

1Q15 Financial Results

Conference call and webcast

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Income Statement (€ m)	1Q15	1Q14	Δ%	Δ Abs.
Gross Profit	1,423	1,483	-4%	-60
Supplies and services Personnel costs, employees benefits Other operating costs (net) Net Operating costs (1)	207	202	2%	+5
	161	164	-2%	-3
	38	86	-56%	-48
	406	453	-10%	-47
EBITDA	1,017	1,030	-1%	-13
Provisions	1	7	-92%	-6
Amortisation and impairment (2)	337	324	4%	+13
EBIT	680	699	-3%	-19
Financial Results Share of net profit joint ventures/associates Pre-tax profit	(208)	(147)	-42%	-61
	(2)	12	-	-13
	471	564	-17%	-94
Income taxes	90	186	-52%	-96
Extraord. contribution energy sector	15	15	5%	+1
Net profit for the period Net Profit Non-controlling Interest	365	364	0%	+2
	297	296	0%	+1
	68	68	1%	+1

Key Operational Data	1Q15	1Q14	Δ%	Δ Abs.
Employees	11,632	12,047	-3.4%	-416
Installed capacity (MW)	22,430	22,082	1.6%	+349

Key Financial Data (€ m)	1Q15	1Q14	Δ%	Δ Abs.
FFO (Funds from operations)	621	717	-13%	-97
Capex Maintenance Expansion	362 102 260	278 112 166	30% -8% 57%	+85 -9 +94
Net investments (4)	377	245	54%	+132

Key Balance Sheet Data (€ m)	Mar-15	Dec-14	Δ%	Δ Abs.
Equity book value	8,995	8,681	4%	+313
Net debt	16,779	17,042	-2%	-263
Regulatory receivables	2,278	2,504	-9%	-226
Net debt/EBITDA (x)	4.1x	4.7x	-12%	-0.6x
Adjusted net debt (3)/EBITDA (x)	3.6x	4.0x	-11%	-0.4x

Consolidated EBITDA amounted to €1,017m in 1Q15, 1% lower YoY, impacted by a tough comparison basis stemming from outstanding hydro and wind conditions in Iberia during the 1Q14 (compared to below-the-average conditions in 1Q15); and more severe drought in Brazil. The performance at our operations in Iberia (EBITDA: -7% YoY to €570m in 1Q15) mainly reflected: (i) normalisation of market conditions versus last year's outstanding hydro resources and low prices, (ii) below-the-average hydro contribution to the production mix stemming from dry quarter; (iii) fewer wholesale trading opportunities in the gas market; and (iv) gain from the sale of gas assets in Murcia, in 1Q15. The performance from our subsidiary EDP Renováveis ('EDPR'; EBITDA +10% YoY to €319m) was propelled by higher average capacity on stream (+6% YoY), higher realised merchant prices in Spain and US; and by a 22% appreciation of the USD versus Euro (avg.). The performance of our subsidiary EDP Brasil ('EDPB', EBITDA: +2% YoY to €129m in 1Q15) reflected an increase in hydro generation deficit, from 4% in 1Q14 to 21% in 1Q15, which resulted in a €45m decrease YoY, with an impact of -€51m; this was compensated by higher regulated revenues from distribution (mostly reflecting the recent tariff increases).

EDP Group operating costs were broadly stable YoY, at €368m, mainly driven by: (i) -4% YoY in **Iberia**, driven by headcount reduction (mainly pre-retirements in Portugal); (ii) stability at EDPR (excluding ForEx impact) derived from tight cost control and larger portfolio; (iii) +6% in Brazil (ex ForEx impact), in line with inflation. **Other net operating costs** amounted to €38m, reflecting the sale of gas assets in Murcia (€78m gain) and higher generation taxes in Iberia (+€17m YoY, to €43m in 1Q15), prompted by higher generation revenues.

EBIT was 3% lower YoY in 1Q15, at €680m in 1Q15, mainly driven by EBITDA and higher amortisations (+4% YoY mostly reflecting USD appreciation).

Net financial costs totalled €208m in 1Q15, reflecting the impact from the USD appreciation against the Euro on USD-denominated debt and an increase in the average cost of debt from 4.6% in 1Q14 to 4.7% in 1Q15 (stable vs. 2014FY). Income taxes totalled €90m in 1Q15. Additionally, and according to the terms defined in Portugal's 2015 State Budget, EDP booked a €15m cost in 1Q15 on account of the extraordinary tax on the energy sector in Portugal. Non-controlling interests were flat at €68m in 1Q15, as higher share of minorities at EDPR's net profit pared the lower net profit at the level of EDP Brasil and its generation subsidiaries. Net profit attributable to EDP shareholders was stable YoY, at €297m.

Net debt fell from €17bn in Dec-14 to €16.8bn in Mar-15, despite the +€0.4bn impact from ForEx derived from the 13% appreciation of USD vs. EUR (end of period). Net debt evolution reflected: (i) €0.5bn reduction prompted by funds from operations (FFO), net of maintenance capex; (ii) €0.2bn reduction backed by regulatory receivables, following €0.5bn securitised in Portugal; and (iii) €0.2bn net impact from expansion capex (mainly in hydro and wind), changes in working capital with fixed asset suppliers, net proceeds from TEIs and net divestments. Total cash and available liquidity facilities amounted to €5.8bn by Mar-15. This liquidity position allows EDP to cover its refinancing needs beyond 2016.

On April 21st, EDP shareholders approved the 2014 dividend payment amounting to €676m (€0.185/share), to be paid on the next May 14th (ex-dividend date on May 12th).

EBITDA Breakdown

EBITDA (€ m)	1Q15	1Q14	Δ%	Δ Abs.	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q1 Δ%	5 YoY Δ Abs.	1Q15 Δ%	QoQ Δ Abs.
LT Contracted Generation	153	176	-13%	-22	176	180	156	159	153				-13%	-22	-4%	-6
Liberalised Activities Iberia	107	192	-44%	-85	192	123	52	49	107				-44%	-85	120%	59
Regulated Networks Iberia	324	245	32%	+79	245	314	257	226	324				32%	79	44%	98
Wind & Solar Power	319	289	10%	+30	289	218	141	255	319				10%	30	25%	63
Brazil	129	127	2%	+2	127	139	108	245	129				2%	2	-47%	-116
Other	(15)	2	-	-17	2	(2)	(2)	(7)	(15)				-	-17	-101%	-7
Consolidated	1,017	1,030	-1%	-13	1,030	972	713	927	1,017				-1%	-13	10%	90

Consolidated EBITDA amounted to €1,017m in 1Q15, 1% lower YoY, reflecting outstanding hydro and wind conditions in Iberia during the 1Q14 (compared to below-the-average conditions in 1Q15); more severe drought in Brazil (-€45m YoY on EBITDA) and a €78m gain from the sale of gas assets in Murcia, both in 1Q15. In Portugal, hydro resources in 1Q15 fell 26% short of LT average (hydro factor: 0.74), compared to a 57% premium over LT average in 1Q14 (hydro factor: 1.57). At EDPR level, the average load factor was 3% lower than the P50 scenario in 1Q15, versus +12% in 1Q14. In Brazil, the more severe drought in 1Q15 translated into hydro generation deficit of 21% (GSF of 79%) versus 4% in 1Q14 (GSF at 96%). ForEx impact on EBITDA totalled +€24m (+2% of EBITDA), mainly derived from the USD 22% appreciation vs. Euro.

LONG TERM CONTRACTED GENERATION IN IBERIA (15% of EBITDA) - EBITDA was 13% lower YoY (-€22m), at €153m in 1Q15, mainly driven by a 50% decrease in the production of mini-hydro plants (-€15m YoY) and by the depreciation of the PPA/CMEC net asset base in a context of very low inflation.

LIBERALISED ACTIVITIES IN IBERIA (10% of EBITDA) — EBITDA was €85m lower YoY, at €107m in 1Q15, reflecting: (i) -€51m YoY in gross profit from the electricity business, derived from hydro's lower contribution to the production mix (41% in 1Q15 vs. 67% in 1Q14) and fewer opportunities for managing energy markets' volatility; (ii) -€12m YoY in gross profit from gas supply derived from fewer wholesale trading opportunities; and (iii) -€27m YoY on EBITDA, mainly related to higher generation taxes in Iberia and higher costs with client services related to the ongoing liberalisation process.

REGULATED NETWORKS IN IBERIA (31% of EBITDA) – EBITDA rose by 32% YoY (+€79m), to €324m in 1Q15, impacted by a €78m one-off gain booked on the sale of gas assets in Murcia in 1Q15. Adjusted for this, EBITDA was broadly stable, as progress on cost efficiency measures offset the impact from lower regulated revenues. Gross profit was 2% lower YoY (-€10m) in 1Q15, driven by the start of the new 2015-17 regulatory period and the lower return on RAB in electricity distribution in Portugal (6.36% in 1Q15 vs. 8.37% in 1Q14), stemming from the lower Portuguese sovereign yields (YoY).

WIND & SOLAR POWER (31% of EBITDA) — EDPR's EBITDA increased by 10% YoY (+€30m) to €319m in 1Q15, propelled by operations in North America (+€29m YoY), on the back of USD appreciation vs. Euro (+€23m) and higher realised prices in the market. EBITDA in Europe was stable, as higher EBITDA in Spain (+€8m prompted by a recovery in average realised price in the pool) was offset by lower EBITDA in Portugal (-€8m, penalised by outstanding wind resources in 1Q14 and low inflation context).

BRAZIL (12% of EBITDA) - EDPB's contribution to consolidated EBITDA rose by 2% YoY (+€2m), to €129m in 1Q15, with no material ForEx impact in the period. In local currency, EBITDA from distribution advanced 64% YoY (+R\$90m), fuelled by higher regulated revenues (mainly reflecting the recent tariff increases) and by the recognition of regulatory receivables at gross profit level as from Dec-14. Generation and Supply EBITDA fell by 28% YoY (-R\$82m), as higher electricity costs stemming from low GSF in the period (79% in 1Q15 vs. 96% in 1Q14) largely outstood the more favorable seasonal allocation of volumes and lower PLD. Losses due to low GSF amounted R\$165m in 1Q15 vs. R\$19m in 1Q14.

Profit & Loss Items below EBITDA (€ m)	1Q15	1Q14	Δ%	Δ Abs.	1Q15	2Q15	3Q15	4Q15	1Q15 Q	
	1013	1014	Δ /0	Д AD3.	1013	2013	3Q13	4013	Δ %	Δ Abs.
EBITDA	1,017	1,030	-1%	-13	1,017				10%	90
Provisions	1	7	-92%	-6	1				-98%	-30
Amortisation and impairment	337	324	4%	13	337				-12%	-46
EBIT	680	699	-3%	-19	680				32%	167
Net financial interest	(238)	(216)	-10%	-22	(238)				-5%	-11
Capitalized financial costs	32	41	-22%	-9	32				-28%	-12
Net foreign exchange differences and derivates	(40)	19	-	-58	(40)				34%	20
Investment income	0	0	735%	0	0				-	-0
Unwinding w/ pension & medical care responsibilities	(11)	(17)	33%	6	(11)				18%	3
Capital Gains/(Losses)	-	(0)	-	0	-				-	-118
Other Financials	50	27	87%	23	50				138%	29
Financial Results	(208)	(147)	-42%	-61	(208)				-76%	-90
Share of net profit in joint ventures and associates	(2)	12	-	-13	(2)				83%	8
Pre-tax Profit	471	564	-17%	-94	471				22%	85
Income Taxes	90	186	-52%	-96	90				153%	54
Effective Tax rate (%)	19%	33%	-	-13.8 pp	19%				108%	0.1 pp
Extraordinary Contribution for the Energy Sector	15	15	5%	1	15				-1%	-0
EDP Renováveis	44	39	13%	5	44				78%	19
Energias do Brasil	18	27	-32%	-8	18				-67%	-37
Other	6	2	228%	4	6				-	6
Non-controlling Interests	68	68	1%	1	68				-15%	-12
Net Profit Attributable to Shareholders of EDP	297	296	0%	1	297				17%	43

Amortisation and impairment (net of compensation from depreciation and amortisation of subsidised assets) increased 4% YoY to €337m in 1Q15, mostly reflecting higher depreciations at EDPR level deriving from the new capacity installed over the last 12 monts and the USD appreciation against the EUR (€11m).

Net financial costs increased 42% YoY to €208m in 1Q15. Net interest expenses rose 10% YoY reflecting a higher average cost of debt, up from 4.6% in 1Q14 to 4.7% in 1Q15, and explained by the appreciation of the USD against the EUR and its impact on interest paid on USD denominated debt. Net ForEx differences and derivatives totalled -€40m in 1Q15 (-€58m YoY in 1Q15) and are mostly related to forex and financial operations in energy markets and commodities. Capitalised financial costs reached €32m in 1Q15, down €9m YoY, mostly related with the hydro projects in Portugal. Other financials totalled €50m in 1Q15, including a €32m gain with the tariff securitisation deal (vs. €12m in 1Q14).

Share of net profit in joint ventures and associates amounted to -€2m in 1Q15 with the main contributions to this item coming from: i) EDPR's 40% equity stake in ENEOP in Portugal which fell to €7m in 1Q15 (-€2m YoY); ii) our 50% equity stake in Pecém I that fell by €3m YoY to -€8m in 1Q15; and iii) our 50% equity stake in Jari with a contribution of -€4m vs. €0m in 1Q14.

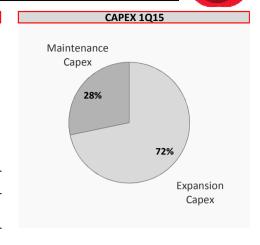
Income taxes amounted to €90m in 1Q15, representing an effective tax rate of 19% (vs. 33% in 1Q14). The decrease is partly explained by the gain on the sale of the gas distributions assets not contributing to the taxable income perimeter. On another note, the fiscal terms in Iberia were eased vs. 2014 with a 2p.p. fall in the corporate tax rate from 31.5% in 2014 to 29.5% in 2015 in Portugal and from 30% in 2014 to 28% in 2015. Additionally, and according to what had been defined in Portugal's 2015 State Budget, in 1Q15, EDP contributed with €15m to the extraordinary contribution that is being applied to the energy sector.

Non-controlling interests were flat at €68m in 1Q15, as EDPR's sale of minority stakes in wind farms and the capital gain with the sale of gas assets at Naturgas level (5% minority stake) were offset by lower net profit at the level of EDPB and its generation subsidiaries. All in all, net profit attributable to EDP shareholders was flat YoY at €297m in 1015.

Capital Expenditure & Net Investments

Capex (€ m)	1Q15	1Q14	Δ%	Δ Abs.
LT contracted gen. Iberia	4	3	31%	+1
Liberalised activities Iberia	93	124	-25%	-32
Regulated networks Iberia	69	70	-1%	-1
Wind & solar power	163	44	271%	+119
Brazil	21	26	-21%	-6
Other	14	11	25%	+3
EDP Group	362	278	30%	+85
Expansion Capex	260	166	57%	+94
Maintenance Capex	102	112	-8%	-9

1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
3	7	10	16	4			
124	171	115	148	93			
70	89	87	136	69			
44	69	165	432	163			
26	28	39	26	21			
11	17	15	24	14			
278	381	431	782	362			
166	233	278	572	260			
112	148	153	210	102			



Generation Projects Under Construction (€ m)	MW	Capex 1Q15	Acc. Capex (1)
Hydro Portugal Wind Power (2)	1,449 601	84 90	1,668 246
Total	2,051	174	1,914

Net financial investments) (€m)	1Q15	1Q14	Δ%	Δ Abs.
Financial Investments	15	5	-	+10
Financial Divestments	187	29	-	+158
Gas assets (Spain) Wind assets Other	185 - 2	28 1	- - -	+185 -28 +2
Total	(172)	(24)	-	-148

Net Investments (€m)	1Q15	1Q14	Δ%	Δ Abs.
Capex Financial investments EDPR's asset rotation proceeds	362 15	278 5 (38)	30% - -	+85 +10 +38
Total	377	245	54%	+132

Consolidated capex amounted to €362m in 1Q15, the bulk of which (72%) mainly devoted to the construction of new hydro & wind capacity. Maintenance capex was 8% lower YoY (-€9m), at €102m in 1Q15, mostly concentrated in regulated networks in Iberia and Brazil.

Capex in hydro capacity under construction in Portugal amounted to €84m in 1Q15, short of €117m invested in 1Q14, as the group is approaching the end of construction of several hydro plants. EDP is building 3 new plants and 2 repowerings: (i) 173MW at Baixo Sabor, a new plant with pumping, which downstream plant (30MW) started up in 1Q15 (the rest is expected to come on stream in 2H15); (ii) 81MW at Ribeiradio/Ermida (new plant) due in 1H15; (iii) 963MW in repowerings, expected to start up operations in 2H15; and (iv) 263MW (Foz Tua, new plant with pumping) due in 2H16. Capex in new wind & solar capacity (EDPR) totalled €163m in 1Q15 (€21m of which, corresponding to USD appreciation vs. Euro YoY), mostly allocated to the 601MW of capacity under construction (66% in US, 20% in Brazil, 14% in Europe), capacity recently commissioned and enhancements in capacity already in operation. In Brazil, capex totalled €21m in 1Q15 and was mostly devoted to our distribution business.

