gain in 1H08) stemming from fuel procurement costs above the international indexes in PPA/CMECs and (2) €3.8m revenue booked in 1H08 in respect of an adjustment related to CAEs in 1H07. Note that as a result of EDP's strategy to hedge through financial instruments the change in fuel prices between the moment of purchase and the moment of consumption, this negative impact is compensated at the level of financial results, either in the previous, current or following quarters.

PPA/CMECs' recurrent gross profit in 1H09 was 4% higher YoY to €493m, mainly reflecting (i) higher than contracted availability and efficiency ratios (€11m), namely in thermal plants; (ii) additional contracted gross profit resulting from the new Sines coal plant's Desox facilities (under PPA/CMEC), which involved a total investment of €196m (remaining 50% commissioned in Jun-08). Having said this, growth was partially mitigated by: (1) lower inflation (-€9m), as contracted gross profit is monthly adjusted for annual average inflation rate (at 0.8% in Jun-09 vs CMECs reference of 2%) and (2) lower availability of some hydro plants penalised by major works in Frades and Cabril (to be finished in late 2009).

The annual deviation ('revisibility') between CMECs assumptions and real market revenues amounted €199m in 1H09. This deviation resulted from below-the-average hydro output and of low pool prices (€41 vs CMEC's reference of €52/MWh), which led in 1H09 to a 36% YoY slump in revenues in the market. These amounts are due to be recovered up to 24 months later, through tariff paid by all consumers.

Special regime's gross profit rose 21% in 1H09. Mini-hydros' gross profit doubled to €19m backed by the acquisition of Pebble Hydro (+€11m, 81MW, consolidated as from Jul-08). Gross profit from thermal plants dropped 8% despite Portugal's 1% YoY rise. In Spain, gross profit declined 14% dragged by lower volumes, namely waste-based (reflecting a slowdown in economic activity) and lower margins.

In 1H09, **EBITDA from LT contracted generation** declined 6% (-€26m) YoY, reflecting negative results from fuel procurement, good cost performance, capacity increases in special regime and recurrent gross profit 5% (+€24m) higher YoY. Recurrent EBITDA grew 6% YoY from €427m to €452m.

Capex in LT contracted generation amounted to €50m in 1H09, 58% of which in non-recurrent investments: (1) €17m in new special regime capacity, namely cogeneration (24MW in Barreiro, due in 2010) and biomass projects (12MW due in 2009, 28MW in Figueira da Foz in place since Jun-09); (2) €12m in the new Denox facilities at Sines, due until 2011, an investment under PPA/CMECs system to be fully depreciated until 2017 and remunerated at 8.5% ROA before inflation and taxes. Maintenance capex rose 5% YoY, reflecting major works in several hydro plants.

Explanatory note on PPA/CMECs:

In June 2007 the long term contracts that EDP had with the Portuguese electricity regulated system (PPAs) were replaced by the CMECs financial system to conciliate: (1) the preservation of the NPV of PPAs, based on real pre-tax ROA of 8.5%, and a stable contracted gross profit over the next 10 years; and (2) the increase in liquidity of the Iberian electricity wholesale market. In terms of EDP's P&L, the total gross profit resulting from CMECs' financial system will keep the same profile over the next 10 years as the former PPA.

PPA/CMECs gross profit has 3 components:

- (1) **Revenues in the market**, resulting from the sale of electricity in the Iberian wholesale market and including both ancillary services and capacity payments.
- (2) **Annual deviation ('revisibility')**, equivalent to the difference between CMECs' main assumptions (outputs, market prices, fuel and CO2 costs) and market real data, which will be paid/received by EDP, through regulated tariffs, up to two years after taking place.
- (3) **PPAs/CMECs Accrued Income**, reflecting the differences in the period, in terms of cash flow profile, between PPAs and CMECs assumed at the beginning of the system.

(1) Includes €75m of realised gains in 1H09 (vs -€24m in 1H08);

(2) Includes Aguieira and Raiva (360MW), subject of a tolling agreement, for a 5-year period starting in Apr-09

Liberalised Activities in the Iberian Market



Income Statement (€ m)	1H09	1H08	Δ%	Δ Abs.
Gross Profit	411.1	298.9	38%	+112
Electricity Generation	306.5	222.0	38%	+85
Portugal	99.8	86.5	15%	+13
Spain	208.5	134.4	55%	+74
Adjustments	-1.7	1.1	-	-2.8
Electricity Supply	44.9	30.9	45%	+14
Gas Supply	59.6	46.0	30%	+14
Operating costs	120.9	108.9	11.0%	+12.0
EBITDA	290.1	189.9	53%	+100
Provisions	4.6	0.8	476%	+3.8
Net Depreciation and amortisation	88.5	60.0	48%	+29
EBIT	197.1	129.2	53%	+68

At Financial results:

Hedging Gains (Losses) in Energy Markets	(11.4)	22.7	-	-34.1
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Performance in Electricity	1H09	1H08	Δ%	1H09	1H08	Δ%
	Output (GWh)			Variable Cost (€/MWh)¹		
Generation Output	9,645	9,905	-2.6%	32.7	38.1	-14%
Electricity Purchases & Other	3,616	2,051	76.3%	40.5	65.5	-38%
Electricity Sources	13,261	11,956	11%	34.8	42.8	-19%
	Volumes Sold (GWh)			Average Price (€/MWh)²		
Grid Losses & Other	198	51	289%	n.a.	n.a.	-
Retail	8,162	6,254	31%	66.9	59.7	12%
Wholesale						
Spot	2,451	1,014	142%	41.5	67.5	-38%
Forward	2,450	4,637	-47%	56.8	67.5	-16%
Total Volume	13,261	11,956	11%	59.3	63.1	-6.0%
Avg. Gross Profit (€/MWh)³				26.9	21.2	27%

Gas Sources and uses (TWh)	1H09	1H08	Δ%	Δ Abs.
Consumed at thermal plants	11.3	12.3	-7.9%	-1.0
Sold to Clients	11.0	12.7	-14%	-1.8

EBITDA from liberalised activities rose 53% (+€100m) driven by a 38% (+€112m) increase in gross profit: (1) +€85m in liberalised generation backed by higher margins stemming from hedging strategy, higher contribution from coal and hydro; (2) +€14m in electricity supply, benefiting from higher volumes and margins and (3) +€14m in gas supply, backed by stronger volumes and margins in the Spanish residential and commercial segments.

Out of volumes produced in liberalized electricity generation, 85% was sold to Iberian retail clients.

Electricity volumes: Our sales to retail clients increased 31% reflecting renewed growth prospects stemming from 2009 tariffs in Portugal and by the end of Spanish regulated final tariffs for industrial clients (excluding G4) in Jun-08. As a result, total volumes sold by EDP in the Iberian retail and wholesale markets rose 11%, with volumes sold at fixed prices (in retail and wholesale forward markets) representing 110% of output volumes. Output from our liberalised generation plants declined 2.6% reflecting lower nuclear output (-12% YoY due to Trillo's 7-week outage in 1Q09) and lower CCGTs output (-17% YoY). As a result of all this, EDP was a net buyer in the pool, profiting from low prices whenever this was below its own marginal generation cost (marked by Spanish CCGTs).

Electricity spreads⁽¹⁾⁽²⁾: In 1H09, realised clean spreads in our liberalised electricity business rose 21% (+€4.3/MWh) to €24.6/MWh, reflecting EDP's successful forward contracting sales and locking-up of spreads in 2008, together with the superior weight of higher-spread coal production in the generation mix. The rise in realised spreads was supported by a decline in average sourcing costs (-8.1/MWh) which more than compensated the drop in realised prices (-€3.8/MWh YoY). Average realised prices retreated 6% YoY reflecting the mixed impact of a 12% increase in average selling price to retail clients and slump of selling prices in the spot and forward market of 38% and 16%, respectively. Average sourcing costs declined 19% driven by: (1) higher weight of coal in the production mix, (2) lower CO2 costs per MWh, (3) lower fuel costs, particularly gas. **For 2009** EDP has already contracted over 100% of expected liberalized output in the Iberian market, at prices around €60/MWh, locking spark and dark spreads at over €15 and €20/MWh respectively. **For 2010**, EDP has already forward contracted over 70% of expected output at prices around €50/MWh and thermal spreads around €10/MWh.

Electricity gross profit⁽³⁾: In 1H09, gross profit per MWh sold grew 27% (€5.7/MWh) YoY, to €27/MWh, driven by higher realised spreads and lower dilution of other net revenues, which includes capacity payments, ancillary services, revenues in the restriction and deviation markets, services rendered and others.

Our gas sourcing activity is currently based on a 4.5bcm/year portfolio of long term contracts. In 1H09, our consumption of gas declined 11% YoY, to 22TWh, driven by lower demand in retail and lower consumption at our CCGT/cogeneration plants, which was only slightly compensated by one new CCGT in operations (Soto 4). Looking forward, we expect gas needs to recover, supported by start-up operations of Lares 1 and 2 in Aug-09 and Sep-09, respectively, and by the activity increase gas supply in Portugal.

Our coal sourcing activity is currently based on spot and forward contracted purchases, for imported coal. Moreover, we have recently extended until 2012 our sourcing contract of Spanish coal, with Hunosa.

(1) Includes fuel cost, CO2 cost net of free allowances, hedging costs (gains)

(2) Includes selling price (net of TPA tariff) and hedging gains (losses); Excludes capacity payments, ancillary services and others

(3) Includes capacity payments, ancillary services, deviations and restriction market, services rendered and others

Liberalised Electricity Generation in the Iberian Market



Income Statement (€ m)	1H09	1H08	Δ%	Δ Abs.
Gross Profit	306.5	222.0	38%	+85
Portugal	99.8	86.5	15%	+13
Spain	208.5	134.4	55%	+74
Supplies and services	33.2	35.6	-6.6%	-2
Personnel costs	21.7	21.0	3.4%	+1
Costs with social benefits	0.9	1.7	-51%	-1
Other operating costs (net)	26.9	17.6	53%	+9
Operating costs	82.7	75.9	9.0%	+7
EBITDA	223.8	146.1	53%	+78
Provisions	6.5	0.3	1943%	+6
Net Depreciation and amortisation	86.7	58.6	48%	+28
EBIT	130.7	87.2	50%	+43
Employees	806	833	-3%	-27
Key Operating data	1H09	1H08	Δ%	Δ Abs.
Generation Output (GWh)	9,645	9,905	-2.6%	-260
CCGT	4,549	5,467	-17%	-918
Coal	3,701	3,168	17%	+534
Hydro	936	750	25%	+186
Nuclear	459	520	-12%	-62
Generation Costs (€/MWh)	32.7	38.1	-14%	-5.4
CCGT	42.5	53.3	-20%	-10.8
Coal	32.5	26.6	22%	+5.9
Hydro	-	-	-	-
Nuclear	3.3	3.2	3.3%	+0.1
Load Factors (%)				
CCGT	44%	63%	-19p.p.	-
Coal	58%	50%	9p.p.	-
Hydro	24%	19%	5p.p.	-
Nuclear	68%	77%	-9p.p.	-
Installed Capacity (MW)				
CCGT	2,405	1,987	21%	+418
Coal	1,460	1,460	-	-
Hydro	910	910	-	-
Nuclear	156	156	-	-
Fueloil	165	165	-	-
Capex (€m)	1H09	1H08	Δ%	Δ Abs.
Expansion	379.6	222.6	71%	+157
CCGT	88.4	144.3	-39%	-56
Hydro	291.2	78.3	272%	+213
Maintenance	17.1	28.8	-41%	-12
Recurrent	21.4	18.8	14%	+3
Non recurrent (environmental)	(4.4)	10.1	-	-14
Total	396.7	251.4	58%	+145

The performance of our merchant electricity generation fleet in 1H09 was marked by lower average generation costs per MWh (-14% YoY), a 2.6% decline in the volumes produced (strongly outperforming Spain's 15% decline in conventional output) reflecting the high competitiveness of our portfolio.

