



# Results Presentation 2014

Lisbon, March 4<sup>th</sup>, 2015



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# 2014: Highlights of the period



**EBITDA: €3,642m, +1% YoY**

**Iberia (ex-EDPR): EBITDA +1%** excluding one-offs<sup>(1)</sup>

Strong hydro, good energy management and tight cost control compensate regulatory cuts

**EDP Renováveis: EBITDA -2%**

New capacity additions not enough to compensate remuneration cuts and low power prices in Spain

**EDP Brasil: EBITDA +3% in Euro terms, +12% in local currency**

Excluding one-offs<sup>(2)</sup>: EBITDA -18% in local currency, penalised by the drought

**Net Profit: €1.040m, +4% YoY**

**Cash Dividend Per Share 2014: €0.185<sup>(3)</sup> (65% pay-out)**

# 2014: Highlights of the period



**Net debt decreased €41m YoY to €17.0bn in Dec-14**  
Including €0.4bn adverse forex impact due to stronger USD

**Regulatory receivables owed to EDP: -€0.2bn YoY to €2.5bn by Dec-14**

Portuguese electricity system global regulatory receivables: €5.3bn by Dec-14, fully in line with expectations

**Net Investments<sup>(1)</sup>: €1,794m (-20% YoY);** Capex focused on hydro in Portugal and wind, mostly in US

**Cost of debt: 4.7% (+30bps);** financial liquidity: €6.1bn by Dec-14; average debt maturity: 4 years;

**Jan-15: EDP back to Investment Grade Status**

Moody's: Baa3/stable outlook; Fitch: BBB-/stable outlook; S&P: BB+/positive outlook

**Low-risk profile: Portfolio highly regulated/LT contracted, diversified markets and competitive assets**

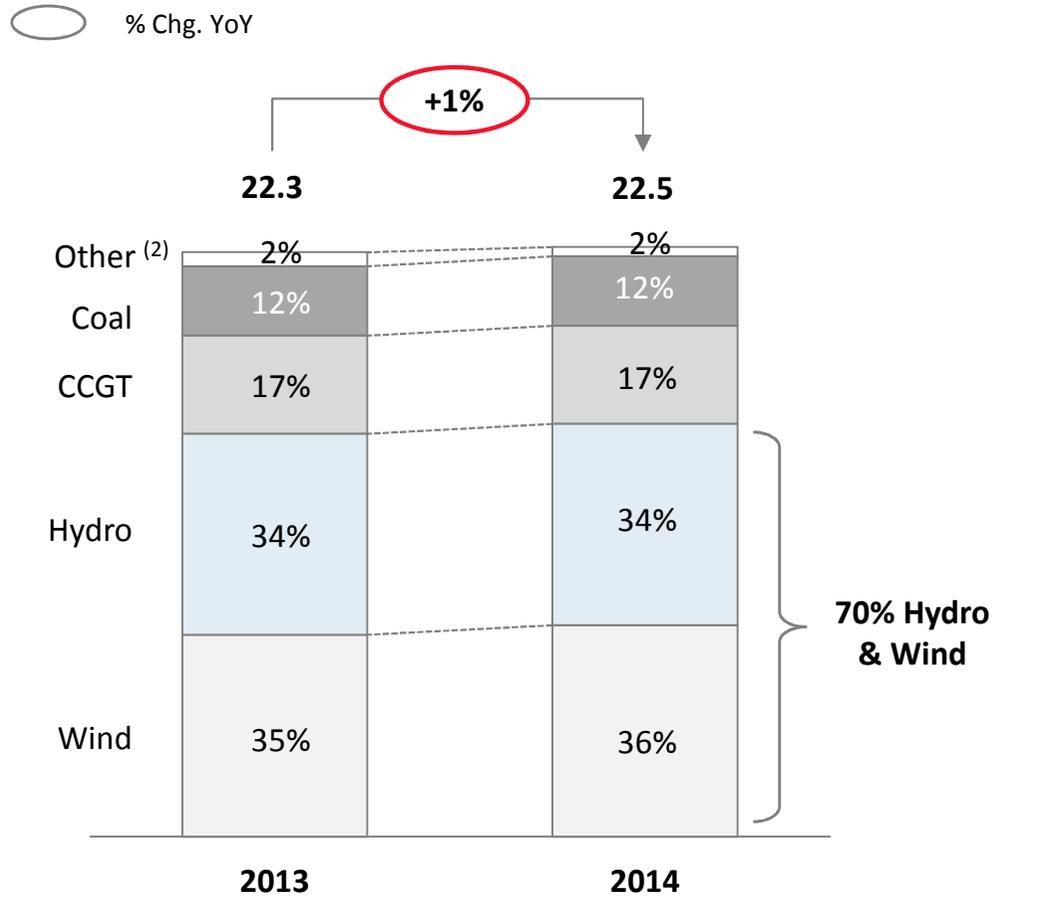
**Focus on risk control + efficiency improvements + delivery of ongoing growth projects**

(1) Net investments (2014) = Capex net of investment subsidies (€1,872m) + Financial Investments (€137m) – Proceeds from asset rotation deals at EDPR level (€215m)

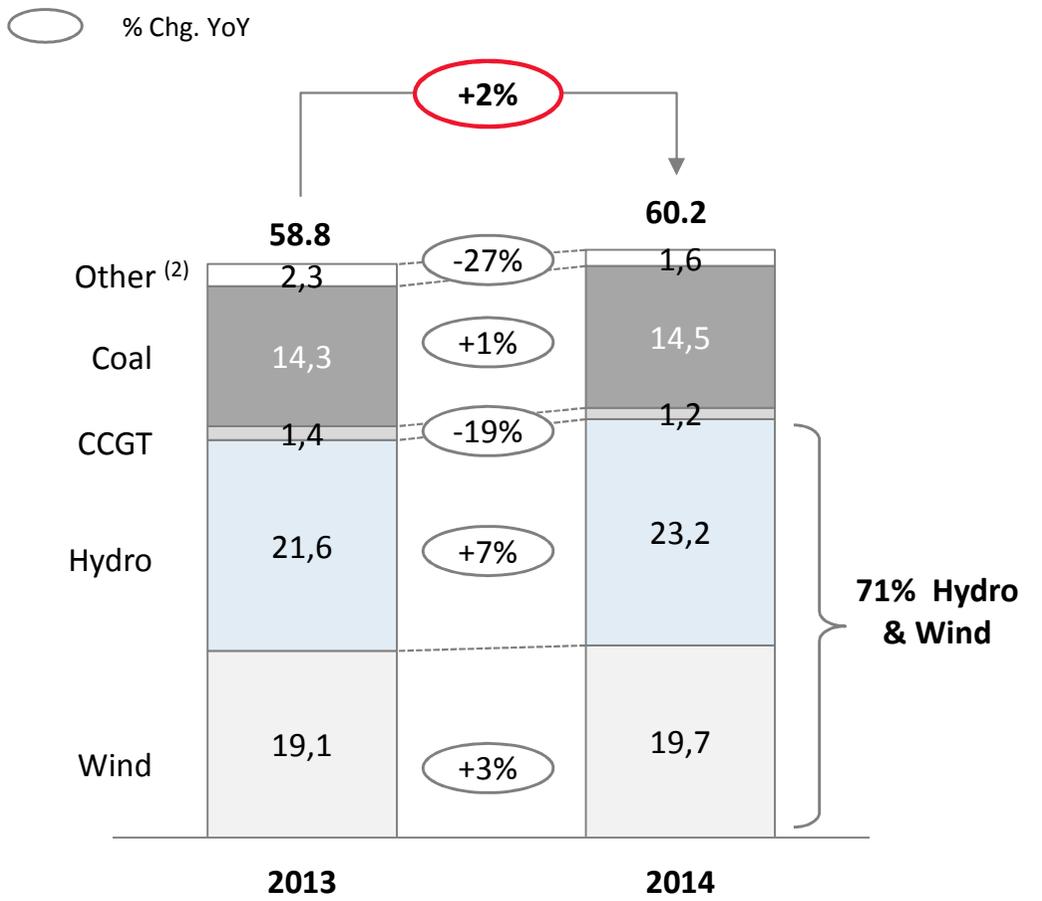
# EDP's generation mix: Increasing weight of Hydro & Wind



**Installed Capacity<sup>(1)</sup>  
(GW)**



**Generation Breakdown by Technology  
(TWh)**



**Installed capacity +1%: +0.4GW of new wind mostly in US; shut down of 0.2GW old oil & cogen in Portugal**

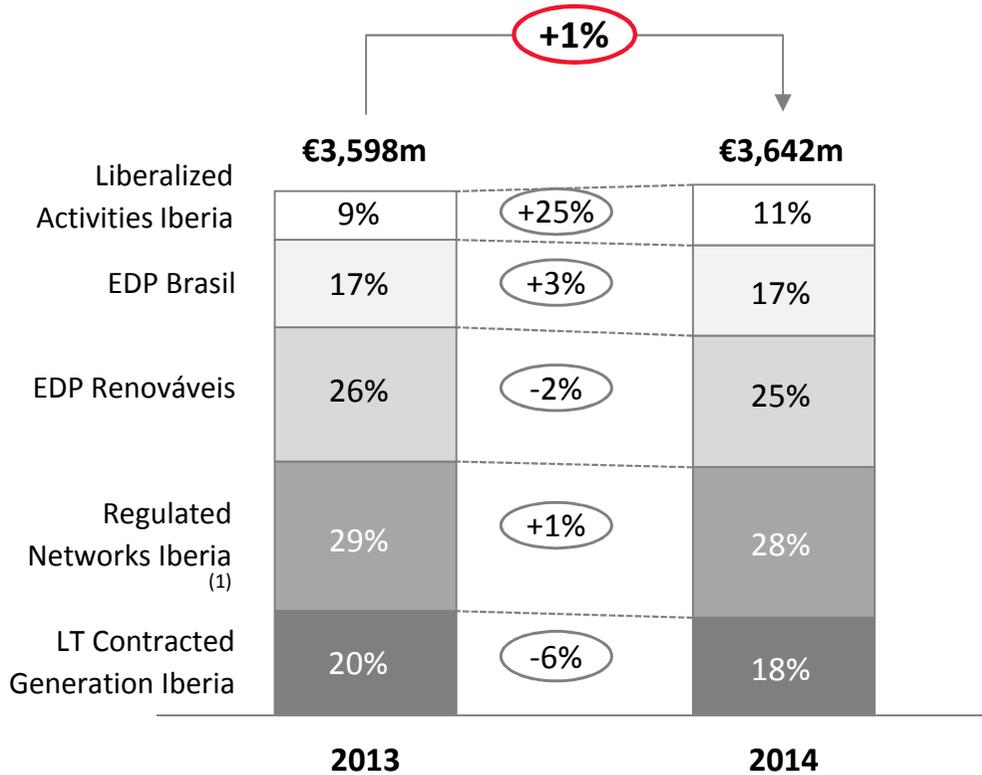
**Power production +2% due to rainy weather in Iberia and YoY wind capacity increase**