Overall, and excluding new hydro projects in Brazil, EDP has spent €1.9bn so far in 2.1GW of new generation capacity under construction. Note that EDP Brasil's construction works of new generation capacity are fully concentrated in equity-method accounted hydro projects: Cachoeira-Caldeirão (219MW), with PPA due in Jan-17, and S. Manoel (700MW), due in May-18.

Net financial divestments totalled €172m in 1Q15. Financial divestments amounted to €187m in 1Q15, mainly driven by the conclusion of the sale to Redexis of our gas distribution assets in Murcia, with proceeds of €185m (the financial closing of the sale of the remaining asset perimeter agreed, for a consideration of €51m, is expected occur in 2Q15). Financial investments in 1Q15 mainly related to EDPB's equity contributions to Cachoeira-Caldeirão hydro project.

Overall, net investments amounted to €377m in 1Q15 (vs. €245m in 1Q14), including €362m of capex and €15m of financial investments. Regarding EDPR's asset rotation strategy it is worth to note that: (i) In 1Q15, EDPR agreed on the sale of a minority stake in a 30MW-solar PV park in US for USD30m, although the respective closing and cash-in is expected to occur only in 2Q15; (ii) In 2Q15, EDPR received from Fiera Axium USD348m, following the financial closing of the sale of a minority stake in a wind farm portfolio of 1,101MW located in the US, agreed in Aug-14.

FFO & Cash Flow Statement

Funds from Operations (€m)	1Q15	1Q14	Δ%	Δ Abs.
EBITDA	1,017	1.030	-1%	-13
Current income tax	(112)	(75)	-49%	-37
Net financial interests	(238)	(216)	-10%	-22
Net Income and dividends received from Associates	(2)	12	-	-13
Non-cash items	(45)	(34)	-33%	-11
FFO Founds France Organizations	C21	717	120/	07
FFO - Funds From Operations	621	717	-13%	-97
Consolidated Cash Flow (€m) - Indirect Method	1T15	1T14	Δ%	Δ Abs.
EBITDA	1,017	1,030	-1%	-13
Current income tax	(112)	(75)	- 1 %	- 13 -37
Changes in operating working capital	372	(390)	-4376	+763
Regulatory Receivables	226	(247)	_	+473
Non-cash items	(45)	(34)	-33%	-11
Other working capital	191	(109)	3370	+300
Other Working Capital	131	(103)		1300
Net Cash from Operating Activities	1,278	565	126%	+713
Capex	(362)	(278)	-30%	-85
Expansion	(260)	(166)	-57%	-94
Maintenance	(102)	(112)	8%	+9
Changes in working capital from equipment suppliers	(113)	(105)	-7%	-8
Net financial (investments)/divestments	172	24	620%	+148
Net financial interests paid	(260)	(255)	-2%	-5
Dividends received from Associates	4	8	-55%	-4
Dividends paid	(0)	(0)	-22%	-0
EDP Shareholders	-	-		-
Other	(0)	(0)	_	_
Proceeds from Institutional Partnerships in US wind	(18)	(12)	-46%	-6
Effect of exchange rate fluctuations	(436)	(36)	-	-400
Other non-operating changes	(2)	68	-	-70
Decrease/(Increase) in Net Debt	263	(21)		+284
Decrease/ (increase) in Net Debt	203	(41)		T404

Consolidated Cash Flow (€m) - Direct Method	1Q15	1Q14	Δ%	Δ Abs.
On anating Astinities				
Operating Activities	2 706	4.027	-6%	-242
Cash receipts from customers	3,786	, -	-,-	
Proceeds from tariff adjustments sales	499	150	234%	+350
Cash paid to suppliers and personnel	(3,118)	(3,307)	6%	+189
Concession rents & other	65	(294)	-	+358
Net Cash from Operations	1,232	576	114%	+656
Income tax received/(paid)	46	(11)	-	+57
Net Cash from Operating Activities	1,278	565	126%	+713
Net Cash from Investing Activities	(279)	(362)	23%	+83
Net Cash from Financing Activities	(1,352)	(686)	-97%	-666
Changes in Cash and Cash Equivalents	(353)	(482)	27%	+130
Effect of exchange rate fluctuations	(25)	11	-	-36

Funds from operations (FFO) decreased 13% YoY to €621m in 1Q15, including: i) a €37m increase in current income taxes, driven by the cashing-in of €500m regarding the securitisation of part of the 2014 Portuguese tariff deficit; and ii) a €22m increase in net financial interests reflecting higher average cost of debt (4.7% in 1Q15) and a 22% YoY appreciation of the avg. USD vs. the EUR between Mar-14 and Mar-15.

Net cash from operating activities went up €713m YoY to €1,278m in 1Q15. Regulatory receivables decreased €226m vs. Dec-14, reflecting: i) €242m of net cash proceeds from regulated activities in Portugal, including - €465m from the securitisation deal undertaken in 1Q15; ii) a €42m increase from Spain, reflecting +€44m from EDP España share of the gas tariff deficit; and iii) -€26m of regulatory receivables from our electricity distribution activities in Brazil. Other changes in working capital, which amounted to €191m in 1Q15, include a €32m gain regarding the mentioned tariff deficit securitisation deal; also, this caption reflects both a fall in coal inventories and lower value added tax receivables in both Portugal and Brazil. It is worth recalling that 'other changes in working capital' in 1Q14 were negatively impacted by the recognition of about €120m of contributions from CDE/CCEE to our Brazilian DisCos to be cashed-in later on during the year.

Expansion capex totaled €260m in 1Q15, translating the ongoing construction of new hydro and wind capacity. Note that change in working capital from equipment suppliers relates essentially to the renewable projects construction and development activity at EDPR level.

Net financial divestments amounted to €172m in 1Q15, mostly reflecting the conclusion of the sale to Redexis of our gas distribution assets in Murcia.

EDP AGM held on April 21st, 2015, approved a gross dividend of 0.185 euros per share (flat vs. the previous year), which corresponds to a total amount of €676m, to be paid on May 14th, 2015.

The €436m negative impact on net debt from **effects of exchange rate fluctuations** essentially reflects the appreciation of the US Dollar (+13%) against the Euro between Dec-14 and Mar-15. Overall, **net debt** went down €263m vs. Dec-14 to €16.8bn as of Mar-15.

Looking forward, as part of EDPR's asset rotation strategy, USD348m were cashed-in in Apr-15 regarding the sale to Fiera Axium of a 49% stake in a 1.1GW portfolio of wind assets located in the US, in accordance with the terms of the agreement signed in Aug-14. Additionally, EDP group agreed on several other transactions with closing expected for the course of 2015: i) within the scope of EDP's strategic partnership with CTG, the sale of a 49% stake in our wind business in Brazil (R\$365m, including R\$101m of estimated future equity contributions) and the execution of the MoU upon the sale of 49% of EDPR's 40% share in ENEOP assets; and ii) the acquisition of Eneva's 50% stake in Pecém I coal facility (R\$300m equity payment), which will result in the full consolidation of Pecém I from then onwards.

Statement of Consolidated Financial Position

N/	lar. vs. Dec.	
Mar-15	Dec-14	
21,202	20,523	679
5,723	5,813	-90
3,403	3,321	82
,		-55
		-74
		-33
		21
		-163
	_	-152
2,236	2,614	-378
42,710	42,873	-163
Mar-15	Dec-14	Δ Abs.
-		
8,995	8,681	313
3,247	3,288	-41
12,241	11,969	272
Mar-15	Dec-14	Δ Abs.
10 500	20.208	-789
		-239
		-550
		-52
,		118
		-11
		185
806	[^] 735	71
5,260	5,217	42
30.469	30.904	-435
42,710	42,873	-163
Mar-15	Dec-14	Δ Abs.
220	930	-42
		-10
940	330	-10
1,828	1,880	-52
Mar-15	Dec-14	Δ Abs.
1.015	2,203	-288
		-200
1,915	,	10
159	112	46
159 44	112 2	42
159	112	
	5,723 3,403 1,218 516 233 2,140 5,761 277 2,236 42,710 Mar-15 19,509 16,162 3,347 1,828 1,184 475 1,406 806 5,260 30,469 42,710 Mar-15 889 940 1,828	5,723 5,813 3,403 3,321 1,218 1,272 516 590 233 266 2,140 2,120 5,761 5,923 277 429 2,236 2,614 42,710 42,873 Mar-15 Dec-14 8,995 8,681 3,247 3,288 12,241 11,969 Mar-15 Dec-14 19,509 20,298 16,162 16,401 3,347 3,897 1,828 1,880 1,184 1,067 475 486 1,406 1,221 806 735 5,260 5,217 30,469 30,904 42,710 42,873 Mar-15 Dec-14 889 930 940 950

Total amount of **property, plant & equipment and intangible assets** increased €0.6bn vs. Dec-14 to €26.9bn as of Mar-14, mainly reflecting: i) +€0.4bn of capex in the period; ii) -€0.3bn from depreciations in the same period; and iii) +€0.6bn mainly resulting from the +13% change of the US Dollar against the Euro between Dec-14 and Mar-15. As of Mar-15, EDP's balance sheet included €3.6bn of works in progress (14% 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** went down €0.1bn vs. Dec-14, to €1.2bn as of Mar-15, reflecting the conclusion, in Jan-15, of the sale of the gas assets in Spain and the mark-to-market of some of our financial stakes. Note that financial investments essentially refer to our financial stakes in Jari (50%), Cachoeira Caldeirão (50%), Pecém I (50%), EDP Asia (50%), which is the owner of a 21% stake in CEM, ENEOP (40%), REN (3.5%) and BCP (2.0%).

Tax assets net of liabilities, deferred and current, went down €0.3bn vs. Dec-14, partly due to lower fiscal receivables, related to value added taxes and to the expected extraordinary contribution applied to the energy sector. Trade receivables and other assets (net) decreased €0.1bn vs. Dec-14 to €7.9bn as of Mar-15, driven essentially by the securitisation deal achieved during 1Q15, which was partly offset by regulatory receivables generated during the period.

Total amount of EDP's **net regulatory receivables** went down €0.2bn vs. Dec-14, to €2.3bn as of Mar-15, reflecting: i) a €242m decrease from Portugal; ii) a €42m increase from Spain; and iii) a €26m decrease from Brazil.

Equity book value went up €0.3bn to €9.0bn as of Mar-15, mainly reflecting €297m of net profit for the period.

Pension fund, medical care and other employee benefit liabilities (gross, before deferred taxes) fell by €52m vs. Dec-14 to €1,828m as of Mar-15, reflecting the recurrent payment of pension and medical care expenses in 1Q15. Institutional partnership liabilities increased €118m vs. Dec-14 to €1,184m as of Mar-15 reflecting the US Dollar appreciation and the benefits paid to the tax equity partners during the period. 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

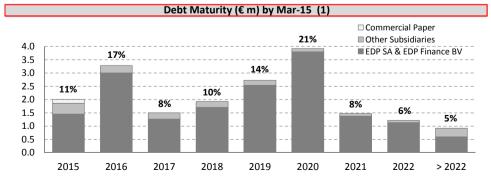


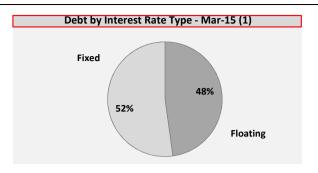
Nominal Financial Debt by Company (€m)	Mar-15	Dec-14	Δ%	Δ Abs.
EDP S.A. and EDP Finance BV	16,769	17,676	-5%	-907
EDP Produção & Other	124	178	-30%	-54
EDP Renováveis	937	928	1%	9
EDP Brasil	1,116	988	13%	128
	,			
Nominal Financial Debt	18,946	19,769	-4%	-823
Accrued Interest on Debt	310	371	-17%	-62
Fair Value of Hedged Debt	253	157	61%	96
Derivatives associated with Debt (2)	(204)	(202)	-1%	-2
Collateral deposits associated with Debt	(277)	(429)	35%	152
Total Financial Debt	19,028	19,667	-3%	-639
Cook and each aminutants	2 226	2.614	1.40/	270
Cash and cash equivalents	2,236	2,614	-14% -40%	-378 -790
EDP S.A., EDP Finance BV and Other	1,199	1,989		
EDP Renováveis	533	369	45%	164
EDP Brasil	505	257	97%	248
Financial assets at fair value through P&L	13	11	24%	3
EDP Consolidated Net Debt	16,779	17,042	-2%	-263

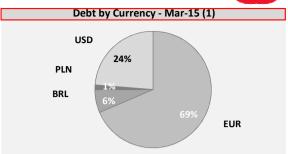
Credit Lines by Mar-15 (€m)	Maximum Amount	Number of Counterparts	Available Amount	Maturity
Revolving Credit Facility Revolving Credit Facility Domestic Credit Lines Underwritten CP Programmes	3,150 100 200 100	21 1 9 1	3,150 100 200 100	Jun-19 Dec-16 Renewable Oct-16
Total Credit Lines	3,550		3,550	

Debt Ratings	S&P	Moody's	Fitch
EDP SA & EDP Finance BV	BB+/Positive/B 30-01-2015	Baa3/Stable/P3 13-02-2015	BBB-/Stab/F3 19-01-2015
Last Rating Action	30-01-2013	13-02-2013	19-01-2015

Debt Ratios	Mar-15	Dec-14
Net Debt / EBITDA (3)	4.1x	4.7x
Net Debt / EBITDA adjust. by Reg. Receivables (3)	3.6x	4.0x







EDP's financial debt is essentially issued at holding level (EDP S.A. and EDP Finance B.V.) through both debt capital markets and bank loans. Maintaining access to diversified sources of funding and assuring refinancing needs 12-24 months ahead continue to be part of the company's funding strategy. In terms of credit rating, in Jan-15, Fitch affirmed EDP a "BBB-", also maintaining the outlook at Stable, and S&P affirmed its "BB+" credit rating on EDP while revising the outlook from Stable to Positive, essentially reflecting the expectation that the group's financial risk profile will strengthen markedly over the next 2 years. In Feb-15, Moody's upgraded EDP's credit rating back to investment grade at "Baa3" with Stable outlook. This upgrade was based upon progress on delivery of the group's deleveraging strategy against the background of a slowly improving Portuguese economy.

Looking at 1Q15 major debt repayments and refinancing deals, in Jan-15, EDP early repaid the remaining USD250m out of a USD1.0bn loan with the Bank of China that was due to mature in Oct-15 and of which USD750m had already been early repaid in Jul-14. In Feb-15, EDP signed a €2bn 5-year credit facility with a syndicate of 16 international banks that was used to early repay a €1.6bn term loan signed in Jan-13 and which would mature in Jan-17 (50%) and Jan-18 (50%). The new facility pays EURIBOR+1.1% (vs. EURIBOR+4% in the prior facility). In Mar-15, EDP repaid, at maturity, a €1bn 3.25% Eurobond that had been swapped to floating rate. In Apr-15, EDP issued a €750m Eurobond maturing in Apr-2025 with a coupon of 2%.

By Mar-15, **average debt maturity** was 4.4 years. The weight of consolidated financial debt raised through capital markets reached 70%, while the remaining of the debt was raised essentially through bank loans. Refinancing needs until the end of 2015 amount to €1.5bn, including: i) €0.75bn of bonds maturing in 2Q15; and ii) €0.7bn of several bank loans maturing throughout the year. Total cash and available liquidity facilities amounted to €5.8bn by Mar-15. This liquidity position allows EDP to cover its refinancing needs beyond 2016.



Business Areas

Electricity Balance		Portugal			Spain		Ibe	rian Peninsu	ıla
(TWh)	1Q15	1Q14	Δ%	1Q15	1Q14	Δ%	1Q15	1Q14	Δ%
Hydro	3.4	6.4	-47%	9.1	14.3	-36%	12.5	20.7	-40%
Nuclear	-	-	· <u>-</u>	15.8	15.2	4%	15.8	15.2	4%
Coal	3.1	1.5	106%	11.1	4.3	155%	14.2	5.9	142%
CCGT	0.5	0.1	287%	5.7	4.3	34%	6.2	4.4	41%
Fuel/gas/diesel	-	-	-	-	-	-	-	-	-
Own consumption	-	-	-	(1.7)	(1.3)	33%	(1.7)	(1.3)	33%
(-)Pumping	(0.4)	(0.3)	51%	(1.6)	(2.0)	-23%	(2.0)	(2.3)	-14%
Conventional Regime	6.6	7.8	-15%	38.5	34.8	11%	45.1	42.6	6%
Wind	3.7	4.2	-12%	15.8	17.5	-9%	19.6	21.7	-10%
Other	2.5	2.8	-11%	12.0	12.0	0%	14.5	14.8	-2%
Special Regime	6.2	7.0	-12%	27.9	29.5	-6%	34.1	36.5	-7%
Import/(export) net	0.3	(1.9)	_	(1.6)	(1.0)	61%	(1.3)	(2.9)	-56%
Gross demand (before grid losses)	13.1	12.9	1.5%	64.8	63.3	2.3%	77.9	76.3	2.2%
Adjust. temperature, working days			0.0%			1.5%			n.a.

