



1Q19 RESULTS PRESENTATION

Lisbon, May 17th 2019

1Q19 Key Highlights



Recurring EBITDA: +1% YoY

- ↓ Weak hydro resources in Iberia and low wind resources in key geographies
- ↑ +2% avg. installed capacity and +5% selling price in renewables
- ↑ Growth in networks, with increasing activities in Brazil and OPEX reduction in Iberia

€921 Mn

Recurring EBITDA¹

Recurring Net Profit: -32% YoY

- ↓ Higher financial costs, penalized by M2M of financial hedges
- ↓ Effective tax rate in 1Q19 up from 18% to 27%
- ↓ Reported Net Profit €100 Mn: impacted by CESE full annual amount

€167 Mn

Recurring Net Profit

Net debt: -1% YoY

- ↑ €465 Mn Recurring Organic FCF in 1Q19 (+66% vs. €281 Mn in 1Q18)
- €0.9 Bn Net expansion investments, including fixed assets suppliers working capital
- IFRS16 Adoption: +€0.8 Bn booked as “Other Assets” & “Other Liabilities”

€13.7 Bn

Net Debt

✓ **2018 dividend: €0.19/share**, paid in May 15th (6.1% dividend yield²)

€0.19

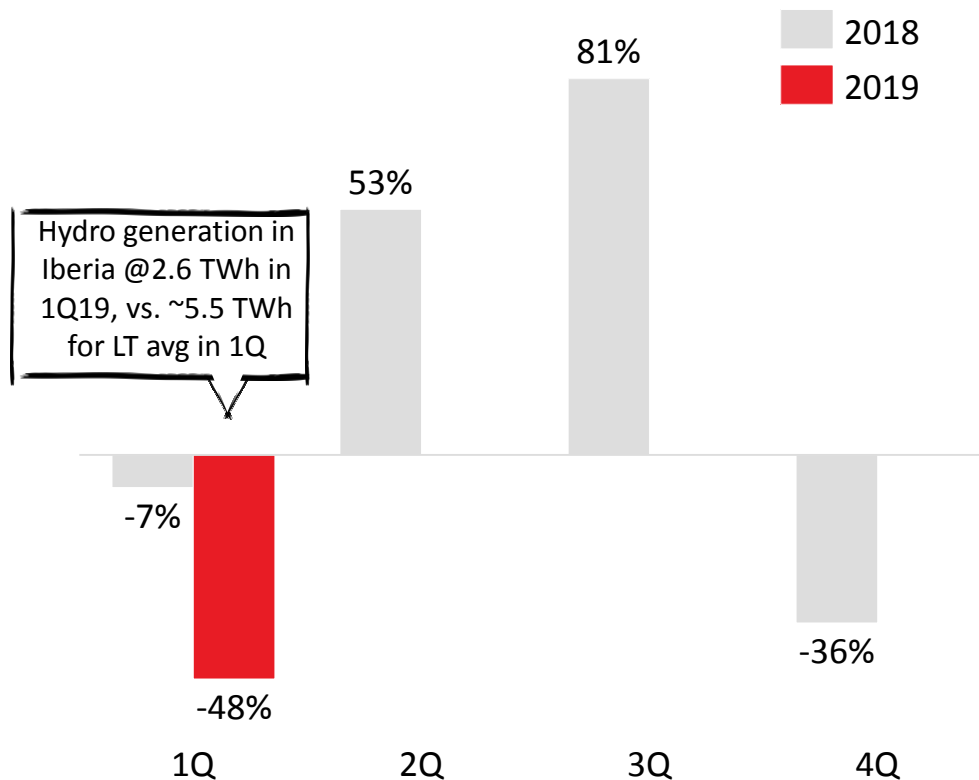
Dividend per share

¹ See notes on page 4 regarding adjustments on Non recurring items at EBITDA in 2018 | ² Based on closing price of May 10th (day before ex-dividend), adjusted by DPS of €0.19 (€3.10/share)

1Q19 impacted by very low hydro resources in Iberia, as well as wind production below LT average in key geographies



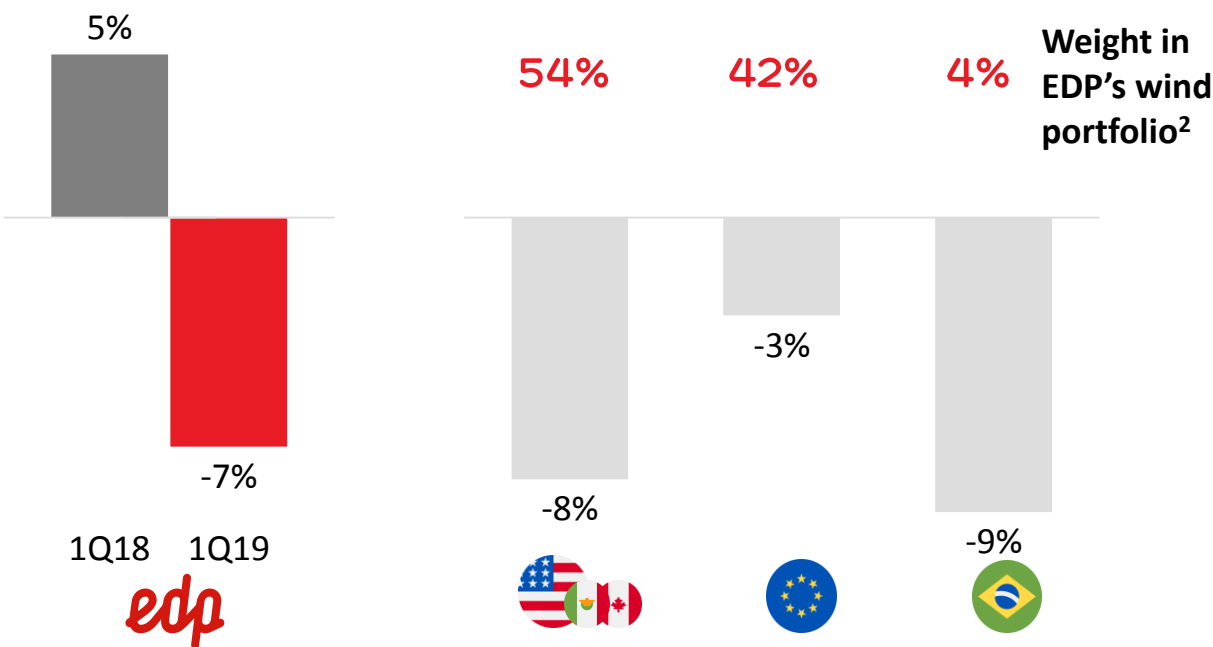
Hydro Resources vs LT average in Portugal¹



