Financial Results
9M09

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EDP 9M09 Financial Performance: Main Highlights

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

Income Statement (€ m)	9M09	9M08	% Δ	Δ Abs.
Gross Profit	**3,679**	**3,681**	**-0.1%**	**-3**
Supplies and services	530	530	-0.1%	-0
Personnel costs	408	435	-6.1%	-27
Costs with social benefits	110	134	-18%	-24
Concession fees	-	-	-	-
Other operating costs (net)	204	212	-4%	-9
Operating costs	**1,252**	**1,311**	**-4.5%**	**-60**
EBITDA	**2,427**	**2,370**	**2.4%**	**+57**
Provisions	34	28	19.2%	+5
Net Depreciation and amortisation (1)	921	876	5.2%	+45
EBIT	**1,472**	**1,466**	**0.4%**	**+6**
Capital gains/(losses)	31	483	-94%	-452
Financial Results	(379)	(694)	45%	+314
Results from associated companies	21	27	-24%	-7
Pre-tax profit	**1,144**	**1,283**	**-11%**	**-138**
Income taxes	309	241	28.0%	+68
Discontinued Activities	-	(8)	-	+8
Net Profit for the period	835	1,033	-19%	-198
Net Profit attribut. to EDP shareholders	**748**	**940**	**-20%**	**-192**
Minority interests	87	93	-6.1%	-6

Key Operational Data	9M09	9M08	% Δ	Δ Abs.
Employees	12,067	12,310	-2%	-243
Installed Capacity (MW)	19,147	17,720	8%	+1,427

Key Financial Data (€ m)	9M09	9M08	% Δ	Δ Abs.
FFO (Funds from Operations)	1,798	1,456	24%	+342
Capex	2,528	2,171	16%	+357
Maintenance	442	519	-14.8%	-77
Expansion	2,086	1,652	26%	+434
Net Financial Investment in the period	-9	-1,574	99%	+1,565

Key Balance Sheet Data (€ m)	Set-09	Dec-08	% Δ	Δ Abs.
Equity BooK Value	7,006	6,367	10.0%	+639
Net Debt	14,389	13,890	3.6%	+500
Regulatory Receivables	901	1,891	-52%	-990
Net debt/EBITDA (x)	4.4x	4.4x	1.1%	+0.0
Adjusted Net debt (2)/EBITDA (x)	4.2x	3.8x	10%	+0.4

Consolidated EBITDA rose 2% (€57m), to €2,427m in 9M09, fuelled by liberalized activities in Iberia (+€186m, reflecting our successful hedging and commercial strategy) and wind operations (+€62m, backed by capacity additions). EBITDA from regulated networks and LT contracted generation, in turn, were penalized by lower non-recurrent results in 9M09 (vs 9M08): (1) €166m income related to tariff adjustments and deviations from previous periods[3] and €32m HR restructuring costs, both booked in 9M08 on electricity distribution in Portugal (in the regulated networks); (2) -€35m in 9M09 (vs +€41m in 9M08) mainly stemming from deviations between fuel procurement costs and international indexes used on PPA/CMECs.

Operating costs retreated 5% YoY, to €1,252m, reflecting important efficiency gains achieved by our OPEX program in 9M09 (€79m). Costs with supplies and services were virtually flat, at €530m, reflecting tight cost control and the positive impact from asset swap in Brazil, on the one hand, and the impact from increasing activity, on the other hand. Personnel costs dropped 6% YoY, reflecting recent HR restructuring effort, namely in Brazil and Portugal distribution. Cost with social benefits declined 18% (-€24m) reflecting lower HR restructuring costs in 9M09 (€16m in 9M09 vs €43m in 9M08). Other operating costs decreased 4% (-€9m) driven by higher revenues from partnerships with institucional investors in US.

Net **depreciation and amortisation charges** increased 5% (€45m) YoY, to €921m, as a result of: (1) larger scale of operations in renewables and conventional generation; (2) wider consolidation perimeter (acquisition of Pebble Hydro); (3) investment in new Desox facilities concluded in mid 2008. 9M08 include the recognition of a one-off €50m accelerated depreciation at Enersul.

Net financial costs retreated 45% YoY, to €379m in 9M09, mainly reflecting: (1) lower net financial interests paid (-15% YoY) thanks to an average cost of debt 170bp lower in 9M09 (at 4.0%); (2) Lower other financials costs mainly resulting from lower impairment losses (€29m to reflect the impairment loss of our stake in BCP recognised in the 1Q09 vs €198m booked in 9M08 in respect of the stake in BCP and Sonaecom).

Net profit declined 20% YoY, to €748m, affected by lower capital gains. The 9M09 capital gains (€31m) include: i) €13m dilution gain from the entry of Sonatrach into the capital of Soto 4 and ii) the recognition of €16m gain from the sale of Energias do Brasil's stake in ESC 90. Capital gains in 9M08 (€483m) were mainly impacted by a €405m gain stemming from the dilution of EDP's equity stake in EDP Renováveis as a result of the IPO. Net profit adjusted for non-recurrent items rose by 9% to €780m.

In 9M09, **funds from operations** rose 24% to €1,798m as a result of: (1) a 8% increase in installed capacity, (2) a decline in fuel costs that compensated the decline in electricity prices, (3) efficiency improvements and (4) decrease in average cost of debt. **Capex** totaled €2,528m, 83% of which devoted to expansion projects. The YoY increase in capex (+€357m) was driven by the payment in Jan-09 of €232m for the right to build and operate Fridão and Alvito plants and higher capex in the wind business (+€203m). **Regulatory receivables** declined from €1,891m in Dec-08 to €901m as a result of the sale without recourse of Portugal's tariff deficit (€1.2bn) and an increase in receivables from CMECs revisibility (+€185m to €460m, due to be received in up to 2 years). Overall, **net debt** in Sep-09 amounted €14.4bn, up from €13.9bn in Dec-08.

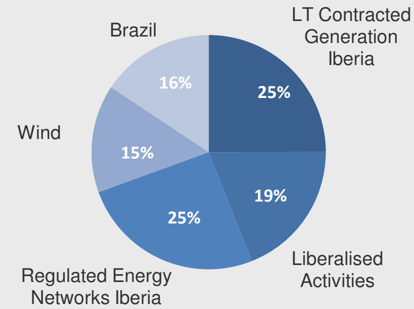
By the end of Set-09, EDP's net debt/EBITDA was 4.4x. Excluding regulatory receivables, net debt/EBITDA stood at 4.2x. In 9M09, EDP further strengthened its financial and liquidity position with a €1bn 5-year bond issue (Feb-09), the replacement of a €1.3bn RCF due in Jul-09 by a 3-year €1.6bn RCF, a €1bn 7-year bond issue (Jun-09) and a US$1bn 10-year bond (Sep-09). **Total cash position and available credit lines** in Sep-09 amounted €5.1bn.

(1) Depreciation and amortisation expense net of compensation of depreciation and amortisation (2) Excluding Regulatory receivables.
(3) 9M08 include the recovery through the tariffs of tariff deviations from previous years; the 2007 Tariff Deficit Recognition and the 2006/08 Tariff Deficit Reposition (Jan-Feb 2008)

EBITDA Breakdown

EBITDA (€ m)	9M09	9M08	% Δ	Abs. Δ	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
LT Contracted Generation	617.4	667.4	-7.5%	(50)	227.5	222.9	212.7	193.5	220.2	204.6	192.7	
Liberalised Activities Iberia	469.6	283.6	66%	186	98.4	91.5	83.0	112.5	161.0	129.2	179.4	
Regulated Networks Iberia	629.4	722.6	-13%	(93)	228.1	230.0	265.7	235.4	218.4	191.0	220.0	
Wind Power	368.5	306.5	20%	62	125.5	101.2	79.7	131.4	154.4	116.4	97.7	
Brazil	387.0	454.0	-15%	(67)	160.7	137.0	156.3	108.3	111.9	124.0	151.0	
Other	(44.7)	(63.9)	30%	19	(31.5)	(6.8)	(11.8)	3.6	(16.8)	(3.8)	(24.2)	-
Consolidated	**2,427.1**	**2,370.1**	**2.4%**	**57**	**808.7**	**775.9**	**785.6**	**784.8**	**849.1**	**761.4**	**816.6**	

EBITDA 9M09



EDP showed a 2% (+€57m) YoY increase in 9M09 consolidated EBITDA, to €2,427m from €2,370m in 9M08. Excluding non-recurrent items, EBITDA rose 9% YoY, from €2,221m in 9M08 to €2,429m in 9M09. Main highlights are as follows:

LT CONTRACTED GENERATION IBERIA – 9M09 EBITDA retreated 7.5% (-€50m) YoY, penalised by non-recurrent losses of €35m (vs. €41m gain in 9M08) largely related to fuel procurement. Note that as a result of EDP's strategy to hedge through derivative financial instruments the change in fuel prices between the moment of purchase and the moment of consumption, this negative impact is compensated at the level of financial results, either in the previous, current or next quarters. Recurrent EBITDA increased 3% to €664m explained by (i) a 2% rise in PPA/CMECs recurrent gross profit on higher than contracted availability and efficiency ratios, and additional contracted gross profit resulting from the new Sines coal plant's Desox facilities (under PPA/CMEC); (ii) special regime's wider consolidation perimeter and (iii) tight cost control.

LIBERALISED ACTIVITIES IBERIA - EBITDA rose 66% (+€186m) driven by a 41% (+€183m) increase in gross profit: (i) +€142m in liberalised generation backed by higher margins stemming from hedging strategy coupled with higher contribution from coal and hydro output; (ii) +€23m in electricity supply, driven by volumes and margins; and (iii) +€18m in gas supply, mainly backed by the stronger margins in the Spanish residential and commercial segments and by the start-up of operations in the Portuguese market. As a result of EDP's strategy of forward contracting electricity sales and locking-in its margins, this unit achieved electricity realised spreads 21% higher YoY, at €21/MWh. Volumes sold to retail clients rose 53% reflecting renewed growth prospects stemming from 2009 regulated tariffs in Portugal and from the end of the option to choose last resort supplier in Spain for all industrial and most residential clients as from Jul-09. Output from our liberalised generation plants dropped 4.3% reflecting the lower cost of buying electricity in the pool rather than producing. As a result, our electricity sales to final clients in 9M09 represented 103% of total liberalised output from our liberalized electricity power plants.

REGULATED NETWORKS IBERIA - EBITDA decreased 13% (-€93m) to €629m mainly reflecting: (i) the performance of electricity distribution in Portugal (-€112m) and (ii) gas distribution in Portugal (-€8m). In electricity distribution in Portugal (c70% of EBITDA from regulated networks Iberia), regulated gross profit decreased 10% to €982m, reflecting, on the one hand, the impact in 9M08 of previous years tariff adjustments and deviations[1] (€166m), and on the other, improvements achieved in the new 2009-2011 regulatory period. Excluding tariff adjustments and deviations from previous periods (€166m) and 9M08 HR restructuring costs (€32m), recurrent EBITDA increased 5% YoY.

Electricity demand in Portugal decreased 1.6% YoY: a sound growth of around 3% YoY was maintained in the low voltage segment (mostly residential clients) while in normal voltage (mostly industrial clients) the decline reached around 6% YoY. Notwithstanding this, electricity demand remained virtually unchanged in the 3Q09 vs. 3Q08, showing some signs of stabilization. EBITDA YoY performance in gas distribution in Portugal was penalized by the regulatory review occurred in Jul-08 which extended the concession period but decreased short term gross profit.

WIND POWER – EBITDA from EDP Renováveis (EDPR) rose 20% (+€62m) propelled by higher gross profit (+21%, +€74m) on higher electricity output (+36% YoY) and a low exposure to merchant power prices. In the US, gross profit adjusted for PTCs and other revenues related to institutional partners (+62% YoY, at €203m) was driven by a 57% increase in output in the wake of capacity additions (+53%). Avg. electricity price in the period was 2% lower YoY, at USD48.1/MWh, penalized by wind farms without PPA agreement. In Europe, even with a sharp decrease in avg. achieved Spanish pool price and a lower load factor, EDPR was able to deliver a 5% YoY increase in gross profit, to €291m, benefiting from the group's active risk management to reduce its exposure to the pool price. During the 9M09, EDPR sold forward 64% of the output at higher prices which had a positive impact of c€6.5/MWh on average selling price. Average load factors in Europe (-1pp YoY at 24%) and US (flat at 31%) were penalized by low availability factors, low wind resources and Spain's peak wind conditions in 1Q08.

BRAZIL – As from Sep-08, following the conclusion of the asset swap with Grupo Rede, the distribution company Enersul was excluded from consolidation perimeter while our Lajeado hydro plant (73% owned vs 27.65% before) started to be fully consolidated. In 9M09, Energias do Brasil's contribution to consolidated EBITDA was 15% (€67m) lower YoY, negatively affected by the 10% depreciation of the average exchange rate of the Real against the Euro (-€42m), non-recurrent HR restructuring costs booked in 9M09 (€5m) and non-recurrent gains booked in 9M08 results (€30m, as a result of volumes sold above volumes produced). Distribution EBITDA (local currency, excluding Enersul in 2008) rose 5% to R$597m, supported by: (i) a mere 1% increase in volumes sold (8% decline in volumes sold to the industrial segment, 5% increase in volumes sold to residential and commercial segments); (ii) lower exposure of regulated revenues to a decrease in industrial demand than to changes in residential/commercial demand, and (iii) the impacts from tariff deviations of the period and from the recovery of previous years' tariff deviations (€14m in 9M09 vs €26m in 9M08).

(1) 9M08 include the recovery through the tariffs of tariff deviations from previous years; the 2007 Tariff Deficit Recognition and the 2006/08 Tariff Deficit Reposition (Jan-Feb 2008)

Profit & Loss Items below EBITDA

Provisions, Depreciations & Amortizations (€m)	9M09	9M08	% Δ	Abs. Δ
EBITDA	**2,427.1**	**2,370.1**	**2.4%**	**+57.0**
Provisions	34.0	28.5	-	+5.5
Depreciation and amortisation	1,003.9	957.3	4.9%	+46.6
Compensation of deprec. and amortisation	(82.9)	(81.7)	-1.5%	-1.2
EBIT	**1,472.2**	**1,466.0**	**0.4%**	**+6.2**

Financial Results (€m)	9M09	9M08	% Δ	Abs. Δ
Net financial interest	(439.2)	(516.1)	15%	+76.9
Capitalized financial costs	86.5	69.8	24%	+16.7
Net foreign exchange differences	(9.7)	(3.7)	-164%	-6.0
Investment income	15.1	4.7	225%	+10.5
Other Financials	(32.1)	(248.4)	87%	+216.3
Financial results	**(379.3)**	**(693.6)**	**45.3%**	**+314.3**

Income from Equity Method (€m)	9M09	9M08	% Δ	Abs. Δ
Setgás (19.8%)	2.0	1.2	59%	+0.7
CEM (21%)	9.0	7.0	30%	+2.1
Turbogás (40%)	-	4.3	-	-4.3
DECA II (EEGSA (21%))	3.8	10.4	-64%	-6.6
Portsines (39.6%)	2.0	0.2	-	+1.9
EDP Renováveis subsidiaries	3.1	3.2	-1.9%	-0.1
Other	1.0	1.3	-23%	-0.3
Results from associated companies	**20.9**	**27.5**	**-24%**	**-6.6**

Capital Gains/(Losses) (€m)	9M09	9M08	% Δ	Abs. Δ
IPO EDP Renováveis (22.5%)	-	405.3	-	-405.3
Turbogás (40%) & Portugen (27%)	-	49.4	-	-49.4
ESC 90 (49%)	15.9	-	-	+15.9
REN (1.5%)	-	17.0	-	-17.0
Edinfor (40%)	-	4.8	-	-4.8
Soto IV (25%)	12.9	-	-	+12.9
Other	1.8	6.3	-71%	-4.5
EDP Group	**30.6**	**482.8**	**-94%**	**-452.2**

Income Tax (€m)	9M09	9M08	% Δ	Abs. Δ
Pre-tax profit	**1,144.3**	**1,282.6**	**-11%**	**-138.3**
Income taxes	309.1	241.4	28%	+67.7
Effective Tax rate (%)	*27.0%*	*18.8%*	*8.2 pp*	-
Discontinued Activities	-	(8.4)	-	+8.4

Minority Interests (€m)	9M09	9M08	% Δ	Abs. Δ
EDP Renováveis	13.7	7.1	93%	+6.6
HC Energia + Naturgas	2.7	4.0	-33%	-1.3
Gas Portugal Subsidiaries	1.2	1.0	20%	+0.2
Energias do Brasil	69.3	80.8	-14%	-11.5
Other	0.2	-	-	+0.2
EDP Group	**87.1**	**92.9**	**-6.2%**	**-5.8**

Depreciation and amortisation increased by 5% YoY, on the back of: i) an increase of EDPR depreciations, following the increase of installed capacity; ii) the investments that were undertaken in Desox facilities at some coal power plants; iii) the start of operations of Soto 4 CCGT in Spain (Sep-08); and iv) a wider consolidation perimeter with the acquisition of Pebble mini-hydro, which more than offset the impact from v) the recognition in 9M08 of a €50m accelerated depreciation (impairment) at Enersul that resulted from regulatory changes.

Financial Results:

Net Financial Interests decreased by 15% YoY, to €439m in 9M09, following a c170bp decrease in the average cost of debt from 5.7% in 9M08 to 4.0% in 9M09, driven by the decline in short term interest rates (note that c54% of EDP's debt has floating rate, with the most significant indexing being the Euribor 3 months that fell from an avg. of 4.78% in 9M08 to 1.39% in 9M09), which offset the 12% increase in net debt;

Capitalized Financial Costs increased €17m YoY to €87m in 9M09, reflecting the 25% increase in the amount of works in progress

Other financials include: i) an impairment loss of €29m in 9M09, to reflect the decrease in market value of EDP's stake in BCP (3.2%) (vs. €198m loss in 9M08 to reflect the decrease in market value of EDP's stakes in BCP and Sonaecom); and ii) a €4m gain in 9M09 related to hedging operations in energy markets from our generation activity (vs. a €35m loss in 9M08);

Income from associated companies amounted to €21m in 9M09, down €7m YoY: i) 9M08 include a €4m contribution from Turbogás (disposed of in May-08); and ii) DECA II's contribution fell by €7m YoY.