Gas Demand		Portugal	Portugal Spain		Spain	pain		Iberian Peninsula	
(TWh)	1Q15	1Q14	Δ%	1Q15	1Q14	Δ%	1Q15	1Q14	Δ%
Conventional demand	11.0	10.9	1%	79.9	77.3	3%	90.8	88.2	3%
Demand for electricity generation	1.1	0.3	215%	13.6	10.4	31%	14.7	10.7	37%
Total Demand	12.0	11.2	7%	93.5	87.7	7%	105.5	98.9	7%

Electricity demand in Iberia increased 2.2% YoY in 1Q15, thus materialising some recovery from previous decreases. In Spain (83% of Iberia), demand increased 2.3% in 1Q15, and 1.5% when adjusted for temperature and working days. In Portugal (17% of total), demand was 1.5% higher YoY in 1Q15 (flat when adjusted for temperature and working days), displaying some recovery vs. a 1Q14 in which temperatures were very mild.

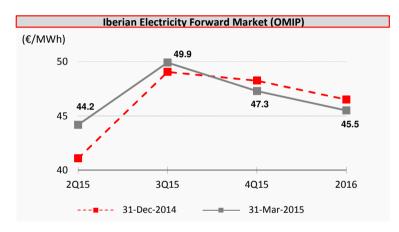
Installed capacity in Iberia was almost flat YoY (+0.6GW). In Portugal, installed capacity was stable as wind capacity additions in the last 12 months were partly compensated by the shutdown of cogeneration capacity. The downstream dam of Baixo Sabor hydro plant came online (+30MW) in 1Q15. In Spain, a slightly higher installed capacity was prompted by the increase of some special regime capacity.

Residual thermal demand in 1Q15 was up by 99% YoY (+10.1TWh), backed mostly by coal generation (+142% vs. 1Q14). The surge in residual thermal demand occurred mostly due to a decrease in wind and hydro resources (-10.1TWh in 1Q15 YoY). In fact, hydro resources were 26% below average in Portugal and 10% in Spain. Wind generation was also very strong in 1Q14, having decreased YoY in spite of being 14% above average in Portugal. Nuclear generation was 4% higher YoY and net exports decreased 56%. Overall, the scenario of higher demand and lower hydro and wind resources was tackled mostly by thermal generation. Accordingly, coal's avg. load factors improved to 56% (+33p.p. YoY), while CCGT's improved slightly to 10% (+3p.p. YoY).

Average electricity spot price in Spain was 76% higher YoY in 1Q15, at €45.9/MWh (+9% QoQ), and €0.1/MWh lower than in Portugal. Average CO2 prices rose by 19% YoY in 1Q15, to €7/ton. Average electricity final price in Spain stood €15.3/MWh above pool price (48% higher than in 1Q14) as a result of the contribution from restrictions market, ancillary services and capacity payments.

In the Iberian gas market, consumption increased by 7% YoY in 1Q15, dragged by a 3% surge in conventional demand, on the back of harsher winter temperatures in 1Q15 vs. 1Q14. Consumption for electricity generation purposes was also up by 37%, reflecting a 31% increase in Spain and a 215% surge in Portugal, due to higher utilisation rates at CCGTs.

Installed Capacity in Electricity	lber	ian Peninsu	la
(GW)	1Q15	1Q14	Δ%
Hydro	22.2	22.1	0%
Nuclear	7.0	7.0	-
Coal	11.7	11.7	0%
CCGT	28.8	28.8	0%
Fuel/gas/diesel	0.8	0.8	0%
Conventional Regime	70.4	70.4	0%
Wind	27.8	27.5	1%
Other special regime	20.0	19.7	1%
Special Regime	47.8	47.2	1%
Total	118.2	117.6	0%



Main Drivers	1Q15	1Q14	Δ%
Hydro coeticient (1.0 = avg. year)			
Portugal	0.74	1.57	-53%
Spain	0.90	1.40	-36%
Wind coeficient (1.0 = avg. year)			
Portugal	1.14	1.40	-19%
Electricity spot price F/MWh (1)			
Electricity spot price, €/MWh (1) Portugal	46.0	24.7	86%
Spain	45.9	26.1	76%
Electricity final price, €/MWh (1) (2)	43.3	20.1	7070
Spain	61.2	41.3	48%
(5)(4)			
CO2 allowances (EUA), €/ton (1)	7.0	5.9	19%
Coal (API2 CIF ARA), USD/t (1)	60.6	78.5	-23%
Gas NBP, €/MWh(1)	22.0	24.8	-12%
Brent, USD/bbl (1)	54.0	108.2	-50%
, , , , ,	55	100.2	5075
EUR/USD (1)	1.13	1.37	-18%

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



1Q14	Δ%	Δ Abs.
246	470/	. 27
		+37
		+54
77	-17%	-13
(34)	13%	-4
39	114%	+44
33	57%	+19
1	-65%	-1
4	639%	+26
177	-4%	-7
4	-31%	-1
27	-52%	-14
30	-49%	-15
32	2%	+1
176	-13%	-22
44	-11%	-5
132	-13%	-18
1		<u>-1</u>
1,198	-4%	-45
	39 33 1 4 177 4 27 30 32 176 44 132	172 31% 77 -17% (34) 13% 39 114% 33 57% 1 -65% 4 639% 177 -4% 4 -31% 27 -52% 30 -49% 32 2% 176 -13% 44 -11% 132 -13%

PPA/CMEC: Key Data	1Q15	1Q14	Δ%	Δ Abs.
Real/Contracted Availability				
Hydro	1.04	1.05	-1%	-0.0
Coal	1.07	1.04	3%	+0.0
Installed Capacity (MW)	4,470	4,470	_	-
Hydro	3,290	3,290	-	-
Coal	1,180	1,180	-	-
Output (GWh)	4.151	5.002	-17%	-851
Hydro	1,903	3.739	-49%	-1,836
Coal	2,248	1,263	78%	+985
Special Regime: Key Data	1015	1014	Λ%	Λ Abs.

Output (GWh) Mini-hydro Portugal Thermal Portugal	222 138 52	414 278 69	-46% -50% -25%	-191 -140 -17
Thermal Spain Average Gross Profit (€/MWh)	33	67	-51%	-34
Mini-hydro Portugal	94	96	-2%	-2
Thermal Portugal (3)	22	21	3%	+1
Thermal Spain	43	51	-16%	-8
Capex (€ m)	1Q15	1Q14	Δ%	Δ Abs.

Thermal Portugal (3)	22	21	3%	+1
Thermal Spain	43	51	-16%	-8
Capex (€ m)	1Q15	1Q14	Δ%	Δ Abs.
PPA/CMEC Generation	3	2	36%	+1
special Regime	0	0	-6%	-0
otal	4	3	31%	+1

EBITDA from LT contracted generation fell by 13%, to €153m in 1Q15, impacted by the lower volumes of mini-hydro special regime generation and by a PPA/CMEC gross profit decrease due to the ongoing depreciation of the asset base.

Gross profit from PPA/CMEC was €7m lower YoY in 1Q15, at €170m, following the natural depreciation of the asset base in a context of very low inflation.

The annual deviation between market gross profit under CMECs assumptions and gross profit under actual market conditions totalled €64m in 1Q15 (o.w. €4m adjustment from 2014), reflecting essentially the hydro volumes below the CMEC's reference for hydro generation. This amount is due to be received in up to 24 months through access tariffs. Deviation at hydro plants totalled €56m as the impact from a production 40% below CMEC's reference and of an avg. realised price 2% below CMEC's reference. In turn, market gross profit at our Sines coal plant stood €4m below the CMEC's reference, since higher volumes (+8%) were offset by avg. clean dark spread 13% below the CMEC's reference.

Gross profit from special regime was €15m lower YoY, at €15m in 1Q15, driven by the a 50% decrease in mini-hydro generation, on the back of lower than average hydro resources in Portugal vs. a strong 1Q14. Thermal generation in Iberia decreased, mostly due to the sale of idle capacity in Spain.

Net operating costs⁽¹⁾ increased by 2%, to €33m in 1Q15, reflecting annual OpEx adjustments.

Net amortisation charges and provisions were 11% lower YoY, at €39m in 1Q15, reflecting lower asset base at PPA/CMEC, and the one-off provisions on thermal special regime plants in Spain in 1Q14.

Capex in LT contracted generation was €1m higher in 1Q15, at €4m, due to several pluri-annual maintenance works.

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 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 €10m realised gain in 2014 and €12m gain in 2013;

Income Statement (€ m)			1Q15	1Q14	Δ%	Δ Abs.
Gross Profit			233	291	-20%	-57
Electricity generation			165	224	-26%	-58
Portugal			85	113	-25%	-28
Spain			82	112	-27%	-30
Adjustments			(2)	(2)	-16%	+0
Electricity supply			47	40	18%	+7
Gas supply			21	33	-36%	-12
Adjustments			(0)	(6)	-95%	+5
Net Operating costs (1)			126	98	28%	+27
EBITDA			107	192	-44%	-85
Provisions Amortisation and impairment			(1)	1	10/	-3
EBIT			50 59	49 142	1% -58%	+1 -83
Floatricity Dorformance	1Q15	1014	Δ%	1Q15	1Q14	Δ%
Electricity Performance			-			
	Oı	itput (GWh)		Variable	Cost (€/M\	Wh) (2)
Generation Output	4,698	4,157	13%	27.3	13.8	98%
Electricity Purchases	8,950	9,099	-2%	55.8	34.3	63%
Electricity Sources	13,647	13,256	3%	47.1	28.4	66%
	Volun	nes Sold (GV	Vh)	Average	Price (€/M\	Wh) (3)
Grid Losses	360	280	29%	n.a.	n.a.	-
Retail - Final clients	8,655	8,831	-2%	63.7	56.9	12%
Wholesale market	4,632	4,145	12%	58.7	47.9	22%
Electricity Uses	13,647	13,256	3%	60.3	52.9	14%
Electricity Gross Profit (€ m)			1Q15	1Q14	Δ%	Δ Abs.
Before hedging (€/MWh)			13.3	24.5	-46%	-11.2
From Hedging (€/MWh) (4)			(0.5)	(7.0)	93%	+6.5
Unit margin (€/MWh)			12.8	17.5	-27%	-4.7
Total Volume (TWh)			13.6	13.3	3%	+0.4
Subtotal			175	232	-25%	-57
Others (5)			38	31	20%	+6
Total			212	263	-19%	-51
Gas Uses (TWh)			1Q15	1Q14	Δ%	Δ Abs.
Consumed by own power plants			1.3	1.2	6%	+0.1
				_	- / -	
Sold in wholesale markets			3.4	4.8	-28%	-1.3
			3.4 4.7 9.4	4.8 5.5 11.4	-28% -14% -18%	-1.3 -0.7 -2.0

EBITDA from liberalised activities was €85m lower YoY, at €107m in 1Q15, driven by: (i) a lower contribution from hydro production (41% weight in generation mix in 1Q15 vs. 68% in 1Q14); (ii) lower results derived from fewer opportunities for managing energy markets' volatility; and (iii) -€12m YoY of gross profit from gas supply and trading activities, on the back of fewer wholesale trading opportunities. Higher thermal generation and improved gross profit in the electricity supply business partly mitigated these effects.

Hydro output decreased 33% YoY, helped by a 1Q15 in which hydro resources were 26% below average in Portugal (vs. 57% above average in 1Q14). The lower contribution from hydro justified a 98% surge in the avg. generation cost. Capacity payments in Portugal were re-installed (+€6m YoY, o.w. €3m concerning 2014), while capacity payments in Spain, which in unitary terms are higher than in Portugal, were flat YoY. At net operating costs level, higher volumes generated in Spain led to a surge in generation taxes (+€15m YoY).

Gross profit in the electricity business fell by 19% in 1Q15, to €212m, driven by a lower avg. unit margin (down from €24.5/MWh in 1Q14 to €13.3/MWh in 1Q15). A lower level of opportunities for enhanced energy management gains also impacted YoY comparison in 1Q15.

Unit margin (2)(3): Avg. electricity spread was €11.2/MWh lower in 1Q15, at €13.3/MWh, mainly propelled by a less cheap mix of electricity sources vs. 1Q14. Avg. sourcing cost increased by 66% YoY supported by lower hydro volumes in the generation mix and more expensive electricity purchases derived from higher pool prices vs. 1Q14. Avg. selling price was 14% higher in 1Q15, as a result of: (i) a 12% increase in avg. selling prices to final clients derived from higher cost of electricity; and (ii) a 22% surge in the average selling prices in the wholesale market (supported by higher pool prices and partly offset by lower revenues from ancillary services). Note that the Dispatch 4694/2014, aiming at reducing potential distortions in the ancillary services market in Portugal, addressed the price of the secondary regulation, obliging it to be no greater than in Spain.

<u>Volumes</u>: Total volume sold rose by 3% to 13.6TWh in 1Q15, reflecting increases in sales in the wholesale market (+12%). Our generation output met 54% of electricity sales to final clients.

Our gas sourcing activity in 1Q15 was based on an annual c.3.6bcm portfolio of long term contracts, whose flexibility has been enhanced through several contract renegotiations (including take or pay flexibility). In 1Q15, wholesale market opportunities decreased vs. 1Q14 and, as a result, gas supply decreased 18% YoY to 9TWh (0.8bcm) in 1Q15, as sales in wholesale markets decreased 28% YoY, while sales to final clients decreased 14%. The 6% increase in consumption at our gas fired power plants partly offset these effects.

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 maximised gas sales between the wholesale and retail markets, having so far secured spreads for around 90% of its gas sourcing commitments for 2015. Also, EDP has so far forward contracted costs for close to 60% of the expected coal output for 2015. For 2015, EDP has already forward contracted electricity sales with clients of 26TWh at an avg. price of c.€55/MWh.

⁽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) Includes results from hedging on electricity;

⁽⁵⁾ Includes capacity payments, services rendered and others.

Liberalised Electricity Generation in the Iberian Market

Income Statement (€ m)	1Q15	1Q14	Δ%	Δ Abs.
Gross Profit	165	224	-26%	-58
Portugal	85	113	-25%	-28
Spain	82	112	-27%	-30
Adjustments	(2)	(2)	-16%	+0
Supplies and services	15	19	-19%	-3
Personnel costs	13	11	20%	+2
Costs with social benefits	0	0	-	+0
Other operating costs (net)	46	23	101%	+23
Net Operating costs (1)	74	52	41%	+22
EBITDA	91	171	-47%	-80
Provisions	(2)	1	_	-3
Amortisation and impairment	48	47	1%	+1
EBIT	45	123	-63%	-77
Employees (#)	593	629	-6%	-37

Key Operating Data	1Q15	1Q14	Δ%	Δ Abs.
			400/	
Generation Output (GWh)	4,709	4,186	12%	+523
CCGT	411	158	160%	+253
Coal	2,058	862	139%	+1,196
Hydro	1,910	2,834	-33%	-925
Nuclear	331	332	-0%	-1
Generation Costs (€/MWh) (2)	27.3	13.8	98%	+13.5
CCGT	99.9	150.3	-34%	-50.4
Coal	37.2	35.9	4%	+1.3
Hvdro	4.8	0.4	1170%	+4.5
Nuclear	4.4	4.5	-3%	-0.2
Nucleal	4.4	4.5	-370	-0.2
Load Factors (%)				
CCGT	5%	2%	-	3p.p.
Coal	65%	27%	-	38p.p.
Hvdro	36%	54%	_	-18p.p.
Nuclear	99%	99%	-	0p.p.
CO2 Emissions (mn tones)				
Total emissions (3)	2.8	1.3	107%	+1.4
10(4) (11113310113 (3)	2.0	1.5	107%	+1.4

Capex (€ m)	1Q15	1Q14	Δ%	Δ Abs.
Expansion	87	119	-27%	-32
Maintenance	4	3	15%	+0
Total	91	122	-26%	-31

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

Output from our generation plants (unadjusted for hydro pumping) was 12% higher in 1Q15, mainly prompted by a higher contribution from thermal generation, in the wake of below average hydro resources. The decrease in hydro output was more than offset by higher production at our coal (+1.2TWh) and CCGTs (+0.3TWh). **Avg. production cost** was 98% higher YoY, at €27.3/MWh in 1Q15, reflecting the lower contribution from the cheaper technology, hydro (41% of total output in 1Q15 vs. 68% in 1Q14).

Coal: Output was up 1.2TWh YoY in 1Q15, backed by higher thermal demand. Avg. load factor reached 65% in 1Q15 (+38p.p. YoY). Domestic coal incentives in Spain ended in 2014. Avg. production cost increased by 4%, to €37.2/MWh.

<u>CCGTs:</u> Output rose by 160% YoY in 1Q15, driven by higher thermal demand, implying a 3p.p. increase in avg. load factor, to 5% in 1Q15. Avg. production cost reached €100/MWh in 1Q15, driven by low dilution of gas procurement fixed costs, as plants had still low avg. load-factors.

Hydro & Nuclear: Hydro generation fell by 33% in 1Q15, given the lower than average hydro resources. The avg. cost of hydro production increased from €0.4/MWh in 1Q14 to €4.8/MWh in 1Q15, reflecting a more intensive pumping activity derived from a lower level of hydro reserves in the 1Q15. Pumping activity is concentrated at our Alqueva plant, at an avg. cost correspondent to a c33% discount to the avg. pool price (vs. c42% in 1Q14). Our 15.5% share in the production of Trillo plant (nuclear) corresponded to an avg. load factor of 99% in 1Q15 (flat YoY).