¹ Average of monthly hydro coefficient from REN | ² Weight based on LT Avg for 1Q19

EDP Wind Resources

1Q19 Wind resources vs. Long-term average (%)



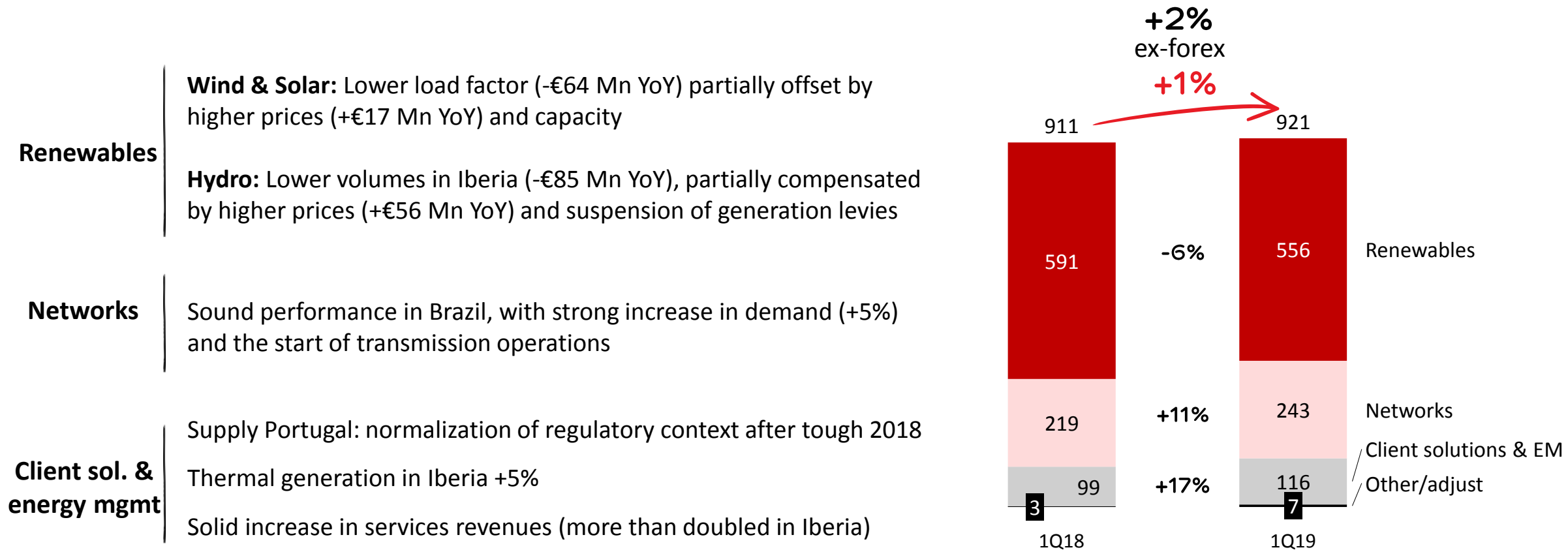
Overall, wind generation fell by 4%, as weak wind resource was partially mitigated by +6% average capacity

Recurring EBITDA +1%, with weak renewable resources offset by growth in networks Brazil and normalization of supply Iberia



Recurring EBITDA 1Q19¹

€ Mn; YoY growth, %



¹ Non recurring items in 2018: Retroactive final CMEC (-€18 Mn). EBITDA from other/adjustments, amounting €3 mn in 1Q18 and €7 Mn in 1Q19, was allocated in proportional parts to the remaining segments.

Strong performance on operating costs



xx% Weight on Opex

Operations	Indicator	YoY Change	Main drivers
Iberia 55%	Opex ¹	-3%	<ul style="list-style-type: none"> • Inflation Portugal +0.8%² • -4% avg. Headcount vs Mar-18
EDP Brasil 16%	Opex ¹ in BRL	+2%	<ul style="list-style-type: none"> • Avg. Inflation: +4.1%³ • DisCos # Customers: +2% YoY
EDPR 29%	Adj. Core Opex ¹ /MW ⁴	+1%	<ul style="list-style-type: none"> • Avg inflation in our geographies⁵: +1.6% • Avg MW +6%
	Opex ex-forex ¹	+1%	<ul style="list-style-type: none"> • Generation avg. MW: +2%
	Opex like-for-like (excl. growth)	-2%	<ul style="list-style-type: none"> • DisCos # Customers: +1%

