

1Q13 Financial Results

Conference call and webcast

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Content

Main Highlights Consolidated Financial Performance EBITDA Profit & Loss below EBITDA Capex & Net Investments Cash Flow Statement of Consolidated Financial Position Net Debt --8 -**Business Areas** 1. LT Contracted Generation in the Iberian Market - 11 -3. EDP Renováveis 4. Regulated Networks in Iberia 5. Brazil - EDP Brasil - 21 -Income Statements & Annex Quarterly Income Statement - 26 -Generation Assets: Installed Capacity and Generation - 27 -Sustainability Performance

EDP Share Performance

- 30 -

Main Highlights

Income Statement (€ m)	1Q13	1Q12	Δ%	Δ Abs.
Gross Profit	1,511	1,438	5%	+73
Supplies and services	216	216	0%	+0
Personnel costs, employees benefits	171	170	1%	+1
Other operating costs (net)	52	48	7%	+4
Net Operating costs (1)	439	434	1%	+1
EBITDA	1,072	1,003	7%	+68
Provisions	9	3	215%	+6
Net depreciation and amortisation (2)	353	350	1%	+3
EBIT	709	650	9%	+59
Capital gains/(losses)	0	(0)	_	+0
Financial results	(160)	(167)	4%	+7
Results from associated companies	` 8	` 4	122%	+4
Pre-tax Profit	557	487	14%	+70
Income taxes	149	79	89%	+70
Discontinued activities	-	-	-	-
Net profit for the period	408	408	0%	+0
Net Profit Attributable to EDP Shareholders	335	337	-1%	-3
Non-controlling Interest	74	71	4%	+3

Key Operational Data	1Q13	1Q12	Δ%	Δ Abs.
Employees	12,221	12,133	1%	+89
Installed capacity (MW)	22,428	23,211	-3%	-783

Key Financial Data (€ m)	1013	1012	Δ%	Δ Abs.
Rey Fillancial Data (€ III)	1013	IQIZ	Δ /0	Δ AUS.
FFO (Funds from operations)	744	758	-2%	-14
Capex Maintenance Expansion	245 116 129	325 136 189	-25% -15% -32%	-80 -20 -61
Net investment in the period	(231)	23	-	-254

Key Balance Sheet Data (€ m)	Mar-13	Dec-12	Δ%	Δ Abs.
Rey Balance Sheet Bata (e iii)	IVIGI-13	Dec-12	<u> </u>	<u> </u>
Equity book value	8,564	8,192	5%	+372
Net debt	18,133	18,233	-1%	-100
Regulatory receivables (4)	3,023	2,710	12%	+313
Net debt/EBITDA (x)	4.2x	5.0x	-	-0.8x
Adjusted net debt (3)/EBITDA (x)	3.5x	4.3x	-	-0.8x

EBITDA rose by 7% (+€68m), to €1,072m in 1Q13, propelled by Wind operations (+€64m on capacity expansion and strong wind resources in Iberia during 1Q13), Regulated networks in Iberia (+€15m, driven by a €56m one-off gain from the disposal of gas transmission assets in Spain) and Liberalised activities (+€17m as a result of a strong rise in hydro production on the one hand; the cut of capacity payments in Portugal and generation taxes in Spain, on the other hand). In turn, EBITDA from Brazil declined by €27m, reflecting an unfavourable ForEx impact (-€21m) and a negative impact at our coal plant Pecém I: -€27m mainly due to the delay in the commissioning of group 2. Adjusted for the disposal of gas transmission assets, EBITDA was 1% higher YoY (+€12m), at €1,016m in 1Q13. In 1Q13, 90% of EBITDA derived from LT contracted and regulated activities. Moreover, EDP continues to diversify its portfolio geographically: Portugal accounted for 39% of the group's EBITDA, Spain for 31%, Brazil for 14%, US for 11% and the Rest of Europe (excl. Iberia) for 5%.

Operating costs (excluding other net operating costs) were flat at €387m, on the back of: i) stable costs in Iberia, prompted by tight cost control and delivery on targets from our corporate efficiency program (as 2014 targets have been anticipated to 2013); ii) +11% at EDPR backed by larger scale of operations; iii) -9% in Brazil supported by BRL depreciation vs. Euro and local currency growth below inflation. Other net operating costs in 1Q13 include €56m one-off gain derived from the sale of gas transmission assets and a €33m impact from new taxes in electricity generation, in Spain.

Net depreciation, amortis. and provisions were almost flat, reflecting the mixed impact from new capacity additions (mostly wind and hydro) and shutdown/disposals in Portugal (shutdown of Setubal plant; disposal of Soporgen cogeneration plant). EBIT advanced 9%, to €709m in 1Q13. Financial results totalled -€160m in 1Q13, mainly driven by a 7% rise in average net debt coupled with higher average cost of debt (+10bp to 4.2%). Income taxes were €70m higher YoY, at €149m, resulting in an increase of the effective tax rate from 16% to 27%. Non-controlling interest rose 4% YoY, as the decline of profits at EDP Brasil's level was more than compensated by the increase of net profit at EDPR's level. Net profit was 1% lower in 1Q13, at €335m.

Capex totalled €245m in 1Q13 (-25% YoY), driven by (i) maintenance capex 15% lower YoY; (ii) cash in of a €91m cashgrant related to a US wind farm which started operations in 2012; and (iii) higher capex in new hydro in Portugal. By Mar-13, EDP had 2.3GW of new capacity under construction: new wind capacity in 3 countries, new hydro capacity in Portugal and Brazil; up to Mar-13 EDP spent €1.8bn in these projects.

Net debt declined by €0.1bn year-to-date, to €18.1bn in Mar-13, mainly backed by higher EBITDA and lower capex in the period. Moreover, net debt evolution was prompted by: (i) cash proceeds from assets disposal (-€0.2bn); and (ii) slight working capital improvement; more than offset (iii) the €0.3bn year-to-date increase in regulatory receivables and (iv) adverse ForEx impact on net debt (+€0.2bn). As of Mar-13, total cash position and available credit facilities amounted €4.5bn. This liquidity position, along with €225m received in Apr/May-13 from regulatory receivable securitization deals in both Portugal and Spain, allows EDP to cover its refinancing needs beyond 2014.

As to EDP/CTG strategic partnership, note that the completion of the first transaction of minority stakes in renewables agreed in Dec-12 (€359m regarding EDPR assets in Portugal) is expected to be closed in 2Q13. EDP and CTG maintain a total €2bn target for transactions of minority stakes in renewables (including co-investment) until 2015.

On May 6th, EDP shareholders approved the payment of a dividend amounting to €676m (€0.185/share), flat vs. the previous year, to be paid on the next May 23rd (ex-dividend on May 20th).

EBITDA Breakdown

EBITDA (€ m)	1T13	1T12	Δ%	Δ Abs.	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q: Δ%	l3 YoY Δ Abs.	1Q13 Δ%	B QoQ Δ Abs.
LT Contracted Generation	196	197	-1%	-1	197	205	206	194	196				-19	6 -1	1%	2
Liberalised Activities Iberia	112	95	18%	+17	95	88	98	36	112				189	6 17	211%	76
Regulated Networks Iberia	290	275	5%	+15	275	245	289	248	290				59	6 15	17%	42
Wind & Solar Power	327	263	24%	+64	263	240	171	263	327				249	64	24%	64
Brazil	150	177	-15%	-27	177	121	99	137	150				-15%	6 -27	9%	13
Other	(2)	(4)	39%	+2	(4)	(17)	(7)	8	(2)				399	6 2	-	-10
Consolidated	1,072	1,003	7%	+68	1,003	882	857	886	1,072				6.89	68	21%	186

EDP consolidated EBITDA advanced 7% (+€68m), to €1,072m in 1Q13, propelled by Wind operations (+€64m), Regulated networks in Iberia (+€15m, driven by a €56m one-off gain from the disposal of gas transmission assets in Spain) and Liberalised activities (+€17m). In turn, EBITDA from Brazil declined by €27m and EBITDA from LT Contracted generation in Iberia was flat. ForEx impact on EBITDA totalled -€22m, backed by 12% BRL depreciation vs. Euro and 1% depreciation of USD vs. Euro. Adjusted for the disposal of gas transmission assets, EBITDA was 1% (+€12m) higher YoY, at €1,016m in 1Q13.

LONG TERM CONTRACTED GENERATION IN IBERIA (18% of EBITDA) — EBITDA was 1% lower YoY at €196m in 1Q13, as the positive impact from higher mini-hydro output (+€22m of gross profit backed by much stronger hydro resources YoY) was offset by: (i) the end of Setúbal fuel oil plant PPA in Dec-12 (€25m in 1Q12), and (ii) lower results with CO₂ procurement costs (-€5m YoY). In Jan-13, EDP sold its stake in Soporgen cogeneration plant in Portugal (67MW): EBITDA contribution from this plant in 2012 totaled €12m.

LIBERALISED ACTIVITIES IN IBERIA (10% of EBITDA) – EBITDA advanced 18% YoY, to €112m in 1Q13, in the wake of: (i) a 31% YoY decline in avg. generation costs, prompted by a very rainy 1Q13 vs. dry 1Q12 and by new hydro capacity; and (ii) 15% decline in avg. costs with electricity purchases in the wholesale market arising from adequate energy management and distinct weather conditions in 1Q13 vs 1Q12; (iii) deterioration of thermal plants profitability, on very low utilisation levels and higher production costs; and (iv) no capacity payment in Portugal (vs. €11m in 1Q12) and (v) new generation taxes in Spain as from 1-Jan-13 (€19m in 1Q13).

REGULATED NETWORKS IN IBERIA (27% of EBITDA) – EBITDA rose by 5% (+€15m), to €290m in 1Q13, driven by: (i) +€50m net impact from the sale of gas transmission assets in Feb-13 (€56m one-off gain in 1Q13; €6m EBITDA contribution in 1Q12);

(ii) €4m one-off gain booked at gas distribution in Portugal, in 1Q12; and (iii) -€20m of regulated revenues in electricity distribution in Portugal, mainly due to the lower estimated regulated rate of return on assets (8.5% in 1Q13 vs. 10.3% in 1Q12), derived from the decline of Portuguese Republic 5-year CDS.

WIND & SOLAR POWER (31% of EBITDA) – EDPR's EBITDA rose 24% YoY (+€64m) to €327m in 1Q13, mainly fuelled by Iberian operations (+€46m, on the back of the extremely windy 1Q13 in Iberia) and by a €14m one-off gain stemming from the restructuring of a PPA in US. EBITDA also includes generation taxes in Spain (-€11m). Installed capacity rose by 7% YoY (+300MW in Europe; +215MW in US) to 7.7GW by Mar-13. Avg. load factor advanced from 34% in 1Q12 to 36% in 1Q13 and avg. selling prices were 10% higher YoY, at €66.3/MWh, reflecting the higher weight of European operations in the mix (50% in 1Q13 vs. 40% in 1Q12). For Ex impact was negligible (-€1m).

BRAZIL (14% of EBITDA) - EDPB's contribution to EDP EBITDA declined 15% (-€27m) YoY, to €150m in 1Q13, penalised by unfavourable ForEx impact (-€21m in the wake of a 12% depreciation of BRL vs. EUR). In local currency, EBITDA decreased by 4%. In distribution, EBITDA declined by 11% (-R\$19m), dragged by: (i) negative tariff deviations (1Q13: -R\$42m vs. 1Q12: -R\$48m); and (ii) R\$16m non-recurring gain booked in 1Q12. EBITDA in generation was 8% lower YoY (-R\$17m), penalized by a -R\$72m negative contribution from Pecém I coal plant in 1Q13.

Profit & Loss Items below EBITDA (€ m)	1Q13	1Q12	Δ%	Δ Abs.	4Q12	1Q13	QoQ
FIGHT & LOSS ITEMS DEIGW EDITOR (E III)	1013	IQIZ	Δ //	Δ AUS.	4Q12	Δ%	Δ Abs.
EBITDA	1,072	1,003	7%	+68	886	21%	+186
Provisions	9	3	215%	+6	13	-25%	-3
Depreciation and amortisation	360	357	1%	+3	414	-13%	-54
Compensation of deprec. and amortisat.	(7)	(7)	5%	+0	(6)	-15%	-1
ЕВІТ	709	650	9%	+59	465	53%	+244
Net financial interest	(195)	(172)	-13%	-22	(197)	1%	+3
Capitalized financial costs	35	` 33	7%	+2	37	-6%	-2
Net foreign exch. differ. and derivates	12	(15)	-	+27	(9)	-	+21
Investment income	0	· ź	-100%	-2	ĺĺ	-100%	-1
Unwinding w/ pension & medical care resp.	(18)	(23)	21%	+5	(9)	-108%	-9
Other Financials	6	9	-34%	-3	(12)	-	+18
Financial results	(160)	(167)	4%	+7	(190)	16%	+30
Results from associated companies	8	4	122%	+4	6	27%	+2
Capital Gains/(Losses)	0	(0)	-	+0	(0)	-	+0
Pre-tax profit	557	487	14%	+70	281	98%	+276
Income taxes	149	79	89%	+70	9	1485%	+140
Effective Tax rate (%)	27%	16%	11 pp		3%	-3 pp	
EDP Renováveis	34	18	88%	+16	11	208%	+23
Energias do Brasil	38	50	-25%	-13	43	-13%	-6
Other	2	3	-16%	-0	(0)	-	+2
Non-controlling interests	74	71	4%	+3	54	36%	+20
Net profit attributable to shareholders of EDP	335	337	-1%	-3	218	54%	+117

Net depreciation and amortisation (net of compensation from depreciation and amortisation of subsidised assets) went up by 1% in 1Q13 since the commissioning of new capacity addition at EDP Renováveis level and a new hydro in Portugal were partially compensated by the decommissioning of Setubal's plant and the selling of Soporgen's cogeneration plant (combined impact of €7m) and lower working hours at our coal plants in Spain (€5m). On a quarterly basis, net depreciation and amortization decreased €55m since the 4Q12 was impacted by €53m of impairments at EDP Renováveis' level.

In 1Q13 net financial costs decreased 4% or €7m YoY to €160m. Net financial interest costs rose 13% YoY, to €195m in 1Q13, reflecting an increase by 7% in avg. net debt and also a rise of the avg. cost of debt from 4.1% in 1Q12 to 4.2% in 1Q13. Capitalised financial costs increased 7% reflecting higher level of works in progress in new hydro in Portugal and new generation in Brazil and lower in EDP Renováveis. Net forex and differences and derivatives in 1Q13 totaled €12m and include a €6m trading gains in electricity markets.

Results from associated companies increased €4m YoY to €8m in 1Q13 essentially due to higher contribution from our equity stake in ENEOP Portugal (€4m in 1Q13).

Income tax amounted to €149m in 1Q13, representing an effective tax rate of 26.7%, which compares to lower income taxes and effective tax rates in 1Q12 and 4Q12 which were impacted by one-off effects.

Non-controlling interest increased 4% YoY to €74m in 1Q13, as the decline of profits at EDP Brasil's level was more than compensated by the increase of net profit at EDP Renováveis' level and also the impact from the non-controlling interests in wind farms sold to Borealis in 4Q12.

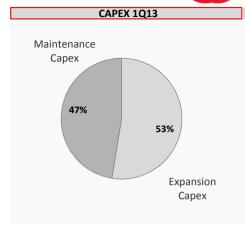
All in all, net profit attributable to EDP shareholders declined 1% YoY to €335m in 1Q13.

Capital Expenditure & Net Investments



Capex (€ m)	1Q13	1Q12	Δ%	Δ Abs.
LT contracted gen. Iberia	11	8	36%	+3
Liberalised activities Iberia	139	86	62%	+53
Regulated networks Iberia	71	82	-12%	-10
Wind & solar power	(53)	55	-	-108
Brazil	70	89	-21%	-19
Other	7	6	21%	+1
EDP Group	245	325	-25%	-80
Expansion Capex	129	189	-32%	-61
Maintenance Capex	116	136	-15%	-20

1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	
					2013	JQIJ	1 Q13	
8	10	11	15	11	-	-	-	
86	122	156	161	139	-	-	-	
82	103	80	139	71	-	-	-	
55	54	154	343	(53)	-	-	-	
89	70	95	135	70	-	-	-	
6	6	12	20	7	-	-	-	
325	365	507	813	245	-	-	-	
189	213	350	567	129	-	-	-	
136	152	158	246	116	-	-	-	



Generation Projects Under Construction (€ m)	MW	Capex 1Q13	Acc. Capex (1)
Hydro Portugal	1,468	123	917
Wind Power (2)	86	8	333
Coal Brazil	180	17	358
Hydro Brazil	592	32	194
Total	2,326	180	1,802

Net investments/(Divestments) (€m)	1Q13	1Q12	Δ%	Δ Abs.
Investments	25	23	9%	+2
Consolidation Perimeter EDPR Jari hydro plant (Brazil) Other	22 - 3	2 19 1	- - 134%	+19 -19 +2
Divestments	256	0	-	+256
Consolidation Perimeter EDPR Gas assets (Spain) Other	0 245 11	0	-4% - -	-0 +245 +11
Total	(231)	23	-	-254

Consolidated capex totalled €245m in 1Q13, down 25% YoY. Note that in Jan-13, EDP Renováveis ('EDPR') cashed-in a €91m cash-grant related to Marble River wind farm in US (concluded in 4Q12), which explains for EDPR's 1Q13 negative capex figure. Excluding this impact, consolidated capex increased 3% YoY to €336m in 1Q13, on the back of a 16% increase in expansion capex, driven by higher capex in liberalised activities (new hydro in Portugal). Maintenance capex was 15% lower YoY, at €116m in 1Q13, reflecting lower investment needs at our Iberian regulated networks and regulatory/legal changes that implied higher investment subsidies at our Brazilian distribution.