Net operating costs⁽¹⁾ increased by 41% YoY, to €74m in 1Q15, driven by an increase in generation taxes in Spain given the higher volumes generated in Spain (+€15m YoY) and the nuclear eco-tax recovered in 1Q14 (+€6m YoY). The sum of the transitory levy charged in Portugal on production and the generation taxes in Spain amounted to €35m. Amortisations and impairment charges increased by €1m, to €48m.

Capex totalled €91m in 1Q15, mostly devoted to new hydro capacity in Portugal (under construction and development). EDP is currently building 5 hydro projects (1,449MW): Ribeiradio, expected start-up in 2Q15, Baixo Sabor, Venda Nova III and Salamonde II, expected to start operations in 2H15; and Foz-Tua, due in 2H16. Baixo Sabor's downstream dam came online in the 1Q15 with 30MW.

⁽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				
	1Q15	1Q14	Δ%	Δ Abs.	
Gross Profit	37	46	-19%	-9	
Supplies and services	14	15	-2%	-0	
Personnel costs	3	3	2%	+0	
Costs with social benefits	0	0	-9%	-0	
Other operating costs (net)	9	8	17%	+1	
Net Operating costs (1)	27	25	5%	+1	
EBITDA	10	21	-49%	-10	
Provisions	0	(0)	-	+0	
Amortisation and impairment	1	1	-11%	-0	
EBIT	10	20	-52%	-10	

Income Statement (€ m)	Energy Supply in Portugal				
, ,	1Q15	1Q14	Δ%	Δ Abs.	
Gross Profit	31	27	16%	+4	
Supplies and services	18	14	29%	+4	
Personnel costs	3	3	0%	+0	
Costs with social benefits	-	-	-	-	
Other operating costs (net)	5	4	10%	+0	
Net Operating costs (1)	25	21	21%	+4	
EBITDA	6	6	-4%	-0	
Provisions	-	-	_	-	
Net depreciation and amortization	1	1	12%	+0	
EBIT	5	5	-6%	-0	

Key data	1Q15	1Q14	Δ%	Δ Abs
Energy Supply in Spain				
Electricity - Free market				
Volume Sold (GWh)	3,431	4,397	-22%	-965
Market Share (%)	7%	10%	-	-2p.p.
Clients (th.)	730	664	10%	+66
Electricity - Last resort supply				
Volume Sold (GWh)	149	161	-8%	-12
Clients (th.)	245	252	-3%	-7
Gas - Free market & Last resort supply				
Volume Sold (GWh)	6,828	9,173	-26%	-2,345
Market Share (%) (2)	4%	5%	-	-1p.p.
Clients (th.)	830	808	3%	+23
Energy Supply in Portugal				
Electricity - Free market				
Volume Sold (GWh)	4,644	3,854	20%	+790
	4,044	3,834 46%	20%	
Market Share (%)	3,303	2,256	46%	1p.p. +1,047
Clients (th.)	3,303	2,230	40%	+1,047
Gas - Free market	1 227	1.072	250/	264
Volume Sold (GWh)	1,337	1,073	25%	264
Market Share (%) (2)	10%	11%	-	-1p.p.
Clients (th.)	430	269	60%	+161
Capex (€m)	2	3	-16%	-0
Employees (#)	326	327	0%	-1

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.

Energy Supply in Spain

Gross profit at our supply activities in Spain decreased by €9m YoY, to €37m in 1Q15, driven mainly by a €12m decrease in gross profit from gas wholesale trading activities, which was partly offset by previous years' recoveries.

Net operating costs increased by €1m YoY, in 1Q15, on the back of higher costs servicing a higher number of clients.

Electricity volume supplied to our clients in the free market decreased by 22% YoY to 3.4TWh, in 1Q15, accompanied by a 10% increase in the number of clients supplied, in line with EDP's strategy to focus on the most attractive customer segments. Market share, reflecting solely retail volumes, fell 2p.p. YoY, to 7% in 1Q15.

Gas volume supplied declined by 26%, to 6.8TWh in 1Q15, as a result of lower wholesale trading opportunities and in line with EDP's strategy to focus on the most attractive customer segments. The client portfolio expanded by 3%. Market share, reflecting solely retail volumes, fell by 1p.p. to 4% in 1Q15.

Energy Supply in Portugal

Market Environment – In line with the rules and calendar defined for the liberalisation of electricity supply in Portugal, the electricity last resort supplier (EDP Serviço Universal) can no longer contract new customers (with the exception of consumers entitled to the social tariff, or living in areas where other suppliers don't operate). Additionally, all the remaining consumers with regulated tariff will gradually move to the free market. During this transitory period, the regulator has the ability to apply quarterly updates to the transitory tariff thus promoting the switch to the free market. In this context, the switching of electricity consumers to the free market over 2014 and 1Q15 was very strong: by the end of Mar-15, the number of consumers in the free market soared to 3.9 million, elevating the total consumption in the free market to 86% of the total market.

Gross profit at our supply activities in Portugal advanced €4m YoY, to €31m in 1Q15, driven by higher volume of electricity supplied.

Net operating costs rose by €4m, to €25m in the 1Q15, driven by higher supplies and services, namely of costs with client services (call center, billing, etc), in line with the ongoing liberalisation process and the expansion of our clients base.

Electricity volume supplied to EDP clients in the free market in Portugal advanced 20% YoY, to 4.6TWh in 1Q15, propelled by a 46% expansion of our client base. EDP's market share in the free market rose by 1p.p. YoY in 1Q15, to 47%, in line with EDP's strategy to focus on the most attractive residential/SMEs segments.

Gas volume supplied to EDP clients in Portugal rose by 25% YoY to 1.3TWh, in 1Q15, reflecting a volume increase in the residential segment following the gas market liberalisation. The strong pace of gas supply liberalisation, along with our successful dual offer (electricity + gas) to residential clients, prompted a surge in the number of clients to 430k in Mar-15, corresponding to +161k YoY.

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

⁽²⁾ Market-share for retail market; excludes wholesale. For Portugal, based on the regulator's declared market-share (Dec-14 and Mar-14 figures).

EDP Renováveis: Financial Performance



In come Chahamanh	EDP	Renovávei	s (€ m)	
Income Statement	1Q15	1Q14	Δ%	Δ Abs.
Gross Profit	375	345	9%	+30
Supplies and services Personnel costs Other operating costs (net) Net Operating Costs (1)	65 17 (26) 56	59 18 (21) 56	10% -2% 24% 1%	+6 -0 -5 +1
EBITDA	319	289	10%	+30
Provisions Amortisation and impairment	- 124	110	- 12%	+13
EBIT	195	179	9%	+16
Financial Results Share of Profit from associates	(72) 9	(62) 12	16% -27%	-10 -3
Pre-tax profit	132	128	3%	+3

1015

13.6

938

Opex Performance

Employees (#)

Opex/Avg. MW (€ th) (2)

Operational Overview	1Q15	1Q14	Δ%	Δ Abs.
Installed Capacity (MW) Europe North America Brazil	8,149 4,231 3,835 84	7,762 4,173 3,506 84	5% 1% 9% 0%	+387 +58 +329
Output (GWh) Avg. Load Factor (%) Avg. Elect. Price (€/MWh)	5,786 34% 65	6,112 38% 57	-5% - 15%	-326 -4 p.p. +9
EBITDA (€m) Europe (3) North America Brazil Other & Adjustments	319 188 132 3 (4)	289 185 103 3 (2)	10% 1% 29% -14% 71%	+30 +2 +29 - -2
EBIT (€m) Europe (3) North America Brazil Other & Adjustments	195 131 67 1 (4)	179 126 54 2 (3)	9% 4% 25% -26% 55%	+16 +5 +13 - -2
Capex (€m) Europe(3) North America Brazil Other & Adjustments	163 20 116 27	44 14 28 2 0	271% 41% 318% n.m.	+119 +6 +88 +25

EDPR Equity Market Data	1Q15	1Q14	Δ%	Δ Abs.
Share price at end of period (€/share)	5.40	3.86	40%	1.5
Number of Shares Issued (million)	872.3	872.3	-	-
Stake Owned by EDP (%)	77.5%	77.5%	-	
EDPR Key Balance Sheet Figures (€ m)	1Q15	1Q14	Δ%	Δ Abs.
Bank Loans and Other (Net)	334	557	-40%	-224
Loans with EDP Group (Net)	3,188	2,763	15%	
Net Financial Debt	3,522	3,231	9%	_
Non-controlling interests	557	429	30%	+128
Net Institutional Partnership Liability (4)	1,184	810	46%	+374
Equity Book Value	5,897	5,737	3%	+160
EUR/USD - End of Period Rate	1.08	1.38	28%	-0.30
EDPR Financial Results (€ m)	1Q15	1Q14	Δ%	Δ Abs.
Net Interest Costs	(53)	(48)	-9%	-4
Institutional Partnership costs (non-cash)	(20)	(15)	-31%	-5
Capitalised Costs	7	` 7	2%	+0
Forex Differences and Derivatives	2	(3)	-/-	+5
Other	(8)	(3)	n.m.	-6
Financial Results	(72)	(62)	-16%	-10

EDP Renováveis ('EDPR') owns, operates and develops EDP Group's wind and solar capacity. As of Mar-15, EDPR operates 9.0GW, of which 886MW equity-method accounted. EDPR's EBITDA is mainly derived from PPA-contracted and regulated tariff schemes (90% of output), geographically widespread: 41% in North America, 24% from Spain, 15% from Portugal and the rest derived in France, Poland, Romania, Belgium, Italy and Brazil.

Δ% Δ Abs.

+40

1014

13.6

898

EDPR's EBITDA increased by 10% YoY (+€30m) to €319m in 1Q15, propelled by operations in North America (+€29m YoY), mainly driven by the USD 22% appreciation vs. Euro and by higher realised prices in merchant capacity in US. EBITDA in Europe was stable, as higher EBITDA in Spain (+€8m prompted by a recovery in average realised price in the pool) was mostly offset by lower EBITDA in Portugal (-€8m, penalised by outstanding wind resources in 1Q14 and low inflation context). ForEx impact on EBITDA YoY change was +€23m, mainly stemming from the appreciation of USD vs. th Euro.

Electricity output decreased 5% YoY, to 5.8TWh in 1Q15, as lower average load factor (-4pp YoY to 34%) following outstanding wind resources in 1Q14 outstood the impact from higher average capacity on stream in 1Q15 (+6% YoY). Avg. selling price advanced by 15% YoY to €65/MWh, driven by stronger USD vs. Euro, higher US spot and REC prices in US; and higher realised prices in the pool, in Spain.

Operating costs (Supplies and services + Personnel costs) rose by 8% (+€6m) YoY, reflecting ForEx impact (€7m), portfolio expansion and strict cost control.

Other operating costs (net) include the 7% generation tax on sales in Spain (€7m in 1Q15), which increased by 34% YoY as result of higher pool prices.

EBIT advanced by 9% YoY, to €195m in 1Q15. Amortization and impairments reflect the ForEx impact (+€11m YoY) and, to a lower extent, portfolio expansion.

Capex amounted to €163m in 1Q15: 71% of total was devoted to the US market, the main growth region in 2015E-17E; 12% to Europe and 16% to Brazil.

EDPR's net debt in Mar-15 amounted to €3.5bn (vs.€3.3bn in Dec-14), mainly reflecting USD 13% appreciation YTD (42% of debt is USD-denominated), which translated into a €179m increase in debt. Additionally, net debt evolution translates the investments done in the period and proceeds from tax equity partnerships (€38m in 1Q15). Liabilities with Institutional Partnerships amounted to €1,184m in Mar-15, reflecting USD appreciation and tax benefits paid to these entities. Non-controlling interests amount to €557m, reflecting non-controlling interests in North America (c45%), Europe (c50%) and Brazil (c5%).

Net financial costs rose by 16%, to €72m in 1Q15. Net interest cost were 9% higher YoY supported by USD appreciation vs. Euro and an average net debt €92m higher YoY. Share of profit from associates was €3m lower YoY, at €9m in 1Q15, reflecting outstanding conditions in Portugal and US during 1Q14. ENEOP contribution in 1Q15 amounted to €7m (vs. €10m in 1Q14).

EDP Renováveis: North America & Brazil



North America	1Q15	1Q14	Δ%	Δ Abs.
USD/EUR - Avg. of period rate	1.13	1.37	22%	-0.2
Installed capacity (MW)	3,835	3,506	9%	+329
PPA's/Hedged/Feed-in tariff	3,284	2,918	13%	+366
Merchant	551	587	-6%	-37
Avg. Load Factor (%)	34%	39%	-	-5 p.p.
Electricity Output (GWh)	2,808	2,930	-4%	-122
PPA's/Hedged/Feed-in tariff	2,357	2,445	-4%	-89
Merchant	451	485	-7%	-34
Avg. Final Selling Price (USD/MWh)	52.7	48.1	10%	+4.6
PPA's/Hedged/Feed-in tariff	53.5	52.0	3%	+1.5
Merchant	48.3	28.3	71%	+20
Adjusted Gross Profit (USD m)	193	188	3%	+6
Gross Profit (USD m)	145	138	5%	+7
PTC Revenues & Other (USD m)	48	49	-2%	-1
BITDA (USD m)	149	141	6%	+8
EBIT (USD m)	76	74	3%	+2
nstalled capacity (MW Equity)	179	179	0%	-
let Capex (USD m)	131	38	244%	+93
Gross Capex	131	38	244%	+93
Cash grant received	-	-	-	-
Capacity under construction (MW)	399	230	73%	+169
Brazil	1Q15	1Q14	Δ%	Δ Abs.
Euro/Real - Average of period rate	3.22	3.24	1%	-0.02
nstalled Capacity (MW)	84	84	-	-
Avg. Load Factor (%)	25%	27%	-	-2 p.p.
Electricity Output (GWh)	46	49	-7%	-3
Avg. Final Selling Price (R\$/MWh)	370	341	8%	+28
Gross Profit (R\$ m)	16	16	0%	+0
EBITDA (R\$ m)	9	10	-15%	-2
EBIT (R\$ m)	4	6	-26%	-2
Capex (R\$ m)	86	6	n.m.	+80
Capacity under construction (MW)	120	_	_	+120

In North America, installed capacity totalled 3.835MW (MW EBITDA) in Mar-15, the bulk of which LT Contracted schemes (86% of total) and in US (3,805MW in US, 30MW in Canada). Additionally, EDPR owns an equity position in other wind projects, equivalent to 179MW. New capacity additions in the last 12 months (+329MW) were fully concentrated in US and in 4Q14.

EBITDA advanced 6% YoY (+USD8m), to USD149m in 1Q15, driven by a 10% increase in the average selling price and a 4% fall in output. Higher avg. selling price was prompted by a recovery in realised prices in the market (+71% YoY and +13% QoQ following a recovery from last years's adverse impact from extreme weather conditions and higher revenues from the sale of Renewable Energy Credits) and a 3% increase in LT contracted prices, both in driven by US. Lower wind production reflected: (i) weak wind resources vis-a-vis a strong 1Q14, particularly in west and central US (avg. load factor was 5 p.p. YoY, at 34%); and (ii) higher avg. capacity in operation (+10% YoY) in North America.

EDPR's growth plans in **US** grounds on PPA-contracted projects, reinforcing the group's low risk profile. As of Mar-15, EDPR had 399MW of new **wind capacity under construction** in US, due to be commissioned in 2015 (200MW at Waverly in Kansas; 99MW from Rising Tree South in California; 100MW from Arbuckle in Oklahoma). In 2013-14, EDPR secured PPAs for 1.3GW, thereby reinforcing the visibility over future cash flow power of existing projects and forthcoming new installations. **PPAs secured for upcoming new installations** include: 200MW due to be commissioned in 2015 (20-year PPA for Waverly park), 150MW due in 2016 (15-year PPA for 100MW and a 20-year PPA for 50MW, in Texas); 155MW for 2017 (20-year PPA for RECs in New York).

In the 1Q15, EDPR signed an asset rotation transaction with DIF III for the sale of a minority stake in a 30MW solar PV power plant: proceeds from this transaction (USD30m) are expected to be received in 1Q15. In 2Q15, EDPR received from Fiera Axium USD348m, following the financial closing of the sale of a minority stake in a wind farm portfolio of 1,101MW located in the US, agreed in Aug-14. Additionally, in respect to institutional equity financing structures signed in 2014, EDPR cashed in USD43m in 1Q15 relative to the sale of an interest in the 99MW-park Rising Tree North (remaining amount out of a total of USD110m).

In Brazil, EDPR's EBITDA fell by 15%, to R\$9m in 1Q15, reflecting a lower load factor derived from weak wind resources in 1Q15 (-2pp, to 25%) and an 8% increase in the avg. selling price, to BRL370/MWh, mainly driven by PPA's inflation indexation.

In Dec-14, EDPR agreed to sell to a CTG's subsidiary in Brazil (CWEI Brasil) a 49% equity stake in 84MW in operation and 237MW under development: CWEI Brasil will invest R\$365m (including R\$100.8m of estimated future equity contributions), subject to adjustments, and the financial closing, pending regulatory approvals, is expected to occur in 2015. EDPR's 236MW under development in Brazil are PPA-contracted for 20 years: 120 MW already under construction with a PPA due in Jan-16, with a price of R\$97/MWh; 117MW starting in Jan-18, with price of R\$109/MWh; both prices are due to be inflation updated over the PPA period. In the 1Q15, EDPR closed a project finance transaction for a total of 120MW of new wind capacity in Brazil, in a total amount of R\$306m.