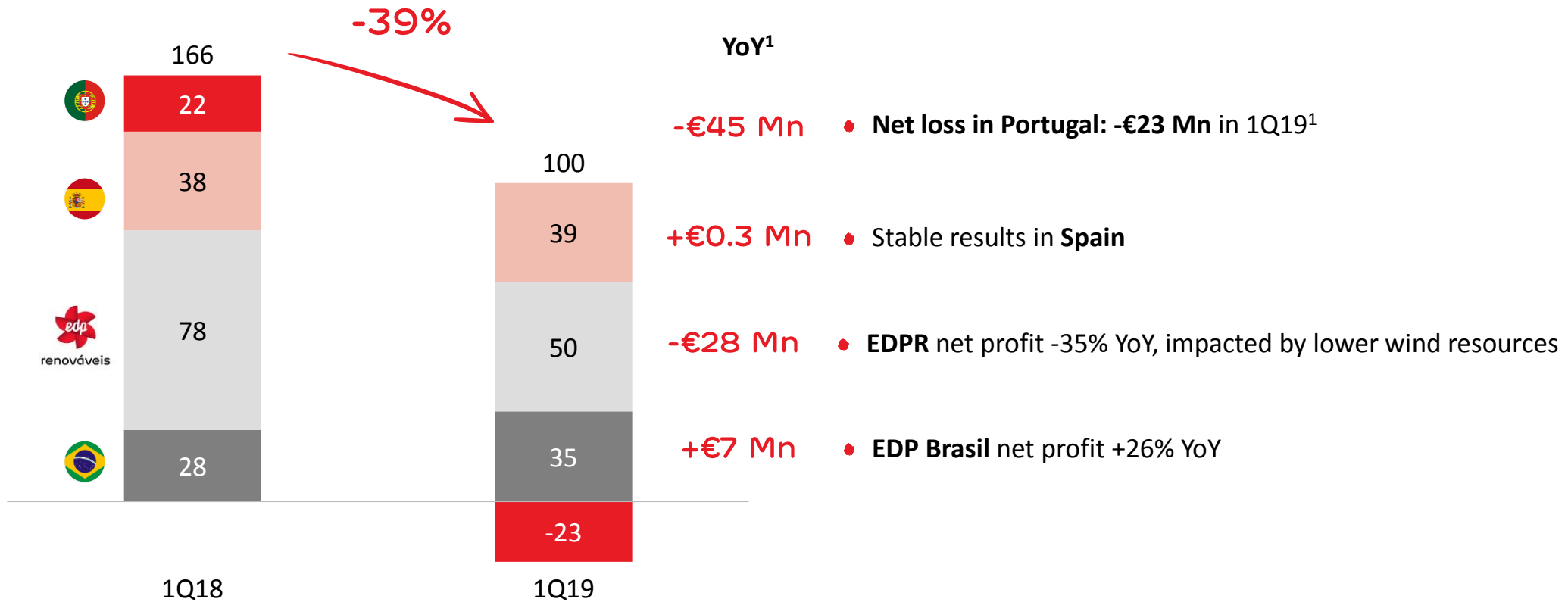
1 Recurring Opex Pro-forma (excludes IFRS16 impact) | 2 Avg. IPC 1Q19 vs. 1Q18 | 3 Avg. IPCA 1Q19 vs. 1Q18 | 4 Core Opex/Avg MW adjusted by IFRS16, offshore costs (mainly cross-charged to projects SPV's) and FX | 5 Inflation in 1Q19 vs 1Q18 in EDPR geographies, weighted at installed capacity in each country

1Q19 reported Net Profit -39% YoY, impacted by negative results from Portuguese operations and weak renewable resources



Reported Net Profit 1Q19

€ Mn



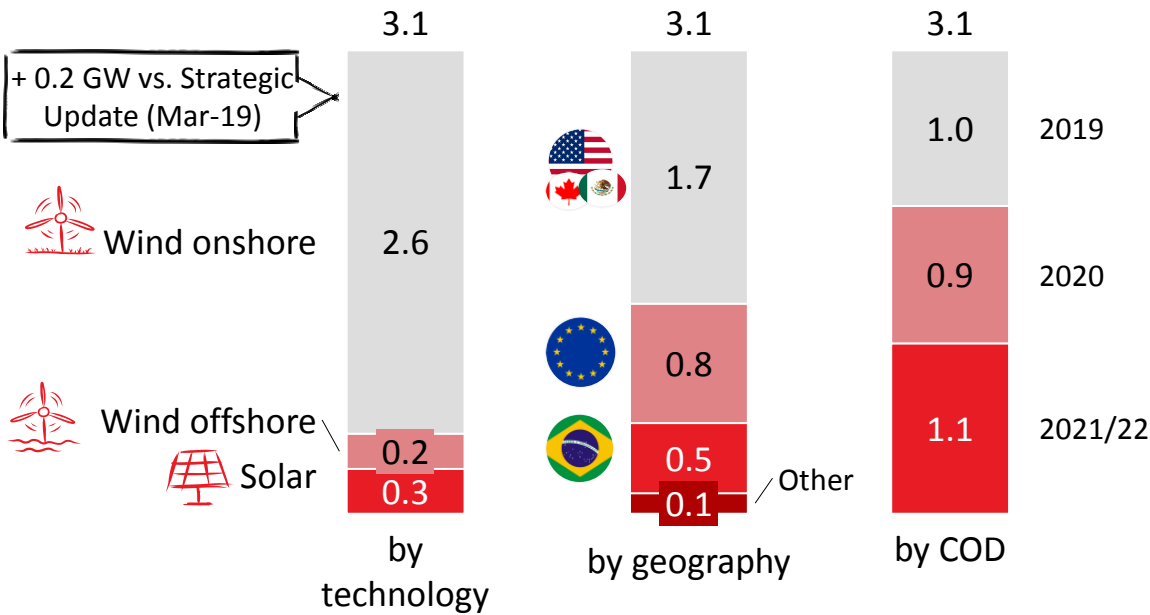
¹ Includes full impact of CESE. Excludes EDPR, but still negative if considered EDPR results in Portugal of €12 Mn in 1Q19 vs €20 Mn in 1Q18