(1) Excluding Equity Consolidated capacity (1.5 GW in 2014 vs. 1.2 GW in 2013); (2) Thermal special regime (cogeneration and waste), nuclear and solar

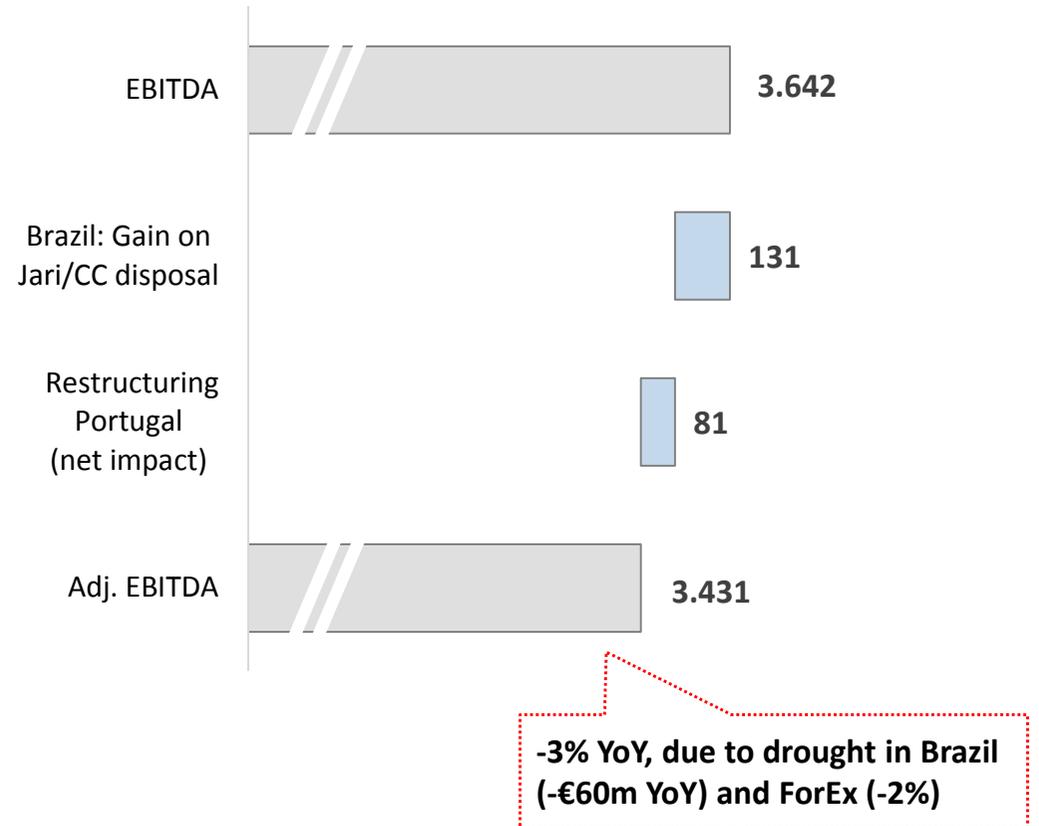
# EBITDA Breakdown

## EBITDA Breakdown by division (€ million)

○ % Chg. YoY



## Adjusted EBITDA in 2014 (€ million)



**EBITDA reflects resilient performance in Iberia, drought in Brazil and lower revenues in EDPR Spain**

**Adjusted EBITDA at €3,431bn in 2014, -3% YoY**

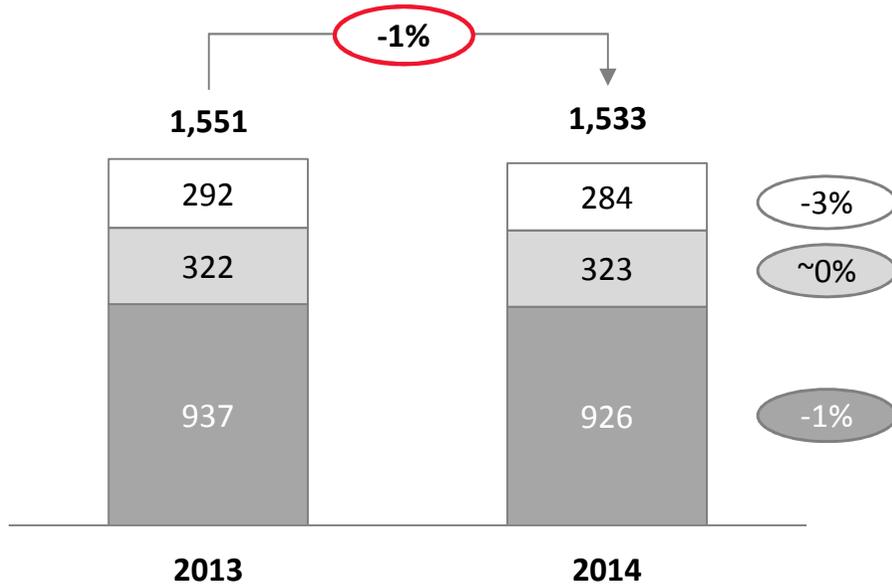
**ForEx impact: -2% or -€56m, mostly due to 8% devaluation of BRL vs. Euro**

(1) Includes regulated networks and other; (2) Net impact from the new Collective labour agreement (€129m) and costs with early-retirement program (-€48m)

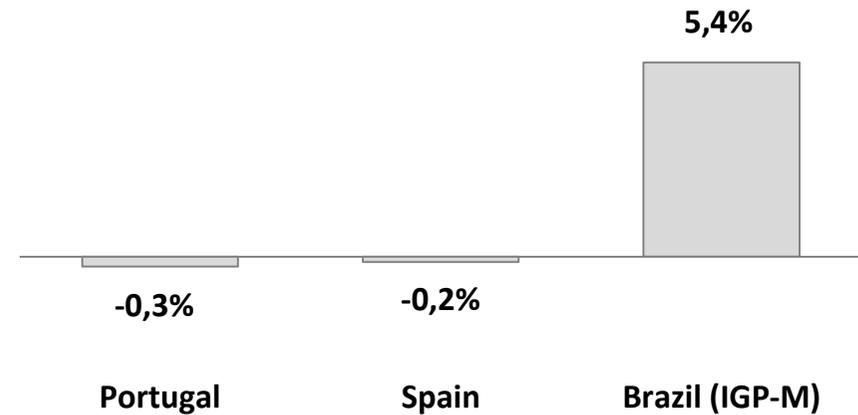
# Operating costs: -1% YoY

**Operating costs<sup>(2)</sup>: 2014 vs. 2013**  
(€ million)

□ Brazil    □ EDPR    ■ Iberia



**2014 YoY Inflation<sup>(3)</sup>**  
(%)



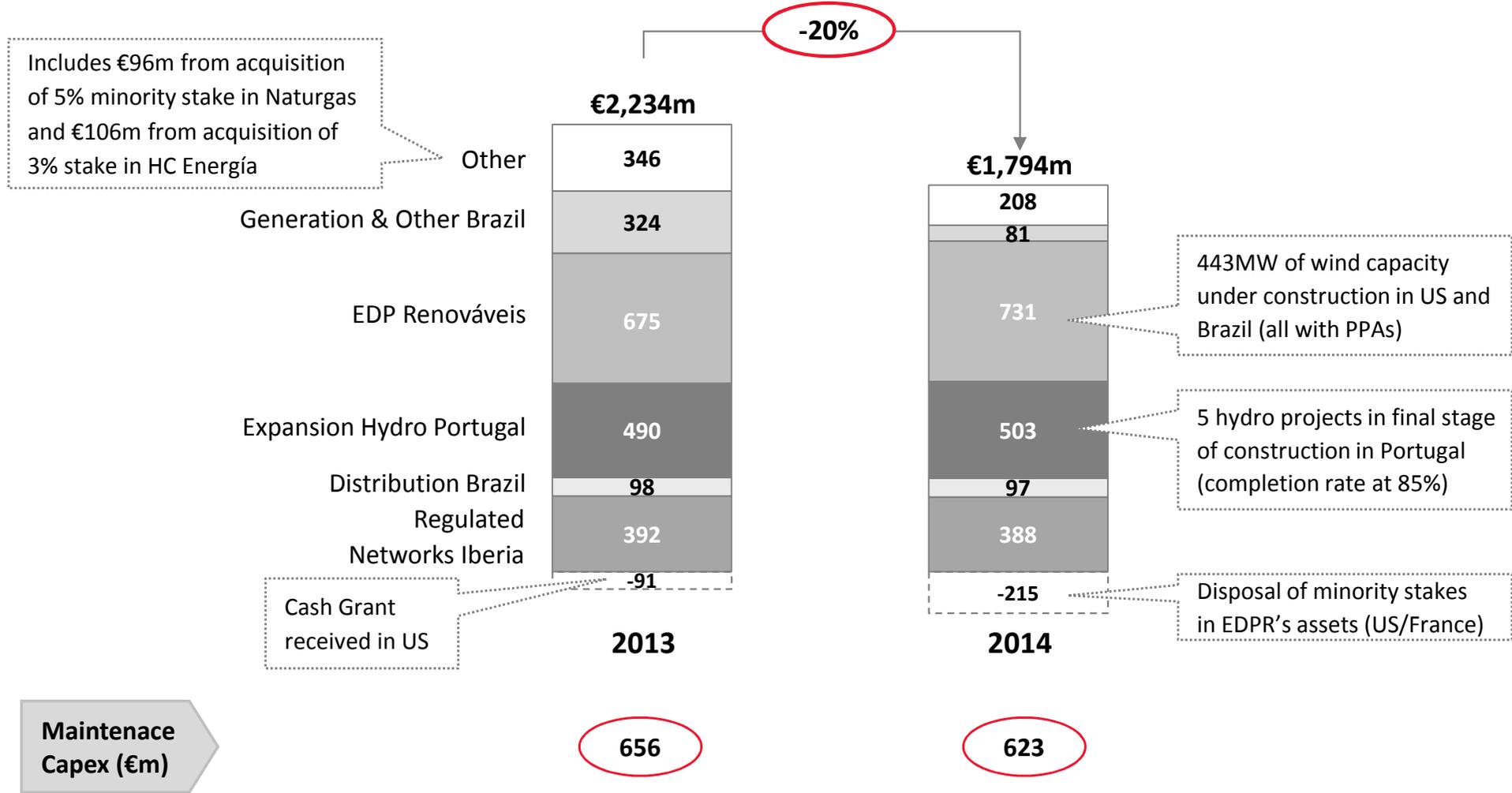
- **Iberia:** -1% YoY on successful execution of OPEX III program and headcount reduction (early retirements in Portugal)
- **EDPR:** stable despite the 5% increase in installed capacity
- **Brazil:** -3% in Euro terms; +6% in local currency, in line with inflation (includes +6.5% annual salary update)

**OPEX III efficiency program: €144m savings accomplished until Dec-14; 2015 target anticipated for 2014; Opex/Gross Profit<sup>(1)</sup> at 28% in 2014**

(1) Gross profit adjusted for PTC revenues; (2) OPEX=Supplies & Services + Personnel costs & employees benefits (excluding impacts from restructuring issues: €81m in 2014 vs. 9m in 2013); (3) Portugal and Spain: INE; Brazil: FVG; monthly average for IGP-M.