- Energy is sold either under PPAs (up to 20 years), Hedges or Merchant prices; Green Certificates (Renewable Energy Credits, REC) subject to each state regulation
- Tax Incentive: (i) PTC collected for 10-years since COD (\$23/MWh in 2013); (ii) Wind farms beginning construction in 2009-10 could opt for 30% cash grant in lieu of PTC



• Feed-in Tariff for 20 years (Ontario)



- · Installed capacity under PROINFA program
- Competitive auctions awarding 20-years PPAs

EDP Renováveis: Spain & Portugal



Spain	1Q15	1Q14	Δ%	Δ Abs.
Installed capacity (MW)	2,194	2,194	0%	_
Avg. load factor (%)	32%	38%	-	-6 p.p.
Production (GWh)	1,499	1,750	-14%	-251
Prod. w/capac. complement (GWh)	1,392	1,370		
Standard production (GWh)	1,137	982		
Above/(below) std. prod. (GWh)	255	387		
Prod. w/o cap. complement (GWh)	107	380		
Avg. Price (€/MWh)	70.9	56.3	26%	+15
Total GWh: realised pool (€/MWh)	+41	+21	101%	+21
Regulatory adj. on std. GWh (€m)	-	17.4		
Complement (€m)	44	42.3		
Hedging gains/(losses) (€m)	0.7	2.9		
Gross profit (1)	106	98	8%	+8
EBITDA (1)	77	68	12%	+8
EBIT (1)	44	35	24%	+8
Installed capacity (MW Equity)	174	174	0%	-
Capex (€m)	1	2	-53%	-1
Capacity under construction (MW)	2	2	0%	-

In Spain, EDPR's EBITDA rose by 12% (+€8m), to €77m YoY in 1Q15, driven by higher realised price achieved in the market (€41/MWh in 1Q15, up from €21/MWh in 1Q14).

Installed capacity in Spain is stable at 2,194MW in 1Q15 (MW EBITDA), to which accrues 174MW, equivalent to EDPR's equity position in other wind projects (equity-method consolidated).

Electricity output in Spain fell by 14% YoY, to 1.5TWh in 1Q15, reflecting outstanding wind conditions in 1Q14. Avg. price advanced by 26% YoY, to €71/MWh, propelled by a doubling of realised pool price (€41/MWh in 1Q15) and €44m revenue from capacity complement. In 1Q15, 91% of EDPR's installed capacity in Spain is entitled to receive capacity complement per MW.

As a way to reduce its exposure to merchant prices in Spain, EDPR hedged 1.8TWh at €47/MWh for the rest of 2015 and 1.3TWh at €48/MWh for 2016.

Portugal	1Q15	1Q14	Δ%	Δ Abs.
Installed capacity (MW)	624	621	0%	+2
Avg. Load factor (%)	38%	43%	-	-6 p.p.
Electricity output (GWh)	505	580	-13%	·- 7 5
Avg. selling price (€/MWh)	108	109	-1%	-1
Gross profit	55	64	-14%	-9
EBITDA	47	56	-15%	-8
EBIT	41	49	-17%	-9
Installed capacity (MW Equity)	533	464	15%	+69
Capex (€m)	5	2	138%	+3
Capacity under construction (MW)	6	-	-	+6

In Portugal, EDPR owns a portfolio with 624MW: 622MW of wind capacity (51% owned by EDP and 49% owned by CTG) and 2MW of solar PV (installed in Mar-14). Also in the wind business, EDPR holds a 40% equity stake in ENEOP consortium (equity consolidated), with 533MW attributable to EDPR's 40% interest in ENEOP. In line with MoU signed by EDPR and CTG in Dec-13, once ENEOP's assets are split between its shareholders, EDPR will sell 49% of its share in ENEOP – execution of the MoU is expected to occur in 2015.

EDPR's EBITDA in Portugal fell by 15% YoY, to €47m in 1Q15, reflecting lower output derived from outstanding wind resources in 1Q14 and low inflation scenario in Portugal. Wind production in 1Q15 was 13% lower YoY, as the above-the average wind resources in 1Q15 (wind factor: 1.14) fell short of the exceptionally strong wind resources in 1Q14 (wind factor: 1.41). Accordingly, avg. load factor fell 6pp YoY, to 38% in 1Q15. Avg. selling price in 1Q15 stood 1% below the 1Q14, penalised by a low inflation scenario.



- Wind energy receives pool price and a premium per MW, if necessary, in order to achieve a target return established as 'Spanish 10-year Bond yields + 300bp' (currently at 7.4%); Every 3 years, there will revisions as to compensate deviations from the expected pool price (€49/MWh − regulator scenario).
- Premium calculation is based on standard assets (standard load factor, production and costs); Capacity complement per MW is paid for a 20-year period and varies with the year of commissioning



- MW EBITDA: Feed-in Tariff updated with inflation and inversely correlated with load factor. Duration: 15 years (Feed-in tariff updated with inflation) + 7 years (extension cap/floor system: €74/MWh €98/MWh). The 7-year extension of tariff as from 16th year was secured in exchange for an annual payment between 2013 and 2020 (€4m/year for EDPR).
- ENEOP (MW Equity): price defined in a international competitive tender and set for 15 years (or the first 33 GWh per MW). Tariff for first year established at c.€74/MWh and CPI monthly update for following years

(1) Includes hedging results in energy markets.

EDP Renováveis: Rest of Europe

Rest of Europe	1Q15	1Q14	Δ%	Δ Abs.
Installed capacity (MW)	1,413	1,357	4%	+56
Avg. load factor (%)	33%	32%	4/0	1 p.p.
Electricity output (GWh)	928	802	16%	+125
Avg. selling price (€/MWh)	88	97	-9%	-9
Poland				
Installed capacity (MW)	392	374	5%	+18
Avg. load factor (%)	34%	34%	-	-1 p.p.
Electricity output (GWh)	273	267	3%	+7
Avg. selling price (PLN/MWh)	401	407	-1%	-5
EUR/PLN - Avg. Rate in period	4.19	4.18	0%	+0
Romania				
Installed capacity (MW)	521	521	0%	-
Avg. load factor (%)	33%	24%	-	9 p.p.
Electricity output (GWh)	317	190	67%	+127
Avg. selling price (RON/MWh)	311	421	-26%	-110
EUR/RON - Avg. Rate in period	4.45	4.50	1%	-0
France				
Installed capacity (MW)	340	322	5%	+18
Avg. load factor (%)	32%	38%	-	-6 p.p.
Electricity output (GWh)	234	256	-9%	-23
Avg. selling price (€/MWh)	91	91	0%	+0
Belgium & Italy				
Installed capacity (MW)	161	141	14%	+20
Avg. load factor (%)	35%	33%	-	2 p.p.
Electricity output (GWh)	104	89	16%	+14
Avg. selling price (€/MWh)	111	112	-1%	-1
Gross profit	80	76	5%	+4
EBITDA	66	61	8%	+5
EBIT	51	42	19%	+8
Capex (€m)	19	10	86%	+9
Capacity under construction (MW)	75	18	321%	+57

In European markets outside of Iberia, EBITDA rose by 8% YoY (+€5m), to €66m in 1Q15, driven by higher avg. capacity on stream (+10% YoY), higher avg. load factor (+1pp YoY) and lower avg. selling price (-9% YoY, due to lower avg. prices in Romania derived from lower green certificate). As of Mar-15, EDPR has 75MW under construction: 53MW in Poland, 12MW in France and 10MW in Italy.

In Poland, EDPR installed 18MW of new wind capacity over the last 12 months (fully concentrated in 4Q14). As a result, EDPR currently operates 392MW of wind capacity under different remuneration schemes: 70MW at Korsze, through a 10-year PPA; 120MW at Margonin, receiving 'wholesale market + GC' (GC long term contracted for 15 years); and 184MW receiving 'Regulated price + GCs'. Wind output rose by 3% in 1Q15, to 273GWh in 1Q15, mainly reflecting higher avg. capacity on stream and stable load factor (at 34%). Avg. selling price was 1% lower YoY, at PLN401/MWh.

In Romania, EDPR operates 521MW of wind (471MW) and solar PV (50MW). Output surged by 67%, to 317GWh in 1Q15 (305GWh wind-based), propelled by higher average MW in operation and a 9pp increase in the avg. load factor, to 33%. In turn, avg. selling price fell by 26% YoY to RON311/MWh, as green certificate ("GC") were sold at the floor of the regulated collar.

In France, EDPR added 18MW of new wind capacity in the last 12 months (fully concentrated in 2H14), raising total installed capacity in the market to 340MW. Wind output in 1Q15 fell by 9% YoY, to 234GWh as the 6pp YoY drop in load factor derived from low wind resources was partially compensated by portfolio expansion. Avg. tariff in the period was broadly stable YoY, reflecting low inflation context.

In Belgium, the 71MW in operation delivered a 5% increase in output backed by higher average capacity on stream and a 1% decrease in avg. selling price, to €111/MWh in 1Q15, reflecting a lower PPA price for the capacity added in 3Q14. In Italy, where EDPR installed 20MW of new wind capacity in the last 12 months (in 4Q14), output advanced 26%, driven by capacity additions and a 8pp YoY increase in avg. load factor, to 38%. Avg. selling tariff was 2% lower YoY, at €120/MWh in 1Q15, reflecting the lower price of capacity added under the new regime (vs. the old regime).



• Price set either through bilateral contracts or selling to distributor at regulated price (PLN163.6/MWh in 2015); Wind receive 1 GC/MWh which can be traded in the market. Electric suppliers have a substitution fee for non compliance with GC obligation (2014: PLN300/MWh)



• Wind and solar production are sold at 'market price + GC'. Wind assets receive 2 GC/MWh until 2017 and 1 GC/MWh after 2017 until completing 15 years. 1 out of the 2 GC earned until Mar-17 can only be sold from Jan-18. Solar assets receive 6 GC/MWh for 15 years. 2 out of the 6 GC earned until Mar-2017 can only be sold after Apr-2017. GC are tradable on market under a cap and floor system (cap €59.9 / floor €29.4).



Feed-in tariff for 15 years: (i) €82/MWh up to 10th year, inflation updated; (ii) Years 11-15: €82/MWh @ 2,400 hours, decreasing to €28/MWh @3,600 hours



• Wind & solar energy sold at 'Market price + green certificate (GC)'; Separate GC prices with cap and floor for Wallonia (€65/MWh-100/MWh) and Flanders (€90/MWh-100/MWh); Option to negotiate long-term PPAs



• Projects online before 2013 receive: (i) For 2015, GC price from GSE will be €97.4; (ii) As from 2016, 'pool + premium' (premium = 1 x (€180/MWh - "P-1") x 0.78). New assets: competitive auctions awarding 20-years PPAs

Regulated Networks & Regulatory Receivables in Iberia



Income Statement (€ m)	1015	1014	Δ%	Δ Abs.
income statement (€ iii)		1014		Δ AD3.
Gross Profit	431	441	-2%	-10
Supplies and services	86	93	-8%	-7
Personnel costs	32	38	-17%	-7
Costs with social benefits	5 (16)	5 59	1%	+0 -75
Other operating costs (net) Net Operating Costs (1)	107	1 96	-45%	-75 -89
EBITDA	324	245	32%	+79
Provisions	0	(1)	-	+1
Amortisation and impairment	82	83	-1%	-1
EBIT	242	163	48%	+79
Capex & Opex Performance	1Q15	1Q14	Δ%	Δ Abs.
capex & opex retrormance	,			L / 1001
Controllable Operating Costs (5)	118	132	-10%	-14
Cont. costs/client (€/client) Cont. costs/km of network (€/Km)	15 458	16 510	-10% -10%	-2 -52
Employees (#)	3,875	3,922	-1%	-47
	,	, 	401	_
Capex (Net of Subsidies) (€m) Network ('000 Km)	69 257	70 258	-1% -0%	-1 -1
Network (000 km)	237	236	-0/0	-1
Regulatory Receivables (€ m)	1015	1014	Δ%	Δ Abs.
Regulatory Receivables (€ m)		1Q14		
Regulatory Receivables (€ m) Total Net Iberia Regulatory Receivables	1Q15 2,117	1Q14 2,933	Δ % -28%	Δ Abs.
Total Net Iberia Regulatory Receivables Spain - Tariff deficit	2,117	2,933	-28%	-816
Total Net Iberia Regulatory Receivables				
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) Tariff deficit in the period	2,117	2,933	-28%	-816 -262
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) Tariff deficit in the period Other (3)	2,117 2 42	2,933 264 (23) 17	-28% -99% - - -	- 816 - 262 +65 -17
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) Tariff deficit in the period Other (3) End of Period	2,117 2 42 - 44	2,933 264 (23)	-28%	- 816 - 262 +65
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) Tariff deficit in the period Other (3)	2,117 2 42 - 44	2,933 264 (23) 17	-28% -99% - - -	- 816 - 262 +65 -17
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) Tariff deficit in the period Other (3) End of Period	2,117 2 42 - 44 1 + Gas	2,933 264 (23) 17 - 259	-28% -99% - - - - - -83%	-816 -262 +65 -17 - -215
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) Tariff deficit in the period Other (3) End of Period Portugal - Last Resort Supplier + Distribution Beginning of Period Previous periods tariff deviation (2)	2,117 2 42 - 44	2,933 264 (23) 17	-28% -99% - - -	- 816 - 262 +65 -17
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) 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	2,117 2 42 44 1+Gas 2,203	2,933 264 (23) 17 259	-28% -99%83%	-816 -262 +65 -17 - -215
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) 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)	2,117 2 42 44 1+ Gas 2,203 (686) 375 23	2,933 264 (23) 17 259 2,045 (338) 721 39	-28% -99%83% -103% -48% -40%	-816 -262 +65 -17 -215 -158 -349 -346 -15
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) 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	2,117 2 42 44 1+ Gas 2,203 (686) 375	2,933 264 (23) 17 259 2,045 (338) 721	-28% -99%83% -83% -103% -48%	-816 -262 +65 -17 -215 -188 -349 -346
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) 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)	2,117 2 42 44 1+ Gas 2,203 (686) 375 23	2,933 264 (23) 17 259 2,045 (338) 721 39	-28% -99%83% -103% -48% -40%	-816 -262 +65 -17 -215 -158 -349 -346 -15
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) 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	2,117 2 42 44 1+Gas 2,203 (686) 375 23 1,915	2,933 264 (23) 17 259 2,045 (338) 721 39 2,467	-28% -99%	-816 -262 +65 -17 -215 -158 -349 -346 -15 -553
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) 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	2,117 2 42 44 1+Gas 2,203 (686) 375 23 1,915	2,933 264 (23) 17 259 2,045 (338) 721 39 2,467	-28% -99%383% -83% -88% -103% -48% -40% -22%	-816 -262 +65 -17 -215 -158 -349 -346 -15
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) 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	2,117 2 42 44 1+Gas 2,203 (686) 375 23 1,915	2,933 264 (23) 17 259 2,045 (338) 721 39 2,467	-28% -99%	-816 -262 +65 -17 -215 +158 -349 -346 -15 -553
Total Net Iberia Regulatory Receivables Spain - Tariff deficit Beginning of Period Previous periods tariff deficits (4) 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	2,117 2 42 44 1+Gas 2,203 (686) 375 23 1,915	2,933 264 (23) 17 259 2,045 (338) 721 39 2,467	-28% -99%83% -83% -103% -48% -40% -22% -70% 93%	-816 -262 +65 -17 -215 +158 -349 -346 -15 -553 -265 +229

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

EBITDA from regulated networks rose by 32% YoY (+€79m), to €324m in 1Q15, impacted by a €78m one-off gain booked on the sale of assets held by Gas Energía Distribución Murcia to Redexis on 30-Jan-15. Adjusted for this impact, EBITDA from regulated networks in Iberia was relatively stable, owing to lower regulated revenues which were offset by lower operating costs. Gross profit declined by 2% YoY (-€10m) in 1Q15, reflecting: (i) in Portugal, a lower return on RAB in electricity distribution derived from the lower sovereign risk and fast clients' switching to free market; (ii) in Spain, higher regulated revenues in electricity distribution offset by lower gas regulated revenues impacted by the disposal of distribution assets.

Controllable operating costs fell by 10% YoY (-€14m), reflecting essentially a decrease in supplies and services (due to lower maintenance/repair works and lower client services stemming from clients switching from LRS to the liberalized market) and headcount reduction (-1% YoY). **Capex** in 1Q15 stood relatively stable, amounting to €69m.

In Portugal, the total debt owed by the electricity system to EDP and to financial investors was nearly flat, amounting to €5.3bn in Mar-15.

Regulatory receivables owed to EDP in Iberia decreased by €200m in 1Q15, from €2,317m in Dec-14 to €2,117m in Mar-15, driven by a €242m decrease in Portugal and a €42m increase in Spain.