Capex in new hydro capacity in Portugal totalled €134m in 1Q13, the bulk of which devoted to the on-going construction/repowering works of 5 hydro plants: €123m in 1,468MW of capacity due in 2014/16 – 2 repowerings (963MW) and 3 new plants (505MW).

Capex in new wind and solar capacity, at EDPR level, totalled -€53m, or €38m excluding the €91m cash-grant received in Jan-13, and was allocated to 1Q13 capacity additions (+76MW of wind in Poland) and to the 86MW of capacity under construction: 54MW in Poland, 28MW in Romania and 4MW in Portugal.

In Brazil, capex totalled €70m in 1Q13, of which: i) €17m were invested in Pecém I, a 360MW coal plant which group 1 was commissioned in Dec-12, while group 2 (€358m already invested) started the syncronisation with the electric system in Fed-13; and ii) €32m were invested in new hydro capacity, the bulk of which related to Jari (373MW due in 2015).

Net divestments amounted to €231m in 1Q13. Divestments include: i) €245m from the sale of EDP's transmission gas assets in Spain, which translated into a €56m gain in 1Q13; and ii) €10m from the sale of EDP's 82% stake in Soporgen cogeneration facility in Portugal, which translated into a €2m gain in 1Q13.

Overall, EDP has so far spent €1.8bn in 2.3GW of new generation capacity under construction. Looking forward, EDP plans a total capex of c€2.0bn in 2013.

Cash Flow

Consolidated Cash Flow (€m) - Indirect Method	1Q13	1012	Δ%	Δ Abs.
consolidated easii Flow (citi) maneet Method	1415	1411	270	271001
EBITDA	1,072	1,003	7%	+68
Income tax	(115)	(54)	-112%	-61
Net financial interest	(195)	(172)	-13%	-22
Net Income and dividends received from Associates	` <u>8</u>	` Ś	52%	+3
Other adjustments	(26)	(24)	-7%	-2
FFO (Funds From Operations)	744	758	-2%	-14
Net financial interest	195	172	13%	+22
Net Income and dividends received from Associates	(8)	(5)	-52%	-3
Change in operating working capital	(102)	(142)	28%	+40
Regulatory Receivables	(292)	(228)	-28%	-63
Other	189	86	120%	+103
Net Cash from Operating Activities	829	782	6%	+46
Expansion capex	(129)	(189)	32%	+61
Maintenance capex	(116)	(136)	15%	+20
Change in working capital from equipment suppliers	(357)	(390)	8%	+33
Net Operating Cash Flow	227	68	235%	+159
NA P		(22)		
Net (investments)/divestments	231	(23)	-	+254
Net financial interest paid	(246)	(225)	-10%	-22
Dividends received	0	0	-	+0
Dividends paid	(3)	(4)	4%	+0
Proceeds/(payments) from institut, partnersh. in US wind	(11)	(3)	-273%	-8 205
Effect of exchange rate fluctuations	(182)	113	270/	-295
Other non-operating changes	86	118	-27%	-32
Decrease/(Increase) in Net Debt	100	44	127%	+56

Consolidated Cash Flow (€m) - Direct Method	1Q13	1Q12	Δ%	Δ Abs.
Operating Activities				
Cash receipts from customers	3,803	3,955	-4%	-152
Proceeds from tariff adjustments securitization	174	168	4%	+7
Cash paid to suppliers and personnel	(3,165)	(3,381)	6%	+216
Concession rents & other	40	42	-5%	-2
Net Cash from Operations	853	784	9%	+69
Income tax received/(paid)	(24)	(2)	-	-22
Net Cash from Operating Activities	829	782	6%	+46
Net Cash from Investing Activities	(447)	(713)	37%	+266
Net Cash from Financing Activities	(633)	109	-	-742
Changes in Cash and Cash Equivalents	(251)	179	-	-431
Effect of exchange rate fluctuations	16	(2)	-	+18

Funds from operations (FFO) decreased 2% YoY to €744m in 1Q13, reflecting: i) a €61m increase in income taxes, essentially driven by higher results; and ii) a €22m increase in net financial interests, due to an higher average net debt (+€1.1bn) and a 10bp increase in the average cost of debt (4.2% in 1Q13); which more than compensated a 7% increase in EBITDA.

Net cash from operating activities went up 6% YoY to €829m in 1Q13. Note that in 1Q13, this item was negatively impacted by a €292m net increase in regulatory receivables: i) +€392m from regulated activities in Portugal; and ii) -€100m from Spain, including €174m of regulatory receivables cashed-in in 1Q13 from securitization deals. Looking at other changes in working capital, this item was positively impacted mostly by a QoQ fall in coal inventories.

Expansion capex fell 32% YoY, or €61m, to €129m in 1Q13, thanks to a €91m cash-grant received in US by EDP Renováveis ('EDPR'). Note that **change in working capital from equipment suppliers** is mostly related to the renewable projects construction and development activity at EDPR level.

Net divestments amounted to €231m in 1Q13, mostly reflecting the sale of EDP's transmission gas assets in Spain for €245m.

The €182m negative impact on net debt from effects of exchange rate fluctuations essentially reflects the impact of the 5% appreciation of the BRL vs. the EUR, as well as the 3% appreciation of the USD vs. the EUR, between Dec-12 and Mar-13.

Overall, **net debt** decreased 0.1bn vs. Dec-12 to €18.1bn as of Mar-13.

Looking forward, in Apr/May-13, EDP cashed-in €225m from regulatory receivables securitization deals (€150m from Portugal and €75 from Spain. Moreover, at the Annual General Shareholders meeting held on May 6th, 2013, EDP shareholders approved the payment of a dividend amounting to €676m (€0.185/share), flat vs. the previous year, to be paid on May 23rd, 2013. Finally, in 2Q13, EDP expects to cash-in €359m from the sale to CTG of a 49% minority equity stake, and 25% of the shareholders loans, in EDPR Portugal. Within the scope of the existing strategic partnership, CTG agreed to invest a total of €2.0bn until 2015 in the acquisition of minority equity stakes (including co-investment) in renewable capacity. Additionally, .

Statement of Consolidated Financial Position



Assets (€ m)		lar. vs. Dec		
	Mar-13	Dec-12	Δ Abs.	
Property, plant and equipment, net	21,157	20,905	251	
Intangible assets, net	6,579	6,542	37	
Goodwill	3,322	3,318	3	
Financial investments and assets held for sale, net	367	587	-220	
Tax assets, deferred and current	675	776	-101	
Inventories	299	378	-101	
Trade receivables, net	2.560	2.377	183	
Other assets, net	5,988	5,620	368	
Collateral deposits	463	428	34	
Cash and cash equivalents	1,460	1,695	-236	
Casil allu Casil equivalents	1,400	1,055	230	
Total Assets	42,869	42,628	241	
Equity (€ m)	Mar-13	Dec-12	Δ Abs.	
Equity (€ m)	Midi-12	Dec-12	Δ AUS.	
Equity attributable to equity holders of EDP	8,564	8,192	372	
Non-controling Interest	3,368	3,239	128	
Non-controlling interest	3,300	3,233	120	
Total Equity	11,932	11,432	500	
	,	ĺ		
Liabilities (€ m)	Mar-13	Dec-12	Δ Abs.	
Financial debt, of wich:	20,134	20,523	-389	
Medium and long-term	16,339	16,716	-376	
Short term	3,795	3,808	-13	
Employee benefits (detail below)	1,927	1,933	-7	
Institutional partnerships, US wind	1,699	1,680	19	
Provisions Tay liabilities defended and account	386	383	3	
Tax liabilities, deferred and current	1,428	1,320	109	
Other liabilities, net	5,363	5,357	6	
Total Liabilities	30,937	31,196	-259	
Total Equity and Liabilities	42,869	42,628	241	
Employee Benefits (€m)	Mar-13	Dec-12	Λ Abs.	
Employed Belleties (em)				
Pensions (3)	912	939	-27	
Medical care and other	1,015	994	21	
Employee Benefits	1,927	1,933	-7	
Institutional Partnerships Liabilities (€m)	Mar-13	Dec-12	Δ Abs.	
Institutional Partnerships IIC Wind	1,699	1,680	19	
Institutional Partnerships, US Wind (-) Deferred Income	749	738	11	
Institutional Partnerships Liabilities	950	942	8	
institutional Partileiships Liabilities	930	342		
Regulatory Receivables (€m)	Mar-13	Dec-12	Δ Abs.	
Portugal Distribution and Gas (1)	1,976	1,543	432	
Portugal Annual CMEC Deviation	613	654	-40	
Spain (2)	324	424	-100	
Brazil (4) Regulatory Receivables	3,023	2, 710	21 313	

Total amount of **property, plant & equipment and intangible assets** increased by €0.3bn vs. Dec-12 to €27.7bn as of Mar-13, mainly reflecting: i) +€0.3bn of capex in the period; ii) -€0.4bn from depreciations in the same period; iii) a net +€0.3bn impact mainly resulting from the appreciation of the Brazilian Real (+5%) and of the US Dollar (+3%) as well as from the depreciation of the Polish Zloty (-3%) against the Euro. As of Mar-13, EDP's balance sheet included €3.5bn of works in progress (13% of total consolidated tangible and intangible assets) largely related to investments already incurred in regulated networks, power plants, wind farms, development equipment or concession rights which are not yet operating.

The book value of **financial investments & assets held for sale** amounted to €367m as of Mar-13, including essentially our financial stakes in ENEOP (40%), CEM (21%), REN (3.5%) and BCP (2.0%). Note as of Dec-12, this amount included €0.2bn regarding our gas transmission assets in Spain (sold in Feb-13).

Tax assets and liabilities, deferred and current, went down €0.2bn vs. Dec-12, due to both lower fiscal receivables and higher payables related to value added and income taxes.

The observed evolution in **trade receivables (net)** was driven by higher receivables at our Brazilian subsidiary, EDP Brasil, and by higher receivables at our Spanish subsidiary mostly from wholesale counterparties.

Other assets (net) increased €0.4bn vs. Dec-12 to €6.0bn as of Mar-13, reflecting higher gross regulatory receivables in Portugal (+€0.4bn).

Total amount of EDP's **net regulatory receivables** went up by €0.3bn to €3.0bn as of Mar-13, reflecting: i) a €392m increase from Portugal; ii) a €100m decrease from Spain; and iii) a €21m increase in regulatory receivables from Brazil, mostly due to the higher energy purchase costs.

Equity book value increased €0.4bn YoY to €8.6bn as of Mar-13, reflecting the €335m net profit of the period and €38m positive impact on reserves from foreign exchange differences.

Pension fund, medical care and other employee benefit liabilities (gross, before deferred taxes), stood flat at €1.9bn – note that 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.

Institutional partnership liabilities, related to our wind operations in US, increased to €950m as of Mar-13 (vs. €942m in Dec-12) due to the US Dollar appreciation between Dec-12 and Mar-13 (in US Dollar the Institutional Partnership Liability decreased \$27m). Note that the referred amount of institutional partnership liabilities was adjusted by deferred revenues related to tax credits already benefited by the institutional investors and yet due to be recognised in the P&L.

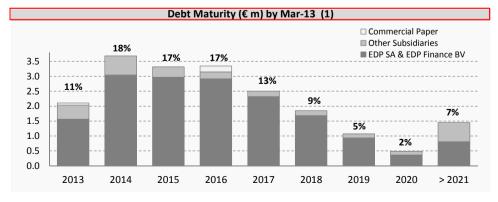
Consolidated Net Financial Debt

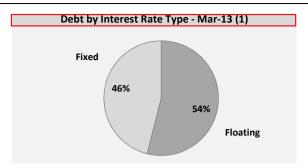
Nominal Financial Debt by Company (€m)	Mar-13	Dec-12	Δ%	Δ Abs.
EDP S.A. and EDP Finance BV	16,865	17,419	-3%	-553
EDP Produção + HC Energia + Portgás	232	238	-2%	-6
EDP Renováveis	941	912	3%	28
EDP Brasil	1,763	1,508	17%	255
Nominal Financial Debt	19,801	20,076	-1%	-276
Accrued Interest on Debt	262	332	-21%	-69
Fair Value of Hedged Debt	71	115	-39%	-45
Derivatives associated with Debt (2)	(78)	(166)	53%	88
Collateral deposits associated with Debt	(463)	(428)	-8%	-34
Total Financial Debt	19,593	19,929	-2%	-336
Cash and cash equivalents	1.460	1,695	-14%	-236
EDP S.A., EDP Finance BV and Other	790	1,238	-36%	-447
EDP Renováveis	301	246	23%	55
EDP Brasil	368	212	74%	156
Financial assets at fair value through P&L	1	0	32%	0
EDP Consolidated Net Debt	18,133	18,233	-1%	-100

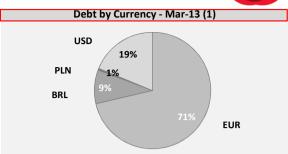
Maximum Amount	Number of Counterparts	Available Amount	Maturity
2.000	21	1.900	Nov-15
183	8	183	Renewable
300	2	300	Renewable
2,483		2,383	
	2,000 183 300	2,000 21 183 8 300 2	Amount Counterparts Amount 2,000 21 1,900 183 8 183 300 2 300

Debt Ratings	S&P	Moody's	Fitch
EDP SA & EDP Finance BV Last Rating Action	BB+/Stable/B	Ba1/Neg/NP	BBB-/Neg/F3
	22-03-2013	16-02-2012	02-08-2012

Debt Ratios	Mar-13	Dec-12
Net Debt / EBITDA	4.2x	5.0x
Net Debt / EBITDA adjust. by Reg. Receivables	3.5x	4.3x







EDP's financial debt is essentially issued at holding level (EDP S.A. and EDP Finance B.V.) through both debt capital markets (public & private) and loan markets. Our investments and operations are funded in local currency to mitigate ForEx risk. EDP Brasil ('EDPB') is ring fenced, self-funded in local currency and mostly non-recourse to EDP S.A.. Other external funding is essentially of project finance, mainly raised by some of EDP Renováveis' ('EDPR') subsidiaries. Our US Dollar debt is fully dedicated to the funding of EDPR wind investments in US, issued at EDP S.A. and EDP Finance B.V. level and then on-lent internally. EDP's funding strategy aims at maintaining access to diversified sources and assuring funding needs 12-24 months in advance. EDP targets a steady improvement of its free cash flow position and credit ratios over the next years. In Mar-13, S&P affirmed EDP's 'BB+' long-term corporate credit rating, revising its outlook from negative to stable to reflect an expected gradual improvement of EDP's credit metrics in the next 12-18 months.

In Jan-13, EDP signed a 5 year term loan facility of €1.6bn with a group of 16 banks, bearing an interest rate of Euribor 3M + 400bps. A first €955m tranche of this new facility was mostly used to early repay a €925m Revolving Credit Facility ('RCF') maturing in Apr-13, and the remaining €645m will be used to refinance a €1.1bn RCF to be repaid at maturity in Nov-13. In Mar-13, EDP repaid a €150m bond that was paying a 150bps margin over Euribor 6M.

In Dec-12, within the scope of EDP's strategic partnership with CTG, EDPR agreed the sale of a minority stake in EDPR Portugal for €359m (expected to be cashed-in in 2Q13). EDP's partnership with CTG includes: i) a €2.0bn funding commitment from China Development Bank, out of which €1.0bn already drawn in Aug-12 (@ Euribor 6M + 480bps; 5 year maturity); and ii) CTG's €2bn investment (including co-capex) in minority equity stakes in renewables in 2012-2015.

By Mar-13, average debt maturity was 4.0 years. The weight of fixed rate in EDP's consolidated debt increased from 44% as of Dec-12 to 46% as of Mar-13. By Mar-13, total cash and available liquidity facilities amounted to €4.5bn, including the remaining €645m from the above mentioned RCF signed in Jan-13. This liquidity position along with €225m received in Apr/Mai-13 from regulatory receivable securitization deals in both Portugal and Spain, allows EDP to cover its refinancing needs beyond 2014. When considering the remaining €3.0bn to come from the execution of the CTG partnership (€359m already agreed), the liquidity position allows EDP to cover its refinancing needs until end-2015.



Business Areas

Electricity Balance		Portugal			Spain		Iber	ian Peninsu	ıla
(TWh)	1Q13	1Q12	Δ%	1Q13	1Q12	Δ%	1Q13	1Q12	Δ%
Hydro	4.6	1.2	297%	10.3	4.1	151%	14.9	5.3	184%
Nuclear	-		-	14.9	16.5	-10%	14.9	16.5	-10%
Coal	2.3	3.3	-29%	7.0	15.9	-56%	9.3	19.2	-51%
CCGT	0.4	2.1	-80%	6.2	11.5	-46%	6.7	13.6	-51%
Fuel/gas/diesel	0.0	0.0	-95%	-	-	_	0.0	0.0	-95%
Own consumption	-	-	-	(1.4)	(2.1)	-33%	(1.4)	(2.1)	-33%
(-)Pumping	(0.4)	(0.3)	46%	(2.3)	(1.3)	75%	(2.7)	(1.6)	70%
Conventional Regime	7.0	6.2	12%	34.7	44.6	-22%	41.7	50.8	-18%
Wind	3.8	2.4	60%	17.6	12.5	41%	21.3	14.8	44%
Other	2.9	2.2	31%	14.0	13.2	6%	16.9	15.4	10%
Special Regime	6.6	4.5	46%	31.6	25.7	23%	38.2	30.2	26%
Import/(export) net	(0.8)	2.4	_	(1.7)	(2.8)	-39%	(2.5)	(0.5)	417%
Gross demand (before grid losses)	12.8	13.1	-2.3%	64.6	67.5	-4.3%	77.4	80.6	-4.0%
Adjust, temperature, working days			-0.3%			-3.5%			n.a

Gas Demand		Portugal		Spain			Iberian Peninsula		
(TWh)	1Q13	1Q12	Δ%	1Q13	1Q12	Δ%	1Q13	1Q12	Δ%
Conventional demand	11.3	10.0	13%	85.1	85.9	-1%	96.3	95.9	0%
Demand for electricity generation	0.9	4.4	-78%	14.1	24.8	-43%	15.0	29.2	-49%
Total Demand	12.2	14.4	-15%	99.1	110.7	-10%	111.4	125.1	-11%

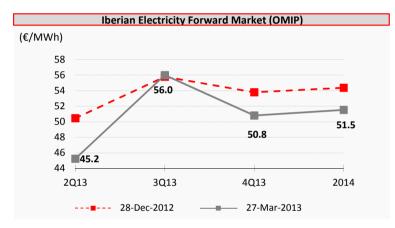
Electricity demand in Iberia fell 4.0% YoY in 1Q13. In Spain (83% of Iberia), demand declined 4.3% in 1Q13 (-3.5% adjusted for temperature and working days), driven by lower industrial production. In Portugal (17% of total), demand declined 2.3% (0.3% adjusted for temperature and working days), backed especially by the residential segment.