# Investments: Focus on new wind & hydro and Regulated networks

Net Investments breakdown by division <sup>(1)</sup>  
(€ million)



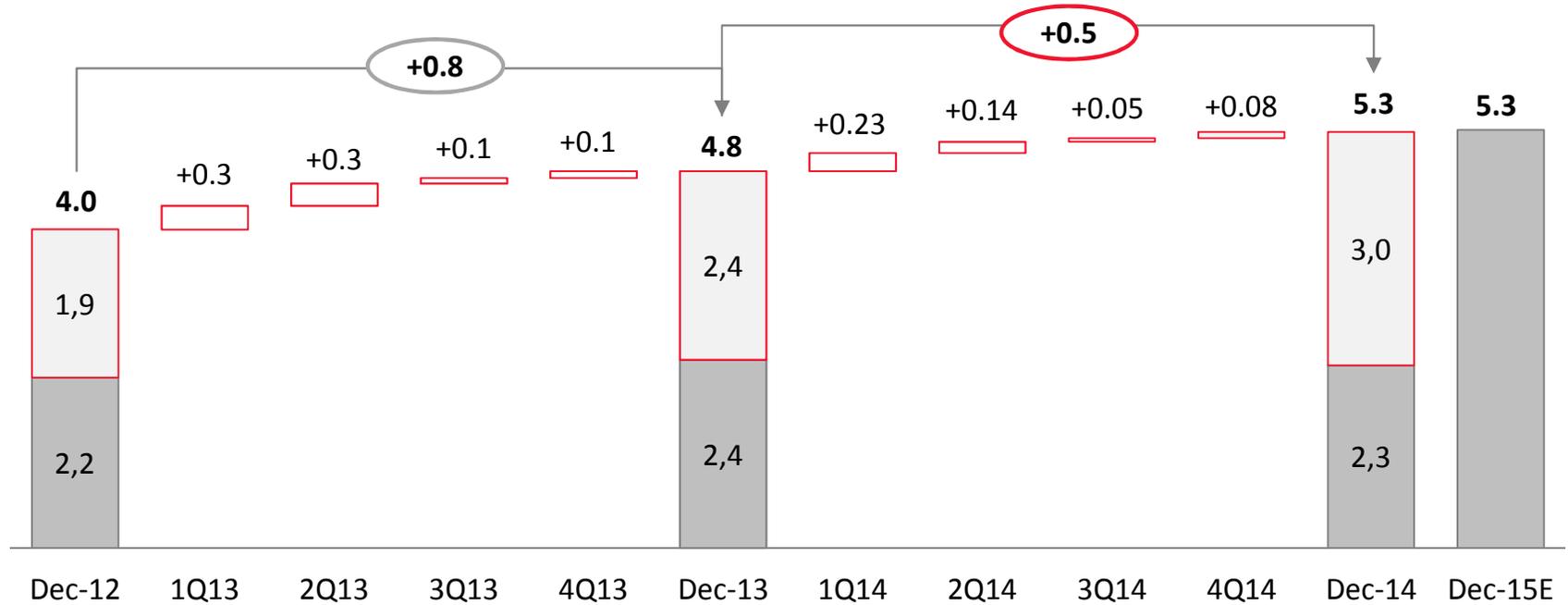
**Adjusted for pending proceeds from asset rotation (\$343m in 1Q15E): Net Investments 2014 <€1.6bn**

(1) Capex net of investment subsidies + Financial Investments - Proceeds from EDPR's asset rotation strategy (2014: €38m received from Axpo Group in France; €17m from sale to Northleaf in Canada and €160m EFG Hermes, in France)

# Regulatory receivables in Portugal

## Global Regulatory receivables in the Portuguese electricity system (€bn)

- Owed to Financial Investors (Securitized)
- Owed to EDP



Demand growth (%)

-2.8%	-2.2%	-1.1%	+2.0%	+2.2%	+0.2%	+0.7%	+0.0%	-2.1%	-1.5%	-0.7%
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Wind factor (1.0 = avg.)

1.03	1.36	1.19	0.99	1.12	1.18	1.40	1.08	0.96	0.99	1.11
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Special Regime Premium (€/MWh)

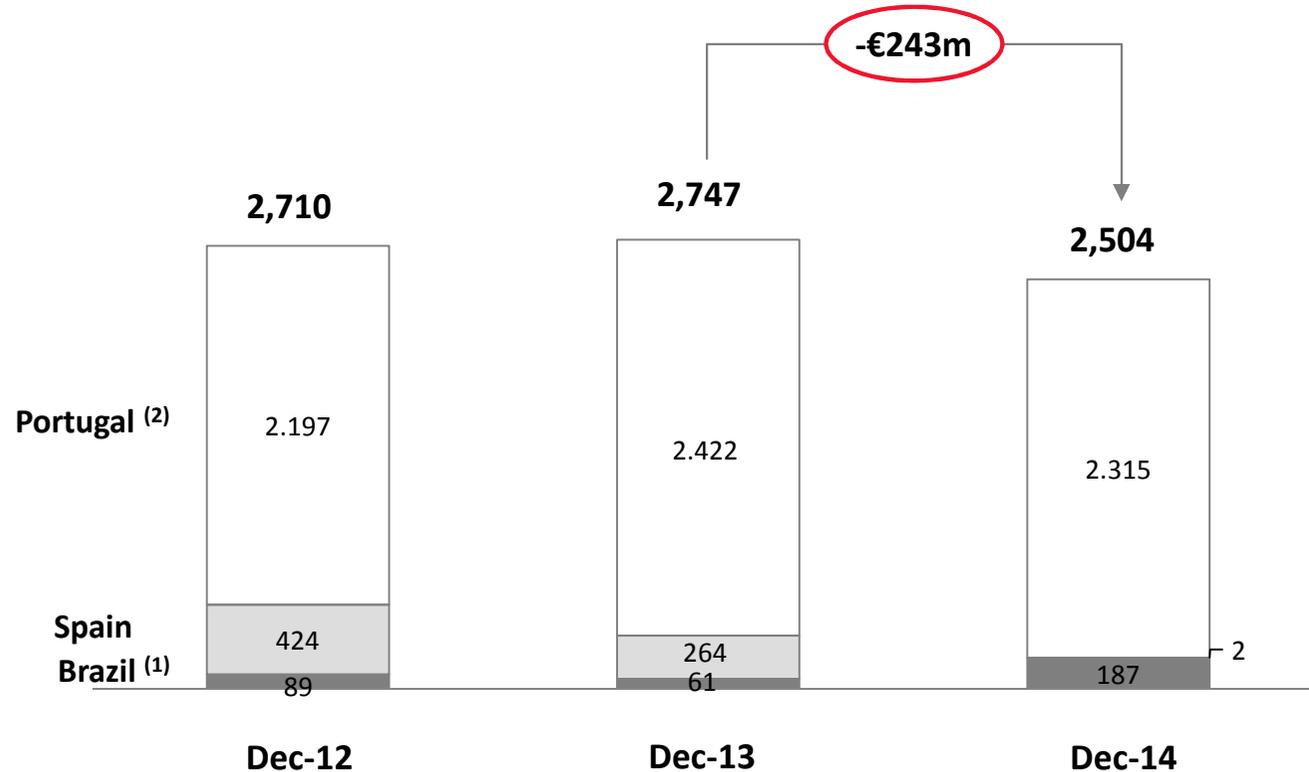
68	71	80	65	50	66	81	73	64	52	69
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4Q14: +€80m QoQ on weak demand (mild weather) and normalized wind volumes/power prices  
**€5.3bn by Dec-14: fully in line with guidance provided one year ago**

# Evolution of EDP's total regulatory receivables



## EDP's Net Regulatory Receivables (€ million)



- **Portugal: -€107m YoY** (Securitisations: -€1,262m; Ex-ante deficit: +€1,534m; Net deviations<sup>(3)</sup>: -€379m)
- **Spain: -€262m YoY to almost zero**, following securitization of remaining 2013 tariff deficit
- **Brazil: +€126m YoY**, due to higher costs with thermal generation: fully booked in balance sheet since Dec-14

(1) Brazil's Regulatory Receivables are out of Balance Sheet;

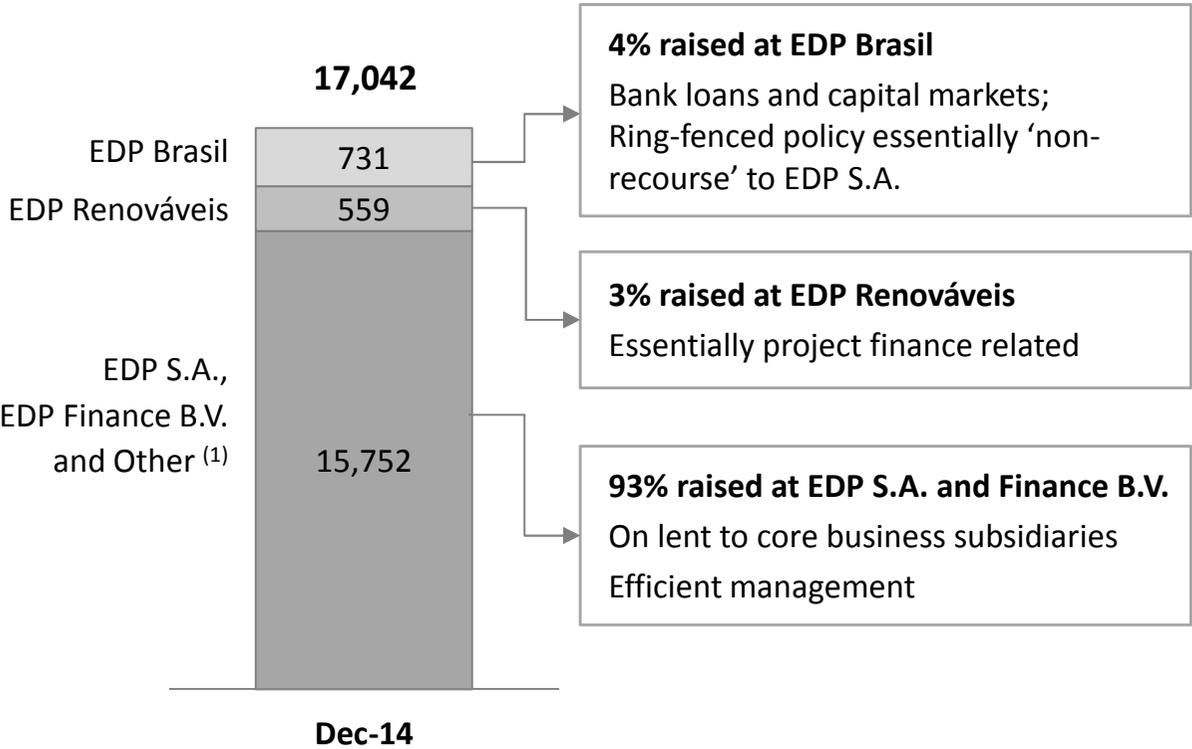
(2) Includes electricity and gas regulated activities in Portugal;