EDP's regulatory receivables from electricity distribution, last resort supply and gas distribution in Portugal decreased from €2,203m in Dec-14 to €1,915m in Mar-15 driven by: (1) -€465m following the sale without recourse of the right to receive part of the 2014 tariff deficit; (2) +€375m regarding the ex-ante tariff deficit for 2015, to be fully recovered through 2016-2019 tariffs and remunerated at 3.01% annual return; (3)-€220m recovered through tariffs related to negative previous years' deviations and to past tariff deficits; (4) +€15m of new electricity tariff deviations created in 1Q15; and (5) -€15m of deviations returned to the system in the gas distribution. The main drivers for new tariff deviations generated during the 1Q15, focused in electricity distribution and LRS, were: (i) +€69m boosted by higher-than-expected special regime production (16% ahead of ERSE assumption) and from higher-than-expected overcost with special regime production (€64/MWh in 1Q15 vs. €61/MWh assumed by ERSE in the calculation of 2015 tariffs); (ii) -€15m (amount to return to the tariffs) mainly propelled by cheaper-than-expected electricity purchases; and (iii) -€39m tariff deviation generated in electricity distribution activity (higher demand and deviations on consumption mix).

Regulatory receivables from CMECs increased from €112m in Dec-14 to €159m in Mar-15 due to: (1) €18m recovered in 1Q15 through tariffs, related to 2013 negative deviations and (2) €64m negative deviation in 1Q15, reflecting a €4m adjustment from 2014, due to be received in 2016-2017 (more details on page 11).

According to ERSE's final version for 2015 tariffs, released on 15-Dec-14, Portuguese electricity system's regulatory receivables are expected to stay flat over 2015.

Regulatory receivables in Spain amount to €44m in Mar-15, derived from booking EDP España portion of the gas tariff deficit in Spain, which has been estimated at €700m for the whole system as of 31-Dec-14.

⁽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 tariff deviations.

⁽⁴⁾ Includes the recovery/payment of previous periods tariff deficits.

Electricity Distribution and Last Resort Supply in Portugal

Income Statement (€ m)	1Q15	1Q14	Δ%	Δ Abs.
Gross Profit	315	326	-3%	-11
Supplies and services	66	70	-6%	-4
Personnel costs	24	29	-17%	-5
Costs with social benefits	5	5	-0%	-0
Concession fees	63	63	-1%	-0
Other operating costs (net)	-2	-3	-	+1
Net Operating Costs (1)	156	165	-5%	-9
EBITDA	158	161	-2%	-3
Provisions	1	-1	_	+1
Amortisation and impairment	59	59	0%	+0
EBIT	98	103	-4%	-4
Gross Profit Performance	1Q15	1014	Δ%	Δ Abs.

Gross Profit Performance	1Q15	1Q14	Δ%	Δ Abs.
Gross Profit (€m)	315	326	-3%	-11
Regulated gross profit	313	324	-3%	-11
Non-regulated gross profit	2	2	-6%	-0
Distribution Grid				
Regulated revenues (€ m)	297	304	-2%	-7
Electricity distributed (GWh)	11,687	11,470	2%	+217
Supply Points (th)	6,082	6,070	0%	+12
Last Resort Supply				
Regulated revenues (€ m)	16	20	-20%	-4
Clients supplied (th)	2,174	3,431	-37%	-1,257
Electricity sold (GWh)	1,845	3,074	-40%	-1,229

Capex & Opex Performance	1Q15	1Q14	Δ%	Δ Abs.
Controllable Operating Costs (2)	91	100	-9%	-9
Cont. costs/client (€/client)	14.9	16.4	-9%	-2
Cont. costs/km of network (€/Km)	405	447	-9%	-42
Employees (#)	3,340	3,359	-1%	-19
Capex (Net of Subsidies) (€m)	55	56	-0%	- 0
Network ('000 Km)	224	223	0%	+1
Equival. interruption time (min.) (3)	12	23	-49%	-11

EBITDA from electricity distribution and last resort supply (LRS) in Portugal decreased by 2% (-€3m), to €158m in 1Q15, mainly impacted by a lower return on RAB partially offset by lower operating costs.

On 15-Dec-14, ERSE released 2015 tariffs and the parameters underlying the next regulatory period (2015-17) for our electricity distribution and last resort supply activities in Portugal setting a 3.3% tariff increase for normal low voltage (NLV) segment, applicable to clients in the regulated market (out of the Social Tariff) and a 14% reduction in the social tariff, which conveys no additional costs for the electricity system.

Electricity distribution regulated revenues were set at €1,194m for 2015 based on: (1) regulated rate of return on assets (RoRAB) set at 6.75% for 2015, on a preliminary base (vs. 8.26% in 2014), reflecting an underlying avg. 10-year Portuguese bond yields of 3.6%; the ultimate RoRAB will depend on the daily average of the Portugal's 10Y bond yield between October of year 't-1' and September of year 't', with a floor at 6% and a cap at 9.5%; (2) an expected electricity demand in Portugal of 44.6 TWh in 2015 (1.8% above 2014 electricity distributed); and (3) a GDP deflator of 0.9%.

Regarding last resort electricity supply activity regulated revenues were set, for 2015, the following assumptions: (1) regulated revenues set at &61m in 2015; (2) a forecast for average electricity procurement price of &55.4/MWh, based on a forecast for average pool price of &50.5/MWh; (3) a forecast for average special regime premium of &60.8/MWh and (4) a forecast of 21.0TWh of special regime generation (4.1% below 2014).

In 1Q15, **distribution grid regulated revenues** declined by 2% (-€7m), to €297m, which was largely attributable to a lower return on RAB (6.36% in 1Q15 vs. 8.37% in 1Q14) driven by lower Portuguese sovereign yield. In 1Q15, electricity distributed rose by 2% YoY, on account of a higher demand from industrial clients, in line with some signs of recovery in economic activity during the period.

Last resort supplier (EDP SU) regulated revenues were 20% lower (-€4m), to €16m in 1Q15, mainly reflecting consumers' fast switching to the free market. 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 (since 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 by 40% YoY, to 1.8TWh in 1Q15. Total clients supplied declined 1,257 thousands YoY, to 2,174 thousands in Mar-15 (representing 36% of total electricity clients), mostly driven by the residential segment.

Controllable operating costs fell by 9% in the 1Q15 (-€9m), reflecting mostly a decline in Supplies & Services (-6% YoY), a decrease of our LRS activity due to consumers' switching to the free market and headcount reduction (-1% YoY).

Capex nearly matched the level of 1Q14, amounting to €55m in 1Q15. EIT dropped considerably, from 23 minutes in 1Q14 to 12 minutes in 1Q15, reflecting favourable weather conditions.

⁽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)	1Q15	ectricity S 1Q14		Abs. Δ	1Q15	Gas Spair 1Q14		Abs. Δ	1Q15	Gas Portug 1Q14	al %Δ <i>A</i>	λbs. Δ	Iberian Regulated Networks	1Q15	1Q14	% ∆	Abs. Δ
Gross Profit	48	41	18%	7	51	57	-10%	-6	16	17	-4%	-1	Number Supply Points (th)				
													Electricity Spain	659	659	0%	+0
Supplies and services	9	10			7	9	-23%	-2	4	3	3%	0	Gas Spain	936	1,020	-8%	-83
Personnel costs	5	6	-20%	-1	2	2	-13%	-0	0	0	12%	0	Gas Portugal	321	309	4%	+12
Costs with social benefits	0	0	-	0	0	0	-29%	-0	0	0	-3%	-0					
Other operating costs (net)	(0)	(3)	-90%	2	(77)	1	n.m.	-78	0	0	-85%	-0	Energy Distributed (GWh)				
Net Operating Costs (1)	14	14			(68)	13	-	-80	4	4	-3%	-0	Electricity Spain	2,381	2,365	1%	+16
operag costs (=)					(,								Gas Spain	8,844	13,555		-4,710
EBITDA	34	27	27%	7	119	44	170%	75	12	13	-5%	-1	Gas Portugal	2,031	1,979	3%	+52
Provisions	0	-	_	0	(0)	(0)	141%	-0	(0)	0	n.m.	-1	Network (Km)				
Amortisation and impairment	9	8	2%	0	10	12	-19%	-2	` 4	3	32%	1	Electricity Spain	20,309	20,196	1%	+113
, and thousand and impairment	-	_								_			Gas Spain	8,147	10,008		-1,861
EBIT	26	19	37%	7	109	32	241%	77	9	10	-11%	-1	Gas Portugal	4,677	4,513	4%	+164
Capex (net os subsidies)	6	5	27%	1	5	5	-5%	-0	3	5	-30%	-1	Employees (#)				
				_									Electricity Spain	297	302	-2%	-5
Gross Profit	48	41	18%	. 7	51	57	-10%	-6	16	17	-4%	-1	Gas Spain	177	199	-11%	-22
Regulated Revenues	39	39			44	50	-13%	-7	16	16	-5%	-1	Gas Portugal	61	62	-2%	-1
Non-regulated gross profit	9	2	407%		8	7	15%	1	1	1	3%	Ō		01	02	270	

ELECTRICITY DISTRIBUTION IN SPAIN

EBITDA from our electricity distribution activity in Spain rose by 27% YoY (+€7m), to €34m in 1Q15, supported by revenues related to adjustments from previous years in 1Q15 (+€7m). **Electricity distributed** by EDP España, mostly in the region of Asturias, grew by 1% in 1Q15, to 2.4TWh.

In Dec-13, Spanish Government approved Law 24/2013 and RD 1048/2013 that establishes the new regulatory framework for electricity distribution assets maintaining the principles announced in Jul-13 by RD 9/2013 (return on RAB equivalent to a 200bp premium over 10-year Spanish bond yields (equivalent to 6.5%) in 2014-2020). Until the release of concrete measures on the edicts of the law referred to above, the regulated revenues of EDP Spain into force for the year 2015 are €157m (calculated according to transient remuneration scheme of RDL 9/2013).

GAS REGULATED NETWORKS IN SPAIN

EBITDA of gas distribution in Spain in 1Q15 amounted to €119m (+€75m YoY), reflecting i) a €78m one-off gain stemming from the sale of assets held by Gas Energía Distribución Murcia to Redexis on 30-Jan-15 and ii) -€4m derived from the de-consolidation of gas distribution assets. Excluding this one-off impact, EBITDA rose by 3% (+€1m), supported by a decrease in operating costs (lower supplies and services). **Volume of gas distributed** dropped by 35% YoY, to 9TWh, owing to the disposal of distribution gas assets. Excluding this impact, gas distributed rose by 5%, on the back of harsher winter temperatures in 1Q15 vs. 1Q14.

According to a Ministerial Order of Dec-14, regulated gas activities will be squared by a 6-year regulatory period and subject to possible adjustments every 3 years. The remuneration model for gas distribution activities is maintained although inflation update factor is eliminated, allowed revenues are cut and returns are more dependent on demand. The impact of these measures on EDP in 2015 and in the following years is €9m vs. €4.7m in 2014.

Gas distribution regulated revenues attributable to our gas distribution subsidiary in Spain **amount to €172m** in 2015, excluding €14.7m of full year regulated revenues attributable to Gas Energía Distribución Murcia, sold to Redexis on 30-Jan-15, and €4.3m of full year regulated revenues attributed to the remaining asset perimeter expected to be sold to Redexis within the second quarter of 2015.

GAS REGULATED ACTIVITIES IN PORTUGAL

EBITDA from gas regulated activities in Portugal went down by 5% (-€1m), to €12m in 1Q15, due to lower regulated revenues in the supply business derived from consumers' switching to the free market. Regulated revenues from distribution business were flat YoY, reflecting a return on RAB of 8.41% in 1Q15 vs. 9.0% in 1Q14. **Volume distributed** rose by 3% in 1Q15, to 2.0TWh, in line with the 4% growth in the number of supply points, prompted by the continuing effort of new client connection in the region operated by EDP.

In Jun-13, ERSE disclosed the regulatory assumptions for the period from Jul-13 to Jun-16, indexing the rate of return on assets to the avg. Portuguese Republic 10-year bond yield between Apr 1st and Mar 31st prior to the beginning of each regulatory year, with a floor at 7.83% and cap at 11%. In each of the years of this regulatory period the rate of return on assets is defined at 9% on a preliminary basis. Total regulated revenues on distribution and LRS for EDP in the 2014/15 regulatory year were set at €62m.

On 15-Apr-15, ERSE unveiled a proposal for an average -7.3% decrease of last resort tariff for small clients (low consumption segment <= $10 \text{ m}^3\text{/year}$) to be in place from 1-Jul-15 until 30-Jun-16. A final decision will be taken until 15-Jun-15.

EDP - Energias do Brasil: Financial Performance

Income Statement		Consolidate	ed (R\$ m)			Consolidated (€ m)				
	1Q15	1Q14	Δ%	Δ Abs.	1Q15	1Q14	Δ%	Δ Abs.		
Gross Profit	662	629	5%	+32	205	194	6%	+11		
Supplies and services	116	110	5%	+5	36		5%	+2		
Personnel costs and employee benefits	95	88	8%	+7	29	27	8%	+2		
Other operating costs (net)	35	21	69%	+14	11		70%	+4		
Net Operating Costs (1)	246	219	12%	+26	76	68	13%	+9		
EBITDA	416	410	1%	+6	129	127	2%	+2		
Provisions	7	4	91%	+3	2		92%	+1		
Amortisation and impairment	91	88	3%	+3	28	27	4%	+1		
EBIT	318	319	-0%	-1	99	98	0%	+0		
Financial results	(94)	(87)	-8%	-7	(29)	(27)	9%	-2		
Results from associates	(38)	(14)	-174%	-24	(12)	`(4)	-	-8		
Pre-tax profit	185	217	-15%	-32	57	67	-14%	-10		

					_				
					_				
Capex & Financial Investments					(€	m)			
	1Q15	1Q14	Δ%	Δ Abs.		1Q15	1Q14	Δ%	Δ Abs.
Capex	67	85	-22%	-19		21	26	-21%	-6
		_				_	_		_
Financial Investments (2)	30	6	-	+24		9	2	-	+8

Energias do Brasil	1Q15	1Q14	Δ%	Δ Abs.
Share price at end of period (R\$/share)	10.35	10.30	0%	+0.05
Number of shares Issued (million)	476.4	476.4	-	-
Treasury stock (million)	8.0	0.8	-	-
Number of shares owned by EDP (million)	243.0	243.0	-	-
Euro/Real - End of period rate	3.50	3.13	-11%	+0.37
Euro/Real - Average of period rate	3.22	3.24	1%	-0.02
Inflation rate (IPCA - 12 months)	8.1%	-	-	-
Net Debt / EBITDA (x)	1.4	1.5	_	-0.1
Average Cost of Debt (%)	12.3	10.0	_	2.2p.p.
Average Interest Rate (CDI)	11.7	10.0	_	1.8p.p.
Average interest Nate (CDI)	11.7	10.0		1.0p.p.
Employees (#)	2,607	2,822	-8%	-215
Very Delever Chest Figures (DC Million)	1015	1014	A 0/	A Abc
Key Balance Sheet Figures (R\$ Million)	1Q15	1Q14	Δ%	Δ Abs.
Key Balance Sheet Figures (R\$ Million) Net financial debt			Δ % -3%	Δ Abs.
Net financial debt	1Q15 2,321 561	2,403 216		
Net financial debt Regulatory receivables	2,321 561	2,403 216	-3%	-82
Net financial debt Regulatory receivables Non-controling Interests	2,321	2,403	-3% 160%	-82 +345
Net financial debt Regulatory receivables	2,321 561 1,692	2,403 216 1,700	-3% 160% 0%	-82 +345 -8
Net financial debt Regulatory receivables Non-controling Interests	2,321 561 1,692	2,403 216 1,700	-3% 160% 0%	-82 +345 -8
Net financial debt Regulatory receivables Non-controling Interests Equity book value Financial Results (R\$ Million)	2,321 561 1,692 5,023	2,403 216 1,700 4,734	-3% 160% 0% 6%	-82 +345 -8 +289
Net financial debt Regulatory receivables Non-controling Interests Equity book value Financial Results (R\$ Million) Net Interest Costs	2,321 561 1,692 5,023 1Q15 (89)	2,403 216 1,700 4,734 1Q14 (94)	-3% 160% 0% 6% Δ%	-82 +345 -8 +289 Δ Abs.
Net financial debt Regulatory receivables Non-controling Interests Equity book value Financial Results (R\$ Million) Net Interest Costs Capitalised Costs	2,321 561 1,692 5,023 1Q15 (89) 0	2,403 216 1,700 4,734 1Q14 (94) 17	-3% 160% 0% 6%	-82 +345 -8 +289 Δ Abs. +5 -17
Net financial debt Regulatory receivables Non-controling Interests Equity book value Financial Results (R\$ Million) Net Interest Costs Capitalised Costs Forex Differences and Derivatives	2,321 561 1,692 5,023 1Q15 (89) 0 (24)	2,403 216 1,700 4,734 1Q14 (94) 17 9	-3% 160% 0% 6% Δ%	-82 +345 -8 +289 Δ Abs. +5 -17 -33
Net financial debt Regulatory receivables Non-controling Interests Equity book value Financial Results (R\$ Million) Net Interest Costs Capitalised Costs	2,321 561 1,692 5,023 1Q15 (89) 0	2,403 216 1,700 4,734 1Q14 (94) 17	-3% 160% 0% 6% Δ%	-82 +345 -8 +289 Δ Abs. +5 -17

In local currency, EDP Brasil ("EDPB") EBITDA increased 1% YoY (+R\$6m) to R\$416m in 1Q15. EBITDA from distribution went up 64% YoY (+R\$90m), driven by higher regulated revenues, essentially reflecting the annual tariff readjustments at both our DisCos (Escelsa: +26.54% from Aug-14 and Bandeirante: +22.34% from Oct-14), and by the recognition of regulatory receivables at gross profit level as from Dec-14. Generation and Supply EBITDA went down 28% YoY (-R\$82m), reflecting: i) low GSF⁽³⁾ (79% in 1Q15) and the subsequent generators' need to purchase energy at high market prices; which was mitigated by: ii) the seasonal allocation of volumes sold, with a significant portion of volumes allocated to the 1Q15 (29%) vs. the 1Q14 (27%). EBITDA performance in Euro terms was most alike – ForEx impact was negligible (1% appreciation of the BRL vs. the EUR).