Capital gains/(losses) amounted to €31m in 9M09, as a consequence of: i) the entry of Sonatrach into the capital of Soto 4 (with a 25% stake), in line with what was defined in the strategic partnership established in 2007, which reflected into a €13m dilution gain; and ii) the recognition of €16m gain from the sale of Energias do Brasil's stake in ESC 90. Capital gains in 9M08 include: i) a €405m gain stemming from the dilution of EDP's equity stake in EDP Renováveis as a result of the IPO; ii) a €49m gain resulting from the sale of EDP's stakes in Turbogás and Portugen; iii) €17m from the sale of a 1.5% stake in REN; and iv) a €4.8m gain booked on the exercise of EDP's put option over the 40% owned in Edinfor.

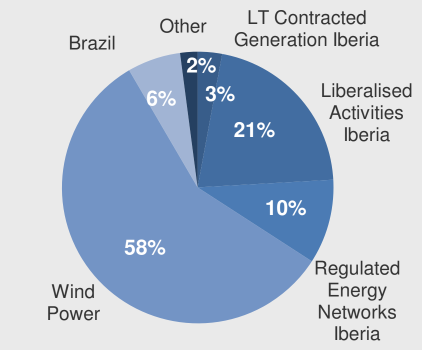
EDP Group's **effective tax rate** increased by 8pp when compared with 9M08, mostly due to the fact that the 2008 capital gain that resulted from EDPR's IPO was not taxable.

Minority interests decreased 6% YoY to €87m, on the back of a decrease in minority interests at Energias do Brasil following the increase of EDP's consolidation stake in the company from 64.8% to 71.9%, which resulted from the raise of Energias do Brasil Treasury Stock from 3.8% as of Sep-08 to 9.9% as of Sep-09. Energias do Brasil recently presented a request to the National Association of Investment Banks for the prior analysis of a filing for secondary public distribution of its treasury shares. Looking at EDPR, the strong increase in minorities reflects both the IPO of EDPR that occurred in Jun-08 (free-float of 22.5%) and an increase of EDPR's net income (up 19% YoY).

Capital Expenditure Breakdown

Capex (€m)	9M09	9M08	% Δ	Abs. Δ	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
LT Contracted Gen. Iberia	72.6	97.4	-25%	-25	24.7	27.2	45.4	42.7	21.0	28.6	22.9	
Liberalised Activities Iberia	536.2	354.4	51%	+182	85.6	167.2	101.7	162.4	292.2	108.8	135.3	
Regulated Networks Iberia	254.4	221.6	14.8%	+33	58.9	73.9	88.8	139.2	63.4	94.7	96.2	
Wind Power	1,451.6	1,249.0	16%	+203	369.6	390.2	489.1	841.9	403.5	509.0	539.1	
Brazil	160.5	182.8	-12%	-22	57.0	72.6	53.2	246.2	39.7	56.5	64.2	
Other	52.8	65.8	-20%	-13	10.8	7.2	47.9	14.9	20.6	14.9	17.3	
EDP Group	**2,528.0**	**2,170.9**	**16%**	**+357**	**606.6**	**738.2**	**826.1**	**1,447.3**	**840.5**	**812.5**	**875.0**	**-**
Expansion Capex	**2,085.8**	**1,651.8**	**26%**	**+434**	**465.6**	**579.3**	**606.9**	**1,186.8**	**716.3**	**655.8**	**713.7**	
Maintenance Capex	**442.2**	**519.2**	**-15%**	**-77**	**141.0**	**159.0**	**219.2**	**260.4**	**124.2**	**156.7**	**161.3**	

CAPEX 9M09



Generation Projects Installed in 2009 (€m)	MW	Capex 9M09
Wind Power	468	482.0
Biomass	22	18.6
Hydro (Brazil)	29	12.7
Total	**519**	**513.2**

Gen. Projects Under Development (€m)	MW	Capex 9M09	Acc. Capex
Under Construction			
Hydro Portugal	847	103.5	207.5
Wind Power (1)	1,207	969.6	1,647.8
CCGT Iberia	1,286	166.6	602.0
Coal Brazil	360	44.4	223.1
Hydro Brazil	25	13.6	18.8
Total	**3,725**	**1,297.8**	**2,699.2**
Hydro Concession Payments		**231.7**	**284.8**
Total		**1,529.5**	**2,984.0**

Consolidated capex amounted €2,528m in 9M09, the bulk of which (83%) related to expansion projects, namely in hydro and wind (87% of expansion capex). Lower-risk activities represented 77% of total capex, in line with EDP's controlled-risk strategy. Expansion capex rose €435m YoY, fuelled by (i) wind power (+€203m), with the conclusion of 468MW and the construction of another 1,207MW and (ii) liberalized generation activity in Iberia (+€182m), driven by new hydro capacity. Maintenance capex, in turn, declined €78m supported by the de-consolidation of Enersul and by lower environmental capex in Portugal (PPA coal plant Sines) and Spain (coal plants Aboño and Soto 3). In 9M09, EDP installed 519MW of capacity: i) 468MW of wind capacity (372MW in US and 96MW in Europe); ii) 22MW of biomass capacity in Portugal; and iii) 29MW of hydro capacity in Brazil. Moreover, by Sep-09, EDP had over 3,700MW of additional capacity under construction, with a total amount of €2,699m already invested.

In **wind power**, capex adjusted for cash grants received (€35m) totaled €1,452m (€794m in Europe, €654m in US), reflecting the conclusion of 468MW and 1,207MW under construction. Capex in 9M09 was €203m higher YoY, thanks to higher amount (+€223m) invested in the Rest of Europe (Europe excluding Iberian Peninsula), mainly focused in the construction of 36MW concluded in 9M09 and 322MW under construction, split by France, Belgium, Poland and Romania. Capex on turbines deposits amounted to €107m (7% of wind capex).

In the **Iberian liberalized generation activity**, capex increased by €182m YoY, to €536m, propelled by investments in new **hydro** capacity in Portugal (+€239m YoY, to € €339m) on a €232m payment of Fridão (231MW) and Alvito (220MW) hydro power plants concession rights (expected to start operations in 2016). Moreover, construction works in 4 hydro power plants (repowerings at Picote II, Bemposta II and Alqueva II, totaling 696MW; new dam of Baixo Sabor with 170MW) proceeded, absorbing €104m in 9M09. In **CCGTs**, a total of €167m were invested in 9M09 in the construction works of: i) Soto5 in Spain (424MW), which is expected to start operations in 1Q2011; and ii) and Lares I & II in Portugal (862MW), which test period has started in Aug/Sep-09 and commercial operations due to start in Oct-09.

Capex at our **regulated networks in Iberia** increased 15% (€33m) YoY to €254m in 9M09, on the back of an increase in capex at our electricity distribution activity in Portugal, in order to expand the network (+5,661Km) and to improve service quality.

In **Brazil**, capex totaled €161m in 9M09: i) €71m was spent in the expansion of the generation capacity, with the construction of Pecém PPA coal plant (720MW, 50% owned by Energias do Brasil) due to start-up in Dec-2011, and the conclusion of the Santa Fé PPA hydro power plant (29MW) that started operations in Jun-09; ii) €78m were spent in the electricity distribution grid (maintenance).

Up to Sep-09, EDP had already invested €2,984m in MWs under development and concession rights, which time-to-market varies from months (wind) to 3-7 years (mostly hydro capacity).

(1) Excludes Eólicas de Portugal (86MW), 40% owned by EDP group

Cash Flow

Consolidated Cash Flow (€m)	9M09	9M08	% Δ	Abs. Δ
Net profit before minorities	**835.2**	**1,032.7**	**-19%**	**(197.5)**
Net depreciation and amortization	921.0	877.0	5.0%	44.0
Net provisions	116.0	58.6	98%	57.4
Non cash financial results	9.7	201.7	-95%	(192.0)
Taxes	50.0	133.8	-63%	(83.8)
Other adjustments	(133.7)	(847.8)	84%	714.2
FFO (Funds From Operations)	**1,798.3**	**1,456.0**	**24%**	**342.3**
Net financial interest	439.2	462.4	-5.0%	(23.2)
Net Income from Associates and other Investments	(36.0)	(27.5)	31%	(8.5)
Change in operating working capital	818.1	(676.6)	-	1,494.7
Regulatory Receivables	990.1	(667.6)	-	1,657.7
Operating Cash Flow	**3,019.5**	**1,214.2**	**149%**	**1,805**
Expansion Capex	(2,085.8)	(1,651.8)	26%	(434.1)
Maintenance Capex	(442.2)	(519.2)	-15%	77.0
Change in working capital from equipment suppliers	(125.8)	(987.5)	-87%	861.7
Net Operating Cash Flow	**365.6**	**(1,944.2)**	**-**	**2,309.9**
Net financial (investments)/Divestments	8.6	1,573.8	-99%	(1,565.3)
Net financial interest paid	(407.3)	(425.7)	-4%	18.4
Dividends received from Associates and other Investments	30.6	4.7	556%	25.9
Dividends paid	(507.2)	(454.9)	11%	(52.2)
Anticipated proceeds from institutional partnership in US wind	112.0	169.0	-34%	(56.9)
Other non-operating changes	(102.3)	(122.6)	-17%	20.3
Decrease/(Increase) in Net Debt	**(500.0)**	**(1,200.0)**	**58%**	**700.1**

Major Net Financial Investments (€m)	9M09	9M08	% Δ	Abs. Δ
MAJOR FINANCIAL INVESTMENTS	**67.5**	**189.8**	**-64%**	**(122.3)**
Consolidation Perimeter EDP Renováveis	53.4	72.3	-26%	(18.9)
BCP	-	42.0	-	(42.0)
Biomass	-	21.7	-	(21.7)
Energias do Brasil	-	50.5	-	(50.5)
Other	14.1	3.4	315%	10.7
MAJOR FINANCIAL DIVESTMENTS	**76.1**	**1,763.6**	**-96%**	**(1,687.6)**
CCGT Soto IV	17.0	-	-	17.0
ESC90 (Brazil)	34.4	-	-	34.4
IPO EDP Renováveis	-	1,539.0	-	(1,539.0)
Turbogás/Portugen (40%/27%)	-	140.1	-	(140.1)
REN	-	28.0	-	(28.0)
Consolidation Perimeter EDP Renováveis	-	7.7	-	(7.7)
Edinfor (40%)	-	46.4	-	(46.4)
Other	24.6	2.4	907%	22.2
Major Net Financial Investments	**(8.6)**	**(1,573.8)**	**99%**	**1,565.3**

Funds from operations (FFO) rose 24% YoY to €1,798m as a result of: 1) a 8% increase of installed capacity, 2) a decline of sourcing costs that more than compensated the decrease in electricity selling price, 3) efficiency improvements and 4) decrease of our average cost of debt. Note that in 9M08, the item "non cash financial results" and "other adjustments" includes impairment losses in our financial stakes and the gain from the dilution of our equity stake in EDP Renováveis as a result of the IPO. FFO does not include the impact of tariff deviations in the regulated and long term contracted activities, reflected at the level of changes in working capital.

Consolidated operating cash flow increased by 1.5x in 9M09 to €3,020m reflecting the sale without recourse of the right to receive the Portuguese's tariff deficit accumulated in 2007 and 2008 in the amount of €1.2bn. Excluding this deal, regulatory receivables generated in the 9M09 had a negative contribution of €215m for EDP's free cash flow in the period, essentially due to tariff deficit in Spain and negative cash flow deviations from the CMECs system in the period to be recovered over the next 2 years.

Expansion capex rose 26% to €2,086m in 9M09 mainly due to the payment of €232m regarding the concession rights of the Fridão/Alvito hydro plants in Portugal and investments in wind business activity. The decrease in "change in working capital related to property and equipment suppliers" reflects the €759M paid, in 9M08, for the right to operate the hydro plants currently under PPAs/CMECs after the term of these contracts. This item also considers payments related to fixed assets included in the 2008YE balance sheet. **Maintenance capex** fell 15% due to asset swap in Brazil.

Financial divestments mainly include the cash proceeds from the sale of telecom company ESC90 in Brazil and the entry of Sonatrach into the capital of Soto 4 (with a 25% stake) in 9M09. **Financial investments** in 9M09 include the acquisition by EDPR of CENAEEL, which holds wind farms and projects in Brazil and payment of success fees in related to development of wind projects previously acquired by EDP.

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

In 9M09, our US wind subsidiary, received from **institutional equity partners** €112m, related to agreements signed in Dec-08 and in Sep-09.

Overall, **net debt** in 9M09 increased €0.5bn.

Consolidated Balance Sheet

Assets (€ m)	Sep vs. Dec Set-09	Dec-08	Δ abs.	QoQ Jun-09	Δ abs.
Property, plant and equipment, net	22,972	21,177	1,796	22,299	673
Intangible assets, net	6,001	5,813	189	6,014	-12
Financial Investments, net	621	524	97	568	53
Deferred Tax asset	682	540	142	685	-3
Inventories	265	277	-12	258	7
Accounts receivable - trade, net	1,705	1,759	-54	1,652	53
Accounts receivable - other, net	4,598	4,845	-248	4,188	410
Financial assets held for Trading	94	83	11	91	4
Cash and cash equivalents	2,391	714	1,678	1,871	520
Total assets	**39,330**	**35,731**	**3,599**	**37,627**	**1,703**
Equity (€ m)	**Set-09**	**Dec-08**	**Δ abs.**	**Jun-09**	**Δ abs.**
Share capital	3,657	3,657	-	3,657	-
Treasury stock and share premium	381	375	5	377	4
Reserves and retained earnings	2,221	1,243	977	2,099	121
Consolidated net profit EDP shareholders	748	1,092	-343	479	269
Minority Interest	2,458	2,191	266	2,382	75
Total equity	**9,464**	**8,558**	**906**	**8,995**	**469**
Liabilities (€ m)	**Set-09**	**Dec-08**	**Δ abs.**	**Jun-09**	**Δ abs.**
Medium/ Long-term debt & borrowings	13,215	10,874	2,341	12,610	605
Short-term debt & borrowings	3,660	3,812	-152	3,570	90
Provisions	361	324	37	346	15
Hydrological correction account	246	238	8	243	2
Deferred Tax liability	755	666	89	703	52
Accounts payble - other,net	11,630	11,258	371	11,160	470
Total liabilities	**29,866**	**27,173**	**2,693**	**28,632**	**1,234**
Total equity and liabilities	**39,330**	**35,731**	**3,599**	**37,627**	**1,703**

Regulatory Receivables (€m)	Set-09	Dec-08	Δ abs.	Jun-09	Δ abs.
Portugal [1]	(44)	1,145	-1,189	(60)	16
Spain [2]	445	415	30	373	72
Brazil [1]	40	56	-16	50	-10
Annual Deviation - Mkt vs. CMEC	460	275	185	432	28
Total	**901**	**1,891**	**-990**	**795**	**106**

Prov. for Social Benefits & I. P. Liability (€m)	Set-09	Dec-08	Δ abs.	Jun-09	Δ abs.
Pensions [3]	1,031.4	1,082.9	-51.5	1,040.1	-9
Medical Care	765.6	751.0	14.6	758.6	7
Adjusted Institutional Partnership Liability [4]	811.4	851.8	-40.4	825.5	-14
Total	**2,608.5**	**2,685.7**	**-77.2**	**2,624.3**	**-15.8**

PPE assets rose by €0.7bn QoQ and by €1.8bn vs. Dec-08 to €23.0bn following the investments made in the construction of new generation plants, namely wind and hydro power plants and due to an increase in the extension of our regulated network. The €0.2bn increase vs. Dec-08 of **intangible assets** is mainly related to the €232m payment for the concession right to build and operate the Fridão/Alvito hydro plants in Portugal. This item is fully balanced by a similar decrease on the liabilities side at accounts payable level. Note that in Set-09 EDP's balance sheet include €4.4bn of works in progress, (15.1% of total consolidated fixed assets of €29bn) related to investments already made in plants, equipment or concession rights which are not yet operating neither being depreciated.

The book value of **financial investments & financial assets** amounted to €715m as of Sep-09, including essentially our financial stakes at BCP (3%), REN (3.5%), Ampla (7.7%), Deca (21%), CEM (21%) and Sonaecom (8% - sold in Oct-09).

Accounts receivable other than trade recorded an decrease by €0.2bn vs. Dec-08, following the securitization in Mar-09 of €1.2bn of the Portuguese tariff deficit generated in 2007 and 2008 and the impact of mark-to-market on derivative financial instruments. The €0.4bn QoQ increase in this account reflects a raise of loans to associated companies (Eólicas de Portugal in which EDPR has a 40% stake) and an increase in regulatory receivables mainly in Spain. By Set-09, EDP's balance sheet continued to include €861m of net regulatory receivables, not including regulatory receivables from Brazil, which are recognized in the balance sheet under Brazilian GAAP but not under IFRS.

The €0.6bn vs. Dec-08 increase of **equity attributable to EDP's shareholders** reflects the net profit in the period, the annual dividend payment of €507m made in May-09 plus reserves variation in the period (related to forex, market value of financial assets, etc.).

The €0.3bn vs. Dec-08 increase of **equity attributable to minority interests** is mostly related to the appreciation of the closing exchange rate of the Brazilian Real against the Euro (3.23 in 31-Dec vs. 2.61 in 30-Set).

The €11.6bn of **accounts payable (other, net)** include €1.8bn of unfunded pension fund and medical care liabilities. This amount is gross of taxes, and more than 70% of these liabilities are related to employees from regulated electricity distribution and supply in Portugal, meaning that most of these liabilities should be part of the regulated cost base in the moment of payment.

The €0.5bn QoQ increase in **accounts payable (other, net)** reflects: 1) the recognition of a tariff surplus in the Portuguese last resource electricity supply activity, to be repaid to the tariff system in the future and a decline in the accounts of equipment suppliers in the 3Q09. The 0.4m decline vs. Dec-08 reflects the decrease in accounts of current and equipment suppliers over the 9M09.