Installed capacity in Iberia went up by 1% (+1.3GW) in 1Q13, following a 1.8GW increase in Spain (mainly backed by solar, cogeneration and wind) and a 0.5GW decrease in Portugal (as the shutdown of fueloil and cogeneration capacity more than compensated hydro and wind capacity additions). Following a 3.2TWh YoY decrease in gross consumption in 1Q13 as well as strong hydro and wind resources, the residual thermal demand went down by 16.8TWh with both coal and CCGT production declining c50% YoY. Wind and hydro generation net of pumping rose 6.5 and 8.5TWh respectively, reflecting not only capacity additions but mostly the windy and rainy weather conditions in Iberia in 1Q13 vs especially unfavourable conditions for wind and hydro generation in 1Q12: hydro coefficient in Iberia above 1.23 in 1Q13 vs 0.19 in 1Q12 and wind coefficient in Portugal 1.36 in 1Q13 vs 0.86 in 1Q12. Nuclear output decreased 10% due to the initial decommissioning works at Garoña plant and also outages in some plants. Portugal and the Iberian Peninsula as a whole improved its electricity net export positions by 3.1 and 2TWh respectively, reflecting the rainy weather and also higher electricity prices in France.

Average electricity spot price in Spain was 20% lower YoY in 1Q13, at €40.3/MWh, being €2.2/MWh higher than in Portugal due the latter's cheaper generation mix on the back of wet weather. Spot price in Spain fell 7% QoQ in 1Q13, reflecting higher wind and hydro resources and also lower coal and CO₂ prices. CO₂ prices fell 40% YoY in 1Q13, averaging €4.6/ton. Average electricity final price in Spain stood at €15/MWh above pool price as a result of the contribution from restrictions market, ancillary services and capacity payments.

In the Iberian gas market, consumption declined 11% YoY in 1Q13, as the weaker consumption from CCGTs, due to lower utilisation rates, more than offset the 0.5% increase in conventional demand supported by Portugal.

Installed Capacity in Electricity	Iberian Peninsula			
(GW)	1Q13	1Q12	Δ%	
Hydro	22.1	21.7	2%	
Nuclear	7.5	7.5	-	
Coal	12.1	12.5	-4%	
CCGT	28.8	28.7	0%	
Fuel/gas/diesel	1.0	2.2	-56%	
Conventional Regime	71.4	72.5	-2%	
Wind	27.0	25.9	5%	
Other special regime	20.1	18.8	7%	
Special Regime	47.1	44.6	6%	
Tatal			40/	
Total	118.5	117.1	1%	



Main Drivers	1Q13	1Q12	Δ%
Hydro coeficient (1.0 = avg. year)			
Portugal	1.25	0.19	558%
Spain	1.23	0.19	547%
Wind coeficient (1.0 = avg. year)			
Portugal	1.36	0.86	58%
Electricity spot price, €/MWh (1)			
Portugal	38.2	52.0	-27%
Spain	40.3	50.6	-20%
Electricity final price, €/MWh (1) (2)			
Spain	55.2	62.9	-12%
CO2 allowances (ELIA) f/ton (1)			400/
CO2 allowances (EUA), €/ton (1)	4.6	7.7	-40%
Coal (API2 CIF ARA), USD/t (1)	86.4	100.8	-14%
Gas NBP, €/MWh(1)	29.7	24.1	23%
Brent, USD/bbl (1)	112.6	118.5	-5%
ELID/LICD (A)			
EUR/USD (1)	1.32	1.31	1%

LT Contracted Generation in Iberian Market: PPA/CMEC & Special Regime



Income Statement (€ m)	1Q13	1Q12	Δ%	Δ Abs.
PPA/CMEC Revenues	252	311	-19%	-59
Revenues in the market (i)	248	200	24%	+48
Annual deviation (ii)	71	178	-60%	-107
PPAs/CMECs accrued income (iii)	(67)	(67)	0%	-0
PPA/CMEC Direct Costs	63	92	-31%	-29
Coal	47	77	-39%	-30
Fuel oil	1	1	-33%	-0
CO2 and other costs (net)	15	14	9%	+1
Gross Profit PPA/CMEC	189	219	-14%	-30
Thermal (cogen., waste, biomass)	1.0	10	100/	2
Mini-hydro	16 26	18 4	-10% 617%	-2 +22
Gross Profit Special Regime	42	22	93%	+22
dross i rone special negime	42		93/6	720
Net Operating costs (1)	36	44	-19%	-8
EBITDA	196	197	-1%	-1
Net depreciation and provision	43	48	-11%	-5
EBIT	153	149	2%	+4
At Fin. Results: Hedging Gains (Losses) (2)	3	(3)	_	+6
Employees (#)	1,257	1,325	-5%	-68

PPA/CMEC: Key Data	1Q13	1Q12	Δ%	Δ Abs.
Real/Contracted Availability				
Hydro plants	1.05	1.05	0%	+0.0
Thermal plants	1.05	1.09	-3%	-0.0
Installed Capacity (MW)	5,274	6,221	-15%	-946
Hydro (3)	4,094	4,094	_	-
Coal	1,180	1,180	-	-
Fuel oil	-	946	-	-946
	4040	4040	A 0/	A A1.

Special Regime: Key Data	1Q13	1Q12	Δ%	Δ Abs.
Outroot (CM/h)	(22	FC1	110/	
Output (GWh)	623	561	11%	+62
Mini-hydro Portugal	268	41	549%	+226
Thermal Portugal	182	301	-40%	-120
Thermal Spain	174	219	-20%	-45
Average Gross Profit (€/MWh)				
Mini-hydro Portugal	97	87	11%	+10
Thermal Portugal	30	33	-9%	-3
Thermal Spain	64	39	64%	+25

Capex (€ m)	1Q13	1Q12	Δ%	Δ Abs.
		_		_
PPA/CMEC Generation	10	7	55%	+4
Hydro recurrent	4	5	-5%	-0
Thermal recurrent	5	1	249%	+4
Non recurrent (environmental)	0	0	52%	+0
Special Regime	1	1	-52%	-1
Expansion	-	0	-	-0
Maintenance	1	1	-52%	-1
Total	11	8	36%	+3

EBITDA from LT contracted generation fell 1% YoY in 1Q13 to €196m, since the higher mini-hydro output justified by rainy weather in 1Q13 vs a very dry 1Q12 was more than offset by the end of Setúbal fuel oil plant PPA in Dec-12 (EBITDA: €25m in 1Q12) and lower results with CO₂ procurement costs (-€5m YoY).

Gross profit from PPA/CMEC fell €30m in 1Q13 to €189m, reflecting mostly the end of Setúbal PPA in Dec-12 (€28m in 1Q12) and also losses with CO₂ procurement due to decline of CO2 market price (-€4m in 1Q13 vs +€1m in 1Q12). The annual deviation between market gross profit under CMECs assumptions and gross profit under actual market conditions ('revisibility') amounted to €71m in 1Q13, reflecting essentially the low spot prices in 1Q13. This amount is due to be received in up to 24 months through TPA tariffs, paid by all Portuguese electricity consumers. Deviation at hydro plants amounted to €51m in 1Q13 driven by (i) production 7% below CMEC's reference, as a significant part of water resources were still in the reservoirs by Mar-13 (reservoir levels increased to 88%) and (ii) avg. realised price 22% below CMEC's reference. Deviation at thermal plants accounted for €20m due to the combined effect of volumes 16% below CMEC's reference and an avg. clean dark spread 5% shorter than the CMEC's reference.

In May-12, the Portuguese Government announced a set of measures for the energy sector, including an agreement with EDP as to set out an adjustment to the interest rate applicable to the tariff repercussion of the yearly fixed amount of the costs for maintenance of the contractual balance (CMEC), which on average, for the period 2013 to 2027, is of €13m/year, corresponding to a present value of €120m. This impact is being booked at the level of financial results.

Gross profit from special regime rose €20m YoY, to €42m in 1Q13, benefiting from the 6.5x increase in mini-hydro output which more than compensated the reduction in thermal following the sale of Soporgen's 67MW cogeneration plant in Jan-13 (€5m gross profit in 1Q12; €12m EBITDA in 2012). In Feb-13 the Spanish Government published a Ministerial Order which updated the thermal special regime tariffs for 2H12. This update (+€2m) was registered in 1Q13 which justifies the strong YoY increase in average gross profit per MWh.

Net operating costs⁽¹⁾ decreased 19% (-€8m) YoY, to €36m in 1Q13, prompted by a one-off cost in 1Q12 (€5m) and also a €2m gain in 1Q13 with the sale of Soporgen, which more than compensated the impact from generation taxes in Spain (€3m in 1Q13). Net depreciation charges and provisions fell by €5m to €43m, reflecting the decommissioning of Setubal and the sale of Soporgen.

Capex in LT contracted generation consisted 100% in maintenance works, amounting to €11m in 1Q13.

Explanatory note on PPA/CMEC:

In June 2007 the long term contracts that EDP had with the Portuguese electricity regulated system (PPA) were replaced by the CMEC (Cost of Maintenance of Contractual Equilibrium) financial system to conciliate: (1) the preservation of the NPV of PPA, based on real pre-tax ROA of 8.5%, and a stable contracted gross profit over the next 10 years; and (2) the need to increase liquidity in 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/CMEC gross profit has 3 components:

(i) Revenues in the market, resulting from the sale of electricity in the Iberian wholesale market and including both ancillary services and capacity payments.

(ii) Annual deviation ('revisibility'), equivalent to the difference between CMEC's initial assumptions made in 2007 (outputs, market prices, fuel and CO₂ costs) and real market data. This annual deviation will be paid/received by EDP, through regulated tariffs, up to two years after occurring.

(iii) PPA/CMEC Accrued Income, reflecting the differences in the period, in terms of cash flow profile, between PPA and CMEC assumed at the beginning of the system in July 2007.

⁽¹⁾ Net Operating Costs = Operating Costs (Supplies and services + Personnel costs + Costs with social benefits) + Other operating costs (net);

⁽²⁾ Includes a €9m realised gain in 1Q13 (vs. a €3m loss in 1Q12);

Liberalised Activities in the Iberian Market

Income Statement (€ m)			1Q13	1Q12	Δ%	Δ Abs.
Gross Profit			246	194	27%	+52
Electricity generation			177	110	61%	+67
Portugal			52	25	103%	+26
Spain Adjustments			124 1	85 (0)	46%	+39 +2
Aujustinents			_	(0)		12
Electricity supply			66	75	-12%	-9
Gas supply Adjustments			7 (4)	16 (7)	-56% -39%	-9 +3
Aujustinents			(4)	(7)	-33/0	73
Net Operating costs (1)			134	99	35%	+35
EBITDA Provisions			112	95 (2)	18%	+17
Net depreciation and amortisation	1		0 59	(3) 65	-10%	+3 -6
EBIT			53	33	61%	+20
Electricity Performance	1Q13	1Q12	Δ%	1Q13	1Q12	Δ%
	Oı	itput (GWh)		Variable	Cost (€/M\	Wh) (2)
Generation Output (4)	3,387	3,466	-2%	29.6	42.9	-31%
Electricity Purchases	8,089	8,335	-3%	48.1	56.8	-15%
Electricity Sources	11,477	11,801	-3%	42.7	52.7	-19%
Liectricity Sources	•					
	Volun	nes Sold (G\	Wh)	Average	Price (€/M\	Wh) (3)
Grid Losses	576	305	89%	n.a.	n.a.	-
Retail - Final clients	7,791	7,781	0%	62.4	62.0	1%
Wholesale market	3,110	3,715	-16%	70.6	67.4	5%
Electricity Uses	11,477	11,801	-3%	61.5	62.1	-1%
Electricity Gross Profit (€ m)			1Q13	1Q12	Δ%	Δ Abs.
Before hedging (€/MWh)			18.8	9.4	100%	+9
From Hedging (€/MWh) (5)			(2.6)	(0.6)	-349%	-2
rioni ricuging (e/ivivii) (5)					0.40/	+7
Unit margin (€/MWh)			16.2	8.8	84%	
Unit margin (€/MWh) Total Volume (TWh)			11.5	11.8	-3%	-0
Unit margin (€/MWh) Total Volume (TWh) Subtotal						
Unit margin (€/MWh) Total Volume (TWh)			11.5 186	11.8 104	-3% 79%	-0 +82
Unit margin (€/MWh) Total Volume (TWh) Subtotal Commercial Shared-services (6)			11.5 186 52	11.8 104 41	-3% 79% 27%	-0 +82 +11
Unit margin (€/MWh) Total Volume (TWh) Subtotal Commercial Shared-services (6) Others (7)			11.5 186 52 5	11.8 104 41 40	-3% 79% 27% -87%	-0 +82 +11 -35
Unit margin (€/MWh) Total Volume (TWh) Subtotal Commercial Shared-services (6) Others (7) Total Gas Uses (TWh)			11.5 186 52 5 243	11.8 104 41 40 185	-3% 79% 27% -87% 32%	-0 +82 +11 -35 +58 Δ Abs.
Unit margin (€/MWh) Total Volume (TWh) Subtotal Commercial Shared-services (6) Others (7) Total			11.5 186 52 5	11.8 104 41 40	-3% 79% 27% -87%	-0 +82 +11 -35

EBITDA from liberalised activities grew 18% YoY to €112m in 1Q13, backed by (i) EDP's hydro volumes +4x YoY following the rainy 1Q13 vs dry 1Q12 and the start of operations of new hydro capacity in Portugal in the period, which prompted the 31% YoY decline in avg. generation costs; (ii) 15% decline in avg. costs with electricity purchases in the wholesale market due to adequate energy management and distinct weather conditions in 1Q13 vs 1Q12; (iii) stable volumes sold to clients in Iberia at flat avg. selling prices YoY; (iv) deterioration of thermal plants profitability (on very low utilisation levels and higher production costs) and (v) no capacity payments in Portugal in 1Q13 vs €11m in 1Q12 and new generation taxes in Spain of €19m in 1Q13.

Gross profit in the electricity business, increased 32% YoY to €243m in 1Q13, due to an higher avg. unit margin which rose from €8.8/MWh in 1Q12 to €16.2/MWh in 1Q13.

<u>Unit margin</u> ⁽²⁾⁽³⁾: Avg. electricity spread improved by €7/MWh to €16.2/MWh in 1Q13. **Avg. sourcing cost** dropped 19% YoY supported by the combined effects of lower generation costs (-31%) on higher hydro volumes and cheaper electricity purchases (-15%). **Avg. selling price** went down 1% YoY reflecting the increase of the weight of volumes sold to final clients at a lower avg. price in comparison to the wholesale markets. Avg. selling price to wholesale markets increase 5% supported by an increase of sales in complementary markets.

<u>Volumes</u>: Total volumes sold went down 3% YoY to 11.5TWh in 1Q13, as a result of a 16% decline of sales in wholesale markets and flat volumes sold to retail clients. Our generation output met 30% of total electricity needs, reflecting a 2% decline in output (net of hydro pumping) with an important change in generation mix (hydro accounts for 44% of the output in 1Q13 vs 11% in 1Q12).

Our gas sourcing activity in 1Q13 was based on an annual 4.2bcm portfolio of long term contracts, which flexibility has been enhanced through several contract renegotiations (including changes in take or pay levels). Moreover, rather than solely using volumes available for electricity generation and for the sale to clients in the free market, EDP has chosen, together with its major gas suppliers, to divert part of its take-or-pay gas volumes to international LNG markets, where prices are significantly higher. As a result, our gas consumption declined 20% YoY to 10TWh (0.9bcm) in 1Q13 reflecting a 47% decrease in consumption by our gas fired power plants and a 10% decline in volumes sold to clients.

EDP is adapting its hedging strategy to the current market conditions, making use of flexibility stemming from the integrated management of gas and electricity operations in Iberia. As a result, EDP has favoured gas sales in the wholesale market, having so far secured spreads for almost 90% of its gas sourcing commitments in 2013. Moreover, EDP has so far forward contracted costs for 100% of expected coal output in 2013. Accordingly, EDP has up until now forward contracted with clients 26TWh of electricity sales for 2013.

⁽¹⁾ Net Operating Costs = Operating Costs (Supplies and services + Personnel costs + Costs with social benefits) + Other operating costs (net); (2) Variable cost: fuel cost, CO2 cost net of free allowances, hedging costs (gains), system costs;

⁽³⁾ Average selling price: includes selling price (net of TPA tariff), ancillary services and others; (4) Net of pumping; (5) Includes results from hedging on electricity; (6) Includes EDP group's commercial shared services in Iberia

⁽⁷⁾ Includes capacity payments, services rendered and others; (8) Volumes excluding sales to our cogeneration units; including sales to wholesale markets.