Net operating costs went up 12% YoY to R\$246m in 1Q15: i) personnel costs and employee benefits increased 8% YoY, reflecting the annual salary update (+7.4%), lower capitalized costs, higher indemnities and lower headcount; and ii) supplies & services went up 5% YoY, translating higher expenses higher expenses with O&M, IT and clients' services.

Net financial costs increased 8% YoY to R\$94m in 1Q15, translating: i) lower net interest costs, reflecting the equity consolidation of Jari and Cachoeira Caldeirão hydro projects (vs. full consolidation in 1Q14) as well as lower average financial debt, while average cost of debt

increased 2.2pp to 12.3% in 1015; and ii) lower capitalised interests. Net financial debt decreased 3% YoY reflecting higher gross financial debt (+R\$0.9m) which was more than compensated by higher 'cash and equivalents'.

Results from associated totalled -R\$38m in 1Q15, down R\$24m YoY, reflecting a more negative contribution from Pecém I coal facility (-R\$26m in 1Q15 vs. -R\$15m in 1Q14), on the back of higher net financial costs, as well the a negative contribution from Jari hydro power plant (-R\$12m in 1Q15) driven by low GSF in the period.

As of Mar-15, hydro reservoirs in the Southeast/Center-West ("SE-CW") regions were at 28% of their maximum level (vs. 19% in Dec-14 and 36% in Mar-14). Although Jan/Feb-15 ended up being some of the worst months in terms of rainfall levels for the period, Mar/Apr-15 benefitted from some recovery and by the end of Apr-15, reservoir levels were above 30%. Nonetheless, given relatively low reservoir levels and insufficient rainfall, GSF⁽³⁾ stood at particularly low levels (79% in 1Q15) leading hydro generators to keep on purchasing energy at high market prices to meet their PPA obligations. At the same time, despite the continued strong thermal dispatch, thanks to the application of a new price cap methodology starting Jan-15 (new cap at R\$388/MWh vs. previous R\$822/MWh), average electricity spot prices (PLD) fell from R\$647/MWh⁽⁴⁾ in 1Q14 to R\$388/MWh⁽⁴⁾ in 1Q15.

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

⁽²⁾ Excluding investments in wind farms held by EDP Brasil (45%) and EDP Renováveis (55%).

⁽³⁾ GSF: Generation Scaling Factor; (4) Source: CCEE; based on weekly prices; Southeast/Center-West regions;

Brazil: Electricity Distribution



Income Statement (R\$ m)	1Q15	1Q14	Δ%	Δ Abs.
Gross Profit	425	305	39%	+120
Supplies and services Personnel costs and employee benefi Other operating costs (net) Net Operating Costs (1)	86 70 37 193	80 64 19 163	8% 9% 92% 18%	+6 +6 +18 +30
EBITDA	232	142	64%	+90
Provisions Amortisation and impairment	8 46	3 47	165% -2%	+5 -1
EBIT	179	92	94%	+86

C: (D4)		1Q14	Δ%	Δ Abs.
	425	305	39%	+120
Gross Profit (R\$ m) Regulated revenues	425	322	32%	+103
Change in reg. receivables	425	(17)	J2/0 -	- 103
		, ,		
Regulatory Receivables (R\$ m)				
Beginning of period	602	199	203%	+403
Past deviations	(82)	(16)	429%	-66
Annual deviation (2)	223	447	-50%	-223
CDE/ACR Account (3)	(182)	(414)	-56%	+232
End of period	561	216	160%	+345
Clients Connected (th)	3.182	3,076	3%	+105
Bandeirante	1,740	1,683	3%	+56
Escelsa	1,442	1,393	4%	+49
Electricity Distributed (GWh)	6.764	6.726	1%	+38
Bandeirante	3,775	3,923	-4%	-148
Escelsa	2,989	2.803	7%	+186
From which:	_,505	_,000	.,,	- 100
To clients in Free Market (GWh)	2,445	2,502	-2%	-57
Electricity Sold (GWh)	4,320	4,224	2%	+95
Bandeirante	2,381	2,425	-2%	-44
Resid., Commerc. & Other	1.803	1.819	-1%	-16
Industrial	578	606	-5%	-28
Escelsa	1.939	1.799	-5% 8%	+140
Resid., Commerc. & Other	1,659	1,795	10%	+155
Industrial	279	295	-5%	-15
	2/3	233	370	13
Capex & Opex Performance	1Q15	1Q14	Δ%	Δ Abs.

EBITDA from our electricity distribution activity in Brazil went up 64% YoY (+R\$90m) to R\$232m in 1Q15, reflecting: i) higher
electricity gross profit (+R\$120m YoY), driven by higher regulated revenues, mostly due to the annual tariff readjustments at both our
DisCos; and ii) higher operating costs (up R\$30m YoY) essentially reflecting an increase in losses on fixed assets and higher provisions
for doubtful clients.

Ending 2014, a change in the legal framework allowed for the recognition of regulatory receivables at gross profit level. As such, 1Q15 gross profit is no longer impacted by the change in regulatory receivables, reflecting the period's regulated revenues. **Regulated revenues went up 32% YoY (+R\$103m) to R\$425m in 1Q15**, mostly reflecting the annual tariff readjustments at both Escelsa (+26.54% in Aug-14) and Bandeirante (+22.34% in Oct-14). Regulated revenues also benefitted from: i) the so-called "tariff flags", a mechanism introduced in Jan-15 so as to signal consumers for higher electricity costs (Jan/Feb-15: red flag of R\$3 per 100kWh; Mar-15: red flag of R\$5.5 per 100 kWh); and ii) ANEEL's approval of extraordinary tariff increases at both our DisCos as from March 2nd, 2015 (Escelsa: +33.27% and Bandeirante: +32.18%).

As of Mar-15, **regulatory receivables** amounted to R\$561m (vs. R\$602m as of Dec-14). In 1Q15, a R\$223m negative tariff deviation was created, essentially related to higher energy costs than the ones incorporated in the tariffs, which was partly compensated by R\$182m of contributions from CCEE (ACR account) regarding Nov/Dec-14 shortfall; also, R\$82m were received regarding past deviations. All in all, regulatory receivables went down R\$40m vs. Dez-14, to R\$561m as of Mar-15, to be collected through tariffs in the following years. **Regulatory-wise**, return on regulated asset base is currently set at 7.5% (after taxes) and next regulatory reviews are due in Oct-15 for Bandeirate and Aug-16 for Escelsa. In Feb-15, the Brazilian regulator (ANEEL) proposed a real post-tax WACC of 8.09% to be applied to distribution on the upcoming 4th revision cycle.

Volumes of electricity sold went up 2% YoY in 1Q15, translating a 4% increase in the 'residential, commercial & other' segments, justified by a wider client base and by a warm weather in 1Q15 in the Espírito Santo region. Volumes sold to the industrial segment decreased 5% YoY, reflecting lower industrial activity as well as lower consumption from the non-metallic minerals and chemical sectors. At the same time, **volumes distributed** to industrial clients in the free market went down 2% YoY to 2.4TWh in 1Q15, reflecting the cooling of the industrial production in the São Paulo region.

Controllable operating costs increased 10% YoY to R\$150m in 1Q15, driven by an 8% increase in personnel costs, reflecting the annual salary update (+7.4%), higher indemnities and lower headcount. Supplies and services reflect higher expenses with O&M, IT and clients' services. Other operating costs went up R\$18m YoY, translating higher losses on fixed assets and higher provisions for doubtful clients. Distribution capex went down 24% YoY to R\$55m in 1Q15, essentially due to market retraction. On a recurring basis, distribution capex is mostly devoted to customer services activities and to the reinforcement of the network quality of service.

In 2014 **electricity sector** DisCos faced record highs of electricity purchases costs mostly given involuntary short contracting positions in high market prices environment due to low rainfall and high thermal dispatch. In Apr-14, the CCEE created an account called "Conta-ACR" (Conta no Ambiente de Contratação Regulada) to help compensate DisCos for higher costs incurred – R\$21bn of financing were transferred to DisCos. ANEEL has also been passing-through some of these additional costs to consumers through the annual tariff readjustments. In 2015, other measures were implemented. In Jan-15, a "tariff flags" mechanism, or variable tariff, was introduced to signal consumers for higher energy costs – in Jan/Feb-15, the "red flag" was triggered, meaning +R\$3 per 100kWh and in Mar-15, this "red flag", triggered once again, was increased to +R\$5.5 per 100kWh (~+12% increase in tariffs for Low Voltage). Also, in Feb-15, ANEEL approved several extraordinary tariff increases applicable from March 2nd, 2015 onwards (Escelsa: +33.27% and Bandeirante: +32.18%). Additionally, for 2015, DisCos were able to reduce their involuntary short contracting positions mostly through the A-1 auction held in Dec-14 (Bandeirante: 107% in 1Q15 vs. 97% in 1Q14 and Escelsa: 94% in 1Q15 vs. 82% in 1Q14), which shall reduce the impact on energy costs from law rainfall and high market prices environment.

+0

-79

-17

+1

6%

9%

-4%

-24%

1%

2,147

55

89

2,226

72

88

Cont. costs/client (R\$/client)

Capex (net of subsidies) (R\$m)

Cont. costs/km (RS/Km)

Employees (#)

Network ('000 Km)

⁽¹⁾ Net operating costs = operating costs (Supplies and services + Personnel costs + Costs with social benefits) + Other operating costs (net); (2) Net of extraordinary tariff increase and tariff flags impacts;

⁽³⁾ Including financial update of the corresponding regulatory assets/liabilities; (4) S&S and Personnel costs.

Income Statement (R\$M)		Genera			
	1Q15	1Q14	Δ%	Δ Abs.	
Gross Profit	204	273	-26%	-70	
Supplies and services	12	18	-31%	-5	
Personnel costs and employee benefits	12	13	-4%	-1	
Other operating costs (net)	0	0	-	+0	
Net Operating Costs	25	31	-19%	-6	
EBITDA	179	243	-26%	-64	
Provisions	0	0	-90%	-0	
Amortisation and impairment	41	38	8%	+3	
EBIT	138	205	-33%	-67	
Key Data	1Q15	1Q14	Δ%	Δ Abs.	
Gross Profit (R\$ m)	204	273	-26%	-70	
PPA contracted revenues & Other	369	293	26%	+76	
GSF impact (net of hedging)	(165)	(19)	-762%	-146	
Installed Capacity (MW)	1,797	1,797	_		
installed Capacity (IVIVV)	1,737	1,737	_	-	
Installed Capacity (MW Equity)	547	360	52%	+187	
Electricity Sold (GWh)	2,260	2,217	2%	+43	
PPA contracted	2,200	2,140	3%	+60	
Other	60	77	-22%	-17	
Avg. Hydro PPA Sale Price (R\$/MWh) (2)	176	161	9%	+14	
Capex (R\$ m)	11	12	-14%	-2	
Financial Investments (R\$ m)	30	6	,-	+24	
	278	402	-31%		

EBITDA Breakdown (R\$ m)	1Q15	1Q14	Δ%	Δ Abs.
Lajeado (73% owned by EDPB)	72	93	-23%	-21
Peixe Angical (60% owned by EDPB)	65	82	-20%	-16
Other (100%)	42	68	-39%	-26
EBITDA	179	243	-26%	-64

Supply	1Q15	1Q14	Δ%	Δ Abs.
Gross profit (R\$ m)	33	51	-36%	-18
Net Operating costs (1) (R\$ m)	1	0	571%	+0
EBITDA (R\$ m)	32	51	-37%	-19
Electricity sales (GWh)	2,514	3,458	-27%	-944

EBITDA from our electricity generation activities in Brazil went down 26% YoY (-R\$64m) to R\$179m in 1Q15, reflecting: i) low GSF (79% in 1Q15), and the subsequent need to purchase energy at high market prices; which was mitigated by ii) a seasonal allocation of volumes sold, with a significant portion of volumes allocated to the 1Q15 (29%); and by iii) lower operating costs, on the back of lower O&M expenses.

Gross profit fell 26% YoY (-R\$70m) to R\$204m in 1Q15 on the back of low **Generation Scaling Factor (GSF)**, which stood at 79% in 1Q15 (vs. 96% in 1Q14 and 88% in 4Q14). In periods of low rainfall, the associated generation deficit implies that hydro generators have to purchase energy at market prices to meet their PPA obligations. Although market prices went down significantly (avg. PLD: R\$388/MWh⁽³⁾ in 1Q15 vs. R\$647/MWh⁽³⁾ in 1Q14), the poor hydro environment that shaped the 1Q15, coupled with low reservoir levels to begin with, resulted in a particularly low GSF. EDPB was able to mitigate the negative impact of low GSF through short-term sales contracted at higher prices; nonetheless, all together, this translated into +R\$146m YoY of additional costs with energy purchases (R\$165m in 1Q15 vs. R\$19m in 1Q14). Excluding the impact from low GSF (net of hedging), gross profit went up R\$76m YoY, reflecting higher volumes of electricity sold at higher prices. It is worth mentioning that Peixe Angical hydro power plant PPA (current avg. price @ R\$206/MWh) ends in Jan-16, which should help reduce EDPB negative exposure to any low GSF impact that might still occur in 2016.

Electricity volumes sold increased 2% YoY to 2.3TWh in 1Q15 reflecting the seasonal allocation of volumes – given the adverse hydro environment, and to maintain some protection against exposure to market prices, a significant portion of the volumes of electricity to be sold was allocated to the 1Q, in an even higher proportion than in 1Q14 (29% in 1Q15 vs. 27% in 1Q14). Average selling price went up 9% YoY, translating PPA prices inflation updates as well as short-term contracts closed at higher prices.

EDPB operates 2.3GW of capacity, of which 0.5GW are equity consolidated. Equity consolidated capacity refers to: i) a 50% equity stake in Pecém I coal facility (720MW in partnership with Eneva); and ii) a 50% equity stake in Santo António do Jari hydro power plant (373MW in partnership with CTG). In Dec-14, in light of Eneva's financially distressed situation, EDPB agreed the purchase of Eneva's 50% stake in **Pecém I** for a total amount of R\$300m (closing expected for 2Q15). Pecém I EBITDA is currently estimated at ~R\$280m for 2015E (full year contribution @100%) and Net Debt is forecasted at ~R\$2bn as of Dec-15E. Following-up to the repair of one of the generating units (in 4Q14), both groups at Pecém I are now working at full speed – availability factor reached 96% in 1Q15. In 1Q15, Pecém I EBITDA (@50%) totalled R\$46m and net loss attributable to EDPB was R\$26m, mostly due to higher net financial costs. **Santo Antonio do Jari** is fully operational since Dec-14. In 1Q15, Jari contributed with a net loss of R\$12m (@50%), reflecting the negative impact of low GSF.

Capex fell 14% YoY to R\$11m in 1Q15. Note that investments devoted to Cachoeira Caldeirão and São Manoel hydro projects are classified as 'financial Investments' (equity-method accounted); in 1Q15, financial Investments totalled R\$30m, which were essentially devoted to Cachoeira Caldeirão construction works. In terms of new capacity, EDPB participates in 2 new hydro projects, both under long-term PPAs: i) Cachoeira Caldeirão, a 219MW project 50%-owned by EDPB (in partnership with CTG) and due in Jan-17 (80% concluded); and ii) São Manoel, a 700MW project, 33.3%-owned by EDPB (in partnership with CTG and Furnas) – this project is in early stage of construction and should start operations in May-18.

Electricity supply gross profit decreased 36% YoY (-R\$18m) to R\$33m in 1Q15, reflecting lower volumes supplied to clients and an exceptionally strong 1Q14, which benefitted from higher spot prices and higher price volatility.