(3) Includes new deviations generated, net of recoveries from deviations and past deficits

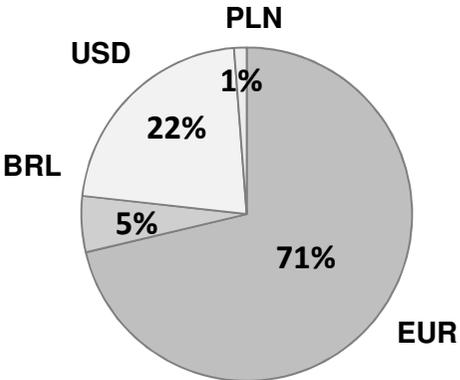


# EDP's Net Debt Breakdown: Dec-14

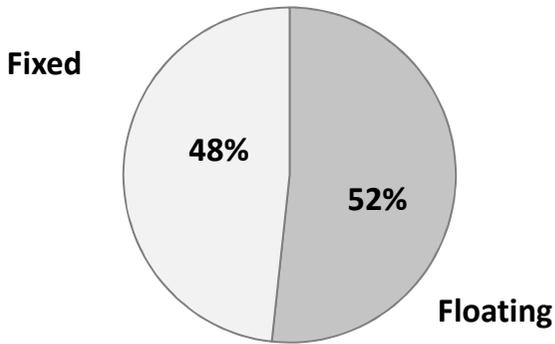
EDP consolidated net debt position: Dec-14  
(€ million)



EDP consolidated debt by currency: Dec-14  
(%)



Debt by interest rate term: Dec-14  
(%)



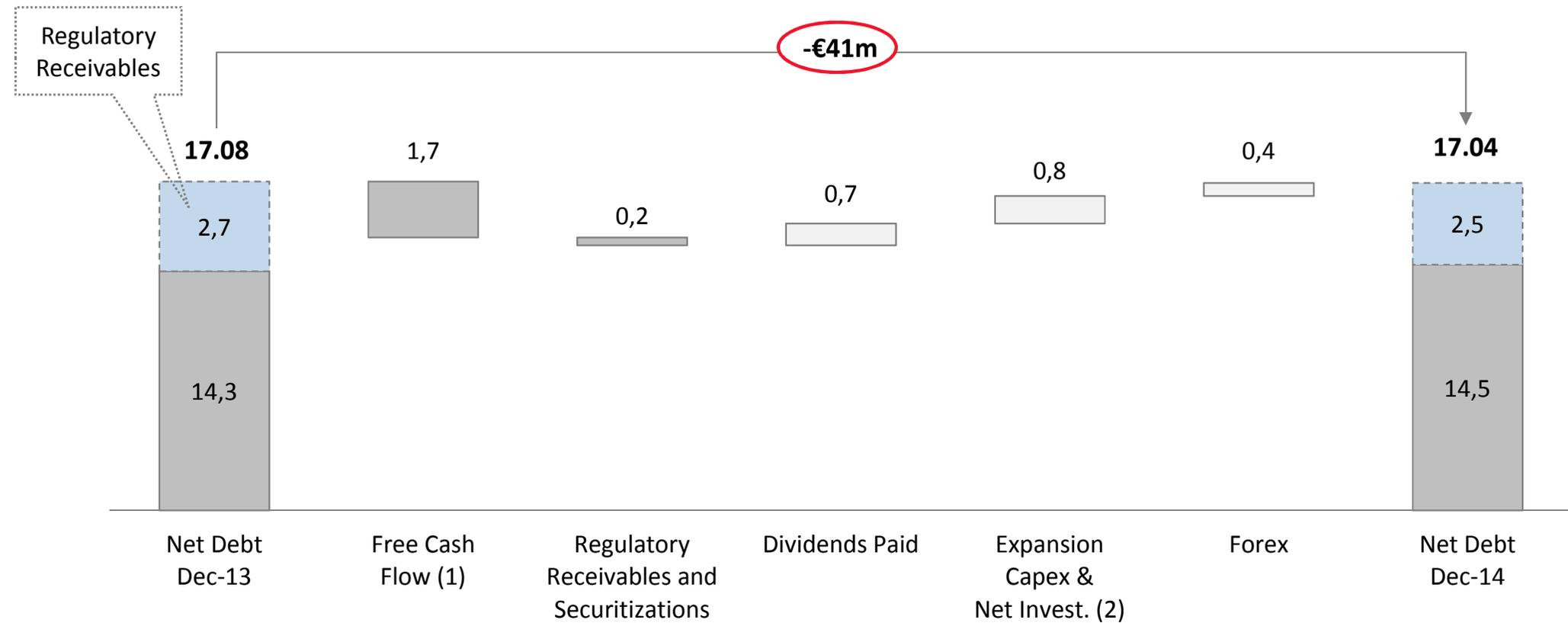
**Debt essentially issued at holding level through both capital markets (public and private) and bank loans**  
**Investments and operations funded in local currency to mitigate ForEx risk**  
**Floating rates: 52% weight provides hedging on inflation**

(1) Including accrued interest, fair value hedge and collateral deposits associated with debt.

# 2014 Change in Net Debt

## Change in Net Debt: Dec-14 vs. Dec-13

(€ billion)



**Negative ForEx impact: €403m mostly due to the USD appreciation vs. the Euro**

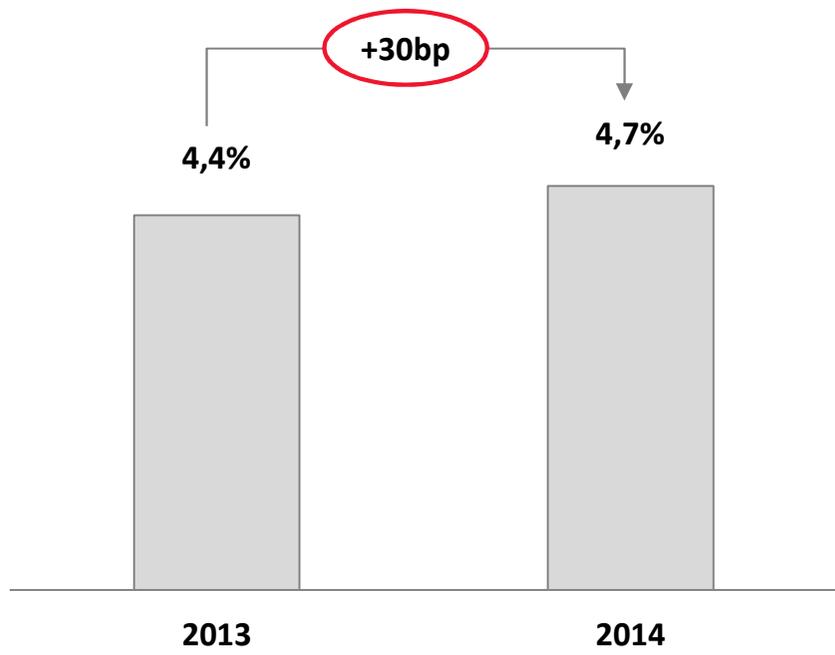
(1) EBITDA - Maintenance capex - Interest paid - Income taxes + Chg. in working capital;

(2) Expansion capex, Net investments and Chg. in working capital from equipment suppliers

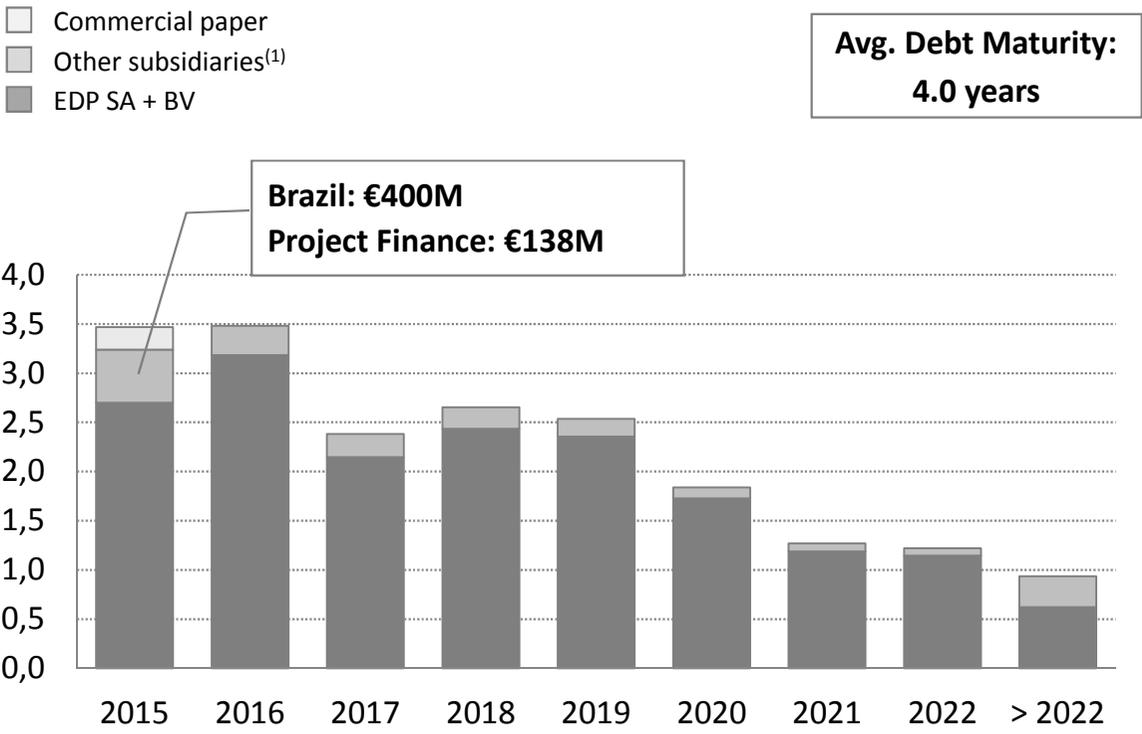
# Financial Debt: Average cost and maturity profile



**Avg. Cost of Debt: 2014 vs. 2013 (%)**



**EDP consolidated debt maturity profile as of Dec-14 (€ billion)**



**Higher avg. cost of debt justified by some debt matured over 2014 which was paying a low avg. interest**  
**Average debt maturity by Dec-14: 4.0 years (vs. 3.9 years as of Dec-13)**

(1) Includes essentially EDP Brasil and project finance at EDPR level.