Good visibility on investments focused on Wind & Solar and Networks in Brazil



Wind & Solar

Capacity secured at May-19
GW



Current development focus: US wind (PPAs for COD in late 2020);
Corporate PPAs in Brazil/Colombia; PPA auctions in Europe

Transmission in Brazil

Lots

Status

ES - Lot 24		In operation since Dec-18
MA - Lot 11		Under construction
SC - Lot 21		Under construction
MA II - Lot 07		Preliminary license at end-Apr
MG-SP - Lot 18		Under licensing, construction expected to begin at 2H19

Focus on delivery on cost and ahead of schedule and funding optimization

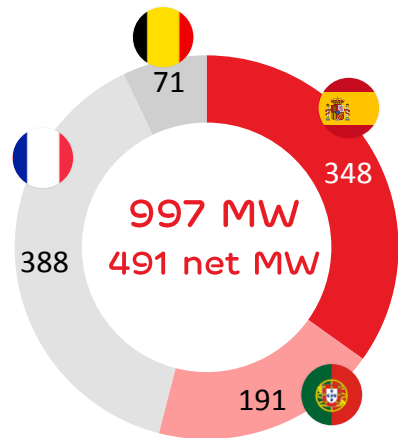
On track to deliver our 2019-22 target of >€4 Bn of asset rotation and >€2 Bn of disposals



Asset rotation

Disposals plan

Recent deal announced in April 23rd:



Proceeds  **€0.8 Bn**

EV/MW €1.6 Mn/MW

Capital Gains
(booked in EBITDA) €0.2 Bn expected









Service EDPR to provide O&M services for a fee

- Scope: **disposal of Iberian assets and merchant/thermal assets**
- Advisors already engaged and teams currently working on the analysis and preparation of the different potential transactions
- **On track** to execute within the announced timeframe

Other deals under analysis for 2H19/1H20

On track to deliver our Strategic Update 2019-22 targets



OUR VISION		Leading the energy transition to create superior value				
OUR STRATEGY		Accelerated and focused growth	→	+6% wind & solar installed capacity		
		Continuous portfolio optimization	→	€0.8 Bn asset rotation deal announced		
		Solid balance sheet and low-risk profile	→	€1 Bn hybrid green bond issued		
		Efficient and digitally enabled	→	-2% OPEX <i>like-for-like</i>		
		Attractive shareholder remuneration	→	€0.19 DPS, 6.1% dividend yield		
OUR PLATFORMS	 Renewables		 Networks		 Client solutions & energy management	
	74% of installed capacity		+11% EBITDA		>2x services revenues	