Adjusted institutional partnership liability, related to investments made by institucional investors in our wind power plants in USA amounted to €811m by Set-09. This total already includes the new deal signed in 1st September 2009. This amount of investment should be gradually reduced over the lifetime of each wind power plant.

[1] Tariff deviations to be recovered in the following years through tariffs
[2] 9M09 amount is net of CO2 clawback costs
[3] Pensions include the Provision for the HR Restructuring Program costs of EDP Distribuição, which is being recovered through the tariffs
[4] Adjusted by the non-current deferred revenue.

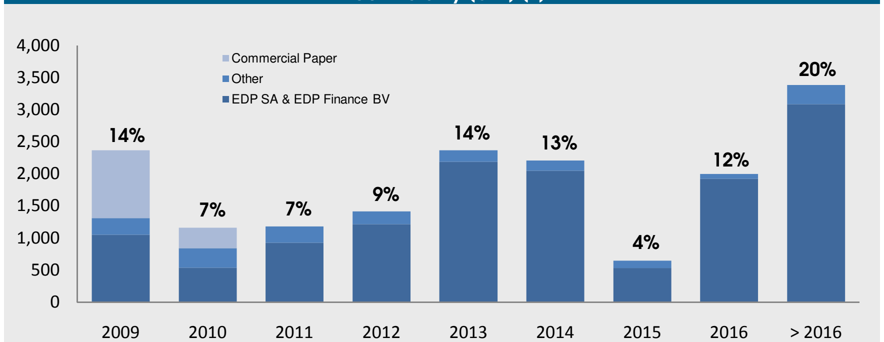
Consolidated Net Financial Debt

Nominal Financial Debt by Company (€m)	9M09	YE2008	EDP %
EDP S.A. and EDP Finance BV	14,256.6	12,417.5	100%
EDP Produção	201.4	190.2	100%
HC Energia	546.9	448.7	97%
EDP Renováveis	536.9	558.1	78%
EDP Gás	82.3	111.4	72%
Energias do Brasil	1,116.1	935.5	72%
Other	(0.0)	(0.0)	-
Nominal Financial Debt	**16,740.2**	**14,661.5**	
Accrued Interest on Debt	208.0	142.2	
Nominal Financial Debt + Accrued Interest	**16,948.2**	**14,803.7**	
Fair Value of Hedged Debt	(73.0)	(117.3)	
Total Financial Debt	**16,875.2**	**14,686.3**	
Cash and cash equivalents	**2,391.5**	**713.6**	**235%**
EDP S.A., EDP Finance BV and Other	1,939.9	290.1	
HC Energia and Subsidiaries	37.0	23.8	
EDP Renováveis	239.0	229.7	
EDP Gás	0.3	-	
Energias do Brasil	175.3	170.0	
Financial assets held for trading	**94.2**	**83.2**	
EDP Consolidated Net Debt	**14,389.5**	**13,889.5**	

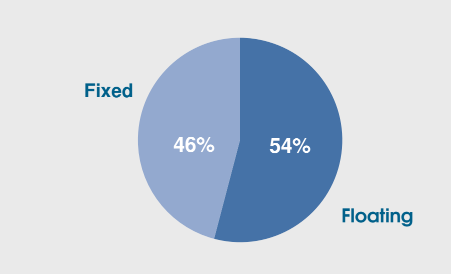
Debt Ratings	S&P	Moody's	Fitch
EDP SA & EDP Finance BV	**A-/Neg/A2**	**A3/Stab/P2**	**A-/Stab/F2**
Last Rating Action	04-08-2009	09-06-2009	06-02-2009

Debt Ratios	9M09	YE2008
Net Debt / EBITDA	4.4x	4.4x
Net Debt / EBITDA adjusted by Reg. Receivables	4.2x	3.8x

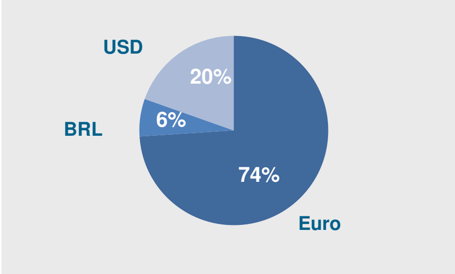
Debt Maturity (€ m) (1)



Debt by Interest Rate Type (1)



Debt by Currency (1)



EDP's net debt/EBITDA and net debt/EBITDA adjusted for regulatory receivables in 9M09 was 4.4x and 4.2x, respectively.

In Sep-09, EDP issued a USD1bn 144A/Reg S bond maturing in 10 years (Oct-19) with a coupon of 4.9%. The proceeds of the offering will be used to fund the capital expenditure requirements of EDP Renováveis, S.A. and EDP's general corporate purposes.

In Jun-09, EDP issued a Eurobond in the total amount of €1bn maturing in 7 years (Sep-16) with a 4.75% coupon. This issuance is intended for general corporate purposes and is in line with the Group's financial policy of extending the average life of its debt portfolio and reinforcing its financial flexibility.

In Mar-09, EDP signed a three year revolving credit facility ("RCF") in the amount of €1,600m. This RCF replaced the €1,300m RCF signed in 2004 that was due to mature in July 2009, keeping the same purpose: backup credit facility.

In Feb-09, EDP issued a €1bn bond maturing in 5 years (Feb-14).

The weight of fixed rate in the Group's consolidated debt increased essentially due to the above mentioned issues (67% Floating/33% Fixed by Dec-08 vs. 54% Floating/46% Fixed by Set-09). EDP's main reference in floating interest rate is Euribor 3 months.

In Aug-09, S&P confirmed EDP's long term credit rating of 'A-' and revised the outlook from stable to negative.

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

In Feb-09, Fitch had confirmed EDP's long term credit rating of 'A-' with stable outlook.

As at Sep-09, committed liquidity facilities amounted to €3,678m, of which €2,596m were available. All in all, EDP has €5,082m of cash and liquidity facilities available. Cash and cash equivalents increased by 235% primarily due to the sale without recourse of the rights to receive the tariff deficit for 2007 and 2008 in Mar-09 (€1,204m), the issue of Eurobonds in Feb-09, Jun-09 and 144A/Reg S bond in Sep-09.

The largest debt issue maturing until the end of this year will be the €1bn bond issue in Oct-09.

(1) Nominal Value

Business Areas

Iberian Electricity and Gas Markets

Electricity Balance (GWh)	Portugal 9M09	9M08	Δ%	Spain [1] 9M09	9M08	Δ%
Hydro	5,611	5,097	10%	17,757	16,426	8.1%
Nuclear	-	-	-	40,306	45,096	-11%
Coal	9,178	6,969	32%	26,450	32,812	-19%
CCGT	8,984	10,349	-13%	59,622	71,083	-16%
Fuel/Gas/Diesel	259	225	15%	1,574	1,667	-5.5%
Own consumption	-	-	-	(5,403)	(6,275)	-14%
(-)Pumping	(666)	(481)	38%	(2,588)	(2,566)	0.8%
Conventional Regime	23,366	22,159	5.4%	137,718	158,242	-13%
Wind	4,657	3,856	21%	23,921	21,902	9.2%
Other	4,830	4,481	7.8%	32,394	25,653	26%
Special Regime	9,487	8,337	14%	56,314	47,555	18%
Import / (Export) net	4,010	6,962	-42%	(5,806)	(8,057)	-28%
Gross demand (before grid losses)	**36,863**	**37,458**	**-1.6%**	**188,226**	**197,740**	**-4.8%**
Adjusted to temperature and working days			-2.7%			-5.3%

Gas Demand (GWh)	Portugal 9M09	9M08	Δ%	Spain 9M09	9M08	Δ%
Conventional Demand	n.a.	20,221	-	173,576	191,374	-9.3%
Demand for Electricity Generation	17,790	20,302	-12%	122,610	145,791	-16%
Total Demand	n.a.	40,524	-	296,186	337,164	-12%

Electricity demand in the Iberian market retreated 4.3% YoY in 9M09, yet reflecting some stabilisation in August/September, with Portugal's demand growing 0.9% and Spain's demand falling just 1.3% YoY.
In 9M09, the fall in Iberian demand (-10TWh), combined with an increase in output from wind (+2.8TWh, backed by a 13% increase in installed capacity) and other special regime technologies (+7.1TWh on installed capacity 10% higher), resulted in a contraction of residual thermal demand by 14% (-17TWh) YoY. This decline was driven by Spain (-17% YoY), since in Portugal thermal demand (+5% YoY) was supported by a 42% reduction in net imports in 9M09. Having said this, 9M09 Iberian residual thermal demand was somewhat supported by low hydro output, on dry 2Q09 and 3Q09 quarters, and by nuclear output 11% lower YoY (on lower nuclear availability in Spain).

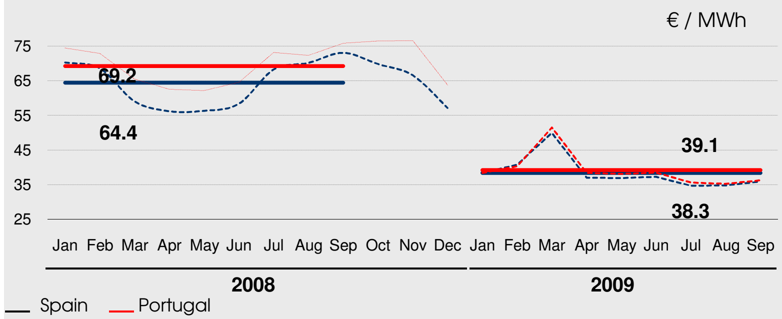
For the second quarter in a row, gas was cheaper than coal, reflecting the QoQ fall in sourcing costs in 3Q09: -1% in coal, -5% in gas CMP reference and +2% in CO2 emission rights. As a result, load factors of CCGTs remained healthier than coal plants, in the 3Q09 (50% vs 34%). However, as a result of the 14% fall in residual thermal demand in 9M09, coal and CCGT output retreated 10% (4TWh) and 16% (13TWh) respectively, in the period. In line with the past, CCGT load factors in Portugal (62%) remained higher than in Spain (41%) in 9M09, thanks to Portugal's lower reserve margin.

In 3Q09, average electricity spot price in Spain retreated 5% QoQ, reflecting lower gas costs and the excess of supply resulting from low level of thermal demand. In Portugal, average pool price was €0.6/MWh higher than in Spain in 3Q09 (vs €4.8/MWh in 9M08 and €1.3/MWh in 2Q09) reflecting the combined impact of higher reserve margin in both markets, higher hydro output in Portugal in 1Q09 and higher number of hours in which the CCGT technology marks the price in both markets.

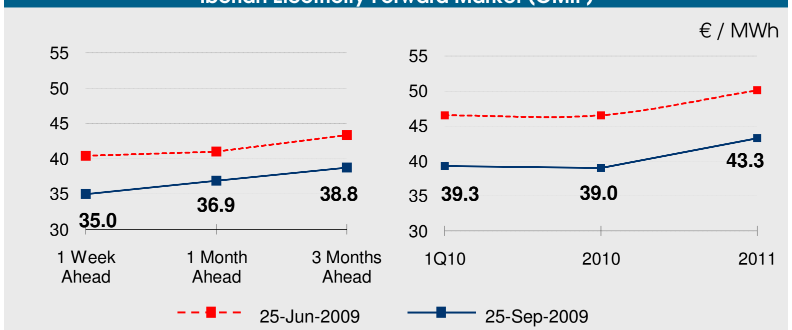
In the Iberian gas market, decline in demand is being mainly driven by electricity generation (-15%). In turn, conventional demand is also reflecting gas' larger exposure (than electricity) to the industrial demand reduction, with consumption falling 9% YoY in Spain (9M09) and 3% YoY in Portugal (6M09).

Installed Capacity in Electricity Generation (MW)	Iberian Peninsula 9M09	9M08	Δ%
Hydro	21,248	21,248	-
Nuclear	7,439	7,439	-
Coal	12,210	12,072	1.1%
CCGT	23,740	22,785	4.2%
Fuel/Gas/Diesel	5,952	6,427	-7.4%
Wind	20,386	18,004	13%
Other Special Regime	16,080	14,684	10%
Total	**107,057**	**102,659**	**4.3%**

Weighted Average Baseload Electricity Price in Spot Market (OMEL)



Iberian Electricity Forward Market (OMIP)



Main Drivers of Generation Costs	9M09	9M08	Δ%
Hydro Coeficient (1.0 = average year)			
Portugal	0.68	0.63	7.9%
Spain	0.71	0.65	9.2%
CO_2 Allowances (EUA) €/ton [2]	13.1	24.8	-47%
Coal (API2 CIF ARA) USD/t [2]	67.3	161.6	-58%
Gas (CMP Spain) €/MWh [2]	22.4	24.6	-9.1%
Brent (USD/bbl) [2]	57.9	111.9	-48%
Eur/USD [2]	1.34	1.52	-12%

(1) Source: REE

(2) Average in the period

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

Income Statement (€ m)	9M09	9M08	Δ%	Δ Abs.
PPA/CMEC Revenues	**920.7**	**1,181.2**	**-22%**	**-261**
Revenues in the market i	532.4	946.1	-44%	-414
Annual Deviation ii	252.6	104.2	142%	+148
PPAs/CMECs Accrued Income iii	135.7	131.0	3.6%	+5
PPA/CMEC Direct Costs	**225.7**	**426.2**	**-47%**	**-201**
Coal	182.4	158.4	15%	+24
Fuel Oil	18.9	26.5	-28%	-8
CO2 and Other Costs (Net)	24.4	241.3	-90%	-217
Gross Profit PPAs/CMECs	**695.0**	**755.0**	**-8.0%**	**-60**
Thermal (Cogener., Waste, Biomass)	39.1	42.1	-7.0%	-3
Mini-Hydro	20.4	11.5	78%	+9
Gross Profit Special Regime	**59.5**	**53.5**	**11%**	**+6**
Operating Costs	137.1	141.2	-2.9%	-4
EBITDA	**617.4**	**667.4**	**-7.5%**	**-50**
Net Depreciation and Provision	198.3	192.2	3.2%	+6
EBIT	**419.0**	**475.1**	**-12%**	**-56**
At Fin. results: **Hedging Gains (Losses)** 1	3.4	-17.6	-	+21
Employees	1,394	1,468	-5.0%	-74

PPA/CMECs: key data	9M09	9M08	Δ %	Δ Abs.
Real/Contr.Availability Factor (Km)				
Hydro Plants	1.02	1.03	-1.4%	-0.0
Thermal Plants	1.09	1.06	2.6%	+0.0
Installed Capacity (MW)	**6,987**	**6,990**	**-0.0%**	-3
Hydro 2	4,094	4,094	-	-
Coal	1,180	1,183	-0.3%	**-3**
Fueloil	1,713	1,713	-	-

Special Regime: Key data	9M09	9M08	Δ %	Δ Abs.
Output (GWh)	**1,523**	**1,391**	**9.5%**	**+132**
Mini-Hydro Portugal	236	129	83%	+107
Thermal Portugal	619	521	19%	+99
Thermal Spain	669	742	-10%	-73
Average Gross Profit (€/MWh)				
Mini-Hydro Portugal	87	89	-3.0%	-3
Thermal Portugal	24	30	-17%	-5
Thermal Spain	36	36	0.2%	+0

Capex (€ m)	9M09	9M08	Δ %	Δ Abs.
PPA/CMEC Generation	**37.5**	**74.7**	**-50%**	**-37**
Hydro Recurrent	12.8	8.2	57%	+5
Thermal Recurrent	12.3	21.5	-43%	-9
Non recurrent (environmental)	12.4	45.1	-72%	-33
Special Regime	**35.0**	**22.7**	54%	**+12**
Expansion	29.7	19.2	54%	+10
Maintenance	5.3	3.4	55%	+2
Total	**72.6**	**97.4**	-25%	**-25**

In 9M09, **gross profit from LT contracted generation** declined 7% YoY (-€54m), penalised by non-recurrent losses of €35m (vs €41m gain in 9M08), mainly driven by deviations between fuel procurement costs and the international indexes accepted in PPA/CMECs (-€35m in 9M09 vs +€37m in 9M08). Note that as a result of EDP's strategy to hedge through derivative financial instruments the change in fuel prices between the moment of purchase and the moment of consumption, this negative impact is compensated at the level of financial results, either in the previous, current or following quarters.

PPA/CMECs' recurrent gross profit in 9M09 was 2% higher YoY to €730m, mainly reflecting (i) additional contracted gross profit resulting from the new Sines coal plant's Desox facilities, which involved a total investment of €196m (last 50% commissioned in Jun-08) and (ii) higher than contracted availability and efficiency ratios in thermal plants (€11m). Having said this, growth was partially mitigated by: (1) lower inflation (-€18m), as contracted gross profit is monthly adjusted for annual average inflation rate (at -0.4% in Sep-09) and (2) lower availability of some hydro plants penalised by major works in Frades and Cabril (to be finished in late 2009).

The annual deviation ('revisibility') between CMECs assumptions and real market revenues amounted to -€253m in 9M09. This deviation resulted from below-the-average hydro output (hydro coefficient at 0.68 vs average 1.0) and from low pool prices (€39 vs c€52/MWh CMEC reference), which led in 9M09 to a 44% YoY drop in revenues in the market. This deviation is due to be recovered in up to 24 months later, through tariff paid by all Portuguese electricity consumers.

Special regime's gross profit rose 11% YoY in 9M09. Mini-hydros gross profit rose 78% YoY following the acquisition of Pebble Hydro as from Jul-08. Gross profit from thermal plants dropped 7% on volumes 10% YoY weaker in Spain (reflecting slower economic activity) and average gross profit 17% YoY lower in Portugal (due to lower tariffs YoY).

In 9M09, **EBITDA from LT contracted generation** declined 7% (-€50m) YoY, reflecting lower results from fuel procurement (-€72m), flat HR restructuring costs (€10.2m in 9M09 vs €11m in 9M08), good cost cutting, the consolidation of Pebble Hydro and biomass plant VV Rodão as from Jul-08 (+€12m in 1H09) and recurrent gross profit 3% higher YoY. Recurrent EBITDA grew 3% to €664m.