In 1Q09, coal production costs were lower than gas', thanks to lower CO2 costs (-48% YoY) and to the existing time lag between the decline in brent price and the adjustment in the cost of LT gas contracts, namely in our gas contracts in Spain. In 2Q09, gas production became slightly cheaper than coal's supported by a decline in gas costs and an increase in CO2 costs.

CCGTs: Output declined 17% in 1H09 despite the strong recovery shown in 2Q09 (+108% QoQ). In spite of the 18% YoY decline in Portugal's output (c50% of our CCGT installed capacity in Iberia), load factors remained healthier than in Spain (63% vs Spanish average of 36%) thanks to: (1) Portugal's lower reserve margin, (2) interconnection restrictions between Portugal and Spain and (3) our competitive gas sourcing conditions. In our Spanish CCGTs the longer time lag between the evolution of brent price and our gas sourcing costs led to a sharp decline in gas cost in early April, justifying low load factors in 1Q09 followed by a strong recovery in 2Q09. As to **average production costs**, it is noteworthy: (1) In Portugal costs fell 26% YoY (-5% QoQ) mainly supported by lower gas and CO2 costs; (2) in Spain, gas sourcing costs remained high in 1Q09, showing a strong decline in 2Q09 (-35% QoQ) to reflect the decline in brent prices since from its 2008 peak and the greater dilution of gas fixed costs.

Coal: Output rose 17% YoY, reflecting a load factor of 58% (+8pp YoY and well above the Spanish average of 45%). The main drivers were: (1) coal's lower production cost when compared to gas' in 1Q09; (2) outage for maintenance works and Desox investments of Soto 3 plant in the entire 1Q08 (3) worse competitive conditions in 2Q09 as gas became slightly cheaper and (3) efficiency rates of our plants above the Spanish average. Coal **variable cost** increased 22% (though virtually flat QoQ), driven by (i) higher (YoY) average coal cost, penalised by the low cost of coal consumed in 1H08 (purchased in 2007) and the lower contribution from blast furnace gases at Aboño plant, and (ii) larger CO2 emission deficit stemming from higher coal output.

Hydro & Nuclear: Hydro output rose 25% YoY, reflecting the mixed impact of favourable weather conditions in 1Q09 (vs a very dry 1Q08) and a very dry 2Q09. Conversely, nuclear output declined 12% YoY in 1H09 as a result of Trillo's 7-week outage for maintenance works in 1Q09 (ending on April 3).

Operational costs rose 9% (€7m) YoY in 1H09, mainly reflecting higher costs stemming from maintenance works at Trillo plant and new CCGT plant (Soto 4), on the one hand, and almost flat costs from CO2 clawback (€20m vs €18m in 1H08), on the other hand.

Capex in liberalized generation amounted €397m (+€145m YoY) the bulk of which (96%) in expansion projects: (1) €232m payment of Fridão/Alvito's hydro concession rights, in Jan-09, (2) €56m incurred on execution of Picote II, Bemposta II, Alqueva II (all repowerings) and Baixo Sabor (new hydro plant), due in 2011/13, (3) €88m spent on construction works of 3 new CCGT groups. Lares 1 and 2 in Portugal (862MW, €458m total capex), absorbed €25m capex, with 86% of total capex already incurred and start up of operations scheduled for Aug-09 and Sep-09. Investment in Soto5 (424MW, due in 2011) totalled €63m in 1H09.

Liberalised Electricity and Gas Supply in the Iberian Market



Income Statement (€ m)	Electricity Supply				Gas Supply			
	1H09	1H08	Δ%	Δ Abs	1H09	1H08	Δ%	Δ Abs
Gross Profit	44.9	30.9	45%	+14	59.6	46.0	30%	+14
Supplies and services	25.1	24.7	1.4%	+0	9.4	8.6	10%	+1
Personnel costs	5.5	5.7	-3.4%	-0	1.9	1.5	30%	+0
Costs with social benefits	0.2	0.2	-1.9%	-0	0.0	0.0	8.3%	+0
Other operating costs (net)	-9.4	-13.0	-28%	+4	5.4	5.3	2.0%	+0
Operating Costs	21.4	17.6	22%	+4	16.8	15.4	9%	+1
EBITDA	23.5	13.3	77%	+10	42.8	30.5	40%	+12
Provisions	-1.9	0.5	-	-2	0.0	0.0	-	+0
Depreciation and amortization	1.6	1.1	37%	+0	0.3	0.2	23%	+0
EBIT	23.9	11.7	104%	+12	42.5	30.3	40%	+12
Capex	4.0	1.3	201%	+3	0.3	0.0	5259%	+0
Employees	177	169	5%	+8	73	70	4%	+3

EDP offers a strong platform of electricity and gas liberalized supply to its clients in Portugal and Spain, an activity which is developed by HC Energia and Naturgas Comercialization, in Spain, and by EDP Comercial and EDP Gás.Com, in Portugal. Our supply subsidiaries have intra-group electricity and gas procurement contracts with other companies of the group, included in the liberalised activities' perimeter..

Portugal Electricity Supply – The electricity tariffs that ERSE defined for 2009 created room for an effective expansion of free market and a significant increase in competition. As a result, volumes supplied in this market grew 1.9x YoY, representing close to ¼ of total consumption by Jun-09. Additionally, volumes supplied by EDP in the free market increased 1.6x YoY, yet reflecting a decrease in market share to 69% (from 76% in 1H08 and 98% in 1Q09). By segment, residential and SMEs unveiled a good performance, both in terms of volumes per client and number of clients (+35% YoY), and the corporate segment unveiled a clear recovery in volumes and margins. Average selling price in Portuguese electricity retail increased 10% YoY reflecting new clients contracting in late 2008, at prices in line with forward prices at that time.

Spain Electricity Supply – Performance was marked by the end of tariff option for industrial clients (excluding very large clients, G4) in Jul-08, and by the end of tariff option for residential segment (excluding eligible clients for the social bonus), by Jul-09. In 1H09, electricity volumes supplied to our liberalized clients in Spain rose 30% YoY reflecting the mixed impact of: (1) a 97% YoY increase in number of clients (mainly residential segment) and (2) lower average consumption stemming from higher weight of residential segment in the clients base. Market share retreated 2pp YoY to 12%. Average selling prices rose 9% YoY, to €66.8/MWh, reflecting the significant contribution from contracts closed in late 2008, when electricity forward prices were around the prices implicit in these contracts.

Key data	1H09	1H08	Δ%	Δ Abs
Electricity in Portugal				
Volume Sold (GWh)	1,504	572	163%	+931
Market Share	69%	76%	-	-7 p.p.
Avg. Selling Price (€/MWh)	71.6	65.4	10%	+6
Number Clients (th.)	230.4	170.2	35%	+60
Electricity in Spain				
Volume Sold (GWh)	7,252	5,563	30%	+1,689
Market Share	12%	14%	-	-2 p.p.
Avg. Selling Price (€/MWh)	66.8	61.4	9%	+5
Number Clients (th.)	219	111	97%	+108
Gas in Spain & Portugal				
Spain - Volume Sold (GWh)	10,844	11,910	-9%	-1,066
Spain - Market Share	8.6%	8.5%	-	0 p.p.
Portugal - Volume Sold (GWh)	228	-	-	-
Portugal - Market Share	15%	-	-	-
Avg. Gross Margin (€/MWh)	3.1	2.1	49%	+1
Number Clients (th.)	627	496	27%	+131

Spain & Portugal gas Supply – In Spain, the volume of gas supplied declined 9% YoY, leading to a 10bp increase in market share to 8.6%. Per segment, growth of gas supplies to residential & SMEs was steady, supported by the end of tariff option from Jul-08 onwards. In turn, consumption of our industrial clients shrunk, as a result of deteriorating economic environment. In Portugal, EDP initiated operations in the industrial segment in Apr-09, booking 228GWh supplied in 2Q09 and reaching a market share of 15%. Average gross margin in Iberia rose to €3.1/MWh from €2.1/MWh, reflecting slower growth pace in purchase cost (almost in line with the movement of CMP) than in net selling prices (benefiting from more favourable prices at the moment of client contracting). It is expected that in the coming quarters, average gross margin declines as average selling price start reflecting new sourcing conditions.

Operational costs in electricity and gas supply rose 22% and 13%, respectively, driven by increasing activity: +35% and +97% YoY increase of clients base in Portugal and Spain, respectively; +27% YoY increase in gas clients base.

Prospects: By Jun-09 electricity volumes sold and contracted (estimated) for 2009 already exceed total volume sold in 2008 by 40%. Considering the current economic environment, EDP has tightened control over clients' default risk, both on the management of the existing and the establishment of new contracts. Following the acquisition from Gas Natural of a portfolio with 214,000 electricity and gas supply clients, representing 1,100GWh of gas supplied, EDP should reinforce its position in residential segment - the most resilient segment to the current demand destruction. This operation is expected to be completed in 4Q09/1Q10.