Results Analysis

+0.6 GW of wind capacity, with renewables representing 74% of total capacity

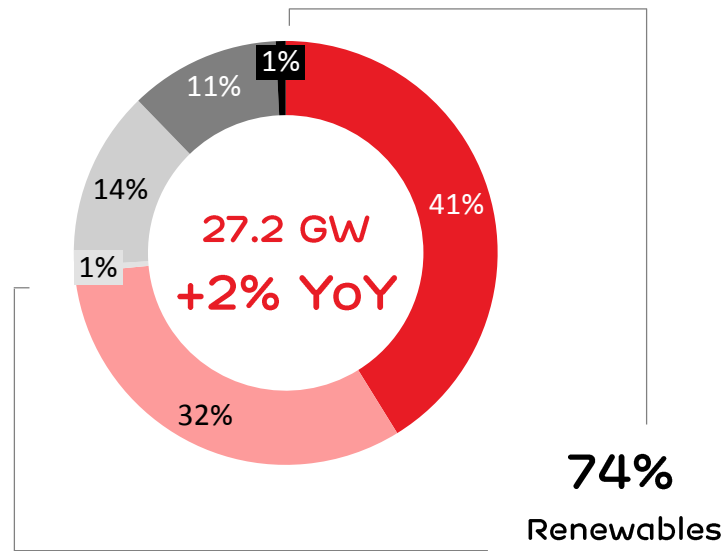


1Q19

Wind Hydro Solar CCGT Coal Other⁽¹⁾

Installed capacity breakdown by technology

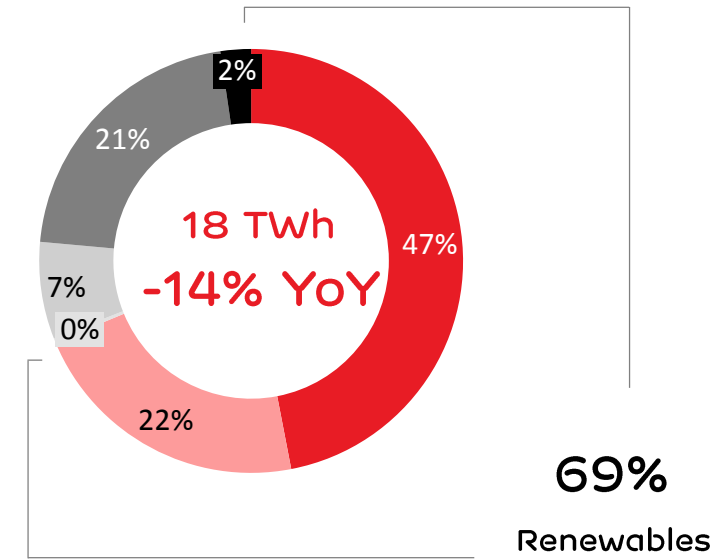
GW



+2%
in renewables capacity

Electricity production breakdown by technology

TWh



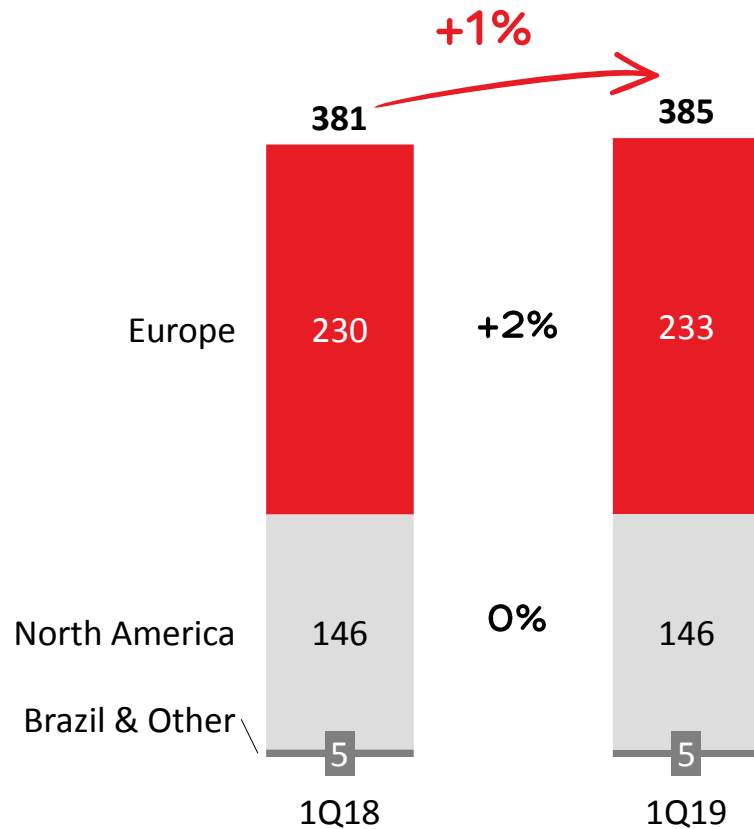
- 18%
in renewables production

¹ Others include thermal special regime (cogeneration, biomass) and nuclear

Wind & Solar EBITDA +1%, with +6% capacity and +3% avg prices offset by a 10% YoY decline of load factor



Reported EBITDA – Wind & Solar
€ Mn; YoY growth, %



	1Q18	1Q19	YoY
Avg. Installed Capacity ¹ , GW	10.7	11.3	+6%
Production vs. LT Avg. (P50), %	+5%	-7%	-12 pp
Electricity Production, TWh	8.8	8.4	-4%
Avg. selling price, €/MWh	54.2	56.0	+3%
PTC revenues, € Mn	52	47	-10%

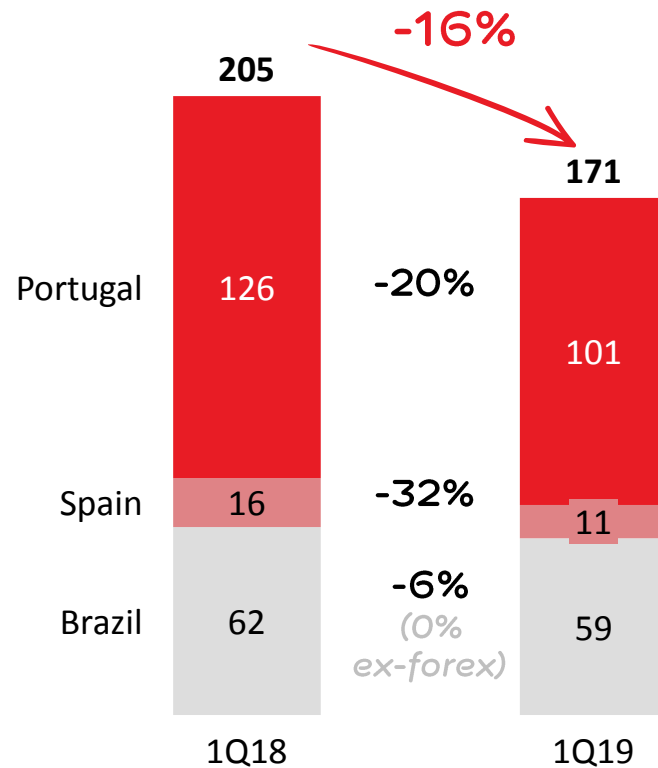
¹ Considers capacity at EBITDA level

EBITDA from Hydro down by 16%, strongly penalized by weak hydro resources in Iberia, but partially offset by higher prices