Capex in LT contracted generation totalled €73m in 9M09, the bulk of which (58%) in non-recurrent investments: (1) €30m in new special regime capacity, namely cogeneration (24MW in Barreiro, due in 2010) and biomass projects (28MW in Figueira da Foz and 18MW in Constância, in place since Jun-09 and Sep-09, respectively); (2) €12m in the new Denox facilities at Sines, due until 2011, an investment under PPA/CMECs system to be fully depreciated until 2017 and remunerated at 8.5% ROA before inflation and taxes.

Explanatory note on PPA/CMECs:

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

PPA/CMECs gross profit has 3 components:
(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 CMECs' main assumptions (outputs, market prices, fuel and CO2 costs) and market real data, which will be paid/received by EDP, through regulated tariffs, up to two years after taking place.
(iii) PPAs/CMECs Accrued Income, reflecting the differences in the period, in terms of cash flow profile, between PPAs and CMECs assumed at the beginning of the system.

(1) Includes €61m of realised gains in 9M09 (vs -€58m in 9M08); (2)Includes Aguieira and Raiva (360MW), subject to a tolling agreement, for a 5-year period starting in Apr-09

Liberalised Activities in the Iberian Market

Income Statement (€ m)	9M09	9M08	Δ%	Δ Abs.
Gross Profit	**634.8**	**451.7**	**41%**	**+183**
Electricity Generation	480.7	338.5	42%	+142
Portugal	171.0	107.2	59%	+64
Spain	321.8	231.9	39%	+90
Electricity Supply	72.1	49.4	46%	+23
Gas Supply	82.1	63.8	29%	+18
Operating costs	165.2	168.1	-1.7%	-2.9
EBITDA	**469.6**	**283.6**	**66%**	**+186**
Provisions	4.6	17.9	-74%	-13.2
Net Depreciation and amortisation	127.2	93.9	35%	+33
EBIT	**337.8**	**171.9**	**97%**	**+166**
At Financial results:				
Hedging Gains (Losses) in Energy Markets	**0.8**	**(17.6)**	**-**	**+18.5**

Performance in Electricity	9M09	9M08	Δ%	9M09	9M08	Δ%
	Output (GWh)			Variable Cost (€/MWh) 1		
Generation Output	14,262	14,902	-4.3%	32.9	41.5	-21%
Electricity Purchases & Other	9,618	3,779	154%	38.9	68.2	-43%
Electricity Sources	**23,880**	**18,681**	**28%**	**35.3**	**46.9**	**-25%**
	Volumes Sold (GWh)			Average Price (€/MWh) 2		
Grid Losses & Other	628	312	101%	n.a.	n.a.	-
Retail	14,688	9,582	53%	63.7	60.8	4.8%
Wholesale						
Spot	5,292	1,498	253%	38.9	68.3	-43%
Forward	3,272	7,289	-55%	58.3	69.5	-16%
Total Volume	**23,880**	**18,681**	**28%**	**55.8**	**63.8**	**-13%**
Avg. Gross Profit (€/MWh) 3				**23.8**	**21.1**	**13%**

Gas Sources and uses (TWh)	9M09	9M08	Δ%	Δ Abs.
Consumed at thermal plants	17.9	19.0	-6.1%	-1.2
Sold to Clients	15.6	17.0	-7.8%	-1.3

EBITDA from liberalised activities surged 66% (+€186m) driven by a 41% (+€183m) increase in gross profit: (1) +€142m in liberalised generation backed by higher margins stemming from hedging strategy followed coupled with higher contribution from coal and hydro output; (2) +€23m in electricity supply by higher margins and by the rebound of operations in Portugal's corporate segment; (3) +€18m in gas supply, mainly backed by the stronger margins in the Spanish residential and commercial segments and by the start-up of operations in the Portuguese market.

EDP has developed a strong platform of electricity liberalised supply to final clients, which turns out to be a competitive advantage under current tough market conditions. Combined with regulatory changes in Portugal and Spain, this led to a shift in electricity volumes supplied to final clients, which sourcing (own production or purchases in the pool) is optimised according to market conditions. As a result, our electricity sales to final clients in 9M09 represented 103% of total liberalised output from our liberalized electricity power plants.

Volumes: Our sales to retail clients rose 53% reflecting renewed growth prospects stemming from 2009 tariffs in Portugal and from the end of the option to choose last resource supplier in Spain for all industrial and residential clients (excluding low-voltage consumers which contracted power is equal or less than 10KW) as from Jul-09. Total volumes sold by EDP in the Iberian retail and forward wholesale markets rose 6% YoY, representing 128% of our own production. In turn, output from our liberalised generation plants dropped 4.3% reflecting the lower cost of buying electricity in the pool rather than producing.
Spreads [1][2]: In 9M09, realised spreads in our liberalised electricity business rose 22% (+€3.7/MWh) to €21/MWh, reflecting EDP's successful forward contracting sales and locking-up of spreads in 2008 together with lower gas costs. Average realised prices retreated 13% YoY reflecting the mixed impact of a 5% increase in average selling price to retail clients and slump of selling prices in the spot and forward market of 43% and 16%, respectively. Average sourcing costs declined 25% driven by lower gas costs and lower net CO_2 costs per MWh. **For 2010,** EDP has already forward contracted around 90% of expected output at prices around €50/MWh, at thermal spreads around €10/MWh. **For 2011,** EDP has already contracted c20% of expected output.
Electricity gross profit: In 9M09, gross profit per MWh sold grew 13% (€2.7/MWh) YoY, to €24/MWh, driven by higher realised spreads (+€3.7/MWh). Other net revenues, which include capacity payments, ancillary services, revenues in the restriction and deviation markets, services rendered and others, had a lower unit contribution to unit gross margin due to higher volume of sales.

Our gas sourcing activity is currently based on a 4.1bcm/year portfolio of long term contracts. In 9M09, our consumption of gas declined 7% YoY, to 33.5TWh, driven by lower demand in retail and lower consumption at our CCGT/cogeneration plants, which was only slightly compensated by one new CCGT in operations (Soto4). Looking forward, we expect gas needs to be supported by the start-up of operations at Lares 1 and 2 (already in test period) and by the activity increase of retail operations, namely in Portugal.

Our coal sourcing activity is currently based on spot and forward contracted purchases, for imported coal. Moreover, we have extended this year our sourcing contract of Spanish coal with Hunosa until 2012, involving 650,000 tonnes/year. In 9M09, national coal represented 23% of total coal consumed at our plants.

(1) Includes fuel cost, CO_2 cost net of free allowances, hedging costs (gains)

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

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

Liberalised Electricity Generation in the Iberian Market

Income Statement (€ m)	9M09	9M08	Δ%	Δ Abs.
Gross Profit	**480.7**	**338.5**	**42%**	**+142**
Portugal	171.0	107.2	59%	+64
Spain	321.8	231.9	39%	+90
Supplies and services	51.9	51.7	0.4%	+0
Personnel costs	30.6	31.2	-2.0%	-1
Costs with social benefits	1.3	1.4	-7%	-0
Other operating costs (net)	19.9	34.1	-41%	-14
Operating costs	**103.6**	**118.2**	**-12%**	**-15**
EBITDA	**377.1**	**220.2**	**71%**	**+157**
Provisions	7.1	6.8	4%	+0
Net Depreciation and amortisation	124.5	91.9	35%	+33
EBIT	**245.5**	**121.5**	**102%**	**+124**
Employees	**789**	**846**	**-7%**	**-57**

Key Operating data	9M09	9M08	Δ%	Δ Abs.
Generation Output (GWh)	**14,262**	**14,902**	**-4.3%**	**-640**
CCGT	7,507	8,680	-14%	-1,173
Coal	4,834	4,417	9%	+417
Hydro	1,127	947	19%	+180
Nuclear	795	859	-7%	-64
Generation Costs (€/MWh) (1)	**32.9**	**41.5**	**-21%**	**-8.7**
CCGT	42.2	57.4	-27%	-15.3
Coal	30.9	26.6	16%	+4.3
Hydro	-	-	-	-
Nuclear	3.3	3.3	2.9%	+0.1
Load Factors (%)				
CCGT	48%	65%	-	-18p.p.
Coal	51%	46%	-	4p.p.
Hydro	19%	16%	-	3p.p.
Nuclear	78%	84%	-	-6p.p.
Installed Capacity (MW)				
CCGT	2,405	2,405	-	-
Coal	1,460	1,460	-	-
Hydro	910	910	-	-
Nuclear	156	156	-	-
Fueloil	165	165	-	-

Capex (€m)	9M09	9M08	Δ%	Δ Abs.
Expansion	**506.2**	**319.6**	**58%**	**+187**
CCGT	167.0	219.0	-24%	-52
Hydro	339.2	100.6	237%	+239
Maintenance	**24.3**	**43.7**	**-44%**	**-19**
Recurrent	28.6	26.9	6%	+2
Non recurrent (environmental)	(4.3)	16.8	-	-21
Total	**530.5**	**363.3**	**46%**	**+167**

(1) Includes fuel costs, CO2 emission costs net of free allowances, hedging results.

The performance of our merchant electricity generation fleet in 9M09 was marked by lower average generation costs per MWh (-21% YoY) and by a 4.3% YoY decline in volumes produced, which bodes well with Spain's 13% decline in conventional output.

CCGTs: **Output** dropped 14% in 9M09, mainly driven by Portugal operations (-18% YoY). Having said this, load factors in Portugal remained higher than in Spain (63% vs Spanish average of 41%) thanks to Portugal's lower reserve margin and our competitive gas sourcing conditions. In 3Q09, Iberian load factors stood at 56%, supported by gas' more competitive cost vs coal in the quarter. Output from our Spanish CCGTs fell 5% YoY, with a clear recovery since Apr-09, prompted by a sharp decline in gas cost (reflecting the drop in brent price since Jul-08). **Average production costs** declined 27% YoY, propellthanks to lower deficit of CO2 emissions, brent and CO2 prices.

Coal: **Output** rose 9% YoY in 9M09, on load factor above the Spanish average (51% vs 36%), mainly driven by coal's lower production cost when compared to gas' in 1Q09, the outage for maintenance works and Desox investments of Soto 3 plant in the entire 1Q08 and efficiency rates of our plants above the Spanish average. Even so, worse competitive conditions since 2Q09 (as gas became slightly cheaper than coal) dictated a 9% YoY decline in our 3Q09 coal output. Coal **variable cost** rose 16% YoY, driven by (i) higher average coal cost, penalised by the low cost of coal consumed in 9M08 (forward contracted in 2007) and the lower contribution from blast furnace gases at Aboño plant, and (ii) larger CO2 emission deficit stemming from higher coal output.

Hydro & Nuclear: Hydro output rose 19% YoY in 9M09, reflecting the favourable weather conditions in 1Q09 (vs 1Q08), partially compensated by very dry quarters in 2Q09 and 3Q09. In turn, nuclear output dropped 7% YoY as a result of Trillo's 7-week outage for maintenance works in 1Q09 (ending on April 3th).

Operating costs retreated 12% (-€15m) YoY in 9M09, mainly reflecting lower costs from CO2 clawback: €16m in 9M09 (mostly related to RDL11/2007, partially mitigated by previous years' adjustments following NEC resolutions issued in 15-Sep-09) vs €33m in 9M08. This impact was only partially compensated by higher costs stemming from maintenance works at Trillo and new CCGT plant (Soto 4) in operations.

Capex in liberalized generation amounted €531m (+€167m YoY), 95% of which corresponding to expansion projects: (1) €232m payment of Fridão and Alvito's concession rights, in Jan-09, (2) €104m spent on the execution of Picote II, Bemposta II, Alqueva II (all repowerings) and Baixo Sabor (new plant), due in 2011/13, (3) €167m spent on construction works of 3 new CCGT groups. In Portugal both Lares 1 and 2 (862MW, €458m total capex) responsible for €52m of capex in 9M09 entered a test period in Aug-09 and Sep-09, respectively. The two groups are due start commercial operations in Oct-09. Investment in Soto5 (424MW, due in 2011) totalled €114m in 9M09. Maintenance capex declined €19m, to €24m reflecting the mixed impact of lower environmental capex (following the completion of Soto and Aboño coal plants desox facilities) and higher maintenance capex driven by works at Trillo nuclear plant.

Liberalised Electricity and Gas Supply in the Iberian Market

Income Statement (€ m)	Electricity Supply				Gas Supply			
	9M09	9M08	Δ%	Δ Abs	9M09	9M08	Δ%	Δ Abs
Gross Profit	**72.1**	**49.4**	**46%**	**+23**	**82.1**	**63.8**	**29%**	**+18**
Supplies and services	36.2	36.3	-0.3%	-0	13.6	13.2	2.5%	+0
Personnel costs	8.3	8.3	-0.4%	-0	2.9	2.2	34%	+1
Costs with social benefits	0.2	0.2	7.4%	+0	0.0	0.0	4.2%	+0
Other operating costs (net)	-9.4	-18.7	-50%	+9	9.8	8.3	18%	+1
Operating Costs	**35.3**	**26.1**	**35%**	**+9**	**26.3**	**23.8**	**11%**	**+3**
EBITDA	**36.8**	**23.3**	**58%**	**+13**	**55.7**	**40.1**	**39%**	**+16**
Provisions	-2.5	11.0	-	-14	0.0	0.0	-	-
Depreciation and amortization	2.3	1.7	39%	+1	0.4	0.3	22%	+0
EBIT	**36.9**	**10.6**	**249%**	**+26**	**55.3**	**39.8**	**39%**	**+16**
Capex	5.4	4.0	34%	+1	0.3	0.2	108%	+0
Employees	185	169	9.5%	+16	104	73	42%	+31

Key data	9M09	9M08	Δ%	Δ Abs
Electricity in Portugal				
Volume Sold (GWh)	3,254	741	339%	+2,512
Market Share (%)	66%	78%	-	-12 p.p.
Avg. Selling Price (€/MWh)	70.5	67.8	4.0%	+3
Number Clients (th.)	246	181	36%	+66
Electricity in Spain				
Volume Sold (GWh) (1)	11,023	8,840	25%	+2,183
Market Share (%)	10%	13%	-	-2 p.p.
Avg. Selling Price (€/MWh) (1)	63.3	60.6	4.6%	+3
Number Clients (th.)	265	115	131%	+150
Gas in Spain & Portugal				
Spain - Volume Sold (GWh)	15,104	16,952	-11%	-1,848
Spain - Market Share (%)	8.7%	8.9%	-	0 p.p.
Portugal - Volume Sold (GWh)	531	-	-	-
Portugal - Market Share (2) (%)	24%	0%	-	-
Avg. Gross Margin (€/MWh)	3.1	2.0	55%	+1
Number Clients (th.)	623	627	-0.6%	-4

EDP has a solid platform of operations in electricity and gas liberalized supply in Portugal and Spain, which is developed by HC Energia and Naturgas Comercialization, in Spain, and by EDP Comercial and EDP Gás.Com, in Portugal. Our supply subsidiaries have intra-group electricity and gas procurement contracts with other companies of the group.

Portugal Electricity Supply – In 9M09, volumes supplied by EDP in this market rose 339% YoY, to 3.3TWh. As a result of growth opportunities introduced by 2009 tariffs defined by ERSE, competition got fiercer and EDP's share in volume supplied in the free market declined to 66% in 9M09. By segment, residential and SMEs unveiled a good performance, both in terms of volumes per client and number of clients (+34% YoY), but the industrial segment was the main growth driver, with a strong recovery in both clients and volumes. Average selling price in Portuguese electricity retail increased 4% YoY. According to ERSE, 32% of annualised consumption in Aug-09 was concentrated in the free market (vs 2.5% in Aug-08) .

Spain Electricity Supply – Performance was marked by the end of the option to choose last resource supplier for all industrial and residential clients (excluding low-voltage consumers whose contracted power is less than or equal to 10KW) as from Jul-09. In 9M09, electricity volumes supplied to our liberalised clients in Spain rose 25% YoY reflecting a 131% expansion in the client base, prompted by the switching of residential clients, with lower unit consumption. Market share declined 2p.p. to 10%. Average selling prices rose 5% YoY, to €63/MWh, reflecting the significant contribution from contracts closed in late 2008, when electricity forward prices were around the prices implicit in these contracts.

Spain & Portugal gas Supply – In Spain, the volume of gas supplied declined 11% YoY, penalised by the larger weight of the industrial segment in the third quarter consumption. Per segment growth of gas supplies to residential & SMEs was steady, supported by the end of tariff option from Jul-08 onwards. Conversely, consumption of our industrial clients shrunk, as a result of deteriorating economic environment. In Portugal, EDP initiated operations in the industrial segment in Apr-09, with 531GWh supplied up to end Sep-09 and reaching a market share of 24% (based on the annualised consumption). Average gross margin in Iberia increased to €3.1/MWh from €2.0/MWh, reflecting faster decline of purchase cost (almost in line with the movement of CMP) than in net selling prices (benefiting from more favourable prices at the moment of client contracting). It is expected that in the coming quarters, average gross margin declines as average selling price start reflecting new sourcing conditions.

Operating costs in electricity and gas supply rose 35% and 11%, respectively, driven by increasing activity.

Prospects: By Sep-09 electricity volumes sold and contracted (estimated) for 2009 already exceed total volume sold in 2008 by c50%. The terms ERSE will set for 2010 tariffs, to be known until 15-Dec-09, will be key to evaluate growth prospects of Portugal's electricity free market in 2010. In Spain, following the acquisition of a portfolio with 214,000 electricity and gas supply clients from Gas Natural (which is subject to the approval of the relevant competition and regulatory authorities), representing 1,100GWh of gas supplied, EDP should reinforce its position in residential segment - the most resilient segment to the current adverse economic environment. This operation is expected to be completed in 4Q09/1Q10.