Income Statements & Annex

1Q15 (€m)	Long-Term Contracted Generation	Iberian Liberalised Activities	Regulated Networks Iberia	EDP Renováveis	Brazil	Corpor. Activ. & Adjustments	EDP Group
Gross Profit	186	233	431	375	205	(6)	1,423
Supplies and services Personnel costs Costs with social benefits Other operating costs (net) Operating costs	14 16 0 2 33	48 17 2 59 126	32 5 (16)	65 15 2 (26) 56	36 27 2 11 76	(41) 39 3 8 8	207 145 15 38 406
EBITDA	153	107	324	319	129	(15)	1,017
Provisions Amortisation and impairment (1)	0 39	(1) 50	0 82	- 124	2 28	(0) 15	1 337
EBIT	114	59	242	195	99	(29)	680

1Q14 (€m)	Long-Term Contracted Generation	Iberian Liberalised Activities	Regulated Networks Iberia	EDP Renováveis	Brazil	Corpor. Activ. & Adjustments	EDP Group
Gross Profit	207	291	441	345	194	6	1,483
Supplies and services Personnel costs Costs with social benefits Other operating costs (net) Operating costs	13 17 0 2 32	47 16 1 35 98	38 5 59	2 (21)	34 24 3 6 68	(44) 40 2 5 4	202 151 13 86 453
EBITDA	176	192	245	289	127	2	1,030
Provisions Amortisation and impairment (1)	5 39	1 49		110	1 27	0 16	7 324
EBIT	132	142	163	179	98	(14)	699

Quarterly P&L (€ m)	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	Δ YoY %	Δ QoQ %
Revenues from energy sales and services and other	4,327	3,692	3,804	4,471	4,135	-	-		-4%	-8%
Cost of energy sales and other	(2,844)	(2,476)	(2,624)	(2,982)	(2,712)	-	-		5%	9%
Gross Profit	1,483	1,216	1,180	1,488	1,423	-	-		-4%	-4%
Supplies and services	202	220	221	254	207	-	-		2/0	-18%
Personnel costs and Employee Benefits	164	37	147	208	161	-	-	-	2/0	-23%
Other operating costs (net)	86 453	(13) 244	99 467	100 561	38 406	-	-	-	-56% -10%	-62% -28%
Operating costs	453	244	467	201	406	-	-	-	-10%	-28%
EBITDA	1,030	972	713	927	1,017	-	-	. <u>-</u>	-1%	10%
Provisions	7	11	4	31	1	-	-		-92%	-98%
Amortisation and impairment (1)	324	357	334	383	337	-	-	-	4%	-12%
EBIT	699	604	376	513	680	-	-	. <u>-</u>	-3%	32%
Financial Results	(147)	(98)	(208)	(118)	(208)	_	-		-42%	-76%
Share of net profit in joint ventures and associates	12	(4)	17	(10)	(2)	-	-	-		83%
Profit before income tax and CESE	564	502	184	385	471	-	-		-17%	22%
Income taxes	186	57	33	35	90	-	-		-52%	153%
Extraordinary contribution for the energy sector	15	16	15	16	15	-	-	. <u>-</u>	5%	-1%
Net Profit for the period	364	430	136	334	365	-	-	- -	0%	9%
Net Profit Attributable to EDP	296	377	113	254	297	-	-	· -	0%	17%
Non-controlling Interests	68	53	23	80	68	-	-	-	1%	-15%

EDP - Installed capacity & electricity generation

Tachnalagy	Inst	talled Capa	city - MW (1	L)	Elec	tricity Gen	eration (GW	h)			Elect	ricity Gene	ration (GW	h)		
Technology	1Q15	1Q14	ΔMW	Δ%	1Q15	1Q14	ΔGWh	Δ%	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
PPA/CMEC (Portugal)	4,470	4,470	0	0%	4,151	5,002	-851	-17%	5,002	4,099	3,622	4,437	4,151			
Hydro	3,290	3,290	0	0%	1,903	3,739	-1,836	-49%	3,739	2,120	1,075	2,097	1,903			
Run off the river	1,056	1,860			938	2,124			1,615	879	424	812	938			
Reservoir	2,234	2,234			965	1,615			2,124	1,241	651	1,285	965			
Coal - Sines	1,180	1,180	0	0%	2,248	1,263	985	78%	1,263	1,979	2,546	2,340	2,248			
Special Regime (Ex-Wind)	206	274	-69	-25%	222	414	-191	-46%	414	212	112	260	222			
Portugal	181	181	0	0%	190	347	-158	-45%	347	178	82	238	190			
Small-Hydro	157	157			138	278			278	127	39	186	138			
Cogeneration	24	24			52	69			69	50	42	52	52			
Spain	25	93	-69	-73%	33	67	-34	-51%	67	34	30	21	33			
Cogeneration+Waste	25	93			33	67			67	34	30	21	33			
Liberalised Iberia	7,808	7,777	30	0%	4,709	4,186	523	12%	4,186	3,286	3,747	3,844	4,709			
Hydro	2,453	2,422	30	1%	1,910	2,834	-925	-33%	2,834	1,507	740	1,201	1,910			
Portugal	2,026	1,996			1,495	2,399			2,399	1,261	673	1,001	1,495			
Spain	426	426			414	435			435	246	67	200	414			
Coal	1,463	1,463	0	0%	2,058	862	1,196	139%	862	1,521	2,191	1,840	2,058			
Aboño I	342	342	•	0,0	524	193	_,		193	317	601	568	524			
Aboño II	536	536			922	597			597	886	992	911	922			
Soto Ribera II	239	239			190	36			36	115	148	242	190			
Soto Ribera III	346	346			422	36			36	203	450	119	422			
CCGT	3,736	3,736	0	0%	411	158	253	160%	158	61	480	464	411			
Ribatejo (3 groups)	1,176	1,176	U	0/6	54	28	233	100/6	28	21	114	66	54			
	863	863			136	8			8	3	221	46	136			
Lares (2 groups)	843	843			143				66	5 17	103	182	143			
Castejón (2 groups)						66										
Soto IV & V (2 groups)	854	854	•	00/	77	56		00/	56	20	43	170	77			
Nuclear - Trillo	156	156	0	0%	331	332	-1	0%	332	197	336	339	331			
Gasoil - Tunes	0	0	0	-	0	0	0	-	0	0	0	0	0			
Wind (More detail on page 16)	8,067	7,710	357	5%	5,757	6,101	-344	-6%	6,101	4,833	3,382	5,380	5,757			
Iberia	2,816	2,813			2,004	2,330			2,330	1,539	1,203	1,754	2,004			
Rest of Europe	1,363	1,307			916	791			791	513	431	701	916			
North America	3,805	3,506			2,792	2,930			2,930	2,727	1,678	2,862	2,792			
Brazil	84	84			46	49			49	54	70	63	46			
Solar	82	52	30	57%	29	11	18	161%	11	20	22	14	29			
Brazil (Ex-Wind)	1,797	1,797	0	0%	1,624	2,341	-717	-31%	2,341	1,650	1,322	1,923	1,624			
Hydro	1,797	1,797	0	0%	1,624	2,341	-717	-31%	2,341	1,650	1,322	1,923	1,624			
Lajeado	903	903			827	1,205			1,205	814	528	841	827			
Peixe Angical	499	499			522	667			667	458	540	721	522			
Energest	396	396			274	469			469	378	254	361	274			
TOTAL	22,430	22,082	349	2%	16,492	18,056	-1,563	-9%	18,056	14,100	12,207	15,858	16,492			

Farrita Compolidated	Installed Capacity - MW (2)							
Equity Consolidated	1Q15	1Q14	ΔMW	Δ%				
Iberia Special Regime (Ex-Wind)	46	50	-4	-8%				
EDPR Wind	886	817	69	8%				
Brazil Hydro	187	0	187	-				
Brazil Coal	360	360	0	0%				
TOTAL	1,479	1,228	252	20%				

EDP - Volumes distributed, clients connected and networks

Electricity Distributed (GWh)	1Q15	1Q14	Δ GWh	Δ%
Portugal	11,687	11,470	217	1.9%
Very High Voltage	538	508	30	6.0%
High / Medium Voltage	5,117	5,040	78	1.5%
Low Voltage	6,032	5,923	109	1.8%
Spain	2,381	2,365	16	0.7%
High / Medium Voltage	1,733	1,698	35	2.1%
Low Voltage	648	668	-20	-2.9%
Brazil	6,764	6,726	38	0.6%
Free Clients	2,445	2,502	-57	-2.3%
ndustrial	858	900	-43	-4.8%
Residential, Comercial & Other	3,462	3,324	138	4.2%
TOTAL	20,832	20,561	271	1.3%

GAS				
Gas Distributed (GWh)	1Q15	1Q14	Δ GWh	Δ%
Portugal Low Pressure Medium Pressure LPG	2,031 423 1,599 9	1,979 375 1,596 9	52 48 3 0	2.6% 12.9% 0.2% 1.1%
Spain Low Pressure Medium Pressure	8,844 3,970 4,874	13,555 3,597 9,957	-4,710 373 -5,083	-34.8% 10.4% -51.0%
TOTAL	10,875	15,534	-4,659	-30.0%

Clients Connected (th)	1Q15	1Q14	Abs. Δ	Δ%
Portugal	6,082	6,070	11.8	0.2%
Very High / High / Medium Voltage	24	24	0.2	1.0%
Special Low Voltage	34	34	0.5	1.5%
Low Voltage	6,024	6,013	11.0	0.2%
Spain	659	659	0.1	0.0%
High / Medium Voltage	1	1	0.0	0.9%
Low Voltage	658	658	0.0	0.0%
Brazil	3,182	3,076	105.4	3.4%
Bandeirante	1.740	1,683	56.2	3.3%
Escelsa	1,442	1,393	49.2	3.5%
TOTAL	9,922	9,805	117.3	1.2%

Supply Points (th)	1Q15	1Q14	Abs. Δ	Δ%
Portugal	321.3	309.5	11.8	3.8%
Low Pressure	315.0	302.8	12.2	4.0%
Medium Pressure	1.4	1.3	0.1	7.0%
LPG	4.9	5.4	-0.5	-9.2%
Spain	936.5	1,019.8	-83.3	-8.2%
Low Pressure	935.8	1,019.0	-83.3	-8.2%
Medium Pressure	0.7	0.8	-0.1	-10.1%
TOTAL	1,257.8	1,329.3	-71.5	-5.4%

Networks	1Q15	1Q14	Abs. Δ	Δ%
Lenght of the networks (Km)	333,295	331,641	1,654	0.5%
Portugal	223,976	222,965	1,011	0.5%
Spain	20,309	20,196	113	0.6%
Brazil	89,010	88,480	530	0.6%
Losses (% of electricity distributed)				
Portugal (1)	10.9%	11.2%	-0.3 pp	
Spain	-5.1%	-5.0%	-0.1 pp	
Brazil			• • • • • • • • • • • • • • • • • • • •	
Bandeirante	9.3%	9.7%	-0.3 pp	
Technical	5.5%	5.5%	-0.0 pp	
Comercial	3.8%	4.1%	-0.3 pp	
Escelsa	13.6%	13.2%	0.4 pp	
Technical	7.9%	7.6%	0.3 pp	
Comercial	5.7%	5.6%	0.1 pp	

Networks	1Q15	1Q14	Abs. Δ	Δ%
Lenght of the networks (Km)	12,824	14,521	-1,698	-11.7%
Portugal	4,677	4,513	164	3.6%
Spain	8,147	10,008	-1,861	-18.6%

(1) Excludes Very High Voltage - 29 -

1015 Main Events

Fev - Moody's upgrades EDP's ratings to "Baa3"/"Prime-3" with stable outlook.

Fev - EDP wins 1st place at "Excellence at Work Awards 2014" in large company category, according to a study held by Heidrick & Struggles, Diário Económico and INDEG-IUL.

Fey - EDP Renováveis is awarded at Euronext Lisbon Awards 2015, as the company with the best stock market performance in 2014, with a rise of 40% in its market capitalization.

Mar - EDP was distinguished by Institutional Investor Magazine. António Mexia was elected Europe's best CEO of the Utilities sector by Buy Side analysts. Nuno Alves, EDP's CFO and Miguel Viana, Investor Relations Officer, were also recognized by "Institutional Investor Magazine", In the overall evaluation of listed European companies of all sectors, EDP climbed 71 positions compared to the previous year, and now ranks 20th place.

Mar – For the fourth year running, EDP ranks among the "The World's Most Ethical Companies", by Ethisphere Institute.

DP	Internal	Sustainability	Index	(base 2010-12)	

	1Q15	1Q14	Δ%
Sustainab. Index (a)	98	107	-9%
Environmental	88	115	-23%
%Weight	33%	33%	
Economic	105	98	7%
%Weight	37%	37%	
Social (b)	100	111	-10%
%Weight	30%	30%	

This Sustainability Index was developed by EDP and is based on 33 sustainability performance indicators.

Economic Metrics	1Q15	1Q14	Δ%
Economic Value (€m)(1)			
Directly Generated Distributed Accumulated	4,561 3,865 696	4,640 3,819 820	-2% 1% -15%
Social Metrics (a)	1015	1014	Δ%
Employees (c)	11,632	12,047	-3%
Training (hours)	74,866	78,564	-5%
On-duty Accidents Severity Rate (Tg) Frequency rate (Tt) Freq. rate EDP+ESP (Tf)(d)	9 82 1.7 2.9	7 98 1.2 3.2	29% -16% 38% -11%

Environmental Metrics (a)	1Q15	1Q14	Δ%
Absolute Atmospheric Emissions (kt)	4 0 4 5	2 725	
CO2 (e)	4,845	2,725	78%
NOx	5.0	2.0	151%
SO2	4.6	1.6	199%
Particle	0.232	0.071	226%
Specific Atmospheric Emissions (g/KWh)			
CO2 (e)	295.8	151.6	95%
NOX	0.31	0.11	175%
SO2	0.28	0.09	228%
302	0.20	0.03	226%
GHG emissions (ktCO2 eq)			
Direct Emissions (scope 1)	4,855	2,730	78%
Indirect emissions (scope 2)	544	601	-9%
Primary Energy Consumption (TJ) (f)	47,682	25,872	84%
Max. Net Certified Capacity (%)	96%	77%	19 p.p.
Water Use (103 m3)	431,846	352,100	23%
Total Waste (t)	95,608	59,536	61%
Environmental Investment and expenses (€ th)	22,147	17,656	25%
Environmental Fees and Penalties (€)	778	34,999	-98%

Environmenta	l Metrics -	- CO2	Emissi	ions ((a)	١
						-

CO2 Emissions	Absolute (ktCO2)		Specific (t/MWh)		Generation (g) (GWh)		
	1Q15	1Q14	1Q15	1Q14	1Q15	1Q14	
PPA/CMEC Coal Fuel Oil & Natural Gas	1,997 1,997	1,223 1,223	0.89	0.97 0.97	2,248 2,248	1,263 1,263	
<u>Liberalised</u> Coal CCGT	2,760 2,578 182	1,336 1,259 77	1.12 1.25 0.44	1.31 1.46 0.49	2,469 2,058 411	1,020 862 158	
Special Regime	88	166	0.29	0.40	309	414	
Thermal Generation	4,845	2,725	0.96	1.01	5,026	2,697	
CO2 Free Generation					11,360	15,275	
CO2 Emissions			0.30	0.15	16,386	17,973	

⁽a) Excludes Pecém;

⁽b) 1Q14 figures were revised to the number of fatal accidents envolving non workers;

⁽c) Including Executive Social Bodies.

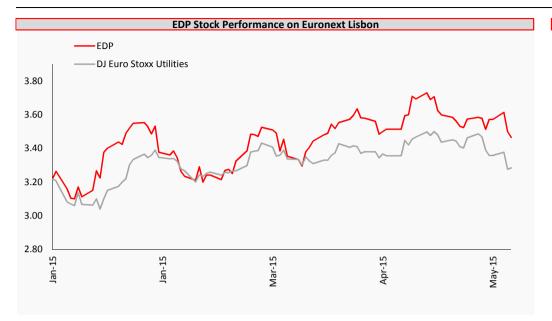
⁽d) ESP: External Services Provider.

⁽e) Excluding vehicle fleet and natural gas consumption and losses.

⁽f) Including vehicle fleet.

⁽g) Includes heat generation (1Q14: 278 GWh vs 1Q15: 225 GWh).

EDP Share Performance



			2211
EDP Stock Market Performance	YTD	52W	2014
	02-03-2015		
EDP Share Price (Euronext Lisbon - €)			
Close	3.466	3.466	3.218
Max	3.749	3.749	3.749
Min	3.073	3.036	2.620
Average	3.445	3.426	3.286
EDP's Liquidity in Euronext Lisbon			
Turnover (€ m)	2,344	5,448	4,896
Average Daily Turnover (€ m)	26	21	19
Traded Volume (million shares)	680	1,590	1,490
Avg. Daily Volume (million shares)	7.6	6.1	5.7

EDP Share Data	1Q15	1Q14	Δ%
Number of shares Issued (million)	3,656.5	3,656.5	-12.0%
Treasury stock (million)	22.7	25.8	

EDP's Main Events

19-Jan: Fitch affirms EDP at "BBB-" and outlook at stable

23-Jan: Senfora notifies intra-group transaction on qualified shareholding in EDP

30-Jan: Standard & Poor's affirms EDP's 'BB+' rating and outlook is revised to positive

30-Jan: Conclusion of the sale of gas distribution assets in Murcia to Redexis

3-Fev: José de Mello decreases its ownership interest in the share capital of EDP

13-Fev: Moody's upgrades EDP to "Baa3" with stable outlook

27-Fev: ANEEL approved extraordinary tariff revisions of 32.18% for EDP Bandeirante and 33.27% for EDP Escelsa

27-Fev: EDP signed credit facility of €2,000 million

9-Mar: EDP announces mandate and roadshow for a securitization transaction of the tariff deficit in Portugal

18-Mar: EDP to receive €500 million in securitization of electricity tariff deficit in Portugal

13-Apr: Qatar notifies intra-group transaction on qualified shareholding in EDP

13-Apr: Blackrock notifies qualified shareholding in EDP

16-Apr: EDP issues €750 million bond maturing in April 2025

21-Apr: EDP'S Annual General Shareholders Meeting

24-Apr: Blackrock notifies qualified shareholding in EDP

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