Reported EBITDA – Hydro

€ Mn; YoY growth, %



Hydro Production¹, TWh

1Q18

1Q19

YoY

4.0

2.6

-35%

Hydro coefficient - PT

0.93

0.52

-44%

Change in reservoirs PT, TWh

1.0

0.2

-84%

Avg selling price, €/MWh

54

65

+20%



GSF

1Q18

1Q19

YoY

113%

149%

+36 pp

¹ Including pumping, but excluding small hydro

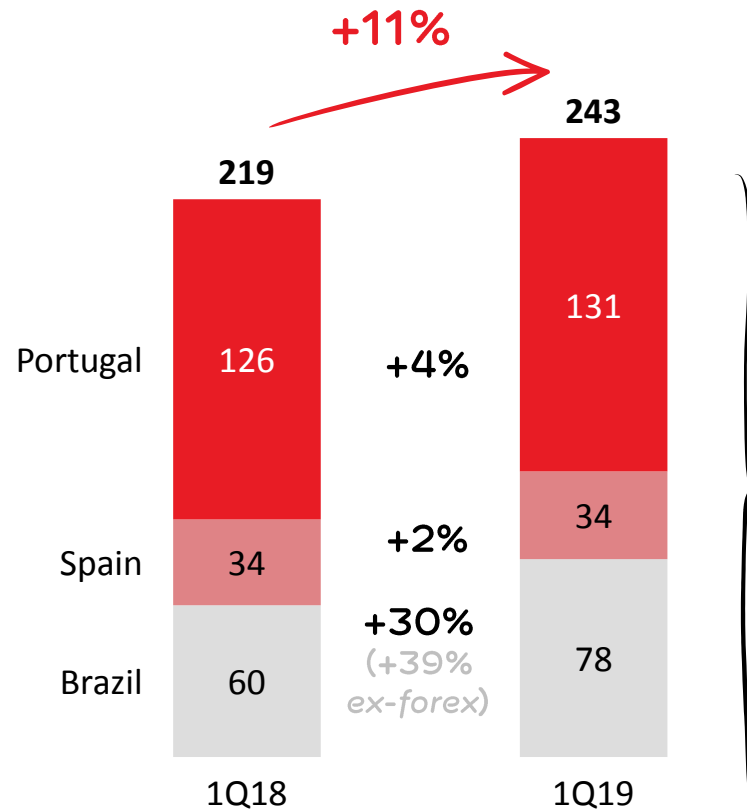
Source: REN

Regulated Networks EBITDA +11%, with strong performance in Brazil backed on demand growth and beginning of transmission operations



Reported EBITDA – Networks

€ Mn; YoY growth, %



Return on RAB PT¹, %

1Q18

1Q19

YoY

5.45%

5.35%

-10 bp

OPEX Iberia, € Mn

97

94

-3%



Distribution losses, %

1Q18

1Q19

YoY

10.3%

9.9%

-0.4 pp

Electricity distributed, TWh

6.2

6.5

+5.1%

Transmission EBITDA, € Mn

0

10

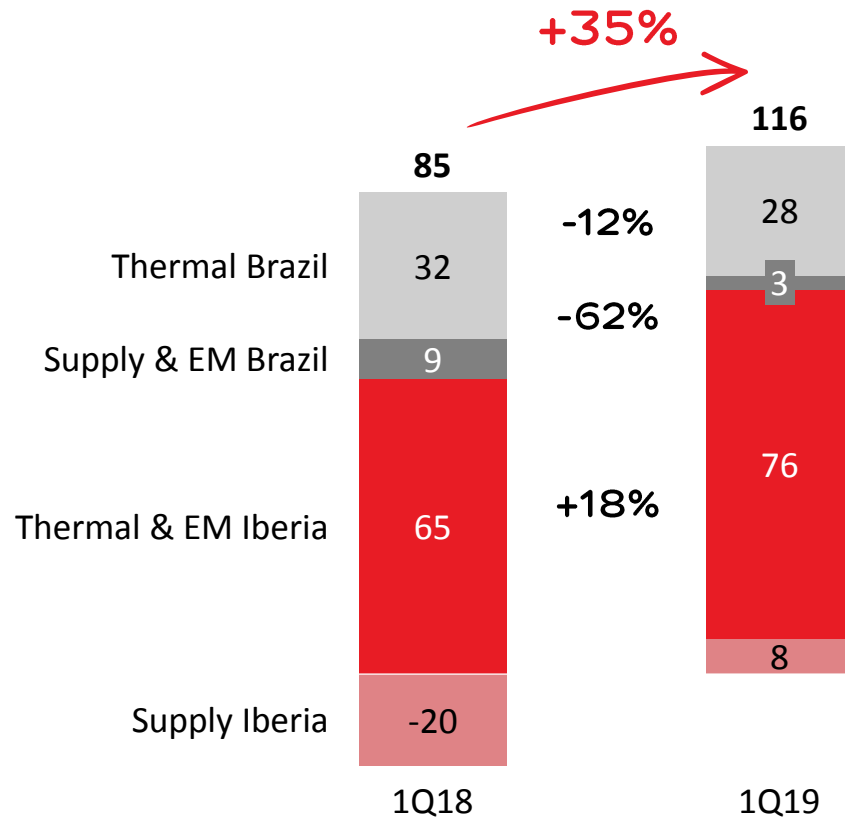
¹ RoRAB of HV/MV

+35% EBITDA of Client Solutions & Energy Management, on better results from Iberian activities