Liberalised Electricity Generation in the Iberian Market



Income Statement (€ m)	1Q13	1Q12	Δ%	Δ Abs.
Gross Profit	177	110	61%	+67
Portugal	52	25	103%	+26
Spain	124	85	46%	+39
Adjustments	1	(0)	-	+2
Supplies and services	16	17	-6%	-1
Personnel costs	12	11	14%	+1
Costs with social benefits	0	0	54%	+0
Other operating costs (net)	29	12	130%	+16
Net Operating costs (1)	57	40	42%	+17
EBITDA	120	70	72%	+51
Provisions	0	0	15%	+0
Net deprec. and amortisation	55	59	-7%	-4
EBIT	65	11	520%	+55
Employees (#)	645	656	-2%	-11

Key Operating Data	1Q13	1Q12	Δ%	Δ Abs.
Generation Output (GWh) CCGT Coal Hydro Nuclear	3,620 337 1,371 1,581 331	3,544 973 1,846 390 335	2% -65% -26% 305% -1%	+77 -636 -475 +1,191 -4
Generation Costs (€/MWh) (2) CCGT Coal Hydro Nuclear	27.7 117.8 39.4 3.3 4.3	41.9 80.6 35.4 9.2 3.8	- 34% 46% 11% -64% 15%	- 14.2 +37.3 +4.0 -5.9 +0.5
Load Factors (%) CCGT Coal Hydro Nuclear	4% 43% 46% 98%	12% 58% 13% 99%	- - - -	-8p.p. -14p.p. 32p.p. 0p.p.
CO2 Emissions (mn tones) Total emissions (3) Free allowances (3)	1.8 0.0	2.6 2.6	-28% -	-0.7 -2.6

Capex (€ m)	1Q13	1Q12	Δ%	Δ Abs.
Expansion	134	78	71%	+55
Hydro	134	78	71%	+55
Maintenance	3	7	-61%	-4
Recurrent	3	7	-61%	-4
Total	136	85	61%	+51

Our liberalised generation activities are jointly managed with supply activities as most of its own production is sold to our supply units at fixed prices.

Output from our generation plants (unadjusted for hydro pumping) rose 2% YoY to 3.6TWh in 1Q13, since the strong increase in hydro output (+1.2TWh) outpaced the fall in CCGT (-0.6TWh) and Coal (-0.5TWh). In Dec-12, EDP kicked off operations at Alqueva II, a 257MW hydro repowering with pumping, which will improve water efficiency management at Algueva reservoir, Average production cost was 34% lower YoY, at €28/MWh in 1Q13, reflecting the increased generation of the cheaper hydro technology.

Coal: Output retreated by 26% in 1Q13, reflecting the strong hydro and wind resources in Iberia in the period. Average load factor declined 14pp, to 43% in 1Q13. Our Soto 3 plant operates under the terms of RDL 1221/2010 for domestic coal: on 13-Feb-13, the Resolution 1736 defined a contracted margin for a total committed production in 2013 at Soto 3 of 1.1TWh. In 1Q13 generation from domestic coal was almost zero. Average production cost reached €39/MWh (+11% YoY), mainly driven by higher CO₂ costs since from 2013 onwards there are no more free allowances.

CCGTs: Output dropped 65% in 1Q13, impacted both by lower demand for thermal production and the low competitiveness of gas vs coal, which implied an avg. load factor 8pp lower YoY at 4% in 1Q13. Average production cost reached €118/MWh in 1Q13, driven by higher variable gas cost and low dilution of gas procurement fixed costs.

Hydro & Nuclear: Hydro generation was 4x higher in 1Q13 vs 1Q12 following favourable wet weather conditions as well as additional capacity in place (Alqueva II). Despite higher volumes of pumping (233GWh in 1Q13 vs 78GWh in 1Q12) the avg. cost of hydro production declined 64% to €3.3/MWh due to an increase in hydro output. Pumping activity was concentrated at our Algueva plant, implying an average discount to the pool price of c40% (vs. c30% in 1Q12). Nuclear avg. load factor was 98% in 1Q13 without any material outage.

In Portugal, CCGT capacity payments were interrupted as from 1-Jun-12 and due to be replaced by lower incentives to be in place as from the end of Portugal's bailout: €11m in 1Q12 vs €0m in 1Q13. In Dec-12, the Spanish government approved several taxes aimed at granting the sustainability of the electricity sector, including a 7% tax on revenues and different taxes over gas/coal consumption, use of water and nuclear waste.

Net operating costs⁽¹⁾ went up to €57m in 1Q13, reflecting mostly the new generation taxes in Spain (€19m in 1Q13). Net depreciation charges declined €4m YoY to €55m as the effects of the hydro capacity addition in Portugal were outpaced by lower working hours at coal plants.

Capex in liberalised generation totalled €136m in 1Q13. The bulk of it (98% of total) was devoted to new hydro capacity in Portugal. EDP is currently building 5 hydro projects (1,468MW): Baixo Sabor and Ribeiradio with an expected startup in 2H14. Venda Nova III and Salamonde II in 2H15 and Foz-Tua in 2H16.

⁽¹⁾ Net Operating Costs = Operating Costs (Supplies and services + Personnel costs + Costs with social benefits) + Other operating costs (net)

Liberalised Electricity and Gas Supply in the Iberian Market



Income Statement (€ m)	Energy Supply in Spain						
	1Q13	1Q12	Δ%	Δ Abs.			
Gross Profit	25	41	-40%	-17			
Supplies and services	18	17	5%	+1			
Personnel costs	4	3	7%	+0			
Costs with social benefits	0	0	-1%	-0			
Other operating costs (net)	8	(5)	-	+13			
Net Operating costs (1)	30	16	92%	+14			
EBITDA	(5)	26	-	-31			
Provisions	-	(1)	-	+1			
Net depreciation and amortization	2	2	11%	+0			
EBIT	(7)	25	-	-32			

Income Statement (€ m)	Er	Energy Supply in Portugal						
	1Q13	1Q12	Δ%	Δ Abs.				
Constant Profit				_				
Gross Profit	46	43	7%	+3				
Supplies and services	33	31	7%	+2				
Personnel costs	10	11	-1%	-0				
Costs with social benefits	1	1	0%	-0				
Other operating costs (net)	4	2	127%	+2				
Net Operating costs (1)	48	44	9%	+4				
EBITDA	(2)	(1)	95%	-1				
Provisions	(0)	(3)	-100%	+3				
Net depreciation and amortization	2	4	-54%	-2				
EBIT	(4)	(3)	56%	-2				

Key data	1Q13	1Q12	Δ%	Δ Abs
ney uata	1013	IQIZ	Δ/0	Δ AU3
Energy Supply in Spain				
Electricity - Free market				
Volume Sold (GWh)	4,609	5,195	-11%	-586
Market Share (%)	11%	12%	-	-1p.p.
Clients (th.)	797	703	13%	+93
Electricity - Last resort supply				
Volume Sold (GWh)	183	205	-11%	-22
Clients (th.)	269	305	-12%	-36
Gas - Free market & Last resort supply				
Volume Sold (GWh)	7,357	8,612	-15%	-1,255
Market Share (%)	7%	10%	-	-3p.p.
Clients (th.)	778	770	1%	+8
Energy Supply in Portugal				
Electricity - Free market				
Volume Sold (GWh)	2,922	2,322	26%	+600
Market Share (%)	43%	39%	-	4p.p.
Clients (th.)	1,302	388	235%	+914
Gas - Free market				
Volume Sold (GWh)	1,575	1,633	-4%	-58
Market Share (2) (%)	15%	19%	-	-4p.p.
Clients (th.)	116	6	-	+110
Capex (€m)	3	1	148%	+2
Employees (#)	1,148	1,146	0%	+2

Our electricity and gas supply activities in Portugal and Spain are managed in single energy platforms, ensuring a responsive and competitive commercial structure. EDP Group's subsidiaries that operate in this business segment have intra-group electricity and gas procurement contracts with our generation and energy trading divisions and includes a commercial shared services back-office subsidiaries which also provides services to our last resort suppliers and to other utilities out of our EDP Group.

Energy Supply in Spain

Electricity volumes supplied to our clients in the free market decreased 11% YoY to 4.6TWh in 1Q13, whereas there was a 13% rise in the number of clients supplied, translating EDP's strategy to focus on the most attractive segments. Market share fell 1pp to 11% in 1Q13, with EDP still maintaining a supply market share that is roughly the double of its share in generation in Spain. Gas volumes supplied declined 15% YoY to 7.4TWh in 1Q13, despite a slight 1% increase in the number of clients supplied in the same period, which reflects our selective contracting policy. Market share fell from 10% in 1Q12 to 7% in 1Q13. In 1Q13, net operating costs rose €14m YoY mostly as a result of a €12m non-recurrent income accounted for in 1Q12 at the level of other operating costs.

Energy Supply in Portugal

Market Environment – In accordance with the rules and calendar defined for the liberalisation of electricity supply in Portugal, in 2012 EDP Serviço Universal (electricity last resort supplier in Portugal) sent letters to its residential clients informing that by choosing to remain under regulated tariffs after certain dates (July 1st, 2012 for clients with contracted power above 10.35 kVA, and January 1st, 2013 for clients with contracted power below 10.35 kVA – excluding consumers entitled to a social tariff), they would have to pay a higher transitory tariff, subject to quarterly updates. The aim of this is to incentivice consumers to move to the free market. In line with this, in Jul-12 the Portuguese regulator introduced a 2% increase in regulated tariffs set for: i) residential consumers with contracted power above 10.35kVA; and ii) non-residential consumers, which were already under a higher transitory tariff since January 1st, 2011. All of this led to a strong level of switching of electricity consumers to the free market over 4Q12 and 1Q13 having the number of consumers in free market doubled from 742k in Sep-12 to 1,564k in Mar-13.

Electricity volumes supplied to EDP clients in the free market in Portugal jumped 26% YoY to 2.9TWh in 1Q13, supported by a strong increase (3.4x) of our B2C electricity clients base. EDP's market share in the free market went up by 4pp from 39% in 1Q12 to 43% in 1Q13, in line with EDP's strategy to focus on the more attractive residential/SMEs segments. Gas volumes supplied to EDP clients in Portugal fell 4% YoY to 1.6TWh in 1Q13, reflecting lower demand and a competitive market in the B2B segment which outstood the increase of volumes in B2C segment following the gas market liberalisation. The strong pace of gas supply liberalisation prompted a rise in the number of clients from 29k in Sep-12 to 116k in Mar-13. EDP gas supply market share decreased 4pp YoY to 15% in 1Q13, as a result of EDP's strategy of focusing on more profitable segments. Net operating costs went up by €4m YoY reflecting higher supplies and services, namely of costs with client services (call center, billing, etc), in line with the increase of our clients base and with the ongoing liberalisation process.

⁽¹⁾ Net Operating Costs = Operating Costs (Supplies and services + Personnel costs + Costs with social benefits) + Other operating costs (net)

⁽²⁾ Based on consumption in segment NG>10,000 m^3/year.

EDP Renováveis: Financial Performance

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Income Statement		Renovávei			Operational Overview	1Q13	1Q12	Δ%	Δ Abs.	EDPR Equity Market Data	1Q13	1Q12	Δ %	Δ Abs.
income statement	1Q13	1Q12	Δ%	Δ Abs.										
					Installed Capacity (MW)	7,673	7,157	7%	+515	Share price at end of period (€/share)	3.77	3.73	1%	0.0
Gross Profit	379	310	22%	+69	Europe	3,952	3,652	8%	+300	Number of Shares Issued (million)	872.3	872.3	-	-
					USA	3,637	3,422	6%	+215	Stake Owned by EDP (%)	77.5%	77.5%	-	-
Supplies and services	61	57	7%	+4	Brazil	84	84	0%	-					
Personnel costs	18	14	30%	+4										
Other operating costs (net)	(27)	(25)	9%	-2	Output (GWh)	5,755	5,212	10%	+542	EDPR Key Balance Sheet Figures (€ m)	1Q13	1Q12	Δ%	Δ Abs.
Net Operating Costs (1)	`52	`46	13%	+6	Europe	2,874	2,109	36%	+765					
(-)					USA	2,829	3,056	-7%	-227	Bank Loans and Other (Net)	566	720	-21%	-154
EBITDA	327	263	24%	+64	Brazil	52	48	8%	+4	Loans with EDP Group (Net)	2,941	2,777	6%	+164
23.13.1					5.42					Net Financial Debt	3,508	3,498	0%	+10
Provisions	_	0	_	-0	Avg. Load Factor (%)	36%	34%	2p.p.	_	Non-controlling interests	328	130	153%	+198
Net deprec. & amortisation	118	114	3%	+4	Avg. Elect. Price (€/MWh)	66.3	60.1	10%	+6	Net Institutional Partnership Liability (3)	950	963	-1%	-13
rect deprees & differ its differ			370		ring: Electrifice (c) interin	00.0				Equity Book Value	5,512	5,391	2%	+121
EBIT	209	149	40%	+60	EBITDA (€m)	327	263	24%	+64	Equity Book value				
LUIT	203	1.5	1070		Europe	215	159	35%	+56	EUR/USD - End of Period Rate	1.28	1.34	4%	0
Capital gains/(losses)	_	0	_	-0	USA	115	107	8%	+8	Edity OSD Elia of Feriou Nate	1.20	1.5 1	170	<u> </u>
Financial Results	(65)	(58)	12%	-7	Other & Adjustments	(3)	(2)	39%	-1					
Results from associates	Δ	(33)		+3	EBIT (€m)	209	149	40%	+60	EDPR Financial Results (€ m)	1Q13	1Q12	Λ%	Δ Abs.
	7	_		.5	Europe	152	97	56%	+55	EDI K i manciai Results (e m)	1413	1412	<u> </u>	<u> </u>
Pre-tax profit	149	93	60%	+56	USA	62	56	10%	+6	Net Interest Costs	(51)	(47)	-8%	-4
Tre-tax profit	143		0070	. 30	Other & Adjustments	(5)	(4)	16%	-1	Institutional Partnership costs (non-cash)	(16)	(17)	8%	+1
					Other & Aujustments	(3)	(4)	1070	_	Capitalised Costs	(10)	(1/)	-12%	-1
Opex Performance	1Q13	1Q12	Λ %	Δ Abs.	Capex (€m) (2)	(53)	55	_	-108	Forex Differences (5)	(3)	5	-12/0	-8
Opex Periormanice	1013	IQIZ	Δ /0	AD3.		24	40	-40%	-16	Other	(3)	(4)	_	-6 +5
Opex/Avg. MW (€ th) (4)	14.3	12.6	13%	+2	Europe USA		14	-40/0	-10 -92	Other	1	(4)	-	73
Employees (#)	14.3 865	813		_		(78)	14	-24%	-92 -0	Financial Besults	(65)	(58)	130/	-7
Lilipioyees (#)	805	813	6%	+52	Brazil	U	1	-24%	-0	Financial Results	(65)	(58)	-12%	<u>/</u>

develops projects for new renewable capacity. The two main markets in which EDPR operates are Spain (35% of EDPR's EBITDA in 1Q13) and USA (34%). Other markets include Portugal (14%), France, Poland, Romania, Belgium, Italy and Brazil (the latter 6 representing 17% of EDPR's EBITDA in 1Q13).

EDPR's EBITDA rose 24% YoY (+€64m) to €327m in 1Q13 driven by Iberia (+€46m), on the back of an extremely windy 1Q13 both in Portugal and in Spain. Installed capacity rose 7% YoY (+515MW) to 7.7GW by Mar-13. Avg. load factor increased from 34% in 1Q12 to 36% in 1Q13 and avg. selling prices went up 10% YoY to €66.3/MWh reflecting a different production mix breakdown with Europe representing 50% in 1Q13 (vs. 40% in 1Q12) and the US 49% (vs. 59% in 1Q12). 1Q13 EBITDA include a **one-off gain** with the restructuring of a PPA contract in the US amounting to €14m. Excluding this impact, EBITDA went up 19% YoY (+€50m).

EBIT increased 40% YoY to €209m. Net depreciation and amortization in 1Q13 includes -€7m related to impairments on projects under development (vs. -€9m in 1Q12). Excluding this impact and the €14m from the PPA change in the US, on a like-for-like basis EBIT went up 29% YoY (+€45m).

Net operating costs increased by 13% on the back of higher avg. capacity in operation (higher O&M expenses) and lower capitalisation of personnel costs as a result of lower FTEs allocated to construction and development activities. Other operating costs (net) in 1Q13 include the new generation taxes in Spain (€11m) and a €14m gain from the referred change in a PPA in the US.

Capex was -€53m in 1Q13 due to the cash grant from the US Treasury (€91m) related with the 215 MW wind farm in US added in 4Q12.

EDPR's net debt was €3.5bn as of Mar-13 (+6% vs. Dec-12) mostly reflecting investments in new capacity, payments to equipment suppliers and the €91m cash grant received in the US. EDPR's net debt contracted with financial institutions (outside of EDP Group), which represented 16% of the company's net debt as of Mar-13, is mostly related to project finance long term funding, namely in Poland, Romania, Brazil and Spain. **Liabilities with Institutional Partnerships** decreased by 1% to €950m as of Mar-13, as tax equity partners are getting the tax benefits generated by the projects.

Net financial costs rose 12% YoY to -€65m in 1Q13, essentially reflecting an 8% increase of net interest costs (+€4m) and negative forex differences (+€8m) even considering a slight decrease of avg. cost of debt (5.2% in 1Q13 vs. 5.3% in 1Q12).