(1) Includes electricity sold by Naturgas

(2) Based on annualised consumption

EDP Renováveis: Financial Performance

Income Statement	Europe (€ m)			USA (USD m)			EDP Renováveis (€ m)*		
	9M09	9M08	Δ 09/08	9M09	9M08	Δ 09/08	9M09	9M08	Δ 09/08
Gross Profit	**291.1**	**276.8**	**5%**	**193.8**	**128.2**	**51%**	**435.0**	**360.6**	**21%**
Supplies and services	46.8	39.5	19%	64.7	46.2	40%	103.5	70.6	47%
Personnel costs	10.0	14.0	-29%	21.0	18.7	12%	30.6	25.9	18%
Other operating costs (net)	3.4	6.3	-46%	(96.9)	(75.3)	29%	(67.6)	(42.4)	60%
Operating Costs	**60.2**	**59.8**	**1%**	**(11.3)**	**(10.4)**	**-9%**	**66.5**	**54.1**	**23%**
EBITDA	**230.9**	**217.0**	**6%**	**205.0**	**138.5**	**48%**	**368.5**	**306.5**	**20%**
Provisions	(0.1)	(0.9)	-	-	2.0	-	(0.1)	0.4	-
Net Deprec. and amortisation	110.8	86.6	28%	147.4	92.5	59%	219.9	147.1	49%
EBIT	**120.2**	**131.3**	**-8%**	**57.6**	**44.1**	**31%**	**148.8**	**159.0**	**-6%**
Capital gains/(losses)	0.3	2.4	-89%	-	-	-	0.3	2.4	-89%
Financial Results	(121.4)	(106.8)	14%	(51.9)	(46.7)	11%	(60.6)	(64.1)	-5%
Results from associates	3.1	3.2	-	(0.3)	0.1	-	2.9	3.2	-
Pre-tax profit	**2.2**	**30.0**	**-93%**	**5.4**	**(2.5)**	**-**	**91.3**	**100.5**	**-9%**
Income taxes	(1.0)	14.2	-	-	-	-	(21.3)	(36.7)	-42%
Discontinued Activities	-	-	-	-	-	-	-	-	-
Profit for the period	3.2	15.8	-80%	5.4	(2.5)	-	70.0	63.8	10%
Equity holders of EDPR	**3.2**	**12.8**	**-75%**	**5.4**	**(2.5)**	**-**	**70.1**	**58.8**	**19%**
Minority interests	(0.0)	3.0	-	-	-	-	(0.1)	5.0	-

EDP Renováveis	9M09	9M08	Δ %
Share price at end of period (€/Share)	7.52	5.59	34%
Number of Shares Issued (million)	872.3	872.3	
Stake Owned by EDP (%)	77.5%	77.5%	-
USD/EUR - End of Period Rate	1.46	1.43	2%
USD/EUR - Average of Period Rate	1.36	1.53	-11%

EDPR Key Balance Sheet Figures (€ m)	9M09	9M08	Δ %
Bank Loans and Other	265.5	272.5	-3%
Loans with EDP Group companies	1,813.8	240.5	-
Net Financial Debt	**2,079.3**	**513.0**	**-**
Minority Interests	**97.9**	**82.8**	**18%**
Adj. Institutional Partnership Liability	**811.4**	**769.2**	**5%**

EDPR Financial Debt by Currency (€ m)	9M09	9M08	Δ %
US Dollar	1,165.0	602.6	93%
Euro	1,256.1	622.2	102%
Financial Debt	**2,429.1**	**1,224.9**	**98%**

EDPR Financial Results (€ m)	9M09	9M08	Δ %
Net Interest Costs	-58.1	-41.7	-39%
Institutional Partnership costs (non-cash)	-41.0	-31.6	-30%
Capitalised Costs	47.8	26.9	78%
Other	-9.3	-17.7	47%
Financial Results	**-60.6**	**-64.1**	**5%**

EDP Renováveis (77.5% owned by EDP) owns, manages and develops all the wind power assets of EDP Group. EDPR has operations in 8 countries with the major markets being USA (c40% of EBITDA in 9M09, operations in 9 states) and Spain (37% of EBITDA in 9M09).

In 9M09, EDPR's EBITDA grew 20% to €369m reflecting a 39% YoY increase of its installed capacity (to 4,882MW) a 36% increase on wind power output and a decline in spot energy prices in Spain and USA in this period.

The USD appreciated 11% against the Euro in the period having a positive impact of €17m at EBIT level. As of September 2009, 52% of EDP Renováveis' financial debt was in US Dollars, as USA operations are fully funded in USD denominated debt (loans with EDP) and tax equity or partnerships with USA institutional investors. As a result, the impact of volatility in USD/EUR exchange rate is immaterial at EDPR net profit level.

EDP Renováveis' financial debt increased 98% YoY to €2.4bn in the Sep-09, being 78% of loans with EDP Group, which are made through a fixed rate for 10 years, while external debt with financial institutions is mostly related to project finance with a long-term profile.

Liabilities referred as institutional partnerships, which reflects the "tax equity agreements" in the US, sligthly increased to €811m in 9M09 from €769m in 9M08 reflecting: i) the amortisation of this liability as a consequence of the tax credits that the institutional partners are benefiting from, ii) the positive impact by forex translation, and iii) in Sep-09 EDPR closed a USD101.9m Rail Splitter institutional partnership deal (ITC with cash grant component) in exchange for an economic interest. This new institutional partnership incorporates the ITC equivalent value, and its monetisation, under the cash grant agreement, as well as the MACRS associated tax credit. This transaction represented EDPR's first institutional equity transaction that incorporates the cash grant in lieu of production tax credits improving the company's fiscal efficiency.

9M09 financial costs declined 5% to €64m, supported by higher capitalised costs YoY following undergoing investments. Net interest costs rose 39% as the result of higher debt and average cost of debt.

* Includes Holding, other and consolidation adjustments

EDP Renováveis: installed capacity & capex

Installed Capacity (MW)	Gross	% Held (1)	Capacity Contrib. to EBITDA Sep-09	Sep-08	Δ %	Δ Abs
Spain	**2,169**	**1,691**	**1,752**	**1,344**	**30%**	**+408**
Transitory Regime	1,474	1,086	1,101	1,066	3%	+35
RD 661/2007	695	605	651	278	134%	+373
Portugal	**596**	**576**	**553**	**517**	**7%**	**+36**
Old Remuneration	553	533	553	517	7%	+36
New Remuneration	43	43	-	-	-	-
France	**211**	**211**	**211**	**144**	**47%**	**+67**
Belgium (PPA)	**57**	**40**	**57**	**-**	**-**	**+57**
USA	**2,530**	**2,314**	**2,295**	**1,497**	**53%**	**+798**
PPA	1,760	1,704	1,686	1,149	47%	+537
Hedged	264	138	138	138	0%	-
Merchant	506	472	472	211	123%	+260
Brazil	**14**	**8**	**14**	**-**	**-**	**+14**
Total	**5,577**	**4,839**	**4,882**	**3,502**	**39%**	**+1,380**

Gross MW	Under Constr.	Pipeline Tier 1	Tier 2	Tier 3	Prosp.	Total
Spain	**417**	**373**	**485**	**1,814**	**2,341**	**5,429**
Portugal	**128**	**351**	**14**	**9**	**200**	**702**
Rest of Europe	**322**	**124**	**571**	**854**	**1,882**	**3,752**
France	30	55	58	356	753	1,251
Belgium	13	-	-	37	25	74
Poland	120	-	456	406	604	1,586
Romania	159	69	57	56	500	841
USA	**427**	**550**	**5,563**	**7,385**	**4,564**	**18,489**
Brazil	**-**	**70**	**234**	**336**	**869**	**1,509**
Total	**1,293**	**1,467**	**6,866**	**10,398**	**9,856**	**29,881**

Capex (€m)	9M09	9M08	Δ %	Δ Abs.
Spain	472	431	9%	+41
Portugal	71	52	38%	+20
Rest of Europe	251	28	-	+223
Europe	**794**	**511**	**55%**	**+283**
USA- Gross Capex	689	738	-7%	-49
USA- Cash Grant Received	-35	-	-	-35
USA- Net Capex	**654**	**738**	**-11%**	**-84**
Other	**3**	**-**	**-**	**+3**
Total	**1,452**	**1,249**	**16%**	**+203**

Works in Progress (€ m)	Sep-09
Under Constr. and Development MW	**1,648**

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

Our wind power installed capacity increased by 1,380MW in the past 12 months representing a 39% YoY increase. As a consequence, EDPR currently manages a portfolio of 4,882 MW of capacity (or 5,577 MW of gross capacity). In 9M09 total additions amounted to 482MW of which 372MW were installed in USA, 60MW in Spain, 10MW in Belgium and 26MW in France. In Brazil 14 new MW were added through acquisition in Mar-09. In the 3Q09 stand alone, EDPR added 250 MW from which +173 MW in the USA (Meadow Lake I and Blue Canyon V), 60 MW in Spain (Quintanilla and Cerros da Radona) and 18 MW in France (Le Vieux Moulin). Additionally consortium Eólicas de Portugal (40% owned by EDPR and consolidated as a financial investment) comissioned 65MW in 3Q09, from which 26MW are attributable to EDPR (included in gross installed capacity) to add to the 17MW also attributable to EDPR comissioned in 1H09.

Wind power capacity in construction stage by Sep-09 amounted to 1.3 GW, of which 866 MW in Europe and 427 MW in the USA. In Europe, 48% of this capacity (417 MW) is under construction in Spain, 15% in Portugal (128 MW, of which 86 MW for the attributable capacity in the Eólicas de Portugal consortium) and 37% in the Rest of Europe, where is worth mentioning the start of the construction of our first MW in Romania (159 MW out of a 228 MW project) as well as the initiation in Oct-09 of the commissioning process of the first turbines of the 120 MW project in Poland.

Capex amounted to €1.5bn, reflecting the conclusion of 468MW and the 1,207 MW under construction. Capital expenditures related with the construction and development activities amounted to €1.3bn, which reflects the final works with the capacity in operation, the capacity installed in the period and capacity under construction and development. Capex with turbines deposits amounted to €107m, representing 7% of total expenditures. It is important to highlight that total work in progress related to capacity under construction/development amounted to €1,648m by Sep-09, reflecting the capex already incurred with these projects.

In the USA, in what concerns to short term regulatory support it was approved in 2009 on the American Recovery and Reinvestment Act, a cash grant program that makes possible the monetization for tax incentives as well as a loan guarantee program which improves credit liquidity. On Sep-09, EDPR received the first cash grant amount of USD48m an expects to receive further USD220m-230m in 4Q09.

In the long term regulatory framework, Energy Bill, better known as Waxman-Markey Bill, passed the House of Representatives on the 26th of June. This includes a cap and trade global warming reduction plan to reduce overall gas emission by 17% by 2020. This plan is expected to have significant incentives to clean energy production that cannot yet be foreseen.

EDP Renováveis: Operating Performance

Income Statement (€ m)	EUROPE 9M09	EUROPE 9M08	EUROPE Δ 09/08	USA 9M09	USA 9M08	USA Δ 09/08	EDP Renováveis 9M09	EDP Renováveis 9M08	EDP Renováveis Δ 09/08
Gross Profit	**291.1**	**276.8**	**5%**	**142.2**	**83.8**	**70%**	**435.0**	**360.6**	**21%**
Supplies and services	46.8	39.5	19%	48.3	30.2	60%	103.5	70.6	47%
Personnel costs and soc. benefits	10.0	14.0	-29%	15.4	12.3	26%	30.6	25.9	18%
Other operating costs (net) (1)	3.4	6.3	-46%	(72.2)	(49.3)	-47%	(67.6)	(42.4)	-60%
Operating Costs	**60.2**	**59.8**	**1%**	**(8.5)**	**(6.8)**	**-26%**	**66.5**	**54.1**	**23%**
EBITDA	**230.9**	**217.0**	**6%**	**150.7**	**90.6**	**66%**	**368.5**	**306.5**	**20%**
Provisions	(0.1)	(0.9)	84%	-	1.3	-	(0.1)	0.4	-
Net depreciation and amortisation	110.8	86.6	28%	108.5	60.5	79%	219.9	147.1	49%
EBIT	**120.2**	**131.3**	**-8%**	**42.2**	**28.8**	**46%**	**148.8**	**159.0**	**-6%**
Employees	351	320	+31	288	272	+16	690	592	+98
Opex / Avg MW (€ 000) (2)	32.2	43.3	-26%	34.7	41.8	-17%	37.2	40.9	-9%
Opex / MWh (€) (2)	18.7	21.5	-13%	13.2	15.4	-14%	17.4	17.8	-2%

EUROPE Gross Profit (€ m)	9M09	9M08	Δ %
Portugal	84.2	73.6	14%
Spain	170.8	186.2	-8%
Rest of Europe	21.6	12.9	67%
Wind	276.6	272.7	1%
Other & Adjustments	14.4	4.1	255%
Total	**291.1**	**276.8**	**5%**

USA Adjusted G. Profit (€ m)	9M09	9M08	Δ %
Electricity Revenues & RECs	142.9	84.1	70%
Direct Costs	-0.7	-0.3	-
Gross Profit	**142.2**	**83.8**	**70%**
PTC Revenues & Other	60.6	41.3	47%
Adjusted Gross Profit	**202.8**	**125.1**	**62%**

Wind Electricity Output (GWh)	9M09	9M08	Δ %
Portugal	829	727	14%
Spain	2,156	1,875	15%
Rest of Europe	240	175	37%
Europe	**3,225**	**2,776**	**16%**
USA	**4,050**	**2,576**	**57%**
Brazil	**19**	-	-
Electricity Output (GWh)	**7,295**	**5,353**	**36%**

Avg. Wind Load Factors (%)	9M09	9M08	Δ
Portugal	25%	26%	(1 pp)
Spain	24%	25%	(1 pp)
Rest of Europe	20%	23%	(3 pp)
Europe	**24%**	**25%**	**(1 pp)**
USA	**31%**	**31%**	-
Brazil	**22%**	-	-
Total	**28%**	**28%**	-

Avg. Wind Tariffs	9M09	9M08	Δ %
Europe Avg. Tariffs (€/MWh)	**89.9**	**97.9**	**-8%**
Portugal	99.1	100.1	-1%
Spain	86.4	99.4	-13%
Avg. Achieved Pool Price	*37.4*	*62.1*	*-40%*
Rest of Europe	89.2	73.2	22%
USA Avg. portfolio price (USD/MW	**48.1**	**49.2**	**-2%**
Avg. PPA/Hedged price	52.2	48.1	9%

Wind power output in 9M09 rose 36% YoY to 7,296 GWh. In Europe, electricity generation increased by 16% YoY on the back of a 28% YoY increase of installed capacity and a decline in load factors from 25% in 9M08 to 24% in 9M08. European load factor decreased from peak 25% in 9M08 to 24% in 9M09, affected by lower availability levels and particularly a weaker wind resource. In USA, electricity output went up 57% YoY following a 53% YoY increase of installed capacity while load factors remained at 31% in line with the value achieved in the same period of 2008. Note that availability reductions in newly operated wind farms are financially covered under the existing manufacturers' warranties (USD14m revenues in 9M09).

Average wind tariffs in Spain fell 13% reflecting the 40% decline in the achieved pool price and the forward sale of 64% of the output in 9M09 at higher prices which had a positive impact of c€6.5/MWh on average selling price. The closing of this prices above the market resulted in a €14m gain. The 22% YoY increase of the tariffs in the rest of Europe is justified by a low tariff in 9M09 (high weight of capacity in testing period in France which implies a very low tariff), if corrected of this effect the final tariff should have been €84/MWh, meaning 6% YoY growth.

In USA average selling price fell 2% vs. 9M08 resulting from an 8,5% increase in the average PPA price (applied on 84% of wind power output in US) and a 68% decrease of merchant average selling price from USD79.8/MWh in 9M08 to USD25.5/MWh in 9M09 (applied on 16% of output in the USA).

In order to further reduce its exposure to short term energy markets, EDPR continues actively negotiations or marketing stage to close new PPA contracts in USA for its wind power plants under construction, in late development and already operating but without PPA. In Spain EDPR has already sold forward c0.6TWh of wind power output for 4Q09 at €42MWh and c1.4TWh at €44MWh for 2010.

Gross Profit in 9M09 was up 21%, reaching €435m, on the back of a (1) 39% increase in installed capacity (2) an increase of 36% of electricity output on the back of weaker load factors as well as (3) a decrease of 8% in Europe's average price (sharp decrease in spanish pool prices) and also a 2% decrease in USA average prices (affected by the decrease in US merchant prices).
In terms of other income from institutional partnership, this figure is composed of the benefits from tax credits and other related revenues from institutional partnership. In this line is accounted the revenues associated to institutional partnership deals (USD0.3m already booked related to the latest deal signed in Sep-09).The 30% YoY increase is explained by the higher production and by the tax equity deal closed in Dec. 2008 related to 2008 projects (USD265m raised).

Operating costs, increased 23% YoY to €66m in 9M09, reflecting the increase of installed capacity.

Net depreciation and amortisation increased 49% YoY also reflecting the 39% increase in installed capacity leading to a 6% decline of EBIT to €149m.