Reported EBITDA – Client Solutions & Energy Management

€ Mn; YoY growth, %



Thermal generation, TWh

1Q18

1Q19

YoY

4.5

4.7

+5%

Regulatory costs¹, € Mn

42

31

-27%

Normalization of supply unit margins in Iberia



Pecém availability, %

1Q18

1Q19

YoY

98%

96%

-1 pp

Supply volumes, TWh

4.1

2.9

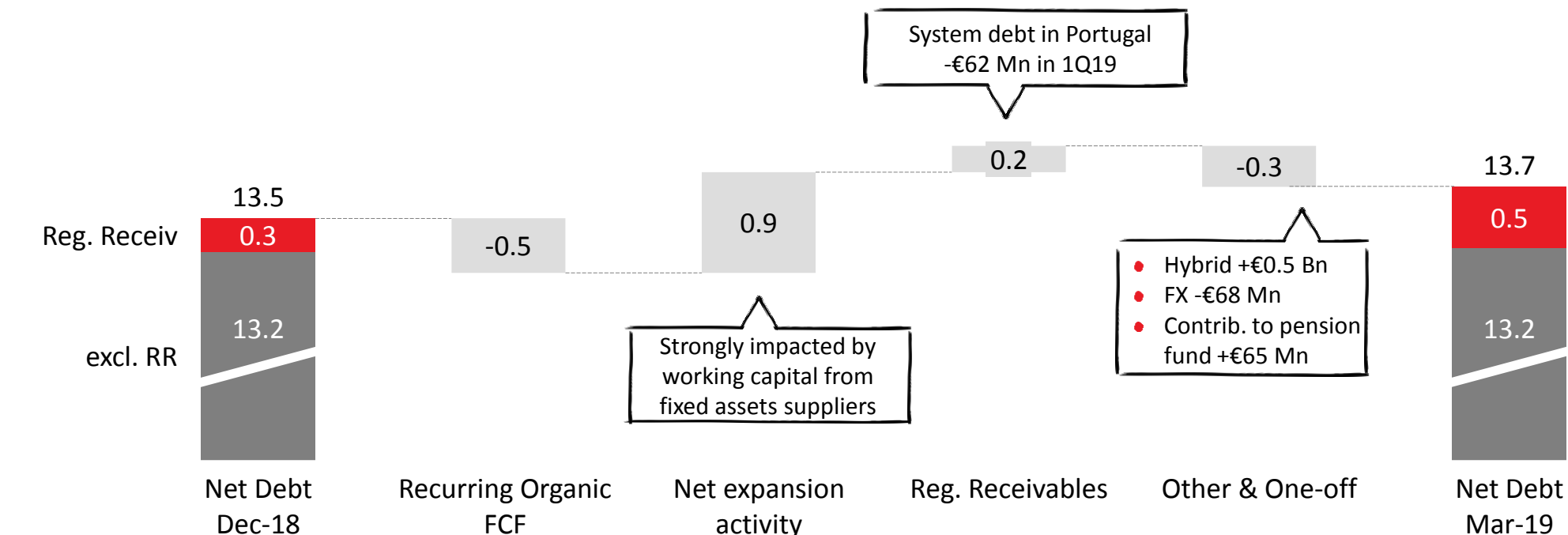
-30%

¹ Includes in 1Q18: Social Tariff (€7 Mn), G-tariff (€1 Mn), Clawback (€8 Mn), ISP+CO₂ (€2 Mn), generation taxes in Spain (€33 Mn), capacity payment (-€7 Mn) and revisibility (€3 Mn); in 1Q19: Social Tariff (€8 Mn), G-tariff (€1 Mn), Clawback (€0 Mn), ISP+CO₂ (€3 Mn), generation taxes in Spain (€22 Mn) and capacity payment (€4 Mn)

Net debt up by 2% to €13.7 Bn



Change in Net Debt: Mar-19 vs. Dec-18, € Bn



1Q18, € Bn

-0.3

+0.3

+0.0

-0.1

Net debt /
EBITDA¹ **4.0x**

4.0x

¹ Net debt excluding regulatory receivables; EBITDA recurring.