EDP Renováveis: US & Iberia

US	1Q13	1Q12	Δ%	Δ Abs.
Installed capacity (MW)	3,637	3,422	6%	+215
Under PTC	2,123	2,123	-	+213
Under cash grant flip	500	500	-	-
Under cash grant	1,014	799	27%	+215
Avg. Load Factor (%)	36%	41%	-	-5 p.p.
Avg. Selling Price (USD/MWh)	48.3	45.6	6%	+3
USD/EUR - Avg. of period rate	1.32	1.31	1%	+0
PPA's/Hedged				
Installed Capacity (MW)	2,952	2,659	11%	+294
Electricity Output (GWh)	2,113	2,295	-8%	-182
Avg. Selling Price (USD/MWh)	53.9	51.3	5%	+3
Merchant				
Installed Capacity (MW)	684	763	-10%	-78
Electricity Output (GWh)	716	761	-6%	-45
Avg. Selling Price (USD/MWh)	30.1	25.7	17%	+4
Gross Profit (USD m)	134	136	-2%	-2
PTC Revenues & Other (USD m)	47	48	-2%	-1
Adjusted Gross Profit (USD m)	181	184	-2%	-3
EBITDA (USD m)	152	140	9%	+12
EBIT (USD m)	82	73	11%	+8
Net Capex (USD m)	(103)	19	-	-122
Gross Capex	` 17	19	-8%	-2
Cash grant received	(120)	-	-	-120
Capacity under construction (MW)	-	215	-	-215

Spain	1Q13	1Q12	Δ%	Δ Abs.
Installed capacity (MW) Avg. Load Factor (%)	2,310 37%	2,201 28%	5%	+110 9p.p.
Electricity output (GWh) Avg. Selling Price (€/MWh) (1)	1,813 84.8	1,317 88.7	38% -4%	+496 -4
Gross Profit (€m) (1) EBITDA (€m) (1) EBIT (€m) (1)	154 117 75	116 93 51	32% 27% 48%	+38 +25 +25
Capex (€m)	0	4	- 99%	-4
Capacity under construction (MW)	-	111	-	-111

Portugal	1Q13	1Q12	Δ%	Δ Abs.
Installed capacity (MW)	615	613	0%	+2
Avg. Load Factor (%)	38%	24%	-	15p.p.
Electricity Output (GWh)	509	314	62%	+195
Avg. Selling Price (€/MWh)	108	106	2%	+3
Gross Profit (€m)	56	34	65%	+22
EBITDA (€m)	48	27	79%	+21
EBIT (€m)	41	20	109%	+22
Capex (€m)	0	4	-	-4
Capacity under construction (MW)	4	2	74%	+2
ENEOP installed capacity (MW) (2)	390	326	20%	+64

In the US, installed capacity rose 215MW following the comissioning of Marble River in 4Q12, to 3,637MW in 1Q13. Avg. load factor decreased 5pp to 36% in 1Q13, which implied a 7% YoY decline of output, given that wind resources were very strong in 1Q12 and just slightly below expected in 1Q13. Avg. selling price (excluding revenues from PTCs) for energy sold through PPA/Hedged increased 5% YoY to USD54/MWh, reflecting the price escalators annual updates and the contribution of new PPAs. Avg. selling price for merchant wind farms improved 17% YoY to USD30/MWh, following an improvement in the wholesale electricity prices. Overall, avg. selling price in the US increased 6% YoY to USD48/MWh in 1Q13. Gross profit (including revenues from PTCs) decreased by 2% to USD181m, while EBITDA rose USD12m YoY to USD152m in 1Q13 including the USD18m one off impact from the restructuring of the offtaking volumes of a long-term PPA for 170 MW (PPA off-taking volumes were reduced from 100% to 80%).

In the US, in Jan-13, the extension of tax incentives for the development of wind capacity was approved for projects starting construction until Jan-14 – these projects will be able to qualify for: i) 10 years of Production Tax Credits (PTCs) on electricity output (~USD22/MWh); or ii) 30% Investment Tax Credit (ITC) on the project cost. EDPR maintains its investment plan of no wind additions in the US in 2013. For 2014-15 EDPR maintains full flexibility on its 400MW investment plan in US, which is dependent on the evolution of US market and fiscal environments.

In Spain, the remuneration under a transitory regime ended in Dec-12 and in Feb-13, the Spanish government published RD 2/2013 that introduced a set of modifications, effective from Jan-13 onwards: i) removing the variable tariff scheme of RD 661/2007; ii) setting a fixed tariff at €81.247/MWh (annually updated) for the first 20 years (€67.902/MWh after year 20); and iii) changing the annual update to annual inflation, excluding energy products, food prices and any impact of tax changes, minus an 'X' factor (50bp). In Dec-12, the Spanish government introduced a 7% tax over electricity sales generated by all Spanish electricity producers (including special regime) starting in Jan-13.

In Spain, EDPR's EBITDA went up by 27% to €117m YoY in 1Q13. Avg. load factor improved 9pp YoY to 37% in 1Q13, while electricity generated went up by 38% YoY to 1.8TWh in 1Q13 on the back of stronger wind resource and a 5% increase of installed capacity. Avg. selling price reached €85/MWh, down 4% YoY driven by the end of the transitory regime and changes in regulation (all capacity in fixed tariff option).

In Portugal, EDPR has 615MW of capacity remunerated under the 'old tariff regime', with tariffs set for 15 years and indexed to both CPI and annual operating hours. In Sep-12, an extension to this tariff scheme was agreed, under which EDPR will annually invest €4m between 2013 and 2020 for +7 years of a new framework with cap and floor selling prices of €98/MWh⁽³⁾ and €74/MWh⁽³⁾, respectively, to be applied from the 16th year of operation of the wind farm.

In Portugal, EDPR's EBITDA increased by 79% YoY to €48m in 1Q13, up €21m YoY. Wind production increased 62% YoY to 509GWh following an increase of avg. load factor by 15pp to 38%. Avg. tariff rose 2% YoY to €108/MWh, reflecting inflation indexation. Still in Portugal, EDPR holds a 40% equity stake in ENEOP consortium (equity consolidated), licensed to build 1,200MW of wind capacity (480MW attributable to EDPR). ENEOP's wind farms are remunerated under a 'new tariff regime', at c€74/MWh tariff (1st year of operation), also guaranteed for 15 years and indexed to inflation. As of Mar-13, ENEOP had an installed capacity of 974MW (390MW attributable to EDPR). In Dec-12, EDPR agreed to sell to China Three Gorges a 49% equity stake, and 25% of the shareholders loans in EDPR Portugal (excluding ENEOP), for €359m (cash-in expected in 2Q13).

EDP Renováveis: Rest of Europe & Brazil

Rest of Europe (1)	1Q13	1Q12	Δ%	Δ Abs.
France, Belgium & Italy				
Installed Capacity (MW)	411	363	13%	+48
Avg. Load Factor (%)	27%	24%	-	3p.p.
Electricity Output (GWh)	235	195	20%	+40
Avg. Selling Price (€/MWh)	97	91	6%	+6
Poland				
Installed Capacity (MW)	266	190	_	+76
Avg. Load Factor (%)	29%	35%	0%	-6 p.p.
Electricity Output (GWh)	117	143	-18%	-26
Avg. Selling Price (PLN/MWh)	426	424	0%	+2
EUR/PLN - Avg. of period rate	4.15	4.23	2%	-0
Romania (2)				
Installed Capacity (MW)	350	285	23%	+65
Avg. Load Factor (%)	32%	28%	0%	5p.p.
Electricity Output (GWh)	199	139	44%	+61
Avg. Selling Price (RON/MWh)	624	602	4%	+21
EUR/RON - Avg. of period rate	4.39	4.35	-1%	+0
Gross Profit (€ m)	62	51	21%	+11
EBITDA (€ m)	51	43	19%	+8
EBIT (€ m)	38	32	-	+7
Capex (€m)	24	32	-25%	-8
Capacity under construction (MW)	82	120	-31%	-38

Brazil	1Q13	1Q12	Δ%	Δ Abs.
Installed Capacity (MW)	84	84	_	_
Avg. Load Factor (%)	29%	26%	-	2p.p.
Electricity Output (GWh)	52	48	8%	+4
Avg. Selling Price (R\$/MWh)	308	276	11.7%	+32
EUR/BRL - Average of period rate	2.64	2.32	-12.2%	+0
Gross Profit (RS m)	17	11	46%	+5
EBITDA (RŞ m)	11	7	51%	+4
EBIT (R\$ m)	7	3	111%	+4
Capex (R\$ m)	1	1	-14%	-0
Capacity under construction (MW)	-	-	-	-

In European markets out of Iberia, EBITDA rose 19% YoY in 1Q13. Output rose 16% YoY to 552GWh in 1Q13 following a 22% or 188MW increase of installed capacity over the last 12 months. Avg. load factor improved 1pp to 29% in 1Q13. Avg. selling price rose 6% YoY to €115/MWh, driven by the higher weight of the wind production in Romania (36% in 1Q13 vs. 29% in 1Q12).

In France, EDPR has 314MW of capacity (+8MW YoY). Wind power in France is sold through fixed tariffs indexed to inflation for 15 years. In 1Q13, avg. tariff was €90/MWh (+3% YoY). In Belgium, our 57MW wind farm sells its power through a 5 year PPA (2014 maturity) at a fixed selling price of €112/MWh. In Italy, EDPR has 40MW of capacity installed in Dec-12, which will receive 'market price plus green certificate (GC)' until 2015 (GC price set at 0.78 x (€180/MWh - previous year avg. market price. In 2012, avg. market price was €77/MWh); after 2015, it will change into a 'pool + premium' scheme (premium of €180/MWh minus previous year avg. market price). Avg. selling tariff was €143/MWh in 1Q13. For capacity installed in 2013 and onwards, wind farms will be remunerated under a feed-in tariff scheme defined by tenders. In Jan-13, EDPR secured a 20 year feed-in-tariff for an additional 40MW of wind at the new renewable energy auction. EDPR projects (located in the Puglia and Basilicata regions) have an expected avg. load factor of 29%.

In Poland, EDPR installed 76 MW during 1Q13 - Jedrzychowice (26MW) and Golancz (49MW) - reaching a total capacity of 266MW: i) 120MW from Margonin wind farm, which power is sold in the wholesale market and for which EDPR has a 15 years long term contract for the sale of GCs; ii) 70MW from Korsze wind farm, which output is sold through a 10 year PPA and iii) 76MW from Jedrzychowice and Golancz wind farm, which output is sold at "regulated electricity price + GC" (regulated price for 2013 is PLN201.36/MWh). In 1Q13, avg. selling price was flat at PLN426/MWh. As of Mar-13, EDPR had 54MW under construction in Poland. In terms of regulation update, a package of energy laws including an amendment to the renewables certificates scheme is being proposed by Polish Government and a final version of the law is expected to enter into force over the coming months. The new rates should be applied only to new installations.

In Romania, EDPR has 350MW of capacity (+65MW YoY), of which 39MW are solar PV (commissioned in 4Q12). Wind production is sold at 'market price plus GC', which value is subject to a floor and a cap set in Euros (for 2013, floor was set at €28.9/MWh and the cap at €58.8/MWh). In 1Q13, avg. selling price was up 4% YoY to RON624/MWh, following the implementation of the 2 GCs scheme per MWh produced, in place until 2017. Note that solar PV energy is entitled to receive, in addition to the electricity price, 6 GCs per MWh produced in the first 15 years of operation. As of Mar-13, EDPR had 28MW of wind capacity under construction in Romania. In terms of regulation update, the Romanian Government is considering changing its remuneration of clean-energy in 2H13, which may imply a re-profile in renewables' cash flow for existing assets and a lower remuneration for new installations.

In Brazil, EDPR has 84MW in operation remunerated through long term contracts (20 years). In 1Q13, avg. load factor increased by 2pp YoY to 29%. Avg. selling price went up 12% YoY to R\$308/MWh. EDPR currently has 120 MW under development in Brazil awarded in Dec-11 at the energy A-5 auction, for a period of 20-years to start in January 2016. The price of the long term contract was set at R\$97/MWh, indexed to the Brazilian inflation rate.

Regulated Networks & Regulatory Receivables in Iberia



Income Statement (€ m)	1Q13	1Q12	Δ%	Δ Abs.
Gross Profit	448	478	-6%	-30
Supplies and services	103	104	-2%	-2
Personnel costs	39	39	-1%	-1
Costs with social benefits	6 11	7 53	-9% -80%	-1 -42
Other operating costs (net) Net Operating Costs (1)	158	203	-22%	-42 -45
EBITDA	290	275	5%	+15
Provisions	0	0	180%	+0
Net depreciation and amortisation	82	75	10%	+7
EBIT	207	200	4%	+7
Capex & Opex Performance	1Q13	1Q12	Δ%	Δ Abs.
Controllable Operating Costs (6)	141	144	-2%	-2
Cont. costs/client (€/client)	18	18	-1%	-0
Cont. costs/km of network (€/Km)	540	552	-2%	-12
Employees (#)	4,027	4,179	-4%	-152
Capex (Net of Subsidies) (€m)	71.5	81.7	-12%	-10
Network ('000 Km)	261.8	260.2	1%	+2
Regulatory Receivables (€ m)	1Q13	1Q12	Δ%	Δ Abs.
Regulatory Receivables (€ m) Total Net Iberia Regulatory Receivables	1Q13 2,913	1Q12 1,872	Δ % 56%	Δ Abs. +1,041
	-			
Total Net Iberia Regulatory Receivables	2,913	1,872	56%	+1,041
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5)	-			+1,041
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5) Tariff deficit in the period	2,913	1,872 514	56% -17%	+1,041
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5)	2,913	1,872 514	56% -17%	
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5) Tariff deficit in the period Other (3) End of Period	424 -100	1,872 514 -167	-17% 40%	+1,041 -90 +67
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5) Tariff deficit in the period Other (3) End of Period Portugal - Last Resort Supplier + Distribution	2,913 424 -100 324 n + Gas	1,872 514 -167 346	-17% 40% -7%	+1,041 -90 +67 - - -23
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5) Tariff deficit in the period Other (3) End of Period Portugal - Last Resort Supplier + Distribution	2,913 424 -100 324 n+Gas 1,543	1,872 514 -167 	-17% 40% -7%	+1,041 -90 +67 - -23
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5) Tariff deficit in the period Other (3) End of Period Portugal - Last Resort Supplier + Distributio Beginning of Period Previous periods tariff deviation (2)	2,913 424 -100 324 n+Gas 1,543 (158)	1,872 514 -167 	-17% 40% -7%	+1,041 -90 +67 - -23 +803 -8
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5) Tariff deficit in the period Other (3) End of Period Portugal - Last Resort Supplier + Distribution	2,913 424 -100 324 n+Gas 1,543	1,872 514 -167 	-17% 40% -7%	+1,041 -90 +67 - -23 +803 -8 +106
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5) Tariff deficit in the period Other (3) End of Period Portugal - Last Resort Supplier + Distribution Beginning of Period Previous periods tariff deviation (2) Tariff deviation in the period	2,913 424 -100	1,872 514 -167 	-17% 40% 7% 7%	+1,041 -90 +67
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5) Tariff deficit in the period Other (3) End of Period Portugal - Last Resort Supplier + Distributio Beginning of Period Previous periods tariff deviation (2) Tariff deviation in the period Other (3)	2,913 424 -100 324 n+Gas 1,543 (158) 561 29	1,872 514 -167 346 740 (150) 455 18	-17% 40% 	+1,041 -90 +67 -23 +803 -8 +106 +11
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5) Tariff deficit in the period Other (3) End of Period Portugal - Last Resort Supplier + Distributio Beginning of Period Previous periods tariff deviation (2) Tariff deviation in the period Other (3) End of Period	2,913 424 -100 324 n+Gas 1,543 (158) 561 29	1,872 514 -167 346 740 (150) 455 18	-17% 40% 	+1,041 -90 +67 -23 +803 -8 +106 +11
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5) Tariff deficit in the period Other (3) End of Period Portugal - Last Resort Supplier + Distribution Beginning of Period Previous periods tariff deviation (2) Tariff deviation in the period Other (3) End of Period Portugal - CMEC's Beginning of Period (Recovery)/Return in the Period	2,913 424 -100 324 n+Gas 1,543 (158) 561 29 1,976	740 (150) 455 18 1,063	-17% 40% -7% 109% -5.3% 23% 64% 86%	+1,041 -90 +6723 +803 -8 +106 +11 +913
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5) Tariff deficit in the period Other (3) End of Period Portugal - Last Resort Supplier + Distributio Beginning of Period Previous periods tariff deviation (2) Tariff deviation in the period Other (3) End of Period Portugal - CMEC's Beginning of Period (Recovery)/Return in the Period Deviation in the period	2,913 424 -100 - 324 n+Gas 1,543 (158) 561 29 1,976	1,872 514 -167 -346 740 (150) 455 18 1,063	-17% 40% 7% 109% -5.3% 23% 64% 86%	+1,041 -90 +67 -23 +803 -8 +106 +11 +913 +263 -6 -107
Total Net Iberia Regulatory Receivables Spain - Tariff Deficit (4) Beginning of Period Previous periods tariff deficits (5) Tariff deficit in the period Other (3) End of Period Portugal - Last Resort Supplier + Distribution Beginning of Period Previous periods tariff deviation (2) Tariff deviation in the period Other (3) End of Period Portugal - CMEC's Beginning of Period (Recovery)/Return in the Period	2,913 424 -100 324 n+Gas 1,543 (158) 561 29 1,976	740 (150) 455 1,063	56% -17% 40% -7% 109% -5.3% 23% 64% 86%	+1,041 -90 +6723 +803 -8 +106 +11 +913

Regulated networks in Iberia include our activities of distribution of electricity and gas in Portugal and Spain.

EBITDA from regulated networks rose by 5% (+€15m), to €290m, driven by: (i) +€50m net impact from the sale of gas transmission assets in Feb-13; (ii) €4m positive one-off in 1Q12 in gas distribution in Portugal; and (iii) -€20m of regulated revenues in electricity distribution in Portugal, mainly due to the lower estimated regulated rate of return on assets (8.5% in 1Q13 vs. 10.3% in 1Q12), following the decline of Portuguese Republic 5-year CDS.