(1) Includes geneneration centre rentals; (2) Annualized; In USA, operational costs exclude PTC revenues and other revenues related to Horizon 's Institutional partnerships

Electricity Distribution and Last Resource Supply in Portugal

Income Statement (€ m)	Distribution Portugal 9M09	9M08	Δ %	Δ Abs.
Gross Profit	**1,008.7**	**1,118.5**	**-9.8%**	**-110**
Supplies and services	215.1	199.9	7.6%	+15
Personnel costs	124.6	128.3	-2.9%	-4
Costs with social benefits	65.7	91.8	-28%	-26
Concession fees	179.7	170.7	5.2%	+9
Other operating costs (net)	(4.1)	(12.4)	67%	+8
Operating Costs	**580.9**	**578.3**	**0.5%**	**+3**
EBITDA	**427.7**	**540.2**	**-21%**	**-112**
Provisions	(0.1)	2.1	-	-2
Net depreciation and amortisation	192.2	189.6	1.4%	+3
EBIT	**235.5**	**348.5**	**-32%**	**-113**

Gross Profit Performance	9M09	9M08	Δ %	Δ Abs.
Regulated Gross Profit (€m)	**981.8**	**1,097.0**	**-10.5%**	**-115**
Current period	981.8	930.6	5.5%	+51
Adjustments from previous periods (1)	-	166.4	-	-166
Cash-flow Adjust. to Gross Profit (€m)	**-22.5**	**-709.3**	**97%**	**+687**
Tariff deviation in the period	206.3	-709.3	-	+916
Adjustments from previous periods (1)	-228.7	-	-	-229
Distribution Grid				
Reg. revenues - Current period (€m)	890.7	859.2	3.7%	+31
Electricity delivered to the grid (GWh)	36,520	37,120	-1.6%	-600
Number of clients connected (th)	6,108	6,085	0.4%	+24
Last Resource Supply				
Reg. revenues - Current period (€m)	92.9	73.1	27%	+20
Number of clients supplied (th)	5,854	5,903	-0.8%	-50
Electricity inflows (GWh)	31,308	36,069	-13%	-4,761
Wholesale procurement price (€/MWh)	46.8	75.1	-38%	-28
Accum. Regulatory Receivables (€m)	**-43.7**	**813.9**	**-**	**-858**

Capex & Opex Performance	9M09	9M08	Δ %	Δ Abs.
Controllable Operating Costs (2)	**339.6**	**328.1**	**3.5%**	**+11**
Opex/client (€/client connected)	55.6	53.9	3.1%	+2
Opex/km of network (€/Km)	1,558	1,546	0.8%	+12
Employees (#)	4,502	4,702	-4.3%	-200
Capex (net of subsidies) (€m)	**176.9**	**138.1**	**28%**	**+39**
Network ('000 Km)	217.9	212.3	2.7%	+6
Equivalent Interruption Time (min) (4)	73	68	7.5%	+5

Gross profit from electricity distribution and last resource supply activities decreased 10% YoY. Excluding services rendered, regulated gross profit decreased 11% YoY to €982m in 9M09. Note that in 2008, and subsequent to law changes, tariff deviations started being recognized as gross profit. As a consequence, for the first time in 2009, gross profit excluding services rendered and other equals regulated revenues for the current period. **Recurrent EBITDA** excluding 9M08 tariff adjustments and deviations from previous periods(1) (€166m) and 9M08 HR restructuring costs (€32m) increased 5% YoY to €428m in 9M09.

Electricity inflow into the grid decreased 1.6% YoY to 37 TWh in 9M09 (down 2.6% when adjusted for temperature and working days). Notwithstanding this, electricity demand remained virtually unchanged in the 3Q09 vs. 3Q08, showing some signs of stabilization. Looking at electricity consumption by voltage segment, the Low Voltage (LV) segment (mostly residential clients) increased by c3% YoY, while the Non-Low Voltage(3) (NV) segment (mostly industrial clients) decreased by c6% YoY.

Distribution grid regulated revenues for the period totaled €891m. Note that c55% of distribution grid regulated revenues are fixed, c35% depend on electricity distributed in the LV segment and only c10% depend on electricity distributed in the NV segment. As a consequence, significant changes in consumption from industrial clients have a low impact on this activity's regulated revenues. In 9M09 the regulated distribution activity showed a negative tariff deviation of €59m, in line with what was defined by the regulator in the assumptions for 2009 tariffs.

In 9M09, our last resource supplier **EDP Serviço Universal** (EDP SU) supplied 29TWh of electricity to final regulated clients, which came 3.8TWh below the regulator's assumption for 2009 tariffs due to both the economic slowdown and a switching of clients to liberalized suppliers, consequence of the stimulus provided by the 2009 regulated tariffs to the liberalized supply in the industrial segment. Also, EDP SU avg. electricity purchase cost was €47/MWh in 9M09 vs. the regulator's assumption of €71/MWh. As a result of lower volumes purchased at lower than expected procurement costs, EDP SU recorded a €601m positive tariff deviation in 9M09, to be returned to the tariffs. In addition, when ERSE defined 2009 tariffs, a €447m ex-ante tariff deficit was created, which is to be received in a 15 years period starting in 2010. This ex-ante tariff deficit, which amounts to €336m as of Sep-09, along with the first mentioned €601m tariff deviation, resulted in a €265m positive tariff deviation (booked at the level of gross profit), to be returned to the tariffs.

All in all, a €206m positive tariff deviation was recognized in 9M09 (cash-inflow not reflected in gross profit), which in conjunction with the securitization, in Mar-09, of an accumulated tariff deficit of €1.2bn, among other, enabled a sharp reduction of the amount of accumulated **regulatory receivables**, from a positive €1.15bn in Dec-08 to a negative €44m in Sep-09.

Controllable operating costs increased 3.5% YoY to €340m: (i) the increase in S&S reflects higher back-office and other costs imposed by new regulation (change from bi-monthly to monthly invoicing, more frequent mandatory readings, among other), and an increase in O&M expenses related with worst weather conditions; (ii) personnel costs decreased 2% YoY, when excluding severance payments, indemnities and personnel costs capitalization, reflecting the decrease of the number of employees.

Capex amounted to €177m in 9M09, and was mostly dedicated to network expansion and service quality improvement. In consequence of less favorable weather conditions, equivalent interruption time increased by 5 min. YoY to 73 min. in 9M09.

On October 15th, 2009, the Portuguese Regulator proposed a 2.9% average tariff increase for electricity tariffs in Portugal in 2010. The proposal is currently being discussed by the Tariff Council and final outcome should be known by December 15th.

(1) Recovery through the tariffs of tariff deviations from previous years; 9M08 include 2007 Tariff Deficit Recognition and 2006/08 Tariff Deficit Reposition (Jan-Feb 2008)
(2) Supplies & services and personnel costs (3) Non-Low Voltage: Very High Voltage + High Voltage + Medium Voltage (4) Adjusted for non-recurring impact (rainstorms, high winds and summer fires)

Electricity Distribution in Spain

Income Statement (€ m) (1)	9M09	9M08	Δ 09/08	Δ Abs.
Gross Profit	**145.9**	**121.2**	**20%**	**+25**
Supplies and services	44.7	42.2	6.0%	+3
Personnel costs	14.1	16.5	-15%	-2
Costs with social benefits	2.1	1.9	11%	+0
Other operating costs (net)	(2.7)	(7.5)	64%	+5
Operating Costs	**58.2**	**53.1**	**10%**	**+5**
EBITDA	**87.7**	**68.1**	**29%**	**+20**
Provisions	2.0	0.1	-	+2
Net depreciation and amortisation	20.1	18.3	10%	+2
EBIT	**65.6**	**49.7**	**32%**	**+16**
Regulated Revenues	**116.0**	**110.9**	**4.6%**	**+5**
Transmission	5.9	4.9	21%	+1
Distribution	104.1	100.1	4.0%	+4
Supply	6.0	6.0	0.8%	+0
Regulatory Receivables (Tariff Deficit) (2)	**444.9**	**304.0**	**46%**	**+141**
Tariff deficit in the period	103.3	97.0	6.6%	+6
Tariff deficit previous periods	341.6	207.0	65%	+135

Distribution in Spain	9M09	9M08	Δ %	Δ Abs.
Electricity Consumers (th)	**642**	**626**	**2.5%**	**+16**
Regulated Supply (1)	434	549	-21%	-115
Liberalized Market Supply	207	77	170%	+131
Electricity Distributed (GWh)	**6,704**	**7,266**	**-7.7%**	**-562**
Low Voltage	1,893	1,890	0.2%	+3
Medium Voltage	927	954	-2.8%	-27
High Voltage	3,884	4,422	-12%	-538
Electricity Supplied (GWh) (1)	**2,837**	**5,547**	**-49%**	**-2,710**
Low Voltage	1,268	1,467	-14%	-199
Medium Voltage	10	114	-91%	-104
High Voltage	1,559	3,966	-61%	-2,407
Controllable Operating Costs (3)	**58.8**	**58.7**	**0.2%**	**+0**
Opex/client (€/client)	91.6	93.7	-2.2%	-2
Opex/km of network (€/Km)	2,722	2,773	-1.8%	-50
Employees (#)	367	392	-6.4%	-25
Capex (net of subsidies) (€m)	**32.6**	**35.3**	**-7.9%**	**-3**
Network ('000 Km)	21.6	21.2	2.0%	+0.4
Equiv. Interruption Time (min)	119	45	164%	+74

Gross profit from our electricity distribution activity in Spain increased 20% YoY to €146m in 9M09, reflecting a 5% YoY increase in regulated revenues recognized in the 2009 tariffs and a €17m increase in other revenues, explained by: i) our last resource supply activity (started in Jul-09), which contributed with a gross profit of €2.4m in 3Q09; ii) a €2.6m revenue related to 9M09 upfront connection fees paid by new clients; iii) the accounting in 9M09 of a non-recurrent €17m income related to the recognition of the upfront connection fees previously paid by new clients (consequence of the end of the regulated final tariff in Jul-09); and iv) the accounting of a €5m non-recurring income in 9M08 related to the receiving of previous years regulated revenues. **Recurrent EBITDA** increased 12% YoY, to €71m in 9M09.

Regarding **electricity distribution activity**, the new regulation introduced last year in Spain aims at remunerating the investments made in the expansion of the grid, improvements in service quality and grid losses reductions, being much less dependent on volumes distributed. Note that 2009 regulated revenues were set upon a transitory calculation model, while the final model is currently under discussion. Electricity distributed by HC Distribución posted a 8% decrease YoY, to 6.7TWh in 9M09, reflecting the current economic crisis. In Asturias, capital intensive industries, such as steel, have a significant weight in the energy demand, which reflected into an 11% decrease of electricity consumption from HV and MV segments (mostly industrial), while the LV segment (mostly residential) remained flat.

On the **supply** side, starting Jul-09, regulated tariffs were terminated and a last resource tariff was introduced for LV clients with contracted power less than or equal to 10kW. In 1H09, volumes supplied to regulated clients fell 37% YoY, due to the switching of clients to the liberalized market, consequence of lower market prices when compared to regulated tariffs. On the 3Q09, our last resource supply company, HC Energia Ultimo Recurso, supplied 324 GWh to clients under the last resource tariff, which represents a 79% decrease when compared to the volume of electricity supplied to clients under the regulated tariff during the 3Q08. This sharp reduction is the natural consequence of the end of regulated final tariffs. At the 2H09 CESUR auction, our last resource supply company purchased 449GWh at an average price of €44/MWh. Remaining needs are procured in the pool.

Controllable operating costs remained flat at €59m: (i) the increase in S&S reflects higher O&M expenses, following the Klaus cyclone that affected the north of Spain in the beginning of the year, as well as an increase in back-office costs; and (ii) personnel costs decreased €2m, reflecting a decrease in the number of employees.

Capex decreased €3m YoY to €33m in 9M09, mostly due to a reduction in investments with new connections and metering equipments. The above mentioned Klaus cyclone that affected our distribution grid implied a 74 min. raise in equivalent interruption time.

In Jan-09, the Spanish government defined a 3.4% avg. increase in regulated electricity tariffs for 1H09. As of Jun-09, with the end of regulated tariffs, the last resource tariff introduced (for LV clients with <10kW) was calculated applying a 2% average increase over the regulated tariff in force in Jun-09. The tariffs in force remain insufficient to cover for electricity system costs, which translated into an estimated €3.6bn deficit for the Spanish system in 9M09, out of which €103m were reflected, as of Sep-09, at the level of HC Energia's regulatory receivables. Note that these amounts are net of the impact from RD 11/2007 ("CO2 clawback").

In May-09, the Spanish government announced, through RDL 6/2009, the **possibility to securitize the Spanish tariff deficit** supported by the electricity sector companies. Accumulated tariff deficit for the Spanish system in 2006 and 2008 totaled €6bn. For this period, HC Energia booked a tariff deficit os c€340m as of Sep-09. RDL 6/2009 sets a calendar for the gradual elimination of the Spanish tariff deficit has been set such that, starting Jan-13, access tariffs should be enough to cover regulated activities' costs. More recently, the Spanish government designated TdA (Titulización de Activos), a society composed by several banks and financial institutions, as the entity responsible for the management of the Tariff Deficit securitization fund.

(1) Including Last Resource Supply activity as of Jun-09, following the liberalization process.

(2) 9M09 amount is net of CO2 clawback costs

(3) Supplies & services and personnel costs

Gas - Regulated Activity

Income Statement (€ m)	Portugal 9M09	Portugal 9M08	Portugal Δ 09/08	Spain 9M09	Spain 9M08	Spain Δ 09/08	Total 9M09	Total 9M08	Total Δ 09/08
Gross Profit	**24.6**	**30.4**	**-19%**	**136.8**	**121.5**	**13%**	**161.4**	**151.9**	**6.2%**
Supplies and services	8.2	7.3	11%	18.0	15.2	18%	26.1	22.5	16%
Personnel costs	3.4	4.2	-18%	14.1	13.6	4.2%	17.6	17.8	-1.1%
Costs with social benefits	0.1	0.1	25%	0.3	0.3	8.0%	0.4	0.3	11%
Other operating costs(net)	1.9	0.2	-	1.5	-3.1	-	3.4	-2.9	-
Operating Costs	**13.6**	**11.8**	**15%**	**33.9**	**25.9**	**31%**	**47.5**	**37.7**	**26%**
EBITDA	**11.0**	**18.7**	**-41%**	**102.9**	**95.6**	**7.7%**	**113.9**	**114.2**	**-0.3%**
Provisions	0.4	2.0	-80%	-0.2	0.1	-	0.2	2.2	-89%
Net Deprec. and amortisation	7.9	8.9	-12%	25.1	22.9	9.4%	32.9	31.8	3.5%
EBIT	**2.8**	**7.7**	**-64%**	**78.0**	**72.6**	**7.5%**	**80.8**	**80.2**	**0.7%**
Capex (€m)	**20.7**	**13.6**	**52%**	**26.0**	**38.6**	**-33%**	**46.8**	**52.3**	**-11%**
Distribution	20.7	13.6	52%	16.1	17.2	-6.2%	36.8	30.8	20%
Transmission	-	-	-	9.9	21.5	-54%	9.9	21.5	-54%
Employees (#)	**59**	**101**	**-42%**	**283**	**267**	**6.0%**	**342.0**	**368.0**	**-7.1%**

Regulated Activity	9M09	9M08	% Δ	Abs. Δ
Number of supply points (th)	**916.9**	**875.4**	**4.7%**	**+41**
Portugal	215.2	194.1	11%	+21
Final Clients	215.1	194.0	11%	+21
Access Clients	0.1	0.1	54%	+0
Spain	702	681	3.0%	+20
Gas Distributed (GWh)	**18,735**	**19,837**	**-5.6%**	**-1,102**
Portugal	4,343	4,286	1.3%	+56
Final Clients	1,731	1,902	-9.0%	-172
Access Clients	2,612	2,384	9.6%	+228
Spain	14,392	15,550	-7.4%	-1,158
Regulated Revenues (€ m)	**144.2**	**142.9**	**0.9%**	**+1.3**
Portugal	24.6	30.4	-19%	-5.8
Spain	119.6	112.4	6.4%	+7.2
Transmission	14.7	12.2	20%	+2.4
Distribution	104.9	96.6	8.7%	+8.4
Regulated Supply	0.01	3.7	-100%	-3.6
Network (Km)	**9,321**	**8,750**	**6.5%**	**+570**
Portugal - Distribution	3,371	3,090	9.1%	+281
Spain - Distribution	5,588	5,351	4.4%	+237
Spain - Transmission	362	309	17%	+53

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

In Jul-09, Naturgas Energia agreed to acquire from Gas Natural its low pressure natural gas distribution activity in the regions of Cantabria and Murcia, as well as the high pressure natural gas distribution assets in the regions of the Basque Country, Asturias and Cantabria. These assets represented at the end of 2008 c2,860 Km of gas network, c248,000 points of gas supply and c11TWh/year of gas distributed. Together with the associated supply activity, these assets are forecasted to contribute with a €35m EBITDA by 2010[1]. The operation is expected to be concluded between 4Q09 and 1Q10, subject to Spanish regulatory and competition approvals.

EBITDA from gas regulated activities remained flat at €114m: (i) our gas distribution activity in Portugal was penalized by the new concession contract, which extended the concession period but reduced short term regulated revenues; offsetting (ii) the growth from our gas regulated activities in Spain.

In **Spain**, gas regulated activity gross profit increased 13% YoY to €137m in 9M09.

- **Regulated revenues** increased 6% YoY to €120m in 9M09:

(i) Gas distribution regulated revenues grew 9% to €105m, reflecting a 3% increase in the number of supply points to 702 th, and a 4% increase of the extension of our gas distribution network to 5,588Km. The volume of gas distributed in Spain fell 7% YoY (vs. a 9% decrease of conventional gas demand in the Spanish market), following a 17% decrease in gas distributed through high pressure distribution network (mostly industrials) as a result of the current economic crisis, which more than offset the 14% increase of gas distributed through low pressure network (mostly residentials);

(ii) Gas transmission regulated revenues rose by 20% YoY, due to both a 17% increase of the length of the transmission network and higher remuneration per kilometer in recent investments;

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

- Gross profit from **other activities** not included in regulated revenues increased €8m YoY to €17m in 9M09, due to new mandatory services to clients such as inspections and meter rentals and upfront connection fees paid by new clients.

In **Portugal**, a new concession contract was signed in 2008 with the Portuguese State (this new concession with a 40 years duration, started in Jan-08) that when compared with the situation defined in the previous contract implies lower revenues but for a longer period, roughly maintaining the NPV of the concession. This new reality came in place in Jul-08, with the start of the new 3 years regulatory period, which set the regulated return on assets at 9%. As a consequence of this new concession contract, gas regulated revenues fell 19% YoY to €25m in 9M09. Looking at operational data, the extension of our gas distribution network in Portugal increased 9% YoY to 3,371Km, while the number of supply points increased by 11% to 215,2 th. The volume of gas distributed increased by 1.3% YoY, supported by the new connection of a large industrial client in Sep-08.

Controllable operating costs[2] increased 9% YoY in line with the growth of the gas regulated activity. Other operating costs evolution mostly reflects a non-recurrent revenue accounted for in Spain in 9M08 (€6m).

Capex decreased 11% YoY to €47m in 9M09 following the anticipation, by the end of 2008, of investments in transmission, namely on the Bergara-Irun pipeline, which should be fully operational by the end of 2010, representing a total capex of €68m.