EDP Renováveis: installed capacity & capex



Installed Capacity (MW)	Gross	% Held ⁽¹⁾	Capacity Contrib. to EBITDA			
			Jun-09	Jun-08	Δ %	Δ Abs
Spain	2,109	1,639	1,692	1,277	32%	+415
Transitory Regime	1,474	1,086	1,101	1,066	3%	+35
RD 661/2007	635	553	591	211	180%	+380
Portugal	570	550	553	517	7%	+36
Old Remuneration	553	533	553	517	7%	+36
New Remuneration	17	17	-	-	-	-
France	193	193	193	122	59%	+71
Old Remuneration	9	9	9	9	0%	-
New Remuneration	184	184	184	113	63%	+71
Belgium	57	40	57	-	-	+57
PPA	57	40	57	-	-	+57
Europe	2,929	2,422	2,495	1,916	30%	+579
PPA	1,623	1,568	1,549	1,149	35%	+401
Hedged	264	138	138	138	0%	-
Merchant	471	436	436	35	1158%	+401
USA	2,358	2,141	2,123	1,321	61%	+802
Brazil	14	8	14	-	-	+14
Total	5,301	4,571	4,632	3,237	43%	+1,394

Gross MW	Under Constr.	Pipeline			Prosp.	Total
		Tier 1	Tier 2	Tier 3		
Spain	477	373	483	1,814	2,330	5,476
Portugal	133	372	14	9	200	728
Rest of Europe	151	288	605	810	1,679	3,532
- France	18	60	92	356	744	1,269
- Belgium	13	-	-	37	25	74
- Poland	120	-	456	406	354	1,336
- Romania	-	228	57	12	556	853
Europe	760	1,033	1,101	2,633	4,209	9,736
USA	501	650	5,062	7,359	4,714	18,286
Brazil	-	70	381	125	968	1,544
Total	1,261	1,753	6,544	10,117	9,891	29,565

Capex (€m)	1H09	1H08	Δ %	Δ Abs.
Spain	248	301	-18%	-53
Portugal	44	32	39%	+12
Rest of Europe	201	10	-	+191
Europe	493	343	44%	+150
USA	419	417	0%	+2
Other	1	-	-	-
Total	913	760	20%	+152

Works in Progress (€ m)	Mar-09
Under Constr. and Development MW	1,540.1

Installed capacity of EDP Renováveis (EDPR) increased by 1,394MW in the past 12 months representing a 43% YoY increase. As a consequence, EDPR currently manages a portfolio of 4,632 MW of capacity (or 5,301 MW of gross capacity). In 1H09 EDPR total additions amounted to 232MW of which 200MW were installed in USA (101MW in 2Q09). There were also installed 10 MW in Belgium and 8 MW in France. In Brazil 14 new MW were added through acquisition (in Mar-09).

Additionally, regarding gross capacity, EDPR also had 17MW commissioned, relating to its 40% stake in Eólicas de Portugal.

Capacity under construction by Jun-09 was 1.3 GW, of which 760 MW in Europe and 501 MW in the US. In Europe, 63% of this capacity (477 MW) is under construction in Spain, 18% in Portugal (133 MW, of which 91 MW for the attributable capacity in the Eólicas de Portugal consortium) and 20% in the Rest of Europe, where is worth mentioning the 120 MW under construction in Poland. In the US, EDPR initiated the construction during the 2Q09 of: i) Blue Canyon V wind farm (99 MW) in Oklahoma (PPA already signed for 20 years); ii) Top Crop I wind farm (102 MW) in Illinois; and iii) Lost Lakes wind farm (101 MW) in Iowa. EDPR remains on track to deliver 2009 capacity additions' target (1.2-1.3GW).

Capex amounted to €913m, reflecting the end of the construction of 232 MW and 1,261 MW under construction. Capital expenditures related with the construction and development activities amounted to €856m, which reflects the final works with the capacity in operation, the capacity installed in the period and capacity under construction and development. Capex with turbines deposits amounted to €59m, representing 6% of total expenditures. It is important to highlight that total work in progress related to capacity under construction/development amounted to €1,540m by Jun-09, reflecting the capex already incurred with this projects.

Regarding **new equipment contracts**, in Mar-09, EDPR contracted with Vestas the supply and installation of c230 MW of turbines to be installed in Romania. Also note that out of the capex needed to build 1 MW of wind capacity, and given current market conditions, EDPR was until now able to achieve some USD125th/MW of savings in the BoP (Balance of Plant) costs.

In Feb-09, the American Recovery and Reinvestment Act was signed, including a number of energy-related tax and policy provisions to benefit the development of wind energy: i) extension of PTC through 2012, ii) option to elect a 30% ITC in lieu of the PTC; and iii) cash grant provided by the Secretary of Treasury in lieu of the ITC (for further details please see EDPR press release of February 17, 2009). EDPR expects to have c70% of the c700 MW current projects commissioned until 31st of October and receive the equivalent cash grant in 2009. By Jun-09, EDPR pipeline of projects under development reached 29.6GW, a 1.3GW increase vs. Dec-08 mainly backed by the origination of new projects in an early stage and the acquisition of 532MW of development projects in Brazil.

(1) MW not adjusted for the fact that EDPR has an 80% stake in Genesa sub-holding in Spain.

EDP Renováveis



Income Statement (€ m)	EUROPE			USA			EDP Renováveis		
	1H09	1H08	Δ 09/08	1H09	1H08	Δ 09/08	1H09	1H08	Δ 09/08
Gross Profit	198.6	192.3	3%	109.5	64.3	70%	309.3	256.6	21%
Supplies and services	27.9	26.9	4%	32.7	18.9	73%	67.6	45.8	48%
Personnel costs and soc. benefits	6.8	9.6	-29%	11.0	7.8	43%	20.3	17.1	19%
Other operating costs (net) (1)	2.7	4.5	-41%	-52.3	-38.1	-37%	-49.5	-33.0	-50%
Operating Costs	37.3	41.1	-9%	-8.6	-11.5	25%	38.4	29.9	29%
EBITDA	161.2	151.3	7%	118.1	75.8	56%	270.8	226.7	19%
Provisions	-0.2	-	-	-	0.8	-	-0.2	0.8	-
Net depreciation and amortisation	69.4	54.7	27%	72.8	38.6	89%	142.6	93.3	53%
EBIT	92.1	96.6	-5%	45.3	36.4	24%	128.4	132.7	-3%

Employees	345	302	+43	281	246	+35	669	548	+121
Opex / Ava MW (€ 000) (2)	30.1	45.6	-34%	38.1	36.2	5%	38.0	40.0	-5%
Opex / MWh (€) (2)	17.3	21.0	-18%	12.4	11.3	10%	16.2	15.4	5%

EUROPE Gross Profit (€ m)	1H09	1H08	Δ %	USA Adjusted G. Profit (€ m)	1H09	1H08	Δ %
Portugal	55.3	51.6	7%	Electricity Revenues & RECs	110.1	64.4	70.8%
Spain	117.6	127.1	-8%	Direct Costs	-0.5	-0.1	-
Rest of Europe	13.5	8.6	57%	Gross Profit	109.5	64.3	70.3%
Wind	186.3	187.3	0%	PTC Revenues & Other	46.6	30.9	50.7%
Other & Adjustments	12.2	5.1	141%	Adjusted Gross Profit	156.2	95.2	64.0%
Total	198.6	192.3	3%				

Wind power output in 1H09 rose 33% YoY to 5,253 GWh. In Europe, electricity generation increased by 11% YoY on the back of a 30% YoY increase of installed capacity and a decline in load factors from 28% in 1H08 to 25% in 1H09. European load factor decreased from peak values of 28% in 1H08 to 25% in 1H09, affected by lower availability levels and particularly a weaker wind resource. In USA, electricity output went up 53% YoY following a 61% YoY increase of installed capacity while load factors decreased from 38% in 1H08 to 36% in 1H09, due to lower availability factors, lower wind resources and also, but less significant, a different project's geographical mix vs. 1H08. Note that availability reductions in newly operated wind farms are financially covered under the existing manufacturers' warranties (\$8M in 1H09).

Average wind tariffs in Spain fell 8% reflecting the 34% decline in the achieved pool price and the forward sale of 70% of the output in 1H09 at higher prices which had a positive impact of c€12/MWh on average selling price. The 25% YoY increase of the tariffs in the rest of Europe is justified by a low tariff in 1H08 (high weight of capacity in testing period in France which implies a very low tariff).

In USA average selling price fell 2% vs. 1H08 resulting from an 8% increase in the average PPA price (applied on 84% of wind power output in US) and a 69% decrease of merchant average selling price from \$89/MWh in 1H08 to \$27/MWh in 1H09 (applied on 16% of output in the US).

In order to further reduce its exposure to short term energy markets, EDPR is currently in negotiations or marketing stage to close new PPA contracts in USA for 300 MW capacity commissioned, 400 MW under construction and another 100 MW still in project stage. Additionally, in Spain EDPR as already sold forward c1TWh for 2H09. The average price of forward sales closed in Spain for 2009 was €47/MWh.

Gross Profit in 1H09 was up 21%, reaching €309m, on the back of a (1) 43% increase in installed capacity (2) an increase of 33% of electricity output justified by weaker load factors as well as (3) a decrease of 4% in Europe's average price (sharp decrease in pool prices) and also a 2% decrease in US average prices (affected by the decrease in merchant prices).

In terms of other income from institutional partnership, this figure is composed by the benefits from PTCs ("Production Tax Credits") and other related revenues from institutional partnerships. The 51% YoY increase is explained by the higher wind power plants and the tax equity deal closed in Dec-08 related to 2008 projects (\$265m raised).

Operating costs, excluding PTCs and other revenues related to institutional partners (USA), increased 40% YoY (+€24m) to €85m in 1H09, reflecting the increase of installed capacity. Overall, EBITDA increased 19% YoY to €271m in 1H09.

Net depreciation and amortization increased 53% YoY reflecting the 43% increase in installed capacity.

Wind Electricity Output (GWh)	1H09	1H08	Δ %
Portugal	542	509	6%
Spain	1,465	1,324	11%
Rest of Europe	157	124	26%
Europe	2,163	1,957	11%
USA	3,074	2,003	53%
Brazil	15	-	-

Electricity Output (GWh)	5,253	3,960	33%
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Avg. Wind Load Factors (%)	1H09	1H08	Δ
Portugal	25%	29%	(4 pp)
Spain	26%	28%	(2 pp)
Rest of Europe	22%	26%	(4 pp)
Europe	25%	28%	(2 pp)
USA	36%	38%	(2 pp)
Brazil	20%	-	-

Avg. Wind Tariffs	1H09	1H08	Δ %
Europe Avg. Tariffs (€/MWh)	91.4	95.5	-4%
Portugal	99.1	100.2	-1%
Spain	88.8	96.1	-8%
Avg. Achieved Pool Price	39.2	62.8	-38%
Rest of Europe	86.3	69.1	25%
US Avg. portfolio price (USD/MWh)	47.5	48.7	-2%
Avg. PPA/Hedged price	51.4	47.6	8%

(1) Includes generation centre rentals; (2) Annualized; In USA, operational costs exclude PTC revenues and other revenues related to Horizon's Institutional partnerships
Note: Average exchange rate for 1H09 was 1.33 USD/EUR vs. 1.54 USD/EUR in the 1H08. Exchange rate as of Jun-09 was 1.41 USD/EUR vs. 1.57 USD/EUR as of Jun-08.