# Financial Liquidity position



(€ million)

## Sources of liquidity (Dec-14)

Instrument	Maximum Amount	Number of counterparties	Utilised	Available	Maturity
Revolving Credit Facility	3,150	21	0	3,150	Jun-2019
Revolving Credit Facility	100	1	0	100	Dec-2016
Domestic Credit Lines	199	9	0	199	Renewable
Underwritten CP Programmes	100	1	0	100	Oct-2016
<b>Total Credit Lines</b>	<b>3,449</b>		<b>0</b>	<b>3,549</b>	
<b>Cash &amp; Equivalents:</b>				<b>2,625</b>	
<b>Total Liquidity Available</b>				<b>6,174</b>	

**Financial liquidity by Dec-14: €6.1bn**

# Main sources and uses of funds

## Sources of funds

- |                                    |        |
|------------------------------------|--------|
| ▪ Cash & Equivalents (Dec-14) :    | €2.6bn |
| ▪ Available Credit Lines (Dec-14): | €3.5bn |

<b>TOTAL</b>	<b>€6.1bn</b>
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## Use of funds

- |                                     |         |
|-------------------------------------|---------|
| ▪ <b>Refinancing needs in 2015:</b> |         |
| Bonds maturing in Mar-15            | €1.0bn  |
| Bonds maturing in May-15            | €0.25bn |
| Bonds maturing in Jun-15            | €0.5bn  |
| Loans maturing in 2015:             | €1.0bn  |

<b>Total 2015</b>	<b>€2.7bn</b>
-------------------	---------------

- |                                     |               |
|-------------------------------------|---------------|
| ▪ <b>Refinancing needs in 2016:</b> | <b>€3.0bn</b> |
|-------------------------------------|---------------|

<b>TOTAL</b>	<b>€5.7bn</b>
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**Financial liquidity covers refinancing needs until the end of 2016**

# Net Profit breakdown

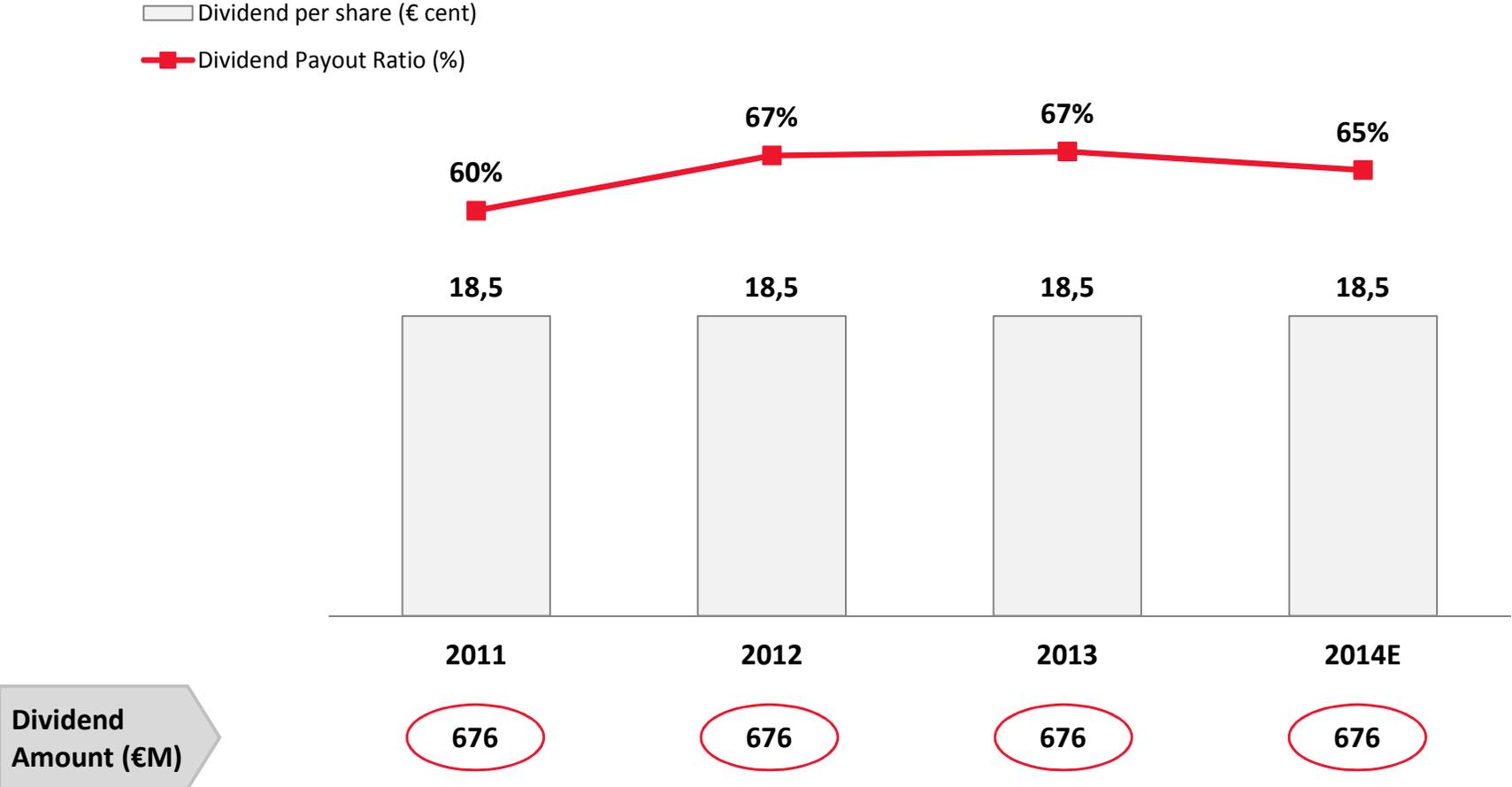
(€ million)	2013	2014	Δ %	Δ Abs.	
<b>EBITDA</b>	<b>3,598</b>	<b>3,642</b>	<b>+1%</b>	<b>+44</b>	
Net Depreciations and Provisions	1,480	1,449	-2%	-30	Extension of useful life for some thermal plants In 2014, includes impairments of ~€60m
<b>EBIT</b>	<b>2,118</b>	<b>2,193</b>	<b>+4%</b>	<b>+75</b>	<ul style="list-style-type: none"> <li>EDP Asia capital gain (€118m in 2014)</li> <li>Higher cost of debt (+30bp to 4.7%) outstands lower avg. net debt (-€0.4bn YoY)</li> <li>Tariff deficit securitisation gains (+€28m YoY)</li> </ul>
Financial Results & Associated Companies	(712)	(557)	-22%	+156	
Income Taxes	212	311	+46%	+99	
Extraordinary Energy Tax in Portugal	-	61	+100%	+61	Extraordinary tax of 0.85% on net fixed assets introduced in 2014 for energy operations in Portugal
Non-controlling interests	189	223	+18%	+35	Higher net profit of EDP Brasil and EDPR's sale of minority stakes in wind farms
<b>Net Profit</b>	<b>1,005</b>	<b>1,040</b>	<b>+4%</b>	<b>+35</b>	Adjusted net profit <sup>(1)</sup> : €905m in 2014, -8% YoY

(1) Net profit in 2014 adjusted for the impact from the sale of 50% of Jari/Cachoeira-Caldeirão (€50m gain), restructuring (new CLA net of costs with early-retirement program; €55m net gain), impairments (€26m), sale of 50% stake in EDP Asia (€118m) and Extraordinary energy tax in Portugal (€61m).

# 2014 Dividend Payment



## EDP's dividend performance 2011-2014E (€ cents; %)



**€0.185 dividend per share, payout ratio of 65%**

(1) Source: Bloomberg Best Estimate Payout Ratio 2014 (based on Adjusted EPS excluding one-offs / special events).  
(2) Considering a dividend of €0.185 per share to be proposed and approved in the next AGM, and based on EDP 2014 Net Income of €1,040m.



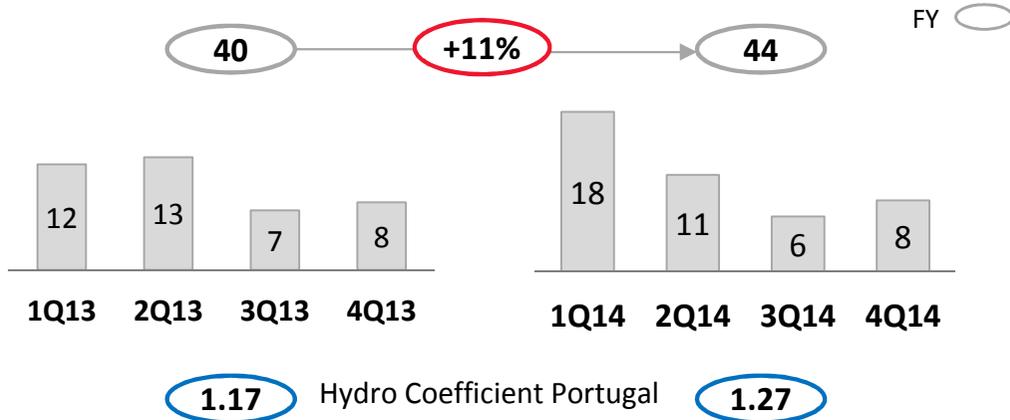
# Business Areas

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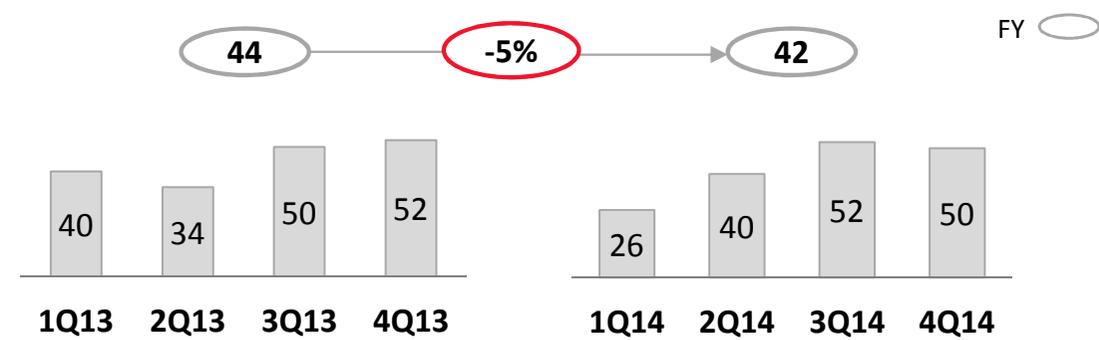
# Electricity market environment in Iberia: 2014 vs. 2013