Controllable operating costs declined by 2% YoY in 1Q13, reflecting headcount reduction, namely in electricity distribution in Portugal (-4% YoY), the de-consolidation of gas transmission assets in Spain and tight cost control. **Capex** in 1Q13 was €10m lower YoY, at €71m, mainly reflecting economic slowdown.

Regulatory receivables in Iberia rose by €292m in 1Q13, from €2,621m in Dec-12 to €2,913m in Mar-13 driven by a €392m increase in Portugal and by a €100m decrease in Spain.

Regulatory receivables from electricity distribution and last resort supply in Portugal rose from €1,503m in Dec-12 to €1,942m in Mar-13 driven by: (1) +€319m regarding the ex-ante tariff deficit for 2013 (as stated in 2013 tariffs), to be fully recovered through 2014-2017 tariffs and remunerated at 5.85% annual return; (2) +€249m of new tariff deviations created in the period; and (3) -€157m recovered through tariffs relative to negative previous years' deviations and to the recovery of past tariff deficits. The main drivers for new tariff deviations generated during the 1Q13 were: (i) +€175m boosted by higher-than-expected special regime production (32% ahead of ERSE assumption) and from higher-than-expected overcost with special regime production (€70.7/MWh in 1Q13 vs. €55.7/MWh assumed by ERSE in the calculation of 2013 tariffs); (ii) +€56m derived from the delay of cash proceeds from CO₂ auctions' revenues (to be allocated to the electricity system); (iii) +€74m mainly due to the negative tariff deviation generated in electricity distribution activity (on lower demand and change in consumption mix); (iv) -€57m (amount to return to the tariffs) mainly propelled by cheaper-than-expected electricity acquisitions.

Regulatory receivables from CMECs declined from €654m in Dec-12 to €613m in Mar-13 driven by: (1) €112m recovered in 1Q13 through tariffs, related to 2011 negative deviations and (2) €71m negative deviation created in 1Q13 (more details on page 11). The overall amount is due to be received in 2013-2015.

Regulatory receivables in Spain declined from €424m in Dec-12 to €324m in 1Q13, the bulk of which (€245m) regarding 2012 tariff deficit. In 1Q13, a total amount of €3.0bn of the Spanish deficit was securitised by FADE (the fund in charge of the securitisation). As a result, our subsidiary in Spain cashed in €174m in 1Q13 (including €10m relative to a FADE's deal in Dec-12). By Mar-13 the deficit for the whole Spanish electricity system pending of securitization amounted to €5.9bn. Since April to date, FADE securitized further €1.9bn of the Spanish deficit, of which €75m are entitled to our subsidiary in Spain. In Apr-13, last resort tariff (LRT) in Spain was cut by 6.5%, in the wake of the full pass-through of the 15% QoQ decrease in energy costs (based on an avg. baseload cost of €45.41/MWh) arising from the CESUR auction and flat access tariffs QoQ.

⁽¹⁾ Net Operating Costs = Operating Costs (Supplies and services + Personnel costs + Costs with social benefits + Concession fees) + Other operating costs (net)

⁽²⁾ Includes the assignment to a third party of the right to tariff deficits/adjustments and recovery or pay-back through the tariffs of previous years' tariff deviations. (3) Includes interests on previous years tariff deviations.

⁽⁴⁾ Net of CO₂ clawback costs. (5) Includes the recovery/payment of previous periods tariff deficits.

Electricity Distribution and Last Resort Supply in Portugal



Income Statement (€ m)	1Q13	1Q12	Δ%	Δ Abs.
Gross Profit	331	352	-6%	-21
Supplies and services	79	78	1%	+1
Personnel costs	30	31	-3%	-1
Costs with social benefits	6	6	-5%	-0
Concession fees	64	62	2%	+1
Other operating costs (net)	7	-1		+9
Net Operating Costs (1)	186	176	5%	+9
EBITDA	146	176	-17%	-30
Provisions	0	0	195%	+0
Net depreciation and amortisation	58	52	12%	+6
EBIT	87	124	-30%	-37
Gross Profit Performance	1Q13	1Q12	Δ%	Δ Abs.
Gross Profit (€m)	331	352	-6%	-21
Gross Profit (€m) Regulated gross profit Non-regulated gross profit	331 328	352 350	-6% -6%	-21 -22
Gross Profit (€m) Regulated gross profit Non-regulated gross profit Distribution Grid	331 328 3	352 350 2.3	- 6% -6% 26%	- 21 -22 +1
Gross Profit (€m) Regulated gross profit Non-regulated gross profit	331 328	352 350	-6% -6%	-21 -22
Gross Profit (€m) Regulated gross profit Non-regulated gross profit Distribution Grid	331 328 3	352 350 2.3	- 6% -6% 26%	- 21 -22 +1
Gross Profit (€m) Regulated gross profit Non-regulated gross profit Distribution Grid Regulated revenues (€ m)	331 328 3	352 350 2.3	-6% -6% 26%	- 21 -22 +1
Gross Profit (€m) Regulated gross profit Non-regulated gross profit Distribution Grid Regulated revenues (€ m) Electricity distributed (GWh) Supply Points (th)	331 328 3 3 307 11,102	352 350 2.3 327 11,716	-6% -6% 26% -6%	- 21 -22 +1 -20
Gross Profit (€m) Regulated gross profit Non-regulated gross profit Distribution Grid Regulated revenues (€ m) Electricity distributed (GWh)	331 328 3 3 307 11,102	352 350 2.3 327 11,716	-6% -6% 26% -6%	- 21 -22 +1 -20
Gross Profit (€m) Regulated gross profit Non-regulated gross profit Distribution Grid Regulated revenues (€ m) Electricity distributed (GWh) Supply Points (th) Last Resort Supply Regulated revenues (€ m)	331 328 3 307 11,102 6,079	352 350 2.3 327 11,716 6,119	-6% -6% 26% -6% -5% -1%	-21 -22 +1 -20 -614 -39
Gross Profit (€m) Regulated gross profit Non-regulated gross profit Distribution Grid Regulated revenues (€ m) Electricity distributed (GWh) Supply Points (th) Last Resort Supply	331 328 3 307 11,102 6,079	352 350 2.3 327 11,716 6,119	-6% -6% 26% -6% -5% -1%	-21 -22 +1 -20 -614 -39

Capex & Opex Performance	1Q13	1Q12	Δ%	Δ Abs.
Controllable Operating Costs (2)	109	109	-0%	-0
Cont. costs/client (€/client)	17.9	17.9	0%	+0
Cont. costs/km of network (€/Km)	485	490	-1%	-5
Employees (#)	3,450	3,574	-3%	-124
Capex (Net of Subsidies) (€m)	49	60	-18%	-11
Network ('000 Km)	225	223	1%	+1
Equival. interruption time (min.) (3)	19	8	131%	+11

EBITDA from electricity distribution and last resort supply (LRS) in Portugal fell 17% (-€30m) YoY, to €146m in 1Q13, largely impacted by a lower estimated regulated rate of return on assets (-€14m, derived from the decline of Portuguese Republic 5-year CDS).

On 15-Dec-12, ERSE released 2013 tariffs and regulated revenues for our electricity distribution and last resort supply activities in Portugal, setting a 2.8% avg. annual increase for electricity tariffs in Portugal. Moreover, **electricity distribution regulated revenues were set at €1,274m and last resort supply activity regulated revenues set at €93m for 2013. Such regulated revenues were based on ERSE's assumptions such as:** (1) a forecast of 45.4 TWh of electricity demand in Portugal in 2013 (+1.7% vs. 2012 actual data), (2) a forecast for average electricity purchase price in 2013 of €62.0/MWh; (3) forecast for the avg. special regime premium of €55.7/MWh and (4) a forecast of 19.3TWh of special regime production (+1.8% vs. 2012 actual output); (5) a GDP deflator of 0.4%; and (6) a preliminary regulated rate of return on assets (RoR) of 9.5%. Note that the regulated rate of return on assets is indexed to the Portuguese Republic 5-year CDS (moving average between 1-Oct and 30-Sep of each year; with a floor at 8% and cap at 11%): while the preliminary rate of 9.5% implies an average CDS of 780bp, the average in Oct-12 to Apr-13 stood at 383bp.

In 1Q13, **Distribution grid regulated revenues** dropped by 6% (-€20m) YoY, to €307m, mainly driven by a lower preliminary return on RAB (8.5% in 1Q13 vs. 10.3% in 1Q12, in line with the fall in Portuguese Republic 5-year CDS), with an impact of -€14m. Although to a much lower extent, regulated revenues were also negatively impacted by the 2013 update for 'CPI-X' (-€4m) and by lower volumes distributed (-€2m). In 1Q13, **electricity distributed** fell by 5% YoY following unfavourable calendar effect and weak consumption in the residential and industrial segments.

Last resort supplier (EDP SU) regulated revenues decreased by 7%, to €22m in 1Q13. As part of the rules and calendar defined for the phasing out of regulated tariffs in Portugal, EDP SU can no longer contract new clients as from 1-Jan-13, while the regulator can apply quarterly tariff increases in order to encourage clients' transfer to a liberalised supplier. The volume of electricity supplied by our LRS fell 25% YoY, to 4.3TWh in 1Q13, reflecting a faster-than-expected clients switching. Total clients supplied declined from 5,031 thousands in Dec-12 to 4,515 thousands in Mar-13.

Controllable operating costs were flat YoY, reflecting tight cost control. Supplies & Services were 1% higher and personnel costs declined by 3%, almost in line with headcount reduction (-3%). EIT in 1Q13 advanced 11 minutes, to 19 minutes reflecting unfavourable weather conditions.

Capex was -€11m YoY, to €49m in 1Q13 following less requests for new connections to the grid (1% fall in supply points).

⁽¹⁾ Net Operating Costs = Operating Costs (Supplies and services + Personnel costs + Costs with social benefits + Concession fees) + Other operating costs (net)

⁽²⁾ Supplies & services and personnel costs. (3) Adjusted for non-recurring impacts (rainstorms, high winds and summer fires).

Electricity and Gas Networks in Spain and Gas Networks in Portugal



Income Statement (€ m)	1Q13	lectricity S 1Q12		Abs. Δ	1Q13	Gas Spai 1Q12		Abs. Δ	1Q13	Gas Portug 1Q12	gal %Δ/	Abs. Δ	Iberian Regulated Networks	1Q13	1Q12	% ∆	Abs. Δ
Gross Profit	43	40	6%	2	58	66	-12%	-8	16	20	-19%	-4	Number Supply Points (th)				
					_								Electricity Spain	657	656	0%	+2
Supplies and services	11	12	-5%		9	10	-10%	-1	4	4	-13%	-1	Gas Spain	1,010	998	1%	+13
Personnel costs	5	5	6%	0	3	3	10%	0	0	1	-15%	-0	Gas Portugal	293	276	6%	+16
Costs with social benefits	0	1	-48%	-0	0	0	-5%	-0	0	0	-10%	-0					
Other operating costs (net)	(4)	(8)	-49%	4	(57)	(0)	n.m.	-56	(0)	(0)	-98%	0	Energy Distributed (GWh)				
Net Operating Costs (1)	12	`ģ	31%		(44)	13	_	-57	` 4	` Ś	-7%	-0	Electricity Spain	2,357	2,435	-3%	-77
riot operating costs (2)		•			(/				-	_		-	Gas Spain	14,685	17,233	-15%	-2,548
EBITDA	30	31	-2%	-0	102	53	94%	49	12	16	-23%	-4	Gas Portugal	1,971	2,211	-11%	-241
Provisions	_	0	_	-0	_	0	_	-0	0	0	_	0	Network (Km)				
Net Depreciation. & amortisation	8	8	4%		12	12	2%	ñ	4	3	7%	ñ	Electricity Spain	23,007	22,692	1%	+315
Net Depreciation. & amortisation	J	· ·	470		12	12	2/0	·	7	3	7 70	·	Gas Spain	9,894	10,188	-3%	-294
EBIT	23	23	-3%		90	41	121%	49	8	12	-31%	4	Gas Portugal	4,349	4,165	-3 <i>%</i> 4%	-294 +184
EBII			-370	-1	90	41	12170	49		12	-31%	-4	Gas i Ortugai	4,349	4,105	470	+104
Capex (net os subsidies)	10	8	13%	. 1	8	6	29%	2	5	7	-34%	-2	Employees (#)				
													Electricity Spain	311	324	-4%	-13
Gross Profit	43	40	6%	2	58	66	-12%	-8	16	20	-19%	-4	Gas Spain	205	217	-6%	-12
Regulated Revenues	41	38	7%		50	58	-14%	-8	15	16	-1%	-0	Gas Portugal	64	64	0%	
Non-regulated gross profit	2	30	-14%	_	8	7	3%	n	1	5	-81%	-4	0-	04	04	370	
			14/0	, 0			370				01/0						

ELECTRICITY DISTRIBUTION IN SPAIN

EBITDA from our electricity distribution activity in Spain was 2% lower YoY, at €30m in 1Q13, as higher regulated revenues (+€3m) were mitigated by higher operating costs (+€3m on lower impact from the application of IFRIC18).

In Feb-13, the Spanish government released a Ministerial Order, by mean of which regulated revenues attributable to EDP España for the year 2013 were set at €163m. In Feb-13, the Spanish Government published RDL 2/2013: as part of a set of urgent measures for the electricity system and for the finance sector, it stated the indexation of regulation revenues to CPI at a constant tax rate and excluding either unprocessed foods or energy products (instead of CPI). **Electricity distributed** by EDP España, in the region of Asturias, declined by 3% YoY in 1Q13 mainly dragged by the industrial segment.

GAS REGULATED NETWORKS IN SPAIN

EBITDA from gas distribution in Spain amounted to €102m in 1Q13 (+€49m YoY), supported by: (i) a €56m one-off gain stemming from the sale of our transmission gas assets to Enagas; (ii) -€6m derived from the de-consolidation of gas transmission assets; and (iii) nearly flat regulated revenues in the distribution business.

Regulated revenues declined by 14% (-€8m), to €50m, largely due to the disposal of transmission operations (-€7m), supply points 1.3% higher and lower volumes distributed.

Volume of gas distributed dropped by 15% YoY, to 14.7TWh, dragged by lower consumption for electricity generation purposes and by significant production decreases at some clients. For 2013 gas distribution regulated revenues attributable to our subsidiary in Spain **amount to €194m**, according to a Ministerial Order published in Dec-12.

GAS REGULATED NETWORKS IN PORTUGAL

EBITDA from gas distribution in Portugal was 23% (-€4m) lower YoY, at €12m, reflecting, in 1Q12, €4m positive one-off impact from the agreement for the economic and financial balance of concession (Jul-12).

In spite of an 6% expansion in the number of supply points prompted by the continuing effort of new client connection in the region operated by EDP, **volume distributed** dropped by 11% YoY, penalised by the loss of one large client to the very high pressure grid and by weak consumption.

On 10-Apr-13, ERSE released the rules for the next regulatory period (from Jul-13 to Jun-16): our gas regulated revenues should be calculated based on a return on RAB which shall be indexed as to reflect the evolution of economic and financial environment. On 15-Apr-13, ERSE unveiled a proposal for an average 3.9% increase of last resort tariff proposal to be in place from 1-Jul-13 until 30-Jun-14. A final decision will be taken until 15-Jun-13.

Δ%

-10%

-12%

-170b.p. -357b.p.

Income Statement		Consolidate	d (R\$ m)			Consolidate	ed (€ m)		Energias do Brasil
	1Q13	1Q12	Δ%	Δ Abs.	1Q13	1Q12	Δ%	Δ Abs.	
									Share price at end of period (R\$/share)
Gross Profit	651	601	8%	+49	247	259	-5%	-13	Number of shares Issued (million)
									Treasury stock (million)
Supplies and services	110	106	4%	+4	42	46	-9%	-4	Number of shares owned by EDP (million)
Personnel costs	78	77	2%	+1	29	33	-11%	-4	
Costs with social benefits	9	8	9%	+1	3	4	-4%	-0	Euro/Real - End of period rate
Other operating costs (net)	57	(1)	-	+58	22	(0)	-	+22	Euro/Real - Average of period rate
Net Operating Costs (1)	254	190	34%	+64	96	82	18%	+14	Inflation rate (IGP-M - 12 months)
EBITDA	396	411	-4%	-15	150	177	-15%	-27	Net Debt / EBITDA (x)
									Average Cost of Debt (%)
Provisions	6	6	-2%	-0	2	3	-14%	-0	Average Interest Rate (CDI)
Net depreciation and amortisation	98	84	17%	+14	37	36	2%	+1	, ,
									Employees (#)
EBIT	293	321	-9%	-29	111	139	-20%	-28	
									Key Balance Sheet Figures (R\$ Million)
Capital gains/(losses)	0	-	-	+0	0	-	-	+0	
Financial results	(74)	(41)	-82%	-33	(28)	(18)	60%	-10	Net financial debt
Results from associates	1	(2)	-	+3	Ö	(1)	-	+1	Regulatory receivables (2)
									Non-controling Interests
Pre-tax profit	220	279	-21%	-59	83	120	-31%	-37	Equity book value
									Financial Results (R\$ Million)
Capex		(R\$ n	n)			(€ m	1		Tillancial Results (R\$ Willion)
Сарел	1013	1012	Δ%	Δ Abs.	1013	1Q12	Δ%	Δ Abs.	Net Interest Costs
	1415	-4	2 /0	1 / (3)	1415	1412	_ ,,,	171031	Capitalised Costs
Capex	185	206	-10%	-21	70	89	-21%	-19	Forex Differences and Derivatives
Maintenance	55	72	-24%	-17	21	31	-33%	-10	Other
Expansion	130	134	-3%	-4	49	58	-15%	-9	Financial Results

Key Balance Sheet Figures (R\$ Million)	1Q13	1Q12	Δ%	Δ Abs
Net financial debt	3,671	2,603	41%	+1,
Regulatory receivables (2)	283	7	-	+:
Non-controling Interests	1,943	1,943	0%	
Equity book value	4,574	4,840	-5%	-:
Financial Results (R\$ Million)	1Q13	1Q12	Δ%	Δ Abs
	,			
Net Interest Costs	(73)	(66)	-10%	
Capitalised Costs	16	25	-35%	
Forex Differences and Derivatives	1	(3)	-	
Other	(18)	4	-	
Financial Results	(74)	(41)	-82%	

1013

12.62

476.4

243.0

2.57

2.64

8.1%

7.3

6.6

0.8

1012

13.96

476.4

243.0

2.43

2.32

1.6

9.0

10.2

0.8

In local currency, EDP – Energias do Brasil ('EDPB') EBITDA fell 4% YoY (-R\$15m) to R\$396m in 1Q13, on the back of a lower contribution from both distribution and generation activities. EBITDA from distribution, down -11% YoY, was mostly negatively affected by: i) negative tariff deviations (1Q13: -R\$42m vs. 1Q12: -R\$48m); and ii) a R\$16m non-recurring gain in 1Q12. Generation EBITDA went down 8% YoY, including a -R\$72m negative contribution from Pecém I coal plant in 1Q13. Foreign exchange contributed negatively to EDPB's EBITDA in Euro terms (-€21m), following a 12% depreciation of the BRL vs. the EUR.