Electricity Distribution and Last Resource Supply in Portugal



Income Statement (€ m)	Distribution Portugal			
	1H09	1H08	Δ %	Δ Abs.
Gross Profit	677.1	693.3	-2.3%	-16.2
Supplies and services	143.8	131.4	9.5%	+12.4
Personnel costs	87.3	91.3	-4.4%	-4.1
Costs with social benefits	43.2	37.9	14%	+5.2
Concession fees	128.3	113.9	13%	+14.4
Other operating costs (net)	(11.1)	(9.0)	-24%	-2.1
Operating Costs	391.4	365.6	7.1%	+25.9
EBITDA	285.6	327.7	-12.8%	-42.1
Provisions	(2.0)	0.4	-	-2.4
Net depreciation and amortisation	128.5	126.2	1.8%	+2.3
EBIT	159.1	201.1	-21%	-42.0

Gross Profit Performance	1H09	1H08	Δ %	Δ Abs.
Regulated Gross Profit (€m)	660.2	682.3	-3.2%	-22
Current period	660.2	624.6	5.7%	+36
Recoveries from previous periods (1)	-	57.7	164%	-58
Cash-flow Adjust. to Gross Profit (€m)	293.3	-478.9	-	+772
Tariff deviation in the period	140.8	-478.9	-	+620
Recoveries from previous periods (1)	152.5	-	-	+152
Distribution Grid				
Reg. revenues - Current period (€m)	599.4	577.2	3.9%	+22
Electricity delivered to the grid (GWh)	24,425	24,988	-2.3%	-563
Number of clients connected (th)	6,093	6,067	0.4%	+26
Last Resource Supply				
Reg. revenues - Current period (€m)	61.9	48.7	27%	+13
Number of clients supplied (th)	5,861	5,896	-0.6%	-35
Electricity supplied (bef. losses) (GWh)	22,089	24,162	-8.6%	-2,073
Wholesale procurement price (€/MWh)	48.5	74.8	-35%	-26
Acc. Regulatory Receivables (€m)	-60.1	607.2	-	-667

Capex & Opex Performance	1H09	1H08	Δ %	Δ Abs.
Controllable Operating Costs (2)	231.1	222.7	4%	+8
Opex/client (€/client)	37.9	36.7	3%	+1
Opex/km of network (€/Km)	1,044.8	1,059.0	-1%	-14
Employees (#)	4,499	4,777	-6%	-278
Capex (net of subsidies) (€m)	112.0	86.6	29%	+25
Network ('000 Km)	221.2	210.3	5%	+11
Equivalent Interruption Time (min) (4)	55	49	11%	+6

Gross profit from electricity distribution and last resource supply activities decreased 2% YoY. Excluding services rendered (essentially invoicing/billing services), **regulated gross profit** decreased 3% YoY to €660m in 1H09. Note that in 2008, tariff deviations started being recognized as gross profit. As a consequence, for the first time in 2009, gross profit excluding services rendered and other equals regulated revenues for the current period.

In Jan-09, the distribution grid and last resource supply activities started a **new 3-year regulatory period**. The major changes implemented by the regulator were: i) a 55bp increase in the regulated RoA to 8.55% in 2009; ii) the recognition on an annual basis of the costs with all HR restructuring programs; and iii) the exclusion from the RAB of €111m related to meters from May-08 (€18m negative retroactive impact reflected in 2009 regulated revenues but related to 2008). Moreover in the last resource supply activity the regulator started remunerating this activity's working capital at 8.55% for 2009 (vs. no remuneration in 2008).

Electricity inflow into the grid decreased 2% YoY to 24TWh in 1H09 (down 3% when adjusted for temperature and working days). Looking at electricity consumption by voltage segment, the Low Voltage segment (mostly residential clients) increased by c4% YoY, while the Non-Low Voltage (3) (NV) segment (mostly industrial clients) decreased by c8% YoY. Note that this decline in demand from industrial clients is being smaller in Portugal than in other European markets, as heavy industries, such as the steel and automotive sectors, have a relatively low weight in the Portuguese energy demand, and the construction activity was itself already at low levels in 1H08.

Distribution grid regulated revenues for the period totaled €599m. Note that about 55% of distribution grid regulated revenues are fixed, and out of the remaining 45% that are variable, 35% depend on electricity distributed in the LV segment and only about 10% depend on electricity distributed in the NV segment. As a consequence, significant changes in consumption from industrial clients have a low impact on this activity's regulated revenues. In 1H09, the regulated distribution activity showed a tariff deficit of €40m, in line with what was defined by the regulator in the assumptions for 2009 tariffs.

In 1H09, **EDP Serviço Universal (EDP SU)** supplied 21TWh of electricity (after losses) to regulated clients, which came 1.3TWh below the regulator's assumption for 2009 tariffs due to a switching of clients to liberalized suppliers. Also, EDP SU avg. electricity purchase cost was €48/MWh in 1H09 vs. the regulator's assumption of €71/MWh. As a result of lower volumes purchased at lower than expected procurement costs, EDP SU recorded a €181m tariff surplus in 1H09, to be returned to the tariffs over the next years.

All in all, a €141m tariff deviation to be returned to the electricity system's clients was recognized in 1H09 (cash-inflow not reflected in gross profit), which in conjunction with the securitization, in Mar-09, of an accumulated tariff deficit of €1.28bn by Dec-09, among other, enabled a sharp reduction of the amount of accumulated **regulatory receivables**, from a positive €1.15bn in Dec-08 to a negative €60m in Jun-09.

Controllable operating costs increased 4% YoY to €231m: (i) the increase in S&S reflects higher back-office and other costs imposed by new regulation (change from bi-monthly to monthly invoicing, more frequent mandatory readings, among other), and an increase in O&M expenses related with worst weather conditions; (ii) personnel costs decreased 3% YoY, when excluding severance payments, indemnities and personnel costs capitalization, reflecting the decrease of the number of employees.

Capex amounted to €112m in 1H09 and was mostly dedicated to the extension of the network and to improve quality of service. In consequence of less favorable weather conditions, equivalent interruption time increased by 6 min. YoY to 55 min. in 1H09.

(1) Recovery through the tariffs of tariff deviations from previous years

(2) Supplies & services and personnel costs

(3) Non-Low Voltage: Very High Voltage + High Voltage + Medium Voltage

(4) Adjusted for non-recurring impact (rainstorms, high winds and summer fires)

Electricity Distribution in Spain



Income Statement (€ m)	1H09	1H08	Δ 09/08	Δ Abs.
Gross Profit	84.9	81.7	3.9%	+3
Supplies and services	31.0	28.1	10%	+3
Personnel costs	9.8	11.4	-14%	-2
Costs with social benefits	1.4	1.3	9.2%	+0
Other operating costs (net)	(2.1)	(5.5)	63%	+3
Operating Costs	40.2	35.3	14%	+5
EBITDA	44.7	46.4	-3.6%	-2
Provisions	0.0	0.1	-82%	-0
Net depreciation and amortisation	13.4	12.1	10%	+1
EBIT	31.3	34.1	-8.2%	-3
Regulated Revenues	77.4	72.8	6.3%	+5
Transmission	3.9	2.1	90%	+2
Distribution	69.5	66.8	4.1%	+3
Supply	4.0	4.0	1.2%	+0
Regulatory Receivables (Tariff Deficit) ⁽¹⁾	373.0	314.7	19%	+58
Tariff deficit in the period	28.0	75.3	-63%	-47
Tariff deficit previous periods	345.0	239.4	44%	+106

Gross profit from our electricity distribution activity in Spain increased 4% YoY to €85m in the 1H09, reflecting a 6% YoY increase in regulated revenues recognized in the 2009 tariffs, a €2m increase in revenues from network connections and a €4m decrease in other revenues due to the accounting in 2008 of €5m related to the receiving of regulated revenues.

The new **regulation** that was introduced last year in Spain for the electricity distribution activity aims at remunerating the investments made in the distribution grid for its expansion, improvements in service quality and grid losses reductions, being much less dependent on volumes distributed. However, 2009 regulated revenues were set upon a transitory calculation model, while the final model is currently under discussion.

Electricity distributed by HC Distribución posted a 8% YoY decrease to 4.5TWh in the 1H09, reflecting the current economic crisis. In Asturias, capital intensive industries, such as steel, have a significant weight in the energy demand, which reflected into a 10% decrease of electricity consumption from HV and MV segments (mostly industrial), while the LV segment (mostly residential) recorded a 0.4% increase. It is worth mentioning that as a consequence of the undergoing switching of clients to the liberalized market, which is the result of lower market prices when compared to the 2009 regulated tariff, electricity distributed for access clients more than doubled in the period.

Controllable operating costs increased 3% YoY (or €1m) to €41m in 1H09: (i) the increase in S&S reflect higher O&M expenses, following the Klaus cyclone that affected the north of Spain in the beginning of the year, as well as an increase in back-office costs; and (ii) personnel costs decreased €2m, reflecting a decrease in the number of employees.

Distribution in Spain	1H09	1H08	Δ %	Δ Abs.
Electricity Consumers (th)	639	623	2.6%	+16
Regulated Supply	472	548	-14%	-76
Liberalized Market Supply	167	74	124%	+92
Electricity Distributed (GWh)	4,543	4,911	-7.5%	-368
Low Voltage	1,352	1,346	0.4%	+6
Medium Voltage	615	626	-1.8%	-11
High Voltage	2,576	2,939	-12%	-363
Electricity Supplied (GWh)	2,583	3,969	-35%	-1,386
Low Voltage	1,013	1,063	-4.7%	-50
Medium Voltage	11	97	-89%	-86
High Voltage	1,559	2,809	-44%	-1,250
Controllable Operating Costs ⁽²⁾	40.8	39.6	3.1%	+1
Opex/client (€/client)	63.8	63.5	0.5%	+0
Opex/km of network (€/Km)	1,905.5	1,872.5	1.8%	+33
Employees (#)	362	391	-7.4%	-29
Capex (net of subsidies) (€m)	21.1	19.5	8%	+2
Network ('000 Km)	21.4	21.1	1.3%	+0.3
Equiv. Interruption Time (min)	105	35	199%	+70

Capex increased €2m YoY to €21m in the 1H09, mostly due to maintenance capex and the above mentioned Klaus cyclone that damaged the company's distribution grid and implied a 70 min. raise in equivalent interruption time.