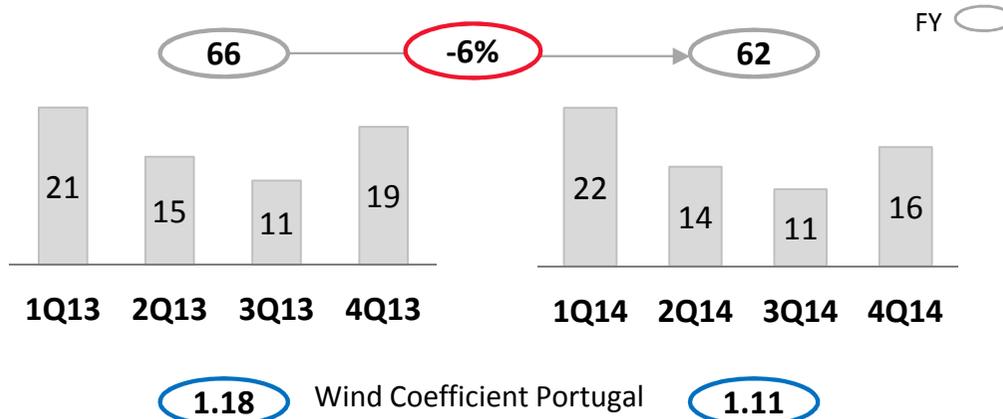
## Hydro & Mini-Hydro Power Production – Iberia <sup>(1)</sup> (TWh)



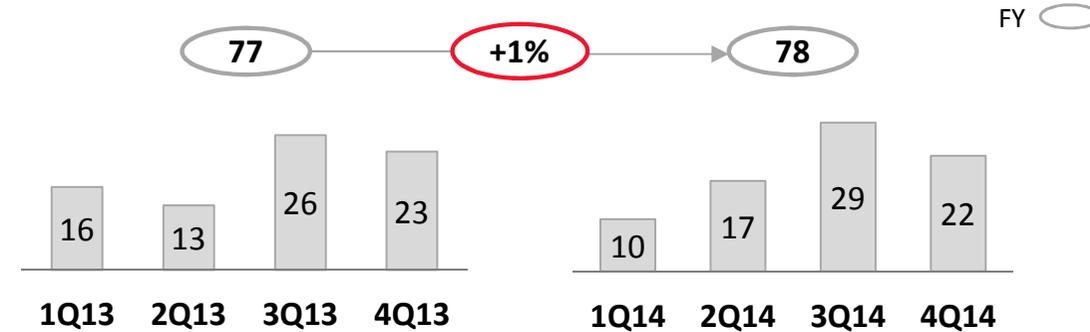
## Avg. Pool Price in Spain (€/MWh)



## Wind Power Production – Iberia (TWh)



## Thermal Power Production in Iberian market (TWh)



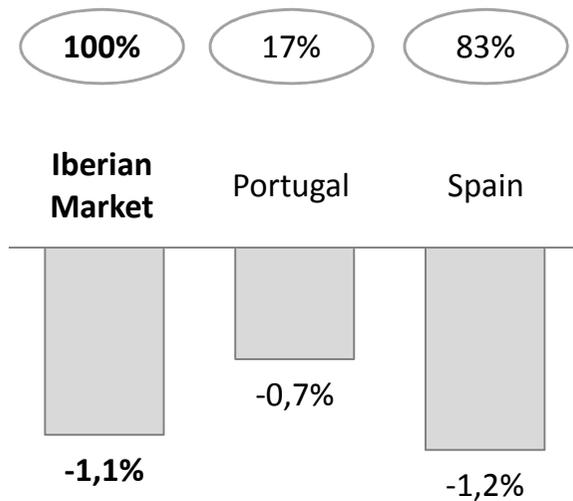
Lower wind and hydro volumes in 2H14 vs. 1H14 allowed recovery of thermal production and pool prices

(1) Net of pumping

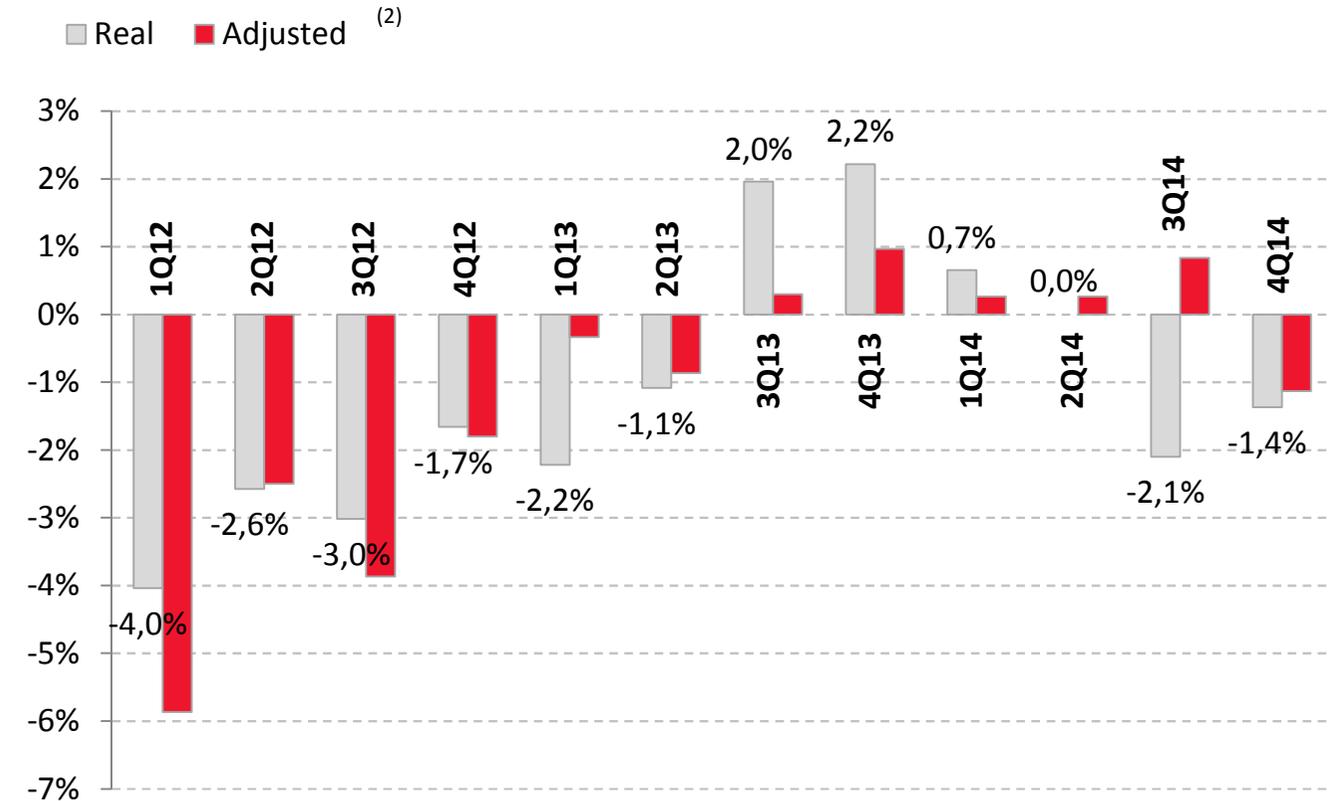
# Iberia: Electricity Demand

**Electricity Demand in Iberian Market 2014 <sup>(1)</sup>**  
( $\Delta\%$  YoY)

○ % Weight in Iberia in 2014



**Electricity demand Portugal <sup>(1)</sup>**  
( $\Delta\%$  YoY)



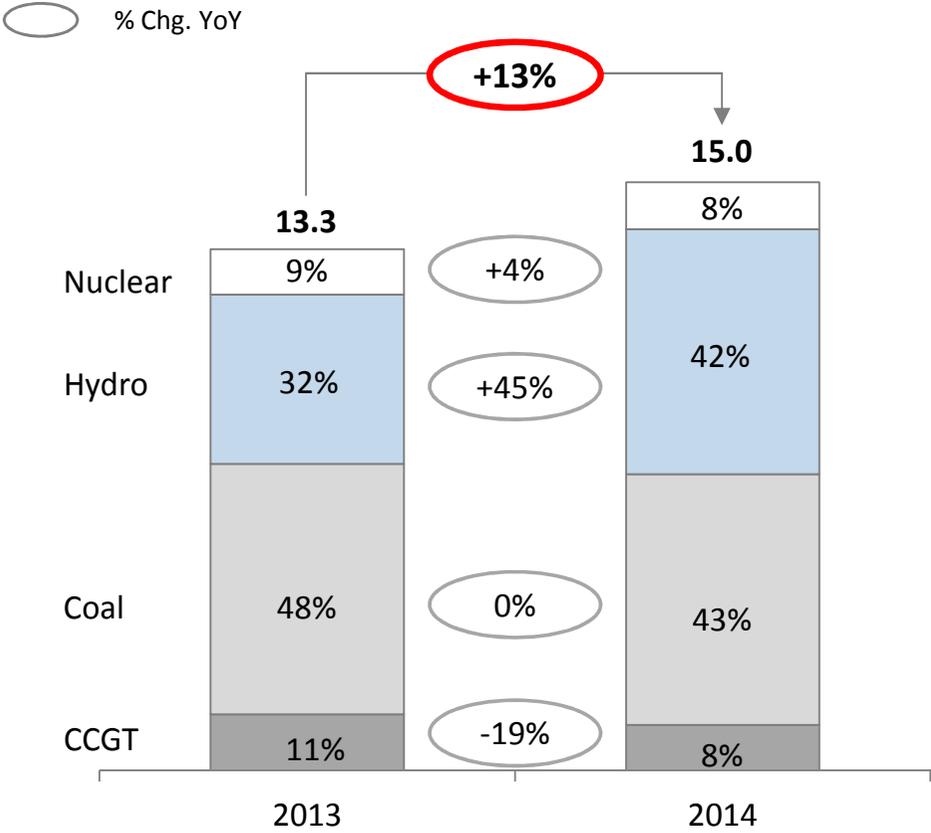
**Electricity demand in 2014: -1.1% on milder weather**