(1) Excluding one-off integration costs

(2) Supplies & services and personnel costs

Energias do Brasil: Financial Performance

Income Statement	Consolidated - R$ Million			Consolidated - € Million		
	9M09	9M08	Δ 09/08	9M09	9M08	Δ 09/08
Gross Profit	**1,617.6**	**1,756.9**	**-8%**	**567.4**	**682.7**	**-17%**
Supplies and services	239.6	290.5	-18%	84.1	112.9	-26%
Personnel costs	155.8	199.4	-22%	54.7	77.5	-29%
Costs with social benefits	38.6	38.7	-0.3%	13.5	15.0	-10%
Other operating costs (net)	80.4	60.1	34%	28.2	23.3	21%
Operating Costs	**514.4**	**588.7**	**-13%**	**180.5**	**228.8**	**-21%**
EBITDA	**1,103.2**	**1,168.2**	**-6%**	**387.0**	**454.0**	**-15%**
Provisions	21.6	19.5	-	7.6	7.6	-0%
Net Depreciation and amortisation	236.9	369.5	-36%	83.1	143.6	-42%
EBIT	**844.7**	**779.2**	**8%**	**296.3**	**302.8**	**-2.1%**
Capital gains/(losses)	121.0	-	-	42.4	-	-
Financial Results	(179.5)	(140.9)	27%	(63.0)	(54.7)	15%
Results from associates	(0.3)	(0.0)	-	(0.1)	(0.0)	-
Pre-tax profit	**785.9**	**638.3**	**23%**	**275.7**	**248.0**	**11%**
Income taxes	234.7	259.4	-9.5%	82.3	100.8	-18%
Effective Tax Rate (%)	30%	41%	-10.8 pp	30%	41%	-10.8 pp
Profit for the period	551.2	378.9	45%	193.4	147.2	31%
Equity holders of Energias do Brasil	**468.3**	**316.0**	**48%**	**164.3**	**122.8**	**34%**
Minority interests	82.9	62.9	32%	29.1	24.5	19%
Capex	**458.4**	**470.3**	**-2.5%**	**160.8**	**182.8**	**-12%**
Employees (#)	**2,366**	**2,346**	**+20**			

Energias do Brasil	9M09	9M08	Δ 09/08
Share Price at end of period (R$/share)	29.20	23.82	23%
Number of Shares Issued (million)	158.8	165.0	-3.8%
Treasury Stock (million)	15.8	6.2	155%
Number of Shares owned by EDP (million)	102.9	102.9	0%
Real/Euro - End of period Rate	2.61	2.75	5.7%
Real/Euro - Average of period Rate	2.85	2.57	-10%
Inflation Rate (IGP-M - 12 Months)	-0.4%		-
Interest Rate (SELIC)	9.98	11.44	-146 pp

Key Balance Sheet Figures (€ million)	9M09	9M08	Δ 09/08
Net Financial Debt	979	699	40%
Regulatory Receivables	40	63	-36%
Minority interests	668	561	19%

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

Debt Ratios	9M09	9M08
Net Debt / EBITDA	1.9x	1.2x

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

In 9M09, Energias do Brasil's contribution to consolidated EBITDA was negatively affected by the 10% **depreciation of the Real against the Euro** (-€42m impact on EBITDA).

Energias do Brasil's **EBITDA** in local currency in 9M09, decreased by 6% to R$1,103m due to lower EBITDA in distribution following the disposal of Enersul and growth slowdown in volume of electricity sold to clients, which was not fully compensated by growth in generation EBITDA given the increase of installed capacity. Bear in mind the existence of non-recurrent gains in generation activity during 9M08 (R$77m).

Operating costs of Energias do Brasil decreased by 13% YoY respectively reflecting the impact of the asset swap.

Net depreciation and amortisation decreased by 36% reflecting an accelerated amortisation (impairment) at Enersul (R$130m) in 9M08 due to regulatory changes. This event also impacted the abnormal effective tax rate in 9M08.

Net Financial costs increased 27% YoY following the increase in net financial debt due to the acquisition of treasury stock related to asset swap and the financing of the construction of Pecém plant, which offset a decrease in average cost of debt (9.2% in 9M09 vs. 10,5% in 9M08).

Treasury stock increased from 3.8% to 9.9% of share of capital due to:
1) Energias do Brasil acquired 6.2m shares in a share buyback program concluded in Apr-08;
2) In Oct-08, Energias do Brasil announced the cancellation of shares held in treasury (6,2m shares);
3) In Oct-08, the Enersul/Lajeado asset swap implied a minorities buyout due to regulatory rules, which implied the acquisition of 13.1m by Energias do Brasil, at R$23.82/share.

Yesterday, Energias do Brasil had filed the final prospect for a secondary public distribution of common treasury shares. The issuance price of the shares will be set after the completion of the investment intention collection procedure (bookbuilding).

Minority interests in balance sheet increased by 19% due to the asset swap, which implied an increase in minority interests in Lajeado's business (27%).

Capital gains in 9M09 are fully related to the sale in Jun-09 of our stake in the telecom company Esc90.

Brazil: Electricity Distribution

Income Statement (R$ m)	Bandeirante + Escelsa			Enersul			Distribution		
	9M09	9M08	Δ 09/08	9M09	9M08	Δ 09/08	9M09	9M08	Δ 09/08
Gross Profit	**973.2**	**928.8**	**4.8%**	**-**	**302.4**	**-**	**973.2**	**1,231.2**	**-21%**
Supplies and services	177.7	169.2	5.0%	-	74.2	-	177.7	243.4	-27%
Personnel costs	115.2	124.4	-7.4%	-	42.4	-	115.2	166.8	-31%
Costs with social benefits	29.8	31.8	-6%	-	4.8	-	29.8	36.6	-19%
Other operating costs (net)	53.9	35.5	52%	-	14.6	-	53.9	50.2	7.4%
Operating Costs	**376.6**	**361.0**	**4.3%**	**-**	**136.0**	**-**	**376.6**	**497.0**	**-24%**
EBITDA	**596.7**	**567.8**	**5.1%**	**-**	**166.4**	**-**	**596.7**	**734.2**	**-19%**
Provisions	8.2	7.1	16.4%	-	10.8	-	8.2	17.9	-54%
Net Deprec. and amortisation	124.7	124.2	0.4%	-	45.2	-	124.7	169.4	-26%
EBIT	**463.7**	**436.5**	**6.2%**	**-**	**110.3**	**-**	**463.7**	**546.9**	**-15%**
IFRS Gross Profit	**973.2**	**928.8**	**4.8%**	**-**	**302.4**	**-**	**973.2**	**1,231.2**	**-21%**
Tariff Deviation (2)	64.3	63.9	0.6%	-	30.3	-	64.3	94.2	-32%
Deviation from previous year (1)	(104.4)	(128.6)	-19%	-	(32.1)	-	(104.4)	(160.7)	-35%
Others	25.8	19.1	35%	-	(30.6)	-	25.8	(11.5)	-
Brazilian GAAP Gross Profit	**958.8**	**883.2**	**8.6%**	**-**	**270.0**	**-**	**958.8**	**1,153.1**	**-17%**
Regulatory Receivables (R$ m)	**114.4**	**161.8**	**-29%**	**-**	**-**	**-**	**114.4**	**161.8**	**-29%**
Capex (R$ m)	**228.0**	**239.1**	**-4.6%**	**-**	**92.4**	**-**	**228.0**	**331.4**	**-31%**

Distribution	9M09	9M08	% Δ	Abs. Δ
Number of Clients (th)	**2,620.9**	**2,564.2**	**2.2%**	**+57**
Bandeirante	1,434.7	1,432.3	0.2%	+2
Escelsa	1,186.1	1,131.8	4.8%	+54
Electricity Distributed (GWh)	**15,529**	**16,802**	**-7.6%**	**-1,273**
Bandeirante	9,747	10,198	-4.4%	-451
Escelsa	5,782	6,604	-12%	-822
From which:				
To clients in Free Market (GWh)	5,273	6,647	-21%	-1,374
Electricity Sold (GWh)	**10,256**	**10,155**	**1.0%**	**+101**
Bandeirante	**6,326**	**6,294**	**0.5%**	**+32**
Resid., Commerc. & Other	4,187	4,000	4.7%	+187
Industrial	2,139	2,294	-6.7%	-154
Escelsa	**3,930**	**3,861**	**1.8%**	**+69**
Resid., Commerc. & Other	3,230	3,067	5.3%	+163
Industrial	700	794	-12%	-94
Technical Elect. Losses				
Bandeirante	5.1%	5.2%	-2.6%	-
Escelsa	8.8%	8.7%	1.7%	-
Commercial Elect. Losses				
Bandeirante	5.9%	5.7%	3.7%	-
Escelsa	5.9%	5.6%	6.5%	-
Employees (#)	**2,026**	**2,038**	**-0.6%**	**-12**
Bandeirante+Escelsa	2,026	2,038	-0.6%	-12

Gross profit in 9M09 decreased 21% due to the exclusion of Enersul from the consolidation perimeter. Considering only Bandeirante and Escelsa (Band+Esc), gross profit rose by 5% and on a normalized base gross profit increased by 8% YoY, following:

Volume of electricity sold in Band+Esc increased by 1% in 9M09. Volumes sold in the industrial segment fell 8% YoY in 9M09, but rose already 4% QoQ in 3Q09, showing some signs of recovery. In the residencial & commercial segment, volume sold rose 5% YoY reflecting the rise of 2% YoY in the number of clients connected and an increase of consumption per client. Note that use of grid electricity tariff for residential and commercial is much higher than for industrials, meaning that changes in industrial demand have a much more limited impact on gross profit than changes in residential/commercial demand. Regarding electricity distributed to free market clients (clients in which EDP just collects third party access tariffs), volume decreased by 21% YoY in 9M09 due to decrease of consumption of large industrial consumers namely in the mining, chemical and metallurgic sectors supplied directly in the free wholesale market. Note that, volumes of electricity distributed to the clients in the free market, have also shown significant signs of recovery in 3Q09 growing 21% vs. 2Q09.

Current regulatory period for our distribution companies will last until Jul-2010 to Escelsa and until Sep-2011 to Bandeirante for which the regulator set a RoRAB of 15% before taxes. Regarding accepted cost base, the two distribution companies were being remunerated based on preliminary parameters. The definitive accepted cost base for the current regulatory period was defined only on Aug-09 and Oct-09 for Escelsa and Bandeirante respectively, implying a downward revision over the preliminary accepted cost bases, with a negative R$35m impact, to be paid back to clients through tariffs over the next 12 months.

Under IFRS, gross profit rose by 5% vs. a 8% increase in Brazillian Gaap. The difference is justified mainly by past and current tariff deviations. **Deviation from previous years** in Band+Esc decreased 19% YoY from R$129m in 9M08 to R$104m in 9M09. **Tariff deviation in the period** was negative by R$64m following energy procurement costs higher than the ones set in the regulator's assumptions for the calculation of current tariffs. In Set-09, our accumulated **regulatory receivables** to be recover in the future amounted to R$114m.

Operating costs in Band+Esc rose by 4% YoY. This was mainly driven by an increase of supplies and services by 5% following an increase in expenditure with maintenance of distribution networks, meters reading. Other operating costs (net) increased due to raise of provisions for doubtful clients (+R$15m). Personnel costs presented a decrease showing the results of the ongoing efficiency programs.

Capex decreased by 7% YoY as a result of less investment in Bandeirante. **Electricity losses** increased in both companies, due to the higher weight of residential and commercial segments (low voltage), in the total mix of electricity distributed, a segment that has structurally higher percentage of losses.

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

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

Brazil: Electricity Generation and Supply

Income Statement (R$ m)	Generation		
	9M09	9M08	Δ 09/08
Gross Profit	**596.4**	**480.0**	**24%**
Supplies and services	34.9	25.1	39%
Personnel costs	25.3	18.4	38%
Costs with social benefits	3.0	1.0	-
Other operating costs (net)	12.1	12.6	-4%
Operating Costs	**75.2**	**57.1**	**32%**
EBITDA	**521.2**	**422.8**	**23%**
Provisions	0.9	0.3	-
Net Depreciation and amortisation	103.4	62.7	65%
EBIT	**417.0**	**359.9**	**16%**

Generation	9M09	9M08	Δ 09/08
Gross Profit (R$ million)	**596.4**	**480.0**	**24%**
Lajeado	257.5	88.3	192%
Peixe Angical	206.2	242.2	-15%
Energest (14 Hydro plants)	132.7	149.4	-11%
Installed Capacity - Hydro (MW)	**1,725**	**1,696**	**1.7%**
Lajeado	902.0	902.0	-
Peixe Angical	452.0	452.0	-
Energest (14 Hydro plants)	371.2	342.2	8.5%
Electricity Sold (GWh)	**5,789.3**	**4,547.7**	**27%**
Electricity Generated (GWh)	**5,097.0**	**3,646.5**	**40%**
Lajeado	2,384.7	990.2	141%
Peixe Angical	1,507.9	1,581.5	-4.7%
Energest (14 Hydro plants)	1,204.5	1,074.8	12%
Average Selling Price (R$/MWh)	**118.5**	**115.6**	**2.6%**
Lajeado	106.3	94.9	12%
Peixe Angical	149.0	135.3	10%
Energest (14 Hydro plants)	105.2	106.8	-1%
Capex (R$ million)	**225.5**	**138.1**	**63%**
Lajeado	5.4	4.5	19%
Peixe Angical	14.5	9.3	55%
Energest (13 Hydro plants)	5.7	19.9	-72%
New Capacity	200.0	104.4	91%
Employees (#)	**251**	**230**	**+21**

Supply	9M09	9M08	Δ 09/08
Gross Profit (R$ m)	45.3	58.5	-22%
Operating Costs (R$ m)	19.1	19.1	0%
EBITDA (R$ m)	26.1	39.2	-33%
Electricity Sales (GWh)	6,243	5,362	16%
Number of clients (#)	107	108	-1%

GENERATION:

Gross profit increased by 24% YoY. Note that as a result of the asset swap operation, from Aug-08 onwards there was a change of consolidation method of Lajeado from proportional to full consolidation (27,65% vs. 73%). This operation had a positive impact of R$181m on 9M09 gross profit. Excluding change of consolidation of Lajeado and one-off gains in 9M08, gross profit increased by 3%.

Installed capacity increased 2% YoY (+29MW) following the start up of Santa Fé mini hydro in Jun-09.

Volumes sold vs. generated: In 9M08 the volume of electricity sold was 25% higher than the volume generated in our plants, reflecting a abnormally high volume sold in 1Q08 in order to take advantage of an arbitrage opportunity between stable PPA prices and extremely high prices in the residual electricity spot market. That particular market environment allowed our generation division to achieve in 9M08 a R$77m non-recurrent gross profit. Note that following a 2008 regulatory change, generation companies have now to define in December of each year the electricity volumes that they want to sell in each month of the next year, reducing room for short term volumes arbitrage between PPA and spot market prices

Average Selling Price: All Energias do Brasil's installed capacity is contracted under PPAs with prices updated to inflation and an average maturity of 15 years. As a result, average selling price in Lajeado and Peixe Angical increased by 12% and 10% which offset the decrease in Energest average price impacted by the above referred higher prices in the spot market during 1Q08. Regarding new contracts, the new PPA contract of Santa Fé (16 average MW), has a price of R$137/MWh to be updated to inflation, for a 30-year period.

Operating costs rose by 32% YoY due to an increase in personnel costs and supplies and services driven by full consolidation of Lajeado.

Capex rose by 63% YoY, essentially driven by a R$98m increase in expansion capex (which represents 87% of total capex). The main driver is the construction of Pécem coal plant. We expect capex in generation to reach R$568m in 2009 and R$357m in 2010.

The construction of **Pecém coal plant** started in Jul-08 and Energias do Brasil holds a 50% stake in partnership with MPX Mineração e Energia. The conditions contracted in the electricity auction promoted by the Brazilian regulatory authorities include the availability of an installed capacity of 615 MW for a 15-year term starting in January 2012 and a gross margin of R$417.4m per year (amount at 2007 nominal prices to be updated at inflation) with the full pass through of fuel costs. According to the engineering and procurement contracts signed with suppliers, the new plant will represent a USD1.2bn capex. The project will be financed with 75% of long term debt, that is already contracted. In 9M09, capex amounted to R$127m. This investment will represent an increase by 21% of current installed capacity in Brazil.

Regarding **new hydro capacity**, Santa Fé plant was concluded in Jun-09 with capex in 9M09 amounting to R$36m. Additionally, ANEEL ratified the repowering of Mascarenhas (17.5 MW), Rio Bonito (5.22 MW) and Suíça (2.3 MW). The last two hydro plants should be operational in 2009 and Mascarenhas hydro plant in 2010. In 9M09, capex related to these repowering investments amounted to R$33m.

LIBERALIZED ELECTRICITY SUPPLY:

Our trading and supply activity is carried out by Enertrade in the free market essentially through a service of energy sourcing to large industrial clients without incurring in material energy market risk. In 9M09, **gross profit** decreased by 22% YoY due to existence in 1Q08 of non recurrent gains related to the abnormally high electricity spot price in the period (R$25m). This impact was partially offset by the re-activation of the supply contract with Ampla, which implied an additional profit (+R$15m). This issue implied a flat behaviour in **operating costs**, since we accounted the provision for the difference between contracted price and the value paid by this client (+R$7m).