In May-09, the Spanish government announced, through RDL 6/2009, the **possibility to securitize the Spanish tariff deficit** that is being supported by the electricity sector companies. Accumulated tariff deficit for the Spanish system in 2006 and 2008 totaled €6.9bn, out of which c€360m are being financed by HC Energia. Note that these amounts are net of the impacts from RDL 3/2006 and RD 11/2007, which established the obligation to return the additional revenues obtained from the internalization of CO₂ costs in markets prices (this obligation was terminated, starting July 1st, 2009, through RDL 6/2009).

In Jan-09, the Spanish government defined a 3.4% average increase in electricity tariffs, which was not enough to cover for electricity system costs, translating into an estimated €1.6bn deficit for the 1H09, out of which €28m were reflected, as of Jun-09, at the level of HC Energia's regulatory receivables. Note that these amounts are net of the impact from RD 11/2007 ("CO₂ clawback").

Additionally, the Spanish government approved (through RD 485/2009) the termination of regulated tariffs, starting Jul-09, along with the introduction of a last resource tariff for LV clients (<10kW). The last resource tariff was calculated applying a 2% increase over the last regulated tariffs in force. At the 2H09 CESUR auction, our last resource supply company purchased 449GWh at an average price of €44/MWh. Also, through RDL 6/2009, a calendar for a gradual elimination of the Spanish tariff deficit has been set such that, starting Jan-13, access tariffs should be enough to cover regulated activities' costs.

⁽¹⁾ 1H09 amount is net of CO₂ clawback costs

⁽²⁾ Supplies & services and personnel costs

Gas - Regulated Activity



Income Statement (€ m)	Portugal			Spain			Total		
	1H09	1H08	Δ 09/08	1H09	1H08	Δ 09/08	1H09	1H08	Δ 09/08
Gross Profit	16.5	26.4	-38%	95.2	83.1	15%	111.7	109.5	2.0%
Supplies and services	5.9	5.1	15.0%	13.0	11.4	14%	18.9	16.5	15%
Personnel costs	2.3	2.9	-20%	9.3	9.2	0.8%	11.6	12.1	-4.0%
Costs with social benefits	0.0	0.0	-	0.2	0.2	6.6%	0.3	0.2	8.2%
Other operating costs(net)	1.1	(0.3)	-	0.8	(3.0)	-	1.9	(3.3)	-
Operating Costs	9.3	7.7	20%	23.3	17.8	31%	32.6	25.5	28%
EBITDA	7.2	18.7	-61%	71.9	65.3	10%	79.1	84.0	-5.8%
Provisions	0.2	2.0	-	-0.2	0.2	-	0.0	2.3	-99%
Net Deprec. and amortisation	5.2	5.9	-11%	16.7	15.3	9%	21.9	21.1	3.7%
EBIT	1.8	10.8	-84%	55.4	49.8	11%	57.2	60.6	-5.7%
Capex (€m)	11.6	6.6	77%	14.4	23.0	-37%	26.0	29.6	-12%
Distribution	11.6	6.6	77%	10.1	10.3	-2.1%	21.7	16.9	29%
Transmission	-	-	-	4.3	12.6	-66%	4.3	12.6	-66%
Employees (#)	91	101	-10%	281	265	6.0%	372.0	366.0	1.6%

Regulated Activity	1H09	1H08	% Δ	Abs. Δ
Number of supply points (th)	906.0	861.1	5.2%	+45
Portugal	207.9	186.1	12%	+22
Final Clients	207.8	186.1	12%	+22
Access Clients	0.1	0.1	48%	+0
Spain	698	675	3.4%	+23
Gas Distributed (GWh)	14,137	14,791	-4.4%	-654
Portugal	3,028	3,016	0.4%	+12
Final Clients	1,364	1,412	-3.4%	-48
Access Clients	1,664	1,604	3.7%	+60
Spain	11,109	11,775	-5.7%	-666
Regulated Revenues (€ m)	95.8	102.0	-6.1%	-6.2
Portugal	16.5	26.4	-38%	-9.9
Spain	79.3	75.7	4.8%	+3.7
Transmission	9.7	8.1	20%	+1.6
Distribution	69.6	64.0	8.6%	+5.5
Regulated Supply	0.01	3.5	-100%	-3.5
Network (Km)	9,199	8,635	6.5%	+564
Portugal - Distribution	3,304	3,046	8.5%	+259
Spain - Distribution	5,557	5,280	5.2%	+277
Spain - Transmission	338	309	9.3%	+29

Our **gas regulated activity** includes EDP Gas' (ex-Portgás) gas distribution concession in the north of Portugal (72% owned by EDP), and Naturgas Energia gas distribution and transmission networks in the Basque Country and Asturias in Spain (64% owned by EDP).

Naturgas Energia recently agreed to acquire from Gas Natural its low pressure natural gas distribution activity in the regions of Cantabria and Murcia, as well as the high pressure natural gas distribution assets in the regions of the Basque Country, Asturias and Cantabria. These assets represented at the end of 2008 c2,860 Km of gas network, c248,000 points of gas supply and c11TWh/year of gas distributed. Together with the associated supply activity, these assets are forecasted to contribute with a €35m EBITDA by 2010 ⁽¹⁾. The operation is expected to be concluded between 4Q09 and 1Q10, subject to Spanish regulatory and competition approvals.

EBITDA from gas regulated activity decreased 6% YoY to €79m: (i) our gas distribution activity in Portugal was penalized by the new concession contract, which extended the concession period but reduced short term regulated revenues; more than offsetting (ii) the growth from our gas regulated activities in Spain.

In Spain, gas regulated activity gross profit increased 15% YoY to €95m in 1H09.

• **Regulated revenues** increased 5% YoY to €79m in 1H09:

(i) Gas distribution regulated revenues grew 9% to €70m, reflecting a 3% increase in the number of supply points to 698,000, and a 5% increase of the extension of our gas distribution network to 5,557Km. The volume of gas distributed in Spain fell 6% YoY (vs. a 10% decrease of conventional gas demand in the Spanish market), following a 17% decrease in gas distributed through high pressure network (mostly industrials) as a result of the current economic crisis, which more than offset the 14% increase of gas distributed through low pressure network (mostly residential);

(ii) Gas transmission regulated revenues rose by 20% YoY, due to both a 9% increase of the extension of the transmission network and higher remuneration per kilometer in recent investments;

(iii) Regulated supply activity ended in Jul-08 and was replaced by the last resource gas supply activity, which is now included in our liberalized activities.

• Gross profit from **other activities** not included in regulated revenues increased €8m YoY to €16m in 1H09, due to new mandatory services to clients such as inspections and meter rentals and upfront connection fees paid by new clients.

In Portugal, a new concession contract was signed with the Portuguese State (this new concession with a 40 years duration, started in Jan-08) that when compared with the situation defined in the previous contract implies lower revenues in the first years and higher revenues in the last years, maintaining the NPV of the concession. This new reality came in place in Jul-08, with the start of the new 3 years regulatory period, which set the regulated return on assets at 9%. As a consequence of this new concession contract, gas regulated revenues fell 38% YoY to €16m in 1H09. Looking at operational data, the extension of our gas distribution network in Portugal increased 8% YoY to 3,304Km, while the number of supply points increased by 12% to 207,900. The volume of gas distributed increased by a mere 0.4% YoY, supported by the new connection of a large industrial client in Sep-08.

Controllable operating costs⁽²⁾ increased 7% YoY in line with the growth of the gas regulated activity. Other operating costs evolution reflects a non-recurrent revenue accounted for in Spain in 1Q08 (+€2m).

Capex decreased 12% YoY to €26m in 1H09 following the anticipation, by the end of 2008, of investments in transmission, namely on the Bergara-Irun pipeline, which should be fully operational by the end of 2010, representing a total capex of €68m.

⁽¹⁾ Excluding one-off integration costs

⁽²⁾ Supplies & services and personnel costs

Energias do Brasil: Financial Performance



Income Statement	Consolidated - R\$ Million			Consolidated - € Million		
	1H09	1H08	Δ 09/08	1H09	1H08	Δ 09/08
Gross Profit	1,044.6	1,195.8	-13%	355.7	457.6	-22%
Supplies and services	157.0	201.4	-22%	53.4	77.1	-31%
Personnel costs	107.3	135.6	-21%	36.5	51.9	-30%
Costs with social benefits	33.2	24.7	34%	11.3	9.5	20%
Other operating costs (net)	54.2	56.2	-4%	18.4	21.5	-14%
Operating Costs	351.6	417.9	-16%	119.7	159.9	-25%
EBITDA	693.0	777.9	-11%	235.9	297.7	-21%
Provisions	4.2	11.9	-	1.4	4.5	-69%
Net Depreciation and amortisation	160.7	293.6	-45%	54.7	112.4	-51%
EBIT	528.1	472.4	12%	179.8	180.8	-0.5%
Capital gains/(losses)	121.0	-	-	41.2	-	-
Financial Results	(117.6)	(78.2)	50%	(40.1)	(29.9)	34%
Results from associates	(0.1)	(0.0)	-	(0.0)	(0.0)	-
Pre-tax profit	531.3	394.2	35%	180.9	150.8	20%
Income taxes	151.2	175.5	-14%	51.5	67.2	-23%
Discontinued Activities	-	-	-	-	-	-
Profit for the period	380.1	218.6	74%	129.4	83.7	55%
Equity holders of Energias do Brasil	327.4	174.3	88%	111.5	66.7	67%
Minority interests	52.7	44.3	19%	17.9	17.0	5.8%
Capex	282.7	338.6	-17%	96.3	130.5	-26%
Employees (#)	2,336	3,033	-697			

On Sep-08, Energias do Brasil concluded an **asset swap** with Grupo Rede, implying the exclusion of Enersul from the consolidation perimeter and change of Lajeado hydro plant consolidation method from proportional to full consolidation following the reinforcement of our stake from 27.65% to 73%.

In 1H09, Energias do Brasil's contribution to consolidated EBITDA was negatively affected by the 11% **depreciation of the Real against the Euro** (€29m impact on EBITDA).

Energias do Brasil's **EBITDA** in local currency, decreased by 11% to R\$693m in 1H09 due to lower EBITDA in distribution following the disposal of Enersul and growth slowdown in volume of electricity sold to clients, which was not fully compensated by growth in generation EBITDA given the increase of installed capacity. Bear in mind the existence of non-recurrent gains in generation activity during 1H08 (R\$77m).