Adjusted for temperature & working days: flat YoY in Portugal and -0.2% in Spain

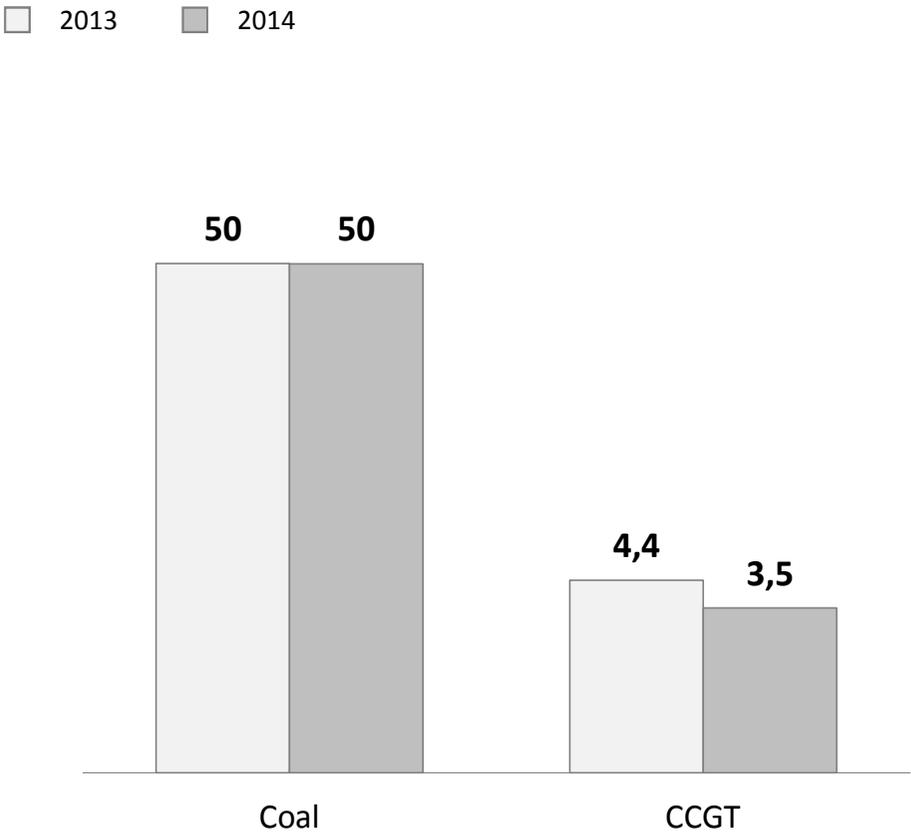
# Liberalised Energy Activities Iberia (11% EBITDA)



EDP Liberalised Power Plants Iberia – Production (TWh)



EDP Coal vs. CCGT – Load factors in 2014 and 2013 (%)

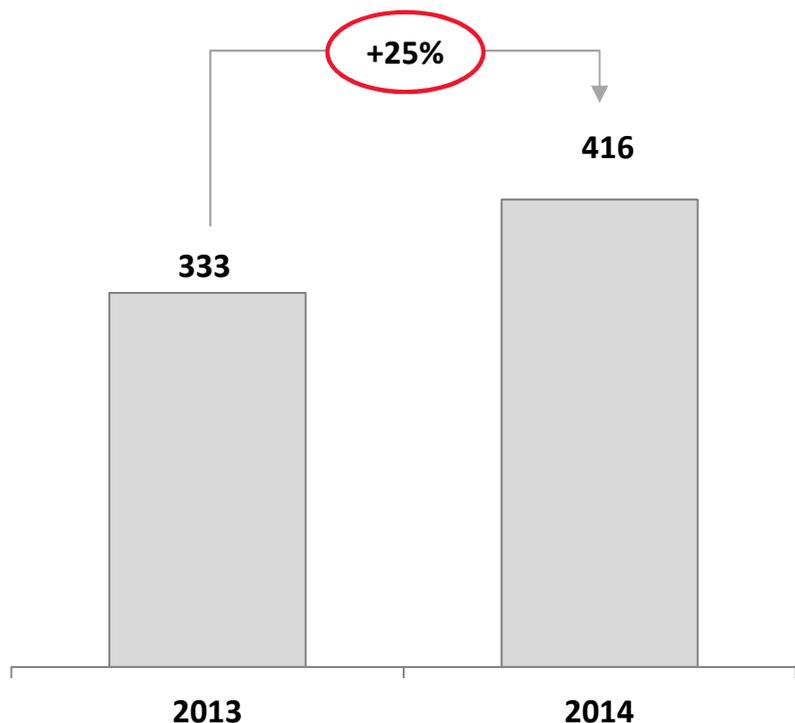


**Production +13%; hydro +42%** on transfer from 3 hydro plants to liberalised (PPA ended 2013) and rainy weather  
**Thermal load factors: no material changes YoY**

# Liberalised Energy Activities Iberia (11% EBITDA)



EBITDA Liberalised Activities in Iberian Market  
(€ million)



## Lower sourcing costs along with long position in clients

- 3 hydro plants transferred from PPA/CMEC
- Avg. generation cost -20% YoY on higher weight of hydro
- Long position in clients: 34TWh sold to clients vs. 15TWh own production
- Avg. purchasing cost: -5% YoY on lower pool prices
- Gas supply: +€18m mainly on sales in wholesale markets

## Adverse regulatory developments Lower profitability of thermal plants



- Regulation Portugal: Clawback cost (+€10m YoY); lower revenues in ancillary services on more restrictive market rules
- Regulation Spain: Capacity payments -€11m YoY; Generation taxes (€101m in 2014)
- CCGTs: continuing low utilisation levels

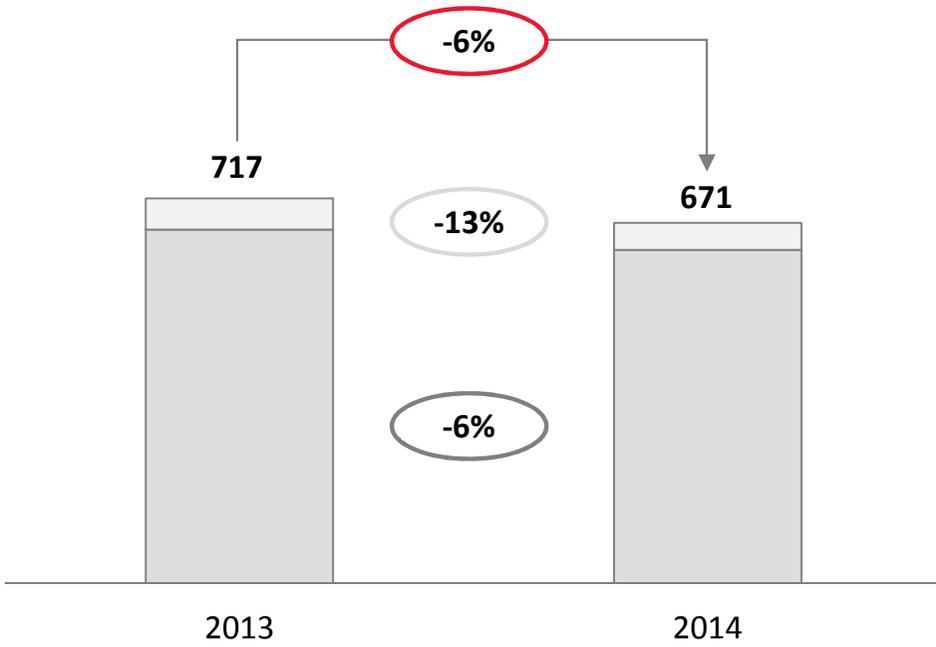
EBITDA 25% up YoY on: (1) strong hydro volumes leveraged by new hydro capacity; (2) positive impact from energy management of our long position in clients and (3) negative impact from regulatory changes

# Long Term Contracted Generation Iberia (18% of EBITDA)



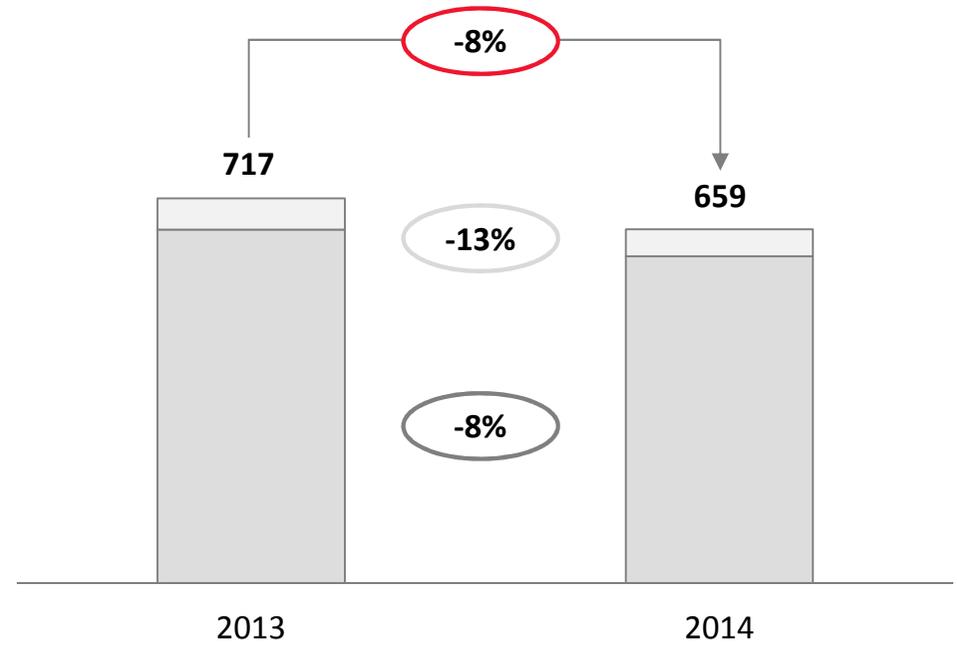
**EBITDA**  
(€ million)

■ PPA/CMEC □ Special regime



**Adjusted EBITDA <sup>(1)</sup>**  
(€ million)

■ PPA/CMEC □ Special regime



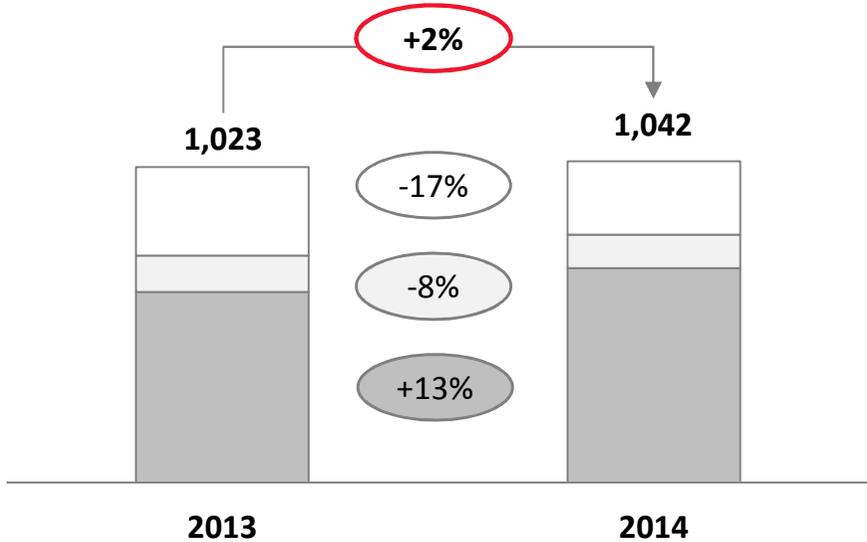
**Adjusted EBITDA -8% on the transfer of 3 hydro plants from PPA/CMEC to liberalised market (gross profit 2013: €60m)**  
Lower special regime thermal production following a deterioration of remuneration methodology