Net operating costs rose R\$64m YoY: i) supplies & services went up 4% YoY, well below inflation, on the back of the replacement of external services by internal staff; ii) personnel costs increased 2% YoY, reflecting the annual salary update (+6.3%) as well as higher average headcount, which were partly offset by lower indemnities, thanks to a one-off HR restructuring cost booked in 1Q12 in distribution (R\$7m); and iii) other operating costs rose R\$58m YoY mostly impacted by one-off items (a R\$16m gain in 1Q12 in distribution and a R\$31m penalty in 1Q13 related to unavailabilities of Pecém I group 1).

Net depreciations and amortizations reflect the entry into operation of new capacity (+180MW from Pecém I group 1 and +8MW from Mascarenhas hydro repowering).

Net financial costs went up R\$33m YoY to R\$74m in 1Q13, reflecting: i) higher net interest costs, backed by higher net financial debt, which more than compensated the lower average cost of debt (from 9.0% in 1Q12 to 7.3% in 1Q13); ii) lower capitalized interests as a result of a decrease in the level of works in progress; and iii) higher other financial expenses partially related to pension liabilities (R\$13m in 1Q13). **Net financial debt rose 41% YoY** reflecting investments in new capacity and negative tariff deviations in the period. Also worth mentioning, EDPB's Annual General Meeting held on April 10th, 2013 approved the payment of a 2012 annual dividend in the amount R\$370.2m (flat vs. 2011 dividend) to be paid until Dec-13.

In 1Q13, hydro reservoirs in Brazil benefited from the raining season, and, even though still at low levels, they started to recover from 2012 year-end abnormally low levels. Reservoirs in the Southeast and Center-West regions reached 54% of their maximum level by Mar-13 (vs. 29% in Dec-12 and 79% in Mar-12), and stood at 62% by the end of Apr-13. Nevertheless, given the below average hydro conditions, the System Operator continued dispatching existing thermal plants in order to stabilize reservoir levels, which reflected into a significant increase of electricity spot prices (R\$326/MWh in 1Q13 vs. R\$66/MWh in 1Q12).

Brazil: Electricity Distribution

Income Statement (R\$ m)	1Q13	1Q12	Δ%	Δ Abs.
Gross Profit	332	326	2%	+5
Supplies and services	79	82	-3%	-2
Personnel costs	57	55	4%	+2
Costs with social benefits	7	7	8%	+1
Other operating costs (net)	27	3		+24
Net Operating Costs (1)	170	145	17%	+25
EBITDA	161	181	-11%	-19
Provisions	4	5	-31%	-2
Net deprec. and amortisation	49	44	11%	+5
EBIT	109	132	-17%	-23
Gross Profit Performance	1Q13	1Q12	Δ%	Δ Abs.
Pagulated Payanuas	274	274	00/	
Regulated Revenues Tariff deviation in the Period (4)	374	374	-0%	-1
Dev. from previous year (3)	(82) 40	(48) (5)	71%	-34 +45
Others	40	(5) 5	-	+45 -5
Gross Profit	332	326	2%	+5
Regulatory Receivables (R\$ m)	283	7	-	+276
Clients Connected (th)	2.964	2.859	4%	+105
Bandeirante	1,619	1,559	4%	+60
Escelsa	1,345	1,300	4%	+46
Electricity Distributed (GWh)	6.376	6.204	3%	+172
Bandeirante	3,688	3,664	1%	+24
Escelsa	2,688	2,540	6%	+148
From which:	2 40=			
To clients in Free Market (GWh)	2,405	2,303	4%	+103
Electricity Sold (GWh)	3,971	3,902	2%	+69
Bandeirante	2,272	2,325	- 2 %	-54
Resid., Commerc. & Other	1,647	1,608	2%	+39
Industrial	625	718	-13%	-93
Escelsa	1,699	1,576	8%	+123
Resid., Commerc. & Other	1,439	1,312	10%	+126
Industrial	261	264	-1%	-3
Capex & Opex Performance	1Q13	1Q12	Δ%	Δ Abs.
Controllable Operating Costs (2)	136	136	-0%	-0
Cont. costs/client (R\$/client)	46	48	-4%	-2
Cont. costs/km (R\$/Km)	2	2	-1%	-0
Employees (#)	2,194	1,990	10%	+204
Capex (net of subsidies) (R\$m)	46	67	-32%	-21

87

Network ('000 Km)

EBITDA from our electricity distribution activity in Brazil dropped 11% YoY (-R\$19m) to R\$161m in 1Q13, penalised by: i) negative tariff deviations (1Q13: -R\$42m vs. 1Q12: -R\$48m); ii) ANEEL's directive under which the amounts collected from industrial clients for power demand above contracted levels are now registered as investment subsidies instead of operating revenues (R\$18m in 1Q12); and iii) the recognition of a R\$16m non-recurring gain in 1Q12.

In Jan-13 ANEEL approved an 18% decrease in tariffs for residential customers and up to a 32% decrease for industrials, on the back of the cut in electricity costs achieved through the Provisory Act No. 579, meanwhile converted into Law 12.783/13 (Jan-13), which translated into a reduction in electricity sector charges, and lower generation costs, following concessions' renewal conditions. The subsequent mismatch between the energy procurement contracts and supply obligations led to involuntary short contracting positions at our distribution companies. In Mar-13, through DL 7.945/13, the Brazilian Government approved the transfer of funds from an electricity sector account called CDE (Conta de Desenvolvimento Energético) to compensate distribution companies facing an increase in costs derived from the strong thermal dispatch and subsequent hike in spot prices, as well as from the involuntary short contracting position, as distribution companies had to satisfy demand through electricity purchases at high spot prices.

Tariff deviations at gross profit level amounted to -R\$42m in 1Q13, vs. -R\$48m in 1Q12. Note that electricity distribution gross profit in Brazil includes the cash-flow impact from deviations vs. regulated revenues. In 1Q13, R\$40m of previous years tariff deviations were recovered through tariffs, while a new R\$82m tariff deviation was created. The latter reflects, on the one hand, a R\$216m deviation essentially related to higher energy costs than the ones incorporated in the tariffs, and on the other, R\$134m to be received from CDE (cash proceeds in 2Q13). All in all, regulatory receivables amounted to R\$283m as of Mar-13, up R\$42m vs. Dec-12, to be collected through tariffs in the following years. Bandeirante's regulatory review for the 2011-15 period, approved by ANEEL in Oct-12, set a 7.29% increase in tariffs for the 12 months period starting Oct-12, reflecting previous years tariff deviations as well as a lower return on the Regulated Asset Base (7.5% after taxes). Regarding Escelsa, in Aug-12, ANEEL set a 14.29% tariff increase for the 12 months period starting Aug-12, on the back of the annual tariff readjustment process. Escelsa's next 3 years regulatory period starts in Aug-13.

Volumes of electricity sold rose 2% YoY in 1Q13, reflecting a 6% increase in the 'residential, commercial & other' segments, justified by a wider client base, higher consumption per capita and dry weather. Volumes sold to the industrial segment fell 10% YoY, due to the migration of clients to the free market. At the same time, **volumes distributed** to industrial clients in the free market advanced 4%, supporting a 3% YoY increase in the total volume of electricity distributed.

Controllable operating costs stood flat in 1Q13. Personnel costs went up 4% YoY, while supplies & services fell 3% YoY, mostly due to the replacement of external suppliers by internal workforce, which also translated into an increase of the average headcount. Other operating costs rose by R\$24m YoY, mostly due to a one-off gain with the sale of buildings in 1Q12 (R\$16m) and higher doubtful clients provisioning.

Capex fell 32% YoY to R\$46m in 1Q13, partly due to the mentioned regulatory changes, which implied higher levels of investment subsidies at Bandeirante.

⁽¹⁾ Net Operating Costs = Operating Costs (Supplies and services + Personnel costs + Costs with social benefits) + Other operating costs (net) (2) Supplies & services and personnel costs

⁽³⁾ Regulatory receivables that EDP is recovering in current tariff, related to amounts owed by the system due to lower than expected gross profit in past periods

(4) Regulatory receivables being generated in the current period.

This amount is to be recovered by EDP through tariffs in the following annual tariff adjustments.

Brazil: Electricity Generation and Supply

Income Statement (R\$M)		Gener	ation	
	1Q13	1Q12	Δ%	Δ Abs.
Gross Profit	272	253	8%	+19
Supplies and services	18	16	8%	+1
Personnel costs	13	10	21%	+2
Costs with social benefits	1	1	17%	+0
Other operating costs (net)	34	1	-	+33
Net Operating Costs (1)	65	29	125%	+36
EBITDA	206	224	-8%	-17
Provisions	1	0	121%	+0
Net depreciation and amortisation	46	37	24%	+9
EBIT	160	186	-14%	-26
Generation	1Q13	1Q12	Δ%	Δ Abs.

Generation	1Q15	IQIZ	Δ %	Δ Abs.
Gross Profit (R\$ m)	272	253	8%	+19
Lajeado	128	97	32%	+31
Peixe Angical	112	92	22%	+20
Energest (15 hydro plants)	68	63	8%	+5
Pecém	(37)	0	-	-37
Installed Capacity - Hydro (MW)	1,979	1,790	11%	+188
Lajeado	903	903	-	-
Peixe Angical	499	499	-	-
Energest (15 hydro plants)	397	389	2%	+8
Pecém	180	-	-	+180
Electricity Sold (GWh)	3,030	2,102	44%	+928
Lajeado	1,012	832	22%	+180
Peixe Angical	654	632	3%	+22
Energest (15 hydro plants)	688	637	8%	+50
Pecém	675	-	-	+675
r coem	0.0			
Average Selling Price (R\$/MWh) (2)	151	138	9%	+13
Lajeado	132	124	7%	+8
Peixe Angical	182	171	6%	+11
Energest (15 hydro plants)	146	122	20%	+24
Capex (R\$ million)	138	139	-1%	-1
Maintenance	8	5	62%	+3
Expansion	130	134	-3%	-4
Pecém	44	83	-47%	-39
Jari	79	46	70%	+32
Other	7	5	44%	+2
Guici	,	,	7770	12
Employees (#)	463	376	23%	+87

Supply	1Q13	1Q12	Δ%	Δ Abs.
Gross profit (R\$ m)	47	20	134%	+27
Net Operating costs (1) (R\$ m)	(3)	(7)	49%	+3
EBITDA (R\$ m)	50	27	89%	+24
Electricity sales (GWh)	2,922	2,512	16%	+410

EBITDA from our electricity generation activities in Brazil went down 8% YoY to R\$206m in 1Q13, penalized by the negative contribution from Pecém I coal plant (-R\$72m in 1Q13). Excluding this impact, adjusted EBITDA went up 24% YoY, following a low exposure of our hydro facilities to high spot market prices, achieved through a higher volume of electricity sold in 1Q13.

Electricity volumes sold rose 44% YoY to 3TWh in 1Q13 on the back of Pecém I group 1 contribution. Excluding this impact, volumes sold went up 12% YoY, reflecting higher installed capacity from Mascarenhas hydro repowering (+8MW) as well as the above mentioned seasonal concentration of hydro volumes sold in 1Q13 – 29% of the contracted volumes to be sold in 2013 were allocated to 1Q, vs. 25% in 2012. Average selling price went up 9% YoY in 1Q13, mostly reflecting the PPA prices inflation updates, as most of EDPB's installed capacity is contracted under long term PPAs. Note that the evolution of Energest's average selling price was positively impacted by the termination, in Dec-12, of some contracts with a selling price well below average.

EDPB owns a 50% stake in Pecém I coal plant facility (720MW) in partnership with MPX, with an average contracted capacity of 615MW for 15 years. The commissioning date of the facility suffered some setbacks and, after being officially delayed from Jan-12 to 23-Jul-12, group 1 (50% of the plant) started commercial operations in 1-Dec-12. Group 2 (remaining 50% of the plant) was synchronized to the network in Feb-13 (commissioning expected in 2Q13). In 1Q13, Pecém I recorded a negative gross profit contribution of R\$37m, as given the additional delay on the start of group 2, EDPB was forced to purchase electricity in the market to fulfil its PPA contracts with distribution companies. Additionally, due to partial unavailability of group 1, 1Q13 EBITDA was negatively impacted by a non-recurring R\$31m penalty that was recorded at the level of other operating costs. Total EBITDA contribution from Pecém I was -R\$72m in 1Q13.

Capex was relatively flat at R\$138m in the 1Q13, as the lower capex from Pecém I was compensated by higher investments at our Jari hydro project, to start operations in 2015. Expansion capex represented 94% of total generation capex, from which 34% refer to Pécem I and 61% to Jari. Santo António do Jari hydro plant is a 373MW project with an average contracted capacity of 201.9MW: i) 190MW through a 30-year PPA at a price of R\$104/MWh; and ii) 20.9MW through a 28-year PPA at a price of R\$82/MWh. Total investment is expected to be around R\$1.4bn (with a debt to equity ratio of about 2:1). In Oct-12, BNDES approved, for this project, a R\$736.8m loan for 18.5 years (including a 2.5 years grace period) bearing an interest rate of 'TJLP + 186bps' (TJLP – Long Term Interest Rate, currently at 5.1%). At the A-5 energy auction of Dec-12, EDPB was awarded the concession of Cachoeira Caldeirão hydro facility, a 219MW project with an average 129.7 MW of contracted capacity to be sold through a 30-year PPA at a price of R\$95.31/MWh. The hydro plant is expected to start operations Jan-17 and total investment should amount to approximately R\$1.1bn with as estimated leverage ratio of 60%.

Electricity supply gross profit rose R\$27m YoY to R\$47m in 1Q13, reflecting a favourable long position and higher volumes supplied to clients, benefiting from higher spot prices.