Operating costs and number of employees of Energias do Brasil decreased by 16% and 23% YoY respectively, mostly reflecting the impact of the asset swap. Costs with social benefits increased by 34% YoY due to a reduction of middle-management (-46 employees) in order to increase efficiency. This program implied one-off HR restructuring costs of R\$15m in 1H09.

Net depreciation and amortization decreased by 45% reflecting an accelerated amortization (impairment) at Enersul (R\$130m) in 1H08 due to regulatory changes.

Energias do Brasil	1H09	1H08	Δ 09/08
Share Price at end of period (R\$/share)	27.05	31.90	-15%
Number of Shares Issued (million)	158.8	165.0	-3.8%
Treasury Stock (million)	15.8	6.2	155%
Number of Shares owned by EDP (million)	102.9	102.9	0%
Real/Euro - End of period Rate	2.75	2.51	-8.6%
Real/Euro - Average of period Rate	2.94	2.61	-11%
Inflation Rate (IGP-M - 12 Months)	1.5%	-	-
Interest Rate (SELIC)	10.72	10.86	-13 pp

Key Balance Sheet Figures (€ million)	1H09	1H08	Δ 09/08
Net Financial Debt	939	884	6.3%
Regulatory Receivables	50	44	14%
Minority interests	626	285	120%

Rating	Moody's
Energias do Brasil	Ba1/Sta
Last Rating Action	04/03/2009

Debt Ratios	1H09	1H08
Net Debt / EBITDA	2.0x	1.5x

Net Financial costs increased 50% YOY following the increase in net financial debt and in average cost of debt (+10bp).

Treasury stock increased from 3.5% to 9.9% of share of capital due to:

- 1) Energias do Brasil acquired 6.2m shares in a share buyback program concluded in Apr-08;
- 2) In Oct-08, Energias do Brasil announced the cancellation of shares held in treasury (6.2m shares) and a new share buyback program still running (2.7m shares acquired);
- 3) In Oct-08, the Enersul/Lajeado asset swap implied a minorities buyout due to regulatory rules, which implied the acquisition of 13.1m by Energias do Brasil, at R\$23.82/share.

Minority interests in balance sheet increased by 120% due to the asset swap, which implied the full consolidation of Lajeado's minority interests (27%).

Capital gains in 1H09 are fully related to the sale in Jun-09 of our stake in the telecom company Esc90. Note that at EDP consolidated level, the capital gain related to this deal was only €15m due to the write off of the existing goodwill and concession rights associated to Esc90.

Brazil: Electricity Distribution



Income Statement (R\$ m)	Bandeirante + Escelsa			Enersul			Distribution		
	1H09	1H08	Δ 09/08	1H09	1H08	Δ 09/08	1H09	1H08	Δ 09/08
Gross Profit	636.2	600.2	6.0%	-	223.7	-	636.2	823.9	-23%
Supplies and services	118.9	112.9	5.3%	-	57.9	-	118.9	170.8	-30%
Personnel costs	78.5	82.8	-5.2%	-	32.7	-	78.5	115.5	-32%
Costs with social benefits	25.3	20.3	24%	-	3.1	-	25.3	23.4	7.9%
Other operating costs (net)	40.9	23.7	73%	-	17.9	-	40.9	41.6	-1.6%
Operating Costs	263.6	239.7	10%	-	111.6	-	263.6	351.3	-25%
EBITDA	372.6	360.5	3.4%	-	112.1	-	372.6	472.6	-21%
Provisions	4.3	4.1	5.0%	-	7.3	-	4.3	11.4	-62%
Net Deprec. and amortisation	83.8	82.4	1.8%	-	33.4	-	83.8	115.8	-28%
EBIT	284.5	274.1	3.8%	-	71.4	-	284.5	345.4	-18%
IFRS Gross Profit	636.2	600.2	6.0%	-	223.7	-	636.2	823.9	-23%
Tariff Deviation ⁽¹⁾	50.2	36.7	37%	-	24.0	-	50.2	60.7	-17%
Deviation from previous year ⁽¹⁾	(59.1)	(87.5)	-32%	-	(25.3)	-	(59.1)	(112.8)	-48%
Others	14.6	12.3	19%	-	(13.2)	-	14.6	(0.8)	-
Brazilian GAAP Gross Profit	641.9	561.8	14%	-	209.2	-	641.9	771.0	-17%
Regulatory Receivables (R\$ m)	147.1	174.1	-15%	-	(59.5)	-	147.1	114.5	28%
Capex (R\$ m)	142.0	149.2	-4.9%	-	73.5	-	142.0	222.8	-36%

Gross profit in 1H09 decreased 23% due to the exclusion of Enersul from the consolidation perimeter. Considering only Bandeirante and Escelsa (Band+Esc), gross profit rose by 6% and on a normalized base gross profit increased by 14% YoY, following:

Volume of electricity sold in Band+Esc increased by 1% in 1H09. The 9% volume reduction in the industrial segment due to economy slowdown was offset by the 5% growth of volumes sold to residential and commercial classes reflecting the rise of 2% YoY in the number of clients connected and an increase of consumption per client. Note that use of grid electricity tariff for residential and commercial is much higher than for industrials, meaning that changes in industrial demand have a much more limited impact on gross profit than changes in residential/commercial demand. Regarding electricity distributed to free market clients, volume decreased by 25% YoY due to decrease of consumption of large industrial consumers namely in the mining sector supplied directly in the free wholesale market. Note that the breakdown of revenues from this clients is: a) 2/3 fixed and related with use of grid (capacity in MW) and b) 1/3 is variable and associated to regulatory costs that are received by distribution companies and passed-through to other entities based on electricity consumption (MWh).

Current regulatory period for our distribution companies will last until Sep-11 to Bandeirante and until Jul-10 to Escelsa for which the regulator set a RoRAB of 15% before taxes and a preliminarily accepted cost-base (definitive cost-bases to be determined over 2H09). The companies have annual tariff readjustments to reflect the annual evolution of assumptions such as CPI and energy costs and the 2008 ones in Bandeirante (Oct-08) and Escelsa (Aug-08) had a positive impact on gross profit.

Distribution	1H09	1H08	% Δ	Abs. Δ
Number of Clients (th)	2,611.7	2,560.2	2.0%	+51
Bandeirante	1,444.3	1,439.4	0.3%	+5
Escelsa	1,167.4	1,120.8	4.2%	+47
Electricity Distributed (GWh)	10,072	11,080	-9.1%	-1,009
Bandeirante	6,437	6,727	-4.3%	-291
Escelsa	3,635	4,353	-17%	-718
From which:				
To clients in Free Market (GWh)	3,258	4,332	-25%	-1,073
Electricity Sold (GWh)	6,813	6,749	1.0%	+64
Bandeirante	4,207	4,162	1.1%	+45
Resid., Commer. & Other	2,821	2,674	5.5%	+147
Industrial	1,386	1,488	-6.9%	-103
Escelsa	2,606	2,587	0.8%	+20
Resid., Commer. & Other	2,164	2,065	4.8%	+99
Industrial	443	522	-15%	-79
Technical Elect. Losses				
Bandeirante	5.1%	5.2%	-1.2%	-
Escelsa	9.3%	8.2%	12%	-
Commercial Elect. Losses				
Bandeirante	5.5%	5.6%	-1.9%	-
Escelsa	5.9%	5.8%	2.0%	-
Employees (#)	2,015	2,729	-26%	-714
Bandeirante+Escelsa	2,015	2,002	0.6%	+13

Under IFRS, gross profit rose by 6% vs. a 14% increase in Brazilian Gaap. The difference is justified mainly by past and current tariff deviations. **Deviation from previous years** in Band+Esc decreased 32% YoY from R\$88m in 1H08 to R\$59m in 1H09. **Tariff deviation in the period** was negative by R\$50m following energy procurement costs higher than the ones set in the regulator's assumptions for the calculation of current tariffs, penalised mainly by the acquisition of electricity from Itaipu hydro plant at prices fixed in USD. In Jun-09, our accumulated **regulatory receivables** to be recover in the future amounted to R\$147m.

Operating costs in Band+Esc rose by 10% YoY. This was mainly driven by an increase of costs with social benefits (see previous page) and other operating costs (net) due to raise of provisions for doubtful clients (+R\$15m). Supplies and services increased by 5% due to legal costs related with old processes of Enersul that Energias do Brasil has to support. Personnel costs presented a decrease showing the results of the ongoing efficiency programs.

Capex decreased by 5% YoY as a result of less investment in Bandeirante. **Electricity losses** increased in both companies, due to the higher weight of residential and commercial segments (low voltage), in the total mix of electricity distributed, a segment that have a structurally high percentage of losses.

⁽¹⁾ Regulatory receivables that EDP is recovering in current tariff, related to amounts that the system owed us due to lower than expected gross profit in past periods

⁽²⁾ Regulatory receivables being generated in the current period to be recovered by EDP through tariffs in the next annual tariff adjustment.

Brazil: Electricity Generation and Supply



Income Statement (R\$ m)	Generation		
	1H09	1H08	Δ 09/08
Gross Profit	386.0	330.8	17%
Supplies and services	21.3	15.9	34%
Personnel costs	18.2	11.8	54%
Costs with social benefits	2.5	0.6	-
Other operating costs (net)	6.8	8.3	-19%
Operating Costs	48.8	36.7	33%
EBITDA	337.2	294.1	15%
Provisions	(0.3)	0.5	-
Net Depreciation and amortisation	70.0	40.1	75%
EBIT	267.5	253.6	5.5%

Generation	1H09	1H08	Δ 09/08
Gross Profit (R\$ million)	386.0	330.8	16.7%
Lajeado	164.3	42.1	291%
Peixe Angical	136.6	181.0	-25%
Energest (14 Hydro plants)	85.1	107.8	-21%
Installed Capacity - Hydro (MW)	1,725	1,044	65%
Lajeado	902.0	249.5	261%
Peixe Angical	452.0	452.0	-
Energest (14 Hydro plants)	371.2	342.2	8.5%
Electricity Sold (GWh)	3,737.0	2,966.1	26%
Electricity Generated (GWh)	4,060.1	2,653.9	53%
Lajeado	2,020.7	694.3	191%
Peixe Angical	1,169.8	1,110.7	5.3%
Energest (14 Hydro plants)	869.6	848.9	2.4%
Average Selling Price (R\$/MWh)	117.5	117.1	0.3%
Lajeado	105.1	93.4	13%
Peixe Angical	148.4	133.7	11%
Energest (14 Hydro plants)	103.4	109.9	-5.9%
Capex (R\$ million)	140.3	115.3	22%
Lajeado	1.8	1.9	-3.4%
Peixe Angical	4.8	6.5	-25%
Energest (13 Hydro plants)	2.8	3.7	-25%
New Capacity	130.9	103.3	27%
Employees (#)	243	230	+13

Supply	1H09	1H08	Δ 09/08
Gross Profit (R\$ m)	21.6	41.1	-48%
Operating Costs (R\$ m)	8.7	12.4	-30%
EBITDA (R\$ m)	12.8	28.6	-55%
Electricity Sales (GWh)	3,810	3,579	6.5%
Number of clients (#)	112	64	75%

GENERATION:

Gross profit increased by 17% YoY. Note that as a result of the asset swap operation, from Aug-08 onwards there was a change of consolidation method of Lajeado from proportional to full consolidation (27,65% vs. 73%). This operation had a positive impact of R\$115m on 1H09 gross profit. Excluding change of consolidation of Lajeado and one-off gains in 1H08, gross profit increased by 7%.