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Income Statements

Income Statement by Business Area

9M09 (€ m)	LT Contracted Generation	Iberian Liberalised Activities	Regulated Networks Iberia	Wind Power	Brazil	Other & Adjustments	EDP Group
Gross Profit	**754.5**	**634.8**	**1,316.0**	**435.0**	**567.4**	**(28.9)**	**3,678.9**
Supplies and services	61.7	101.6	285.9	103.5	84.1	(107.0)	529.8
Personnel costs	48.8	41.8	156.2	30.3	54.7	76.6	408.3
Costs with social benefits	26.3	1.5	68.3	0.3	13.5	0.1	110.1
Concession rents	3.9	-	179.7	3.6	-	(0.9)	186.2
Other operating costs (net)	(3.6)	20.3	(3.4)	(71.2)	28.2	47.1	17.4
Operating costs	**137.1**	**165.2**	**686.6**	**66.5**	**180.5**	**15.8**	**1,251.8**
EBITDA	**617.4**	**469.6**	**629.4**	**368.5**	**387.0**	**(44.8)**	**2,427.1**
Provisions	1.4	4.6	2.2	(0.1)	7.6	18.3	34.0
Net Depreciation and amortisation (1)	196.9	127.2	245.3	219.9	83.1	48.6	921.0
EBIT	**419.0**	**337.8**	**381.9**	**148.8**	**296.3**	**(111.7)**	**1,472.2**

9M08 (€ m)	LT Contracted Generation	Iberian Liberalised Activities	Regulated Networks Iberia	Wind Power	Brazil	Other & Adjustments	EDP Group
Gross Profit	**808.6**	**451.7**	**1,391.6**	**360.6**	**682.7**	**(13.7)**	**3,681.5**
Supplies and services	62.9	101.2	264.6	70.6	112.9	(82.0)	530.1
Personnel costs	54.6	41.7	162.5	25.1	77.5	73.5	434.9
Costs with social benefits	25.3	1.6	94.1	0.8	15.0	(2.8)	134.1
Concession rents	3.6	2.6	170.7	3.3	-	(3.3)	176.9
Other operating costs (net)	(5.2)	21.0	(22.8)	(45.7)	23.3	64.7	35.4
Operating costs	**141.2**	**168.1**	**669.0**	**54.1**	**228.8**	**50.1**	**1,311.4**
EBITDA	**667.4**	**283.6**	**722.6**	**306.5**	**454.0**	**(63.9)**	**2,370.1**
Provisions	0.1	17.9	4.4	0.4	7.6	(1.8)	28.5
Net Depreciation and amortisation (1)	192.2	93.9	239.8	147.1	143.6	59.1	875.6
EBIT	**475.1**	**171.9**	**478.4**	**159.0**	**302.8**	**(121.2)**	**1,466.0**

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

Quarterly Income Statement

Quarterly P&L (€m)	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
Electricity Sales	3,152.7	2,888.8	3,147.3	3,180.8	2,866.6	2,391.4	2,706.5	-
Gas Sales	336.0	254.3	288.1	348.5	316.3	199.8	177.9	-
Other Sales	17.2	10.1	75.0	34.2	12.6	20.4	18.7	-
Services Provided	25.7	35.6	31.9	68.0	37.9	44.9	62.8	-
Operating Revenues	**3,531.6**	**3,188.7**	**3,542.3**	**3,631.6**	**3,233.3**	**2,656.5**	**2,965.9**	-
Electricity	1,694.0	1,563.3	1,693.0	1,677.0	1,464.8	1,045.2	1,343.9	-
Gas	218.6	167.0	167.2	270.3	218.3	128.0	98.5	-
Fuel	351.7	255.0	427.0	448.8	272.3	273.4	287.3	-
Materials and goods for resale	8.9	16.6	18.6	19.9	17.1	16.8	11.1	-
Direct Activity Costs	**2,273.2**	**2,001.9**	**2,305.8**	**2,415.9**	**1,972.5**	**1,463.5**	**1,740.8**	-
Gross Profit	**1,258.3**	**1,186.7**	**1,236.5**	**1,215.7**	**1,260.8**	**1,193.0**	**1,225.1**	-
Supplies and services	170.6	184.6	174.9	205.7	165.5	187.9	176.3	-
Personnel costs	148.5	153.0	133.4	138.7	141.3	142.5	124.5	-
Costs with social benefits	29.1	28.7	76.2	27.1	35.4	30.6	44.1	-
Concession fees	59.1	58.4	59.3	58.8	61.8	62.5	61.9	-
Other operating costs (net)	42.3	(14.0)	7.1	0.5	7.6	8.0	1.8	-
Operating costs	**449.6**	**410.8**	**450.9**	**430.9**	**411.7**	**431.5**	**408.5**	-
EBITDA	**808.7**	**775.9**	**785.6**	**784.8**	**849.1**	**761.4**	**816.6**	-
Provisions	0.3	17.2	11.0	3.6	4.7	14.1	15.2	-
Depreciation and amortisation	293.1	355.0	309.2	348.3	338.5	327.8	337.5	-
Compensation of depreciation and amortisation	(26.6)	(27.8)	(27.3)	(31.9)	(26.2)	(27.7)	(29.0)	-
EBIT	**541.8**	**431.6**	**492.6**	**464.9**	**532.1**	**447.2**	**492.8**	-
Capital gains/(losses)	27.0	454.6	1.3	(1.1)	12.9	15.0	2.8	-
Financial Results	(184.3)	(327.1)	(182.3)	(249.0)	(165.5)	(121.7)	(92.1)	-
Results from associated companies	9.8	9.2	8.5	7.2	4.6	9.1	7.2	-
Pre-tax profit	**394.2**	**568.2**	**320.2**	**222.0**	**384.1**	**349.6**	**410.6**	-
Income taxes	92.8	91.3	57.4	42.4	88.0	105.5	115.6	-
Discontinued Activities	-	(8.5)	0.0	-	-	-	-	-
Net Profit for the period	301.4	468.5	262.8	179.6	296.1	244.1	295.0	-
Net Profit Attributable to EDP	**263.3**	**439.7**	**236.9**	**151.9**	**265.3**	**214.1**	**268.6**	-
Minority interests	38.1	28.8	25.9	27.7	30.8	30.0	26.4	-

Income Statement by Business Area

9M09 (€ m)	Generation Iberia	Supply Iberia	EDP Renováveis	Distribution Iberia	Gas Iberia	Energias do Brasil	Other & Adjustments	EDP Group
Operating Revenues	**2,591.8**	**1,255.5**	**440.9**	**3,677.7**	**859.0**	**1,199.7**	**(1,168.9)**	**8,855.7**
Direct Activity Costs	**1,356.6**	**1,183.5**	**5.8**	**2,523.1**	**615.5**	**632.2**	**(1,140.0)**	**5,176.8**
Gross Profit	**1,235.2**	**72.0**	**435.0**	**1,154.6**	**243.5**	**567.4**	**(28.9)**	**3,678.9**
Supplies and services	113.6	36.2	103.5	259.8	39.7	84.1	(107.0)	529.8
Personnel costs	79.4	8.3	30.3	138.6	20.5	54.7	76.6	408.3
Costs with social benefits	27.6	0.2	0.3	67.9	0.4	13.5	0.1	110.1
Other operating costs (net)	20.3	(9.4)	(67.6)	172.8	13.2	28.2	46.1	203.6
Operating costs	**240.7**	**35.3**	**66.5**	**639.1**	**73.8**	**180.5**	**15.8**	**1,251.8**
EBITDA	**994.5**	**36.8**	**368.5**	**515.5**	**169.7**	**387.0**	**(44.8)**	**2,427.1**
Provisions for risks and contigencies	8.6	(2.5)	(0.1)	1.9	0.2	7.6	18.3	34.0
Net Depreciation and amortisation [1]	321.4	2.3	219.9	212.4	33.3	83.1	48.6	921.0
EBIT	**664.5**	**36.9**	**148.8**	**301.1**	**136.1**	**296.3**	**(111.7)**	**1,472.2**

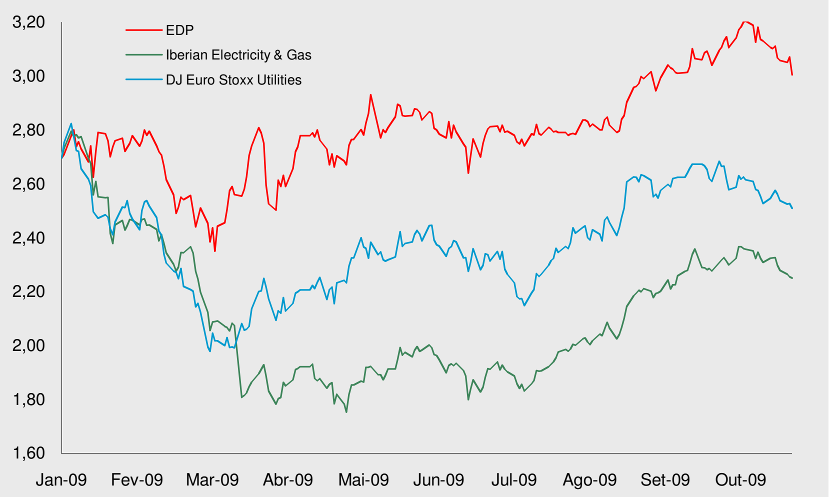
9M08 (€ m)	Generation Iberia	Supply Iberia	EDP Renováveis	Distribution Iberia	Gas Iberia	Energias do Brasil	Other & Adjustments	EDP Group
Operating Revenues	**3,050.8**	**924.2**	**371.1**	**4,585.1**	**1,011.3**	**1,438.3**	**(1,118.3)**	**10,262.5**
Direct Activity Costs	**1,903.8**	**874.8**	**10.5**	**3,345.4**	**795.5**	**755.6**	**(1,104.6)**	**6,581.0**
Gross Profit	**1,147.1**	**49.4**	**360.6**	**1,239.6**	**215.8**	**682.7**	**(13.7)**	**3,681.5**
Supplies and services	114.5	36.3	70.6	242.1	35.7	112.9	(82.0)	530.1
Personnel costs	85.8	8.3	25.1	144.8	19.9	77.5	73.5	434.9
Costs with social benefits	26.7	0.2	0.8	93.7	0.4	15.0	(2.8)	134.1
Other operating costs (net)	32.5	(18.7)	(42.4)	150.8	5.4	23.3	61.4	212.3
Operating costs	**259.5**	**26.1**	**54.1**	**631.3**	**61.4**	**228.8**	**50.1**	**1,311.4**
EBITDA	**887.6**	**23.3**	**306.5**	**608.3**	**154.3**	**454.0**	**(63.9)**	**2,370.1**
Provisions for risks and contigencies	6.9	11.0	0.4	2.2	2.2	7.6	(1.8)	28.5
Net Depreciation and amortisation [1]	284.1	1.7	147.1	207.9	32.2	143.6	59.1	875.6
EBIT	**596.6**	**10.6**	**159.0**	**398.2**	**120.0**	**302.8**	**(121.2)**	**1,466.0**

[1] Depreciation and amortisation expense net of compensation of depreciation and amortisation

Annex

EDP Share Performance

YTD EDP Stock Performance on Euronext Lisbon



EDP Stock Market Performance	YTD	52W	2008
	(28-10-2009)		
EDP Share Price (Euronext Lisbon - €)			
Close	3.00	3.00	2.70
Max	3.22	3.22	4.76
Min	2.34	2.29	2.06
Average	2.85	2.81	3.52
EDP's Liquidity in Euronext Lisbon			
Turnover (€ m)	4,288	5,196	9,864
Average Daily Turnover (€ m)	20	20	38
Traded Volume (million shares)	1,503	1,849	2,801
Avg. Daily Volume (million shares)	7.0	7.1	10.7
EDP Market Value			
Market Capitalisation (€ million)	10,984	-	9,854
Enterprise Value (€ million)	27,831	-	25,935

EDP's Main Events

Feb-05: EDP signs a €145 million loan with European Investment Bank

Feb-06: Fitch confirms EDP's long term credit rating to 'A-'

Feb-10: EDP issues EUR1bn 5 year bond

Mar-05: EDP assigns the right to receive the extraordinary tariff adjustments in respect of 2007 and 2008

Mar-05: EDP signed credit facility of €1,600 million

Mar-06: Resignation of members of the General and Supervisory Board

Mar-11: Tolling agreement with Iberdrola on Aguieira and Raiva hydro plants in Portugal

Mar-18: EDP acquires 532MW of wind projects in Rio Grande do Sul

Apr-15: EDP's Annual General Shareholders Meeting

Apr-23: EDP announces dividend payment to May 14th (€0.14 - Gross dividend)

May-7: Publication of RDL defining the conditions for the elimination of the Spanish tariff deficit

Jun-09: Moody's downgrades EDP to "A3" with stable outlook

Jun-18: EDP issues a €1bn 7 year bond

Jun-30: Energias do Brasil completes the sale of telecom company ESC90

Jul-20: EDP acquires €330m of gas assets in Spain from Gas Natural

Aug-04: Standard&Poor's affirms EDP's 'A-' rating and revised "outlook " from stable to negative

Aug-05: ANEEL approves a 15.12% tariff increase at EDP Escelsa's annual tariff readjustment process

Sep-01: EDP Renováveis establishes a new type of institutional partnership structure for 101 MW in the US

Sep-03: EDP remains the only portuguese company to be included on the Dow Jones World and Stoxx Sustainability Indices on 2009

Sep-23: EDP to issue US$1,000 million of Notes

Oct-7: EDP Bandeirante: ANEEL aproves final parameters for the Oct-07/Oct-11 regulatory period

Source: Bloomberg

EDP installed capacity & electricity generation

Installed Capacity - MW [1]	9M09	9M08	Δ MW	Δ 09/08
LT Contracted Generation (PPAs/CMECs)	**6,987**	**6,990**	**-3**	**0%**
Hydro	**4,094**	**4,094**	**-**	
Run off the river	1,860	1,860	-	
Reservoir	2,234	2,234	-	
Coal	**1,180**	**1,183**	**-3**	
Sines	1,180	1,183	-3	
Fuel oil	**1,713**	**1,713**	**-**	
Setúbal	946	946	-	
Carregado	710	710	-	
Barreiro	56	56	-	
Special Regime (Ex-Wind)	**457**	**435**	**21**	**5%**
Small-Hydro	160	160	-0	
Cogeneration+Waste	257	258	-1	
Biomass	40	18	22	
Liberalised Electricity Generation	**5,096**	**5,096**	**-**	**0%**
Hydro	**910**	**910**	**-**	
Portugal	484	484	-	
Spain	426	426	-	
Coal	**1,460**	**1,460**	**-**	
Aboño I	342	342	-	
Aboño II	536	536	-	
Soto Ribera II	236	236	-	
Soto Ribera III	346	346	-	
CCGT	**2,405**	**2,405**	**-**	**0%**
Ribatejo (3 groups)	1,176	1,176	-	
Castejón (2 group)	811	811	-	
Soto IV (1 group)	418	418	-	
Nuclear	**156**	**156**	**-**	
Trillo	156	156	-	
Gasoil	**165**	**165**	**-**	
Tunes	165	165	-	
Wind (More detail on page 16)	**4,882**	**3,502**	**1,379**	**39%**
Europe	2,573	2,005	568	28%
USA	2,295	1,497	798	53%
Brazil	14	-	14	-
Brazil (Ex-Wind)	**1,725**	**1,696**	**29**	**2%**
Hydro	**1,725**	**1,696**	**29**	**2%**
Lajeado	902	902	-	0%
Peixe Angical	452	452	-	0%
Energest	371	342	29	8%
TOTAL	**19,147**	**17,720**	**1,427**	**8%**

Electricity Generation (GWh)	9M09	9M08	Δ GWh	Δ 09/08
LT Contracted Generation (PPAs/CMECs)	**12,176**	**9,448**	**2,729**	**29%**
Hydro	**4,974**	**4,677**	**297**	**6%**
Run off the river	3,299	3,011	288	
Reservoir	1,675	1,666	9	
Coal	**6,943**	**4,545**	**2,398**	**53%**
Sines	6,943	4,545	2,398	
Fuel oil	**259**	**225**	**34**	**15%**
Setúbal	185	170	15	
Carregado	-3	-8	4	
Barreiro	77	62	15	
Special Regime (Ex-Wind)	**1,525**	**1,393**	**132**	**9%**
Small-Hydro	237	130	107	
Cogeneration+Waste	1,204	1,228	-24	
Biomass	83	34	49	
Liberalised Electricity Generation	**14,262**	**14,902**	**-640**	**-4%**
Hydro	**1,127**	**947**	**180**	**19%**
Portugal	484	419	65	
Spain	643	527	116	
Coal	**4,834**	**4,417**	**417**	**9%**
Aboño I	1,017	1,225	-208	
Aboño II	2,604	2,472	132	
Soto Ribera II	510	294	216	
Soto Ribera III	704	425	278	
CCGT	**7,507**	**8,680**	**-1,173**	**-14%**
Ribatejo (3 groups)	4,852	5,895	-1,043	
Castejón (2 group)	1,622	2,663	-1,041	
Soto IV (1 group)	1,032	121	911	
Nuclear	**795**	**859**	**-64**	**-7%**
Trillo	795	859	-64	
Gasoil	**-0**	**-0**	**-0**	
Tunes	-0	-0	-0	
Wind	**7,295**	**5,353**	**1,942**	**36%**
Europe	3,225	2,776	448	16%
USA	4,050	2,576	1,474	57%
Brazil	19	-		-
Brazil (Ex-Wind)	**5,097**	**3,647**	**1,450**	**40%**
Hydro	**5,097**	**3,647**	**1,450**	**40%**
Lajeado	2,385	990	1,395	
Peixe Angical	1,508	1,582	-74	
Energest	1,204	1,075	130	
TOTAL	**40,355**	**34,741**	**5,614**	**16%**

[1] Installed capacity that contributed to the revenues in the period.

EDP CO2 Emissions

CO2 Emissions	CO2 Emissions (absolute,MtCO2)		Specific (tones/GWh)		Net Production (GWh)	
	9M09	9M08	9M09	9M08	9M09	9M08
TOTAL PPA's/CMECs	**6,369**	**4,421**			**7,553**	**5,118**
Coal	6,027	4,088	0.87	0.90	6,943	4,545
Fuel Oil + Natural Gas	342	333	0.56	0.58	610	573
TOTAL LIBERALISED GENERATION	**8,465**	**8,619**			**12,340**	**13,096**
Coal	5,700	5,578	1.18	1.26	4,834	4,417
CCGT	2,764	3,041	0.37	0.35	7,507	8,680
SPECIAL REGIME	**744**	**754**	**0.27**	**0.29**	**2,733**	**2,592**
TOTAL PRODUCTION THERMAL	**15,578**	**13,794**	**0.69**	**0.66**	**22,627**	**20,807**
CO_2 FREE GENERATION					**18,730**	**14,753**
TOTAL PRODUCTION			**0.38**	**0.39**	**41,357**	**35,560**