Financial liquidity of €7.6 Bn in Mar-19 covering refinancing needs beyond 2021



Financial liquidity as of Mar-19

€ Bn

Cash & Equivalents: €1.7 Bn

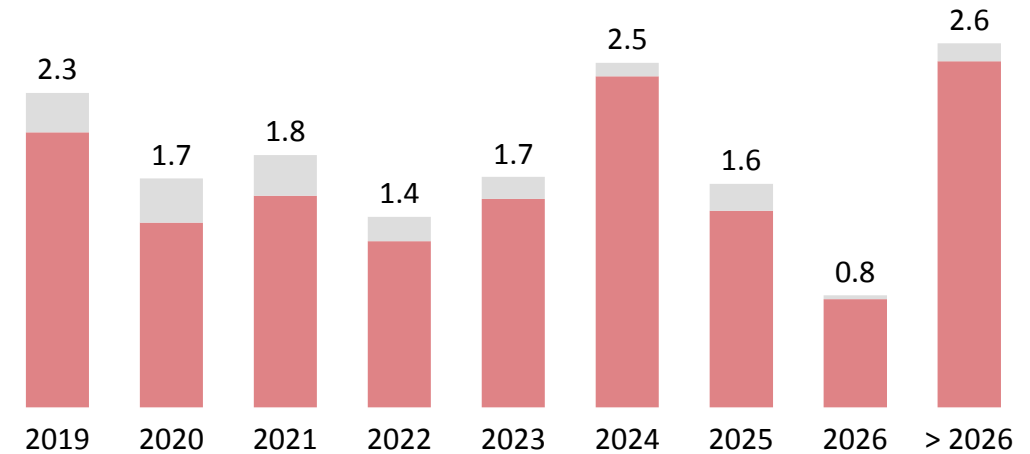
Available Credit Lines: €5.9 Bn

Total Liquidity €7.6 Bn

EDP consolidated debt maturity profile as of Mar-19

€ Bn

EDP Brasil
EDP SA & EDP Finance BV and Other



**2019
main events**

Jan 23rd: €1 Bn subordinated green bond issued with a yield of 4.5%

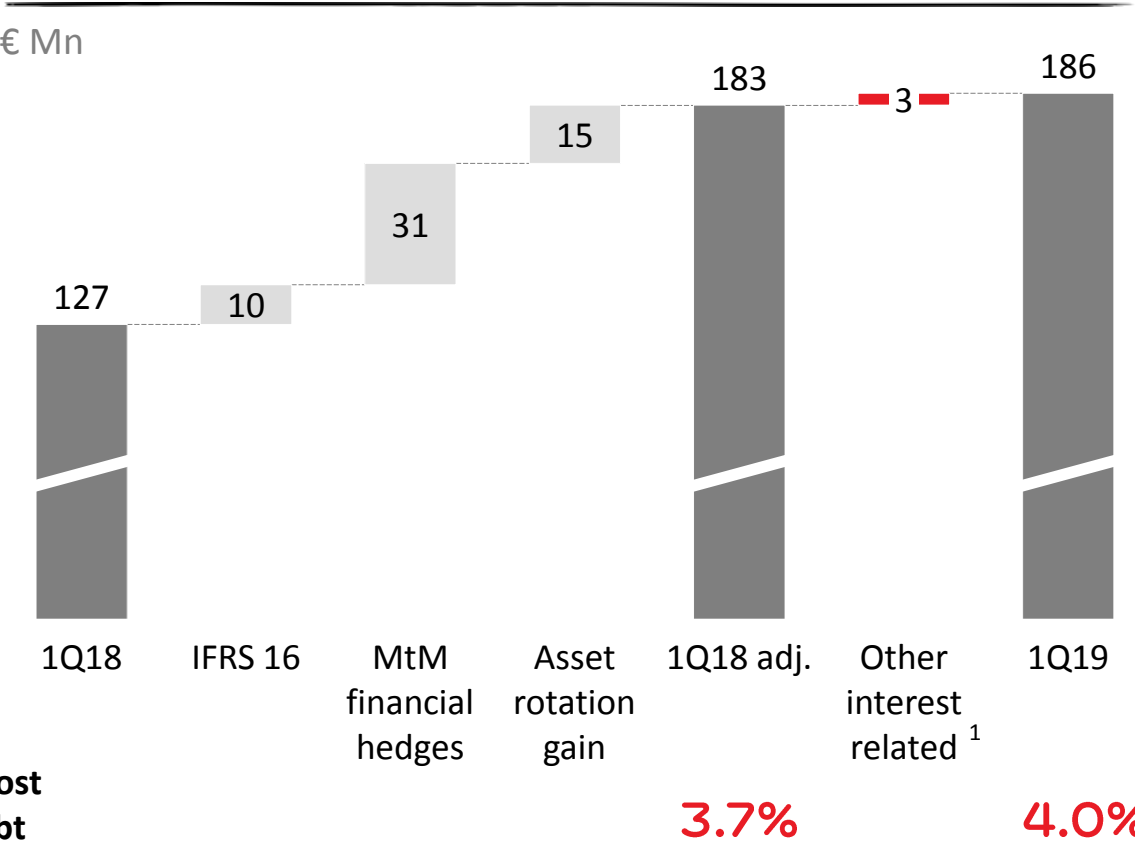
Apr 15th: S&P affirms rating at BBB-

May 13th: €0.6 Bn tariff debt securitization

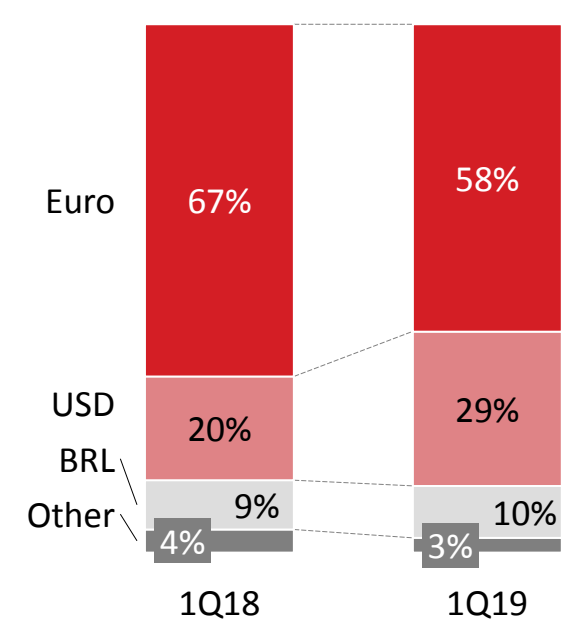
Financial results affected negatively by mark-to-market of financial hedges and IFRS16



Net Financial Costs: 1Q19 vs. 1Q18



Nominal debt by currency: 1Q19 vs. 1Q18



¹ Includes +€7 Mn of net financial interests, -€2 Mn from capitalized financial costs, -€1 Mn from unwinding of long-term liabilities (excluding IFRS 16 impact) and -€1 Mn from other financial revenues.

Recurring Net Profit -32% YoY, penalized by lower financial gains and higher effective tax rate in 1Q19



1Q19 Reported and Recurring Net Profit, € Mn

	Reported	Δ YoY	Recurring ¹	Δ YoY ¹	
EBITDA	921	29	921	10	+1% recurring EBITDA, with contribution from networks Brazil and supply Iberia offsetting weak renewable resources
Amort., Impair. & Provisions	-377	-33	-377	-33	Adoption of IFRS16; +2% capacity increase
EBIT	544	-4	544	-23	
Financial Results & Associates	-180	-54	-180	-54	Higher financial costs, on negative MTM on USD hedgings (€14 Mn) and Sell Down timing (€12 Mn)
Income Taxes	-99	-25	-99	-19	Higher YoY income taxes due to gains in 2018 from tax program in Portugal (€35 Mn)
Extraordinary Energy Tax	-67	-1	0	0	
Non-controlling interests	-98	19	-98	18	
Net Profit	100	-65	167	-78	-39% YoY reported net profit

1. One-offs 2018: CESE (-€66 Mn), Retroactive Final CMEC (-€13 Mn at Net Profit); 2019: CESE (-€66 Mn)

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Next Events

- May 20th: London RS (Goldman Sachs)
- May 23rd: New York
- May 23rd: London (GS renewables conference)
- June 5-6th: London (Credit Suisse Conference)
- June 7th: London RS
- June 25th: Reverse RS (Bernstein)
- July 25th: 1H19 results release

IFRS 16 impact



@ Balance Sheet

Mar-19

Assets	+€768 Mn	Other liabilities	+€760 Mn
<i>Of which EDPR</i>	<i>+€536 Mn</i>	<i>Of which EDPR</i>	<i>+€541 Mn</i>

@ P&L

1Q19

Supplies & Services	+€17 Mn
<i>Of which EDPR</i>	<i>+€11 Mn</i>
Depreciation	-€15 Mn
<i>Of which EDPR</i>	<i>-€8 Mn</i>
Financial results	-€10 Mn
<i>Of which EDPR</i>	<i>-€7 Mn</i>
Net profit	-€3 Mn
<i>Of which EDPR</i>	<i>-€2 Mn</i>

From January 1st, 2019 onwards, IFRS 16 modifies the way of accounting for operating leases, impacting EDP accounts mostly at the level of renewable projects land leases.

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