Income Statements & Annex

1Q13 (€m)	Long-Term Contracted Generation	Iberian Liberalised Activities	Regulated Networks Iberia	EDP Renováveis	Brazil	Corpor. Activ. & Adjustments	EDP Group
Gross Profit	231.6	246.0	448.0	379.1	246.7	(40.5)	1,510.8
Supplies and services Personnel costs Costs with social benefits Other operating costs (net) Operating costs	17.4 16.3 0.0 2.3 35.9	66.4 26.2 1.6 40.1 134.4	38.7 6.3 10.5	61.3 16.2 1.6 (27.0) 52.1	41.8 29.5 3.4 21.8 96.5	(73.1) 29.7 1.0 4.3 (38.1)	216.3 156.6 13.9 52.0 438.9
EBITDA	195.6	111.6	289.8	327.0	150.2	(2.4)	1,071.9
Provisions Net depreciation and amortisation (1)	0.6 42.5	0.3 58.7	0.2 82.1	118.2	2.2 37.0	6.1 14.8	9.4 353.3
EBIT	152.5	52.5	207.5	208.9	111.0	(23.2)	709.2

1Q12 (€m)	Long-Term Contracted Generation	Iberian Liberalised Activities	Regulated Networks Iberia	EDP Renováveis	Brazil	Corpor. Activ. & Adjustments	EDP Group
Gross Profit	241.2	193.9	478.2	309.6	259.5	(44.8)	1,437.6
Supplies and services Personnel costs Costs with social benefits Other operating costs (net) Operating costs	18.5 18.3 0.0 7.4 44.2	64.6 24.6 1.4 8.7 99.3	39.3	12.2 1.5 (24.9)	45.9 33.0 3.6 (0.4) 82.1	27.1 1.5 4.8	216.3 154.5 15.0 48.4 434.2
EBITDA	197.0	94.5	274.9	263.5	177.4	(3.9)	1,003.5
Provisions Net depreciation and amortisation (1)	(0.1) 48.4	(3.0) 65.0	0.1 74.9	0.0 114.4	2.5 36.1	3.5 11.6	3.0 350.3
EBIT	148.8	32.6	200.0	149.0	138.7	(19.0)	650.2

Quarterly Income Statement

Quarterly P&L (€ m)	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	Δ ΥοΥ %	Δ QoQ %
Electricity Revenues	3,904.5	3,355.8	3,380.3	3,763.8	3,903.0	_	-		-0%	4%
Gas Revenues	482.7	416.2	449.6	422.7	430.9	-	-			2%
Other Revenues	25.0	29.4	46.6	63.4	50.6	-	-		102%	-20%
Operating Revenues	4,412.2	3,801.4	3,876.4	4,249.9	4,384.5	-	-	-	-1%	3%
Electricity	2,284.3	1,888.0	1,956.0	2,263.9	2,284.8	-	-	-	0%	1%
Gas	390.6	322.5	331.8	331.0	336.2	-	-	-	-14%	2%
Fuel	279.4	217.3	245.7	297.2	229.2	-	-	-	10/0	-23%
Materials and goods for resale	20.1	22.0	32.5	29.5	23.5	-	-	-	17%	-20%
Direct Activity Costs	2,974.5	2,449.8	2,565.9	2,921.5	2,873.8	-	-	· -	-3%	-2%
Revenue from assets assigned to concessions	94.3	84.6	106.9	433.7	69.5	-	-	-	2070	-84%
Expenditure with assets assigned to concessions	(94.3)	(84.6)	(106.9)	(433.7)	(69.5)	-	-	-	26%	84%
Gross Profit	1,437.6	1,351.6	1,310.6	1,328.3	1,510.8	-	-	-	5%	14%
Supplies and services	216.3	229.3	227.7	255.0	216.3	-	-		0%	-15%
Personnel costs	154.5	140.2	138.1	149.4	156.6	-	-	-	1%	5%
Costs with social benefits	15.0	20.5	12.5	41.3	13.9	-	-	-	-7%	-66%
Other operating costs (net)	48.4	79.9	74.9	(3.3)	52.0	-	-	-	7%	-
Operating costs	434.2	470.0	453.2	442.3	438.9	-	-	-	1%	-1%
EBITDA	1,003.5	881.6	857.3	886.0	1,071.9	-	-	-	7%	21%
Provisions	3.0	3.8	(3.3)	12.6	9.4	-	-		215%	-25%
Net depreciation and amortisation (1)	350.3	353.7	356.5	408.5	353.3	-	-	-	1%	-14%
EBIT	650.2	524.2	504.2	464.8	709.2	-	-	-	9%	53%
Capital gains/(losses)	(0.0)	2.9	(0.0)	(0.1)	0.0	-	-		_	-
Financial Results	(166.8)	(186.2)	(162.6)	(189.6)	(159.9)	-	-		4%	16%
Results from associated companies	3.6	` 6.8	7.0	6.3	8.1	-	-	-	122%	27%
Pre-tax profit	487.0	347.7	348.6	281.5	557.4	-	-		14%	98%
Income taxes	79.0	79.9	114.2	9.4	149.1	-	-		89%	1485%
Discontinued Activities	-	-	-	-	-	-	-	-		-
Net Profit for the period	408.0	267.8	234.4	272.1	408.4	-	-		0%	50%
Net Profit Attributable to EDP	337.2	244.5	212.8	218.0	334.7	-	-		-1%	54%
Non controlling interests	70.7	23.2	21.6	54.1	73.6	-	-		4%	36%

⁽¹⁾ Depreciation and amortisation expense net of compensation for depreciation and amortisation of subsidised assets.

EDP - Installed capacity & electricity generation

Technology		•	city - MW (1	-		•	eration (GW	-	1010	2042		tricity Gene		•	2042	4040
	1Q13	1Q12	ΔIVIW	Δ %	1Q13	1Q12	Δ GWh	Δ%	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13
PPA/CMEC (Portugal)	5,274	6,220	-946	-15%	5,053	3,200	1,853	58%	3,200	2,860	2,912	3,594	5,053			
Hydro	4,094	4,094	0	0%	3,307	846	2,461	291%	846	884	570	1,619	3,307			
Run off the river	1,860	1,860			2,418	623			623	813	430	1,183	2,418			
Reservoir	2,234	2,234			889	223			223	71	140	436	889			
Coal - Sines	1,180	1,180	0	0%	1,747	2,353	-606	-26%	2,353	1,977	2,340	1,977	1,747			
Fuel oil - Setúbal	0	946	-946	-	0	2	-2	-	2	-1	2	-2	0			
Special Regime (Ex-Wind)	381	469	-88	-19%	623	561	62	11%	561	591	482	612	623			
Portugal	256	324	-67	-21%	449	343	107	31%	343	380	301	406	449			
Small-Hydro	157	157			268	41			41	91	16	105	268			
Cogeneration	68	135			132	254			254	236	233	247	132			
Biomass	32	32			49	47			47	54	53	53	49			
Spain	125	145	-21	-14%	174	219	-45	-20%	219	211	180	206	174			
Cogeneration+Waste	125	142			174	219			219	211	180	206	174			
Biomass	0	3			0	0			0	0	0	0	0			
Liberalised Iberia	7,122	7,574	-453	-6%	3,621	3,544	77	2%	3,544	2,686	3,149	3,805	3,621			
Hydro	1,605	1,347	257	19%	1,581	390	1,191	305%	390	654	329	761	1,581			
Portugal	1,178	921			1,104	234			234	414	270	595	1,104			
Spain	426	426			477	156			156	240	59	166	477			
Coal	1,460	1,460	0	0%	1,371	1,846	-475	-26%	1,846	1,278	1,708	1,883	1,371			
Aboño I	342	342	_		412	469			469	464	542	491	412			
Aboño II	536	536			826	973			973	360	907	1,000	826			
Soto Ribera II	236	236			124	72			72	175	73	146	124			
Soto Ribera III	346	346			9	333			333	278	186	247	9			
CCGT	3,736	3,736	0	0%	337	973	-636	-65%	973	536	775	822	337			
Ribatejo (3 groups)	1.176	1.176	•	• , ,	74	164		00,0	164	19	-2	48	74			
Lares (2 groups)	863	863			63	353			353	177	519	230	63			
Castejón (2 groups)	843	843			94	170			170	190	199	266	94			
Soto IV & V (2 groups)	854	854			106	285			285	150	59	279	106			
Nuclear - Trillo	156	156	0	0%	331	335	-4	-1%	335	218	338	339	331			
Gasoil/Fueloil	165	875	-710	-81%	0	0	0	-18%	0	0	0	0	0			
Wind (More detail on page 16)	7,634	7,157	477	7%	5,755	5,212	542	10%	5,212	4,705	3,427	5,100	5,755			
Iberia	2,926	2,814			2,322	1,631			1,631	1,714	1,437	1,766	2,322			
Rest of Europe	987	838			552	477			477	394	323	533	552			
USA	3,637	3,422			2,829	3,056			3,056	2,552	1,597	2,733	2,829			
Brazil	84	84			52	48			48	45	71	67	52			
Solar - Romania	39	0	39	-	0	0	0	-	0	0	0	0	0			
Brazil (Ex-Wind)	1,979	1,790	188	11%	2,460	2,647	-187	-7%	2,647	1,826	1,418	2,327	2,460			
Hydro	1,799	1,790	8	0%	2,246	2,647	-400	-15%	2,647	1,826	1,418	2,301	2,246			
Lajeado	903	903			1,040	1,351			1,351	787	565	1,008	1,040			
Peixe Angical	499	499			710	819			819	588	558	874	710			
Energest	397	389			497	477			477	451	294	419	497			
Coal - Pecém	180	0	180	-	214	0	214	-	0	0	0	26	214			
TOTAL	22,428	23,211	-783	-3%	17,511	15,164	2,347	15%	15,164	12,668	11,388	15,438	17,511			

EDP - Volumes distributed, clients connected and networks

ELECTRICITY				
Electricity Distributed (GWh)	1Q13	1Q12	Δ GWh	Δ%
Portugal	11,102	11,716	-614	-5.2%
Very High Voltage	507	479	28	5.8%
High / Medium Voltage	4,876	5,124	-248	-4.8%
Low Voltage	5,719	6,113	-394	-6.4%
Spain	2,357	2,435	-77	-3.2%
High / Medium Voltage	1.636	1.728	-92	-5.3%
Low Voltage	721	707	14	2.0%
Brazil	6,376	6,204	172	2.8%
Free Clients	2,405	2,303	103	4.5%
Industrial	886	982	-96	-9.8%
Residential, Comercial & Other	3,085	2,920	166	5.7%
TOTAL	19,835	20,355	-520	-2.6%

GAS				
Gas Distributed (GWh)	1Q13	1Q12	ΔGWh	Δ%
Portugal	1,971	2,211	-241	-10.9%
Low Pressure (P ≤ 4 Bar)	393	358	36	10%
Medium Pressure (P > 4 Bar)	1,568	1,844	-276	-15%
LPG	9	9	-0	-4%
Spain	14,685	17,233	-2,548	-15%
Low Pressure (P ≤ 4 Bar)	3,639	3,910	-271	-6.9%
Medium Pressure (P > 4 Bar)	11,046	13,324	-2,278	-17%
TOTAL	16,656	19,445	-2,789	-14.3%

Clients Connected (th)	1Q13	1Q12	Abs. Δ	Δ%
Portugal	6,079	6,119	-39.5	-0.6%
Very High / High / Medium Voltage	24	24	0.0	0.0%
Special Low Voltage	33	34	-0.3	-1.0%
Low Voltage	6,022	6,061	-39.2	-0.6%
Spain	657	656	1.7	0.3%
High / Medium Voltage	1.1	1.1	0.0	0.9%
Low Voltage	656	655	1.7	0.3%
Brazil	2.964	2.859	105.3	3.7%
Bandeirante	1.619	1.559	59.5	3.8%
Escelsa	1,345	1,300	45.8	3.5%
TOTAL	9,701	9,633	67.5	0.7%

Supply Points (th)	1Q13	1Q12	Abs. Δ	Δ%
Portugal	292.6	276.3	16.2	5.9%
Final	209.3	274.5	-65.1	-23.7%
Access	83.2	1.8	81.4	4405%
Spain	1,010.4	997.9	12.5	1.3%
Final	-	-	-	-
Access	1,010.4	997.9	12.5	1.3%
TOTAL	1,303.0	1,274.2	28.8	2.3%

Networks	1Q13	1Q12	Abs. Δ	Δ%
Lenght of the networks (Km)	334,976	332,117	2,859	0.9%
Portugal	224,595	223,180	1,415	0.6%
Spain	23,007	22,692	315	1.4%
Brazil	87,375	86,245	1,130	1.3%
Losses (% of electricity distributed)				
Portugal (1)	-14.4%	-11.0%	-3.4 pp	
Spain	-4.1%	-4.2%	0.1 pp	
Brazil			• • • • • • • • • • • • • • • • • • • •	
Bandeirante	-10.2%	-10.5%	0.3 pp	
Technical	-5.5%	-5.6%	0.1 pp	
Comercial	-4.7%	-4.9%	0.2 pp	
Escelsa	-13.5%	-13.2%	-0.3 pp	
Technical	-7.8%	-7.3%	-0.5 pp	
Comercial	-5.7%	-5.8%	0.1 pp	

Networks	1Q13	1Q12	Abs. Δ	Δ %
Lenght of the networks (Km)	14,243	14,353	-110	-0.8%
Portugal	4,349	4,165	184	4.4%
Spain	9,894	10,188	-294	-2.9%
Distribution	9.894	9.743	151	1.5%
Transmission	-	445	-445	-

(1) Excludes Very High Voltage - 28 -

102013 Main Events

Jan: EDP - Energias do Brasil shares are included in the Boyespa index, with a contribution of 0.645%;

Jan: EDP MOP and Renault sign a contract to ensure the operation of the charging posts network which will support field tests and the launching of the electric car ZOE;

Jan: For the sixth consecutive year, EDP is distinguished in the publication world, "Sustainability Yearbook 2013" by SAM, obtaining the rank of gold for the fourth time;

Feb: EDP signs jointly with 20 more national companies, the accession agreement to the Companies' Forum for the Gender Equality;

Mar: EDP Renováveis in Poland is awarded by "Great Place to Work" as the best workplace in 2013 in the category of companies with less than 50 employees.

EDP Internal Sustainability Index (base 2006)							
	1Q13	1Q12	Δ%				
Sustainability Index	127	131	-3.2%				
Environmental	133	152	-13%				
%Weight	36%	36%					
Economic	114	113	1.0%				
%Weight	33%	33%					
Social	134	126	6.4%				
%Weight	31%	31%					

This Sustainability Index was developed by EDP and is based on 26 sustainability performance indicators. (www.edp.pt/sustentabilidade/abordagemasustentabilidade/)

Economic Metrics	1Q13	1Q12	Δ%	
Economic Value (€m)(1)				
Directly Generated Distributed Accumulated	4,778 3,972 805	4,691 3,906 785	1.7%	
Social Metrics (g)	1Q13	1Q12	Δ%	
Employees (c)	12,114	11,998	1.0%	
Training (hours trainee)	72,003	86,726	-17%	
On-duty Accidents EDP Frequency rate (Tf) EDP Severity Rate (Tg) Freq. rate EDP+ESP(f) (Tf)	13 2.35 84 4.49	9 1.60 130 4.90	44% 47% -35% -8.3%	

Environmental Metrics	1Q13	1Q12	Δ%
Absolute Atmospheric Freissiens (let) (s)			
Absolute Atmospheric Emissions (kt) (a)	3,717.0	5,001.8	-26%
CO2 NOx	3,717.0	4.0	-20% -15%
SO2	3.1	3.9	-13%
Particle	0.161	0.173	-7.2%
raiticle	0.101	0.1.0	7.270
Specific Atmospheric Emissions (g/KWh)			
CO2	213.47	291.03	-27%
NOx	0.20	0.23	-16%
SO2	0.18	0.23	-22%
GHG emissions (ktCO2 eq)			
Direct Emissions (scope 1)	3,727	5,017	-26%
Indirect emissions (scope 2) (h)	458	431	6.1%
Primary Energy Consumption (TJ) (b)	38,816	53,794	-28%
Max. Net Certified Capacity (%)	75%	70%	5 p.p.
Water Use (10 ˙ m ˙)	397,857	427,643	-7.0%
Total Waste (t) (e)	76,881	176,483	-56%
,,,,	, , , ,	•	30/0
Environmental Costs (€ th)	15,958	11,967	33%
Environmental Fees and Penalties (€ th)	75.3	209.5	-64%

Environmental Metrics - CO2 Emissions						
CO2 Emissions	Absolute (ktCO2)		Specific (t/MWh)		Generation (d) (GWh)	
	1Q13	1Q12	1Q13	1Q12	1Q13	1Q12
PPA/CMEC	1,613	2,113	0.92	0.90	1,747	2,355
Coal	1,612	2,106	0.92	0.90	1,747	2,353
Fuel Oil & Natural Gas	1	7	14.01	3.43	0	2
Liberalised	1,846	2,570	1.08	0.91	1,708	2,819
Coal	1,700	2,182	1.24	1.18	1,371	1,846
CCGT	147	388	0.43	0.40	337	973
Special Regime	257	319	0.32	0.30	801	1,063
Thermal Generation	3,717	5,002	0.87	0.80	4,256	6,237
CO2 Free Generation					13,157	10,949
CO2 Emissions			0.21	0.29	17,413	17,186

⁽a) Excluding vehicle fleet

⁽b) Including vehicle fleet and gas consumption in transmission and distribution activities

⁽c) Including Executive Corporate Bodies

⁽d) Includes heat generation (445 GWh: 1Q13 vs. 543 GWh: 1Q12)

⁽e) Waste sent to final disposal

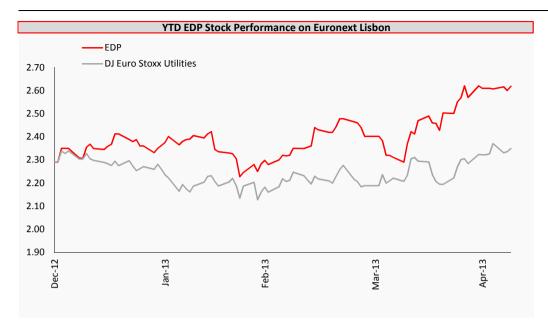
⁽f) ESP: External Services Provider

⁽g) Excluding Pécem's coal plant (h) Including electricity consumptions from the administrative buildings of HC Energía Generación in Spain as well as the backfeed power

⁽¹⁾ Generated Economic Value (GEV): Turnover + other operating income + gains/losses with the sale of financial assets + gains/losses from associated companies + financial income Accumulated Economic Value (AEV): GEV - DEV.

EDP Share Performance





EDP Stock Market Performance	YTD	52W	2012
		05-07-2013	
EDP Share Price (Euronext Lisbon - €)			
Close	2.619	2.619	2.290
Max	2.633	2.633	2.484
Min	2.215	1.628	1.628
Average	2.401	2.154	2.069
EDP's Liquidity in Euronext Lisbon			
Turnover (€ m)	1,487	3,252	2,899
Average Daily Turnover (€ m)	16	12	11
Traded Volume (million shares)	619	1,510	1,401
Avg. Daily Volume (million shares)	6.7	5.8	5.4

EDP Share Data	1Q13	1Q12	Δ%
Number of shares Issued (million)	3,656.5	3,656.5	-
Treasury stock (million)	30.8	32.8	-5.9%

EDP's Main Events

Jan-18: Blackrock notifies qualified shareholding in EDP

Jan-25: Capital Research notifies qualified shareholding in EDP

Jan-31: EDP signed credit facility of €1,600,000,000

Feb-15: Conclusion of sale of gas transmission business in Spain

Feb-22: Parpública decreases its ownership interest in the share capital of EDP

Mar-7: Oppidum notifies qualified shareholding in EDP

Mar-22: Standard & Poor's affirmed EDP at "BB+" and revises outlook to stable

Apr-2: Capital Income Builder notifies qualified shareholding in EDP

Apr-12: Resignation of member of the General and Supervisory Board

Apr-26: EDP sells €150 million of tariff deficit in Portugal

Apr-30: MFS notifies qualified shareholding in EDP

May-6: EDP's Annual General Shareholders Meeting

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