(1) Excludes the impact of the new collective labour agreement in Portugal and restructuring costs in 2014

# Regulated Energy Networks Iberia (28% of EBITDA)

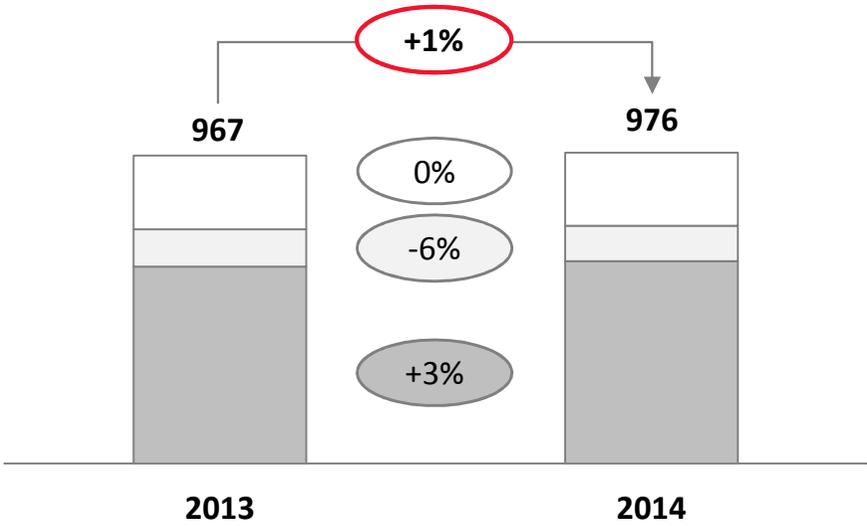
## EBITDA (€ million)

- Gas Iberia
- Electricity Spain
- Electricity Portugal



## Adjusted EBITDA <sup>(1)</sup> (€ million)

- Gas Iberia
- Electricity Spain
- Electricity Portugal



- **Electricity Portugal:** Tight cost control (OPEX: - 6% YoY); RoRAB down from 8.56% in 2013 to 8.26% in 2014
- **Electricity Spain:** -€10m YoY due to lower revenues from new grid connections
- **Gas Iberia:** one-off gain of €56m in 1Q13 on sale of gas transmission in Spain; one-off gain of €8m in Portugal in 3Q14

**Adjusted EBITDA +1% YoY reflects good performance on operating costs**

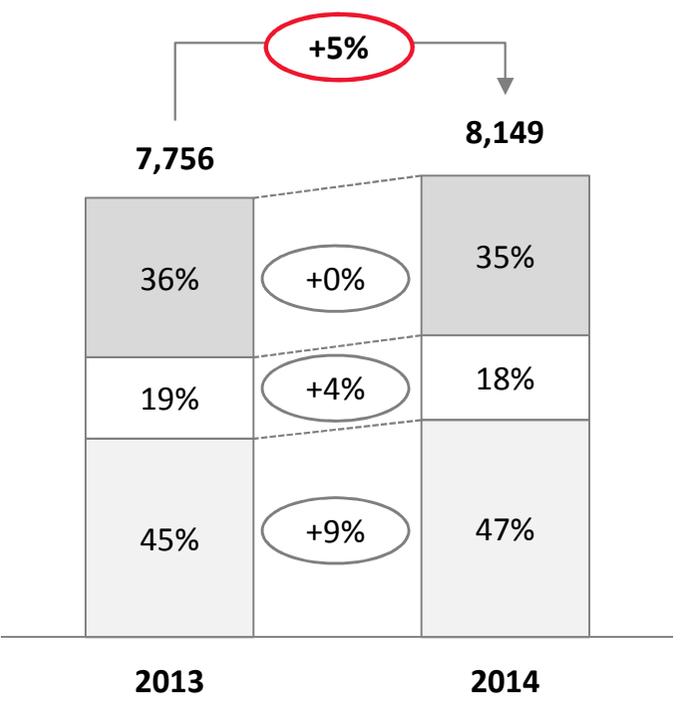
(1) Excludes the gain with the sale of gas transmission assets in Spain in 2013, the impact from restructuring process in Iberia in 2014, and a one-off gain in gas distribution in Portugal in 2014

# EDP Renováveis (25% of EBITDA): Growth from capacity additions mitigated by regulatory changes in Spain

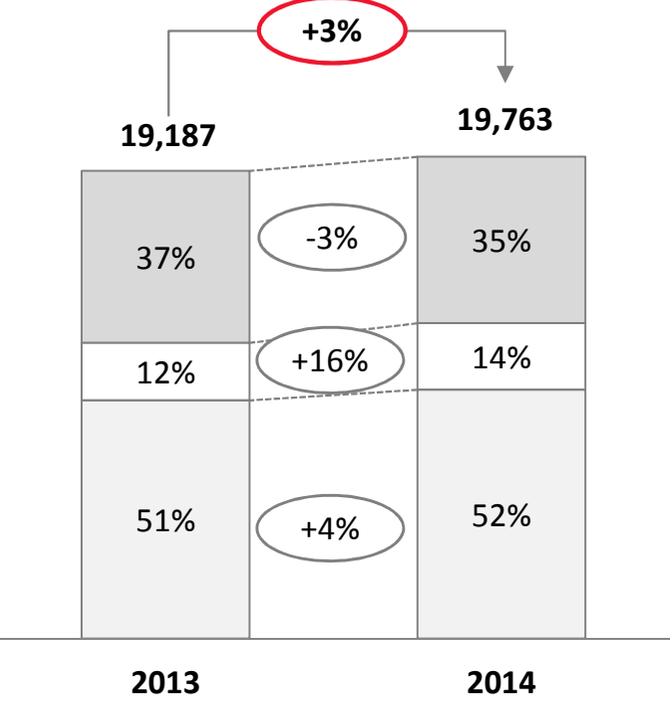


**Installed Capacity (MW)**

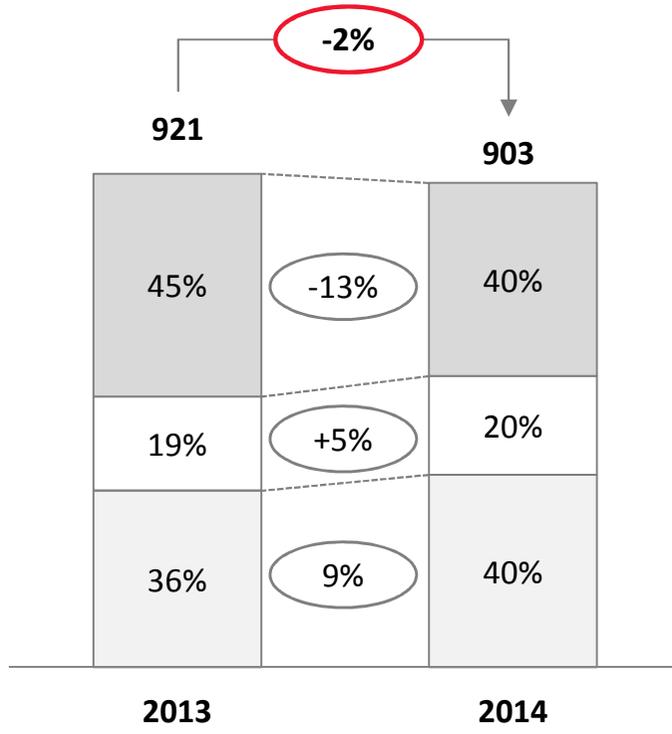
■ Iberia ■ North America ■ Other<sup>(1)</sup>



**Wind Power Production<sup>(2)</sup> (GWh)**



**EBITDA (€ million)**



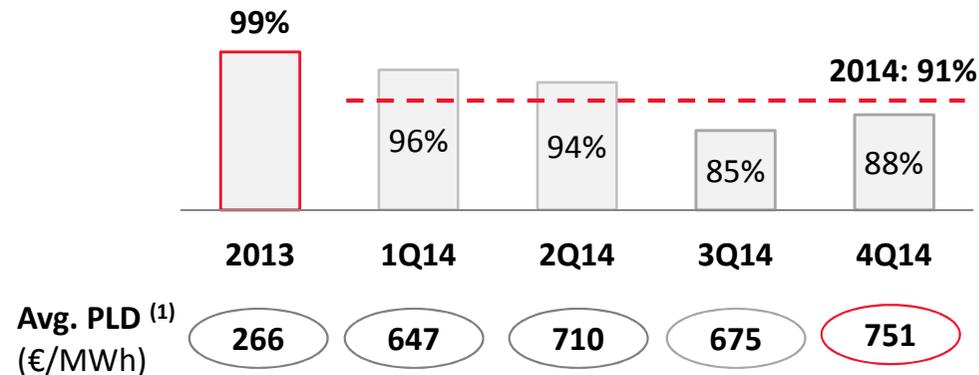
- **EBITDA Iberia: -13%**; Revenues in 2014 penalised by the new regulation in Spain and low pool prices
- **EBITDA NA: +9%**; Increased output (+4%) on capacity additions; average selling price +5%
- **EBITDA other markets: +5%**; capacity additions in Romania, Poland, France and Italy; lower prices in Romania

(1) Includes Rest of Europe and Brazil

(2) includes solar production (44GWh in 2013 and 61GWh in 2014)

# Brazilian Electricity System: 4Q14 environment

## Hydro Generation Scaling Factor (GSF) (%)



## Electricity demand in Brazil - 2014



## 4Q14 developments

- ↓ **Strong thermal dispatch in order to preserve hydro reservoirs / hydro GSF of 88% in 4Q14:** GenCo's deficit of R\$9.1bn<sup>(2)</sup> in 4Q14
- ↑ **Slight decline of power demand:** -1% YoY in 4Q14
- ➔ **Conta-ACR cash advance of regulatory receivables to Discos:** R\$3.1bn transferred in 4Q14 to cover Sep/Oct-14 shortfall; R\$2.6bn estimated for Nov/Dec-14 are still pending
- ↑ **Several double digit Disco's annual tariff updates announced by ANEEL** (