Installed capacity increased 65% (+681MW) following the start up of Santa Fé mini hydro (+29 MW) in Jun-09 and full consolidation of Lajeado/investco (+652MW).

Volumes sold vs. generated: In 1H08 the volume of electricity sold was 12% higher than the volume generated in our plants, reflecting an abnormally high volume sold in 1Q08 in order to take advantage of an arbitrage opportunity between stable PPA prices and extremely high prices in the residual electricity spot market. That particular market environment allowed our generation division to achieve in 1H08 a R\$77m non-recurrent gross profit, which was just partially reverted in 2H08. Note that following a 2008 regulatory change, generation companies have now to define in December of each year the electricity volumes that they want to sell in each month of the next year, reducing room for short term volumes arbitrage between PPA and spot market prices. In 1H09, the volume of electricity sold was 8% lower than the volume of electricity generated, as the company defined to concentrate a higher volume of electricity sales in 2H09 than in 1H09.

Average Selling Price: All Energias do Brasil's installed capacity is contracted under PPAs with prices adjusted to inflation and an average maturity of 15 years. As a result, average selling price in Lajeado and Peixe Angical increased by 13% and 11% which offset the decrease in Energest impacted by the above referred higher prices in the spot market during 1Q08. Regarding new contracts, the new PPA contract of Santa Fé (16 average MW), has an updated price of R\$137/MWh, for a 30-year period.

Operating costs rose by 33% YoY due to an increase in personnel costs and supplies and services driven by full consolidation of Lajeado. All of Lajeado's workforce were already considered in the total number of generation employees in 1H08.

Capex rose by 22% YoY, essentially driven by a R\$27m increase in expansion capex (which represents 93% of total capex). The main driver is the construction of Pécem coal plant, which compensated the decrease of capex in Santa Fé hydro plant. We expect capex in generation to reach R\$565m in 2009 and R\$1,100m in 2010.

The construction of Pécem coal plant started in Jul-08 and Energias do Brasil holds a 50% stake in partnership with MPX Mineração e Energia. The conditions contracted in the electricity auction promoted by the Brazilian regulatory authorities include the availability of an installed capacity of 615 MW for a 15-year term starting in January 2012 and a gross margin of R\$417.4m per year (amount at 2007 nominal prices to be updated at inflation) with the full pass through of fuel costs. According to the engineering and procurement signed with suppliers, the new plant will represent a USD1.2bn capex. The project will be financed with 75% of long term debt, that is already contracted. In 1H09, capex amounted to R\$48m.

Regarding new hydro capacity, Santa Fé plant was concluded in Jun-09 with capex in 1H09 amounting to R\$53m. Additionally, ANEEL ratified repowering in the Mascarenhas (17.5 MW), Rio Bonito (5.22 MW) and Suíça (2.3 MW). The last two hydro plants should be operational in 2009 and Mascarenhas hydro plant in 2010. In 1H09, capex related to these repowering investments amounted to R\$25m.

LIBERALIZED ELECTRICITY SUPPLY:

Our trading and supply activity is carried out by Enertrade in the free market essentially through a service of energy sourcing to large industrial clients without incurring in energy market risk. In 1H09, gross profit decreased by 48% YoY due to existence in 1Q08 of some non recurrent gains related to the abnormally high electricity spot price in the period (R\$9m) and a decrease in average selling margin (R\$10m). Operating costs decreased by 30% due to the end in Apr-09 of a supply contract with Ampla, which had associated a provision for potential losses (R\$7m in 1H08 vs. R\$3m in 1H09).



Income Statements

Income Statement by Business Area



1H09	LT Contracted Generation	Iberian Liberalised Activities	Regulated Networks Iberia	Wind Power	Brazil	Other & Adjustments	EDP Group
(€ m)							
Gross Profit	506.9	411.1	873.7	309.3	355.7	(2.8)	2,453.8
Supplies and services	39.4	67.7	193.7	67.6	53.4	(68.5)	353.5
Personnel costs	34.8	29.2	108.7	20.3	36.5	54.3	283.8
Costs with social benefits	10.5	1.0	44.9	0.0	11.3	(1.7)	66.0
Concession rents	2.8	-	128.3	2.4	-	(9.1)	124.3
Other operating costs (net)	(5.4)	23.0	(11.3)	(51.9)	18.4	42.8	15.6
Operating costs	82.2	120.9	464.2	38.4	119.7	17.8	843.3
EBITDA	424.7	290.1	409.4	270.8	235.9	(20.5)	1,610.5
Provisions	0.9	4.6	(2.0)	(0.2)	1.4	14.1	18.8
Net Depreciation and amortisation ⁽¹⁾	130.6	88.5	163.8	142.6	54.7	32.3	612.5
EBIT	293.3	197.1	247.6	128.4	179.8	(66.9)	979.3

1H08	LT Contracted Generation	Iberian Liberalised Activities	Regulated Networks Iberia	Wind Power	Brazil	Other & Adjustments	EDP Group
(€ m)							
Gross Profit	541.7	298.9	884.5	256.6	457.6	5.7	2,445.0
Supplies and services	36.8	68.9	176.0	45.8	77.1	(49.4)	355.2
Personnel costs	39.1	28.2	114.8	16.6	51.9	50.9	301.5
Costs with social benefits	8.8	1.9	39.5	0.5	9.5	(2.3)	57.9
Concession rents	2.0	-	113.9	2.2	-	(0.5)	117.6
Other operating costs (net)	2.3	9.9	(17.8)	(35.2)	21.5	47.7	28.3
Operating costs	88.9	108.9	426.4	29.9	159.9	46.4	860.5
EBITDA	452.8	189.9	458.1	226.7	297.7	(40.7)	1,584.5
Provisions	(0.3)	0.8	2.7	0.8	4.5	8.9	17.5
Net Depreciation and amortisation ⁽¹⁾	127.2	60.0	159.5	93.3	112.4	41.3	593.7
EBIT	325.9	129.2	295.9	132.7	180.8	(91.0)	973.4

⁽¹⁾ Depreciation and amortisation expense net of compensation of depreciation and amortisation

Quarterly Income Statement



Quarterly P&L (€m)	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
Electricity Sales	3,152.7	2,888.8	3,147.3	3,180.8	2,866.6	2,391.4	-	-
Gas Sales	336.0	254.3	288.1	348.5	316.3	199.8	-	-
Other Sales	17.2	10.1	75.0	34.2	12.6	20.4	-	-
Services Provided	25.7	35.6	31.9	68.0	37.9	44.9	-	-
Operating Revenues	3,531.6	3,188.7	3,542.3	3,631.6	3,233.3	2,656.5	-	-
Electricity	1,694.0	1,563.3	1,693.0	1,677.0	1,464.8	1,045.2	-	-
Gas	218.6	167.0	167.2	270.3	218.3	128.0	-	-
Fuel	351.7	255.0	427.0	448.8	272.3	273.4	-	-
Materials and goods for resale	8.9	16.6	18.6	19.9	17.1	16.8	-	-
Direct Activity Costs	2,273.2	2,001.9	2,305.8	2,415.9	1,972.5	1,463.5	-	-
Gross Profit	1,258.3	1,186.7	1,236.5	1,215.7	1,260.8	1,193.0	-	-
Supplies and services	170.6	184.6	174.9	205.7	165.5	187.9	-	-
Personnel costs	148.5	153.0	133.4	138.7	141.3	142.5	-	-
Costs with social benefits	29.1	28.7	76.2	27.1	35.4	30.6	-	-
Concession fees	59.1	58.4	59.3	58.8	61.8	62.5	-	-
Other operating costs (net)	42.3	(14.0)	7.1	0.5	7.6	8.0	-	-
Operating costs	449.6	410.8	450.9	430.9	411.7	431.5	-	-
EBITDA	808.7	775.9	785.6	784.8	849.1	761.4	-	-
Provisions	0.3	17.2	11.0	3.6	4.7	14.1	-	-
Depreciation and amortisation	293.1	355.0	310.6	347.0	338.5	327.8	-	-
Compensation of depreciation and amortisation	(26.6)	(27.8)	(27.3)	(31.9)	(26.2)	(27.7)	-	-
EBIT	541.8	431.6	491.3	466.2	532.1	447.2	-	-
Capital gains/(losses)	27.0	454.6	1.3	(1.1)	12.9	15.0	-	-
Financial Results	(184.3)	(327.1)	(180.6)	(250.7)	(165.5)	(121.7)	-	-
Results from associated companies	9.8	9.2	8.5	7.2	4.6	9.1	-	-
Pre-tax profit	394.2	568.2	320.5	221.7	384.1	349.6	-	-
Income taxes	92.8	91.3	57.4	42.3	88.0	105.5	-	-
Discontinued Activities	-	(8.5)	0.0	-	-	-	-	-
Net Profit for the period	301.4	468.5	263.1	179.4	296.1	244.1	-	-
Net Profit Attributable to EDP	263.3	439.7	237.1	151.7	265.3	214.1	-	-
Minority interests	38.1	28.8	26.0	27.6	30.8	30.0	-	-

Income Statement by Business Area



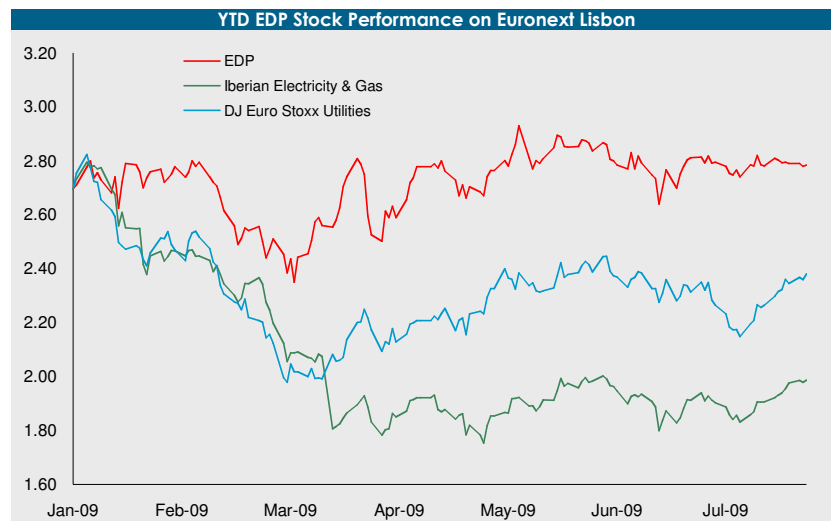
1H09 (€ m)	Generation Iberia	Supply Iberia	EDP Renováveis	Distribution Iberia	Gas Iberia	Energias do Brasil	Other & Adjustments	EDP Group
Operating Revenues	1,578.8	733.6	313.9	2,518.4	623.3	762.0	(640.2)	5,889.8
Direct Activity Costs	765.3	688.7	4.7	1,756.5	451.9	406.4	(637.4)	3,436.0
Gross Profit	813.5	44.9	309.3	762.0	171.3	355.7	(2.8)	2,453.8
Supplies and services	72.6	25.1	67.6	174.8	28.3	53.4	(68.5)	353.5
Personnel costs	56.6	5.5	20.3	97.1	13.5	36.5	54.3	283.8
Costs with social benefits	11.4	0.2	-	44.6	0.3	11.3	(1.7)	66.0
Other operating costs (net)	24.3	(9.4)	(49.5)	115.1	7.3	18.4	33.7	139.9
Operating costs	164.9	21.4	38.4	431.6	49.5	119.7	17.8	843.3
EBITDA	648.6	23.5	270.8	330.4	121.9	235.9	(20.5)	1,610.5
Provisions for risks and contingencies	7.4	(1.9)	(0.2)	(2.0)	0.0	1.4	14.1	18.8
Net Depreciation and amortisation ⁽¹⁾	217.2	1.6	142.6	141.9	22.2	54.7	32.3	612.5
EBIT	424.0	23.9	128.4	190.5	99.6	179.8	(66.9)	979.3

1H08 (€ m)	Generation Iberia	Supply Iberia	EDP Renováveis	Distribution Iberia	Gas Iberia	Energias do Brasil	Other & Adjustments	EDP Group
Operating Revenues	1,889.9	570.3	258.5	3,017.6	731.8	939.1	(687.0)	6,720.2
Direct Activity Costs	1,126.2	539.4	1.8	2,242.6	576.4	481.5	(692.7)	4,275.2
Gross Profit	763.7	30.9	256.6	775.0	155.5	457.6	5.7	2,445.0
Supplies and services	72.4	24.7	45.8	159.6	25.1	77.1	(49.4)	355.2
Personnel costs	60.1	5.7	16.6	102.8	13.6	51.9	50.9	301.5
Costs with social benefits	10.5	0.2	0.5	39.3	0.3	9.5	(2.3)	57.9
Other operating costs (net)	21.8	(13.0)	(33.0)	99.4	2.0	21.5	47.2	145.9
Operating costs	164.8	17.6	29.9	400.9	40.9	159.9	46.4	860.5
EBITDA	598.9	13.3	226.7	374.1	114.5	297.7	(40.7)	1,584.5
Provisions for risks and contingencies	-	0.5	0.8	0.4	2.3	4.5	8.9	17.5
Net Depreciation and amortisation ⁽¹⁾	185.9	1.1	93.3	138.4	21.3	112.4	41.3	593.7
EBIT	413.0	11.7	132.7	235.3	90.9	180.8	(91.0)	973.3

⁽¹⁾ Depreciation and amortisation expense net of compensation of depreciation and amortisation



EDP Share Performance



EDP's Main Events

- Feb-05:** EDP signs a €145 million loan with European Investment Bank
- Feb-06:** Fitch confirms EDP's long term credit rating to 'A-'
- Feb-10:** EDP issues EUR1bn 5 year bond
- Mar-05:** EDP assigns the right to receive the extraordinary tariff adjustments in respect of 2007 and 2008
- Mar-05:** EDP signed credit facility of €1,600 million
- Mar-06:** Resignation of members of the General and Supervisory Board
- Mar-11:** Tolling agreement with Iberdrola on Aguieira and Raiva hydro plants in Portugal
- Mar-08:** EDP acquires 532MW of wind projects in Rio Grande do Sul
- Apr-15:** EDP's Annual General Shareholders Meeting
- Apr-23:** EDP announces dividend payment to May 14th (€0.14 - Gross dividend)
- May-7:** Publication of RDL defining the conditions for the elimination of the Spanish tariff deficit
- Jun-09:** Moody's downgrades EDP to "A3" with stable outlook
- Jun-18:** EDP issues a €1bn 7 year bond
- Jun-30:** Energias do Brasil completes the sale of telecom company ESC90
- Jul-20:** EDP acquires €330m of gas assets in Spain from Gas Natural

EDP Stock Market Performance	YTD	52W	2008
(29-07-2009)			
EDP Share Price (Euronext Lisbon - €)			
Close	2.78	2.78	2.70
Max	2.93	3.53	4.76
Min	2.34	2.06	2.06
Average	2.72	2.76	3.52
EDP's Liquidity in Euronext Lisbon			
Turnover (€ m)	2,411	5,375	9,864
Average Daily Turnover (€ m)	16	21	38
Traded Volume (million shares)	886	1,946	2,801
Avg. Daily Volume (million shares)	5.9	7.4	10.7
EDP Market Value			
Market Capitalisation (€ million)	10,180	-	9,854
Enterprise Value (€ million)	26,780	-	26,455

EDP installed capacity & electricity generation



Installed Capacity - MW ⁽¹⁾	1H09	1H08	Δ MW	Δ 09/08
LT Contracted Generation (PPAs/CMECs)	6,987	6,987	-	0%
Hydro	4,094	4,094	-	
Run off the river	1,860	1,860	-	
Reservoir	2,234	2,234	-	
Coal	1,180	1,180	-	
Sines	1,180	1,180	-	
Fuel oil	1,713	1,713	-	
Setúbal	946	946	-	
Carregado	710	710	-	
Barreiro	56	56	-	
Special Regime (Ex-Wind)	448	348	100	29%
Small-Hydro	160	79	81	
Cogeneration+Waste	257	258	-1	
Biomass	32	11	20	
Liberalised Electricity Generation	5,096	4,678	418	9%
Hydro	910	910	-	
Portugal	484	484	-	
Spain	426	426	-	
Coal	1,460	1,460	-	
Aboño I	342	342	-	
Aboño II	536	536	-	
Soto Ribera II	236	236	-	
Soto Ribera III	346	346	-	
CCGT	2,405	1,987	418	21%
Ribatejo (3 groups)	1,176	1,176	-	
Castejón (2 group)	811	811	-	
Soto IV (1 group)	418	-	418	
Nuclear	156	156	-	
Trillo	156	156	-	
Gasoil	165	165	-	
Tunes	165	165	-	
Wind (More detail on page 16)	4,632	3,237	1,394	43%
Europe	2,495	1,916	579	30%
USA	2,123	1,321	802	61%
Brazil	14	-	14	-
Brazil (Ex-Wind)	1,725	1,044	681	65%
Hydro	1,725	1,044	681	65%
Lajeado	902	250	652	261%
Peixe Angical	452	452	-	0%
Energest	371	342	29	8%
TOTAL	18,888	16,294	2,594	16%

Electricity Generation (GWh)	1H09	1H08	Δ GWh	Δ 09/08
LT Contracted Generation (PPAs/CMECs)	8,799	6,398	2,401	38%
Hydro	3,976	3,396	580	17%
Run off the river	2,729	2,404	325	
Reservoir	1,330	992	338	
Coal	4,588	2,822	1,765	63%
Sines	4,588	2,822	1,765	
Fuel oil	236	180	56	31%
Setúbal	187	139	48	
Carregado	-2	-5	4	
Barreiro	51	47	4	
Special Regime (Ex-Wind)	1,069	924	145	16%
Small-Hydro	222	106	117	
Cogeneration+Waste	807	801	6	
Biomass	40	17	22	
Liberalised Electricity Generation	9,645	9,905	-260	-3%
Hydro	936	750	186	25%
Portugal	361	305	55	
Spain	575	444	131	
Coal	3,701	3,168	534	17%
Aboño I	771	840	-69	
Aboño II	1,808	1,705	103	
Soto Ribera II	511	287	224	
Soto Ribera III	611	335	276	
CCGT	4,549	5,467	-918	-17%
Ribatejo (3 groups)	3,193	3,896	-703	
Castejón (2 group)	827	1,572	-744	
Soto IV (1 group)	529	-	529	
Nuclear	459	520	-62	-12%
Trillo	459	520	-62	
Gasoil	-0	-0	-0	
Tunes	-0	-0	-0	
Wind	5,252	3,960	1,292	33%
Europe	2,163	1,957	206	11%
USA	3,074	2,003	1,071	53%
Brazil	15	-	15	-
Brazil (Ex-Wind)	4,060	2,654	1,406	53%
Hydro	4,060	2,654	1,406	53%
Lajeado	2,021	694	1,326	
Peixe Angical	1,170	1,111	59	
Energest	870	849	21	
TOTAL	28,825	23,841	4,984	21%

⁽¹⁾ Installed capacity that contributed to the revenues in the period.

EDP CO2 Emissions



CO2 Emissions	CO2 Emissions (absolute, MtCO2)		Specific (tones/GWh)		Net Production (GWh)	
	1H09	1H08	1H09	1H08	1H09	1H08
TOTAL PPA's/CMECs	4,147	2,770			5,022	3,230
Coal	3,862	2,524	0.84	0.89	4,588	2,822
Fuel Oil + Natural Gas	285	246	0.66	0.60	434	408
TOTAL LIBERALISED GENERATION	5,870	5,842			8,251	8,635
Coal	4,202	3,921	1.14	1.24	3,701	3,168
CCGT	1,667	1,921	0.37	0.35	4,549	5,467
SPECIAL REGIME	494	500	0.37	0.32	1,352	1,565
TOTAL PRODUCTION THERMAL	10,511	9,112	0.72	0.68	14,625	13,430
CO2 FREE GENERATION					14,445	10,865
TOTAL PRODUCTION			0.36	0.38	29,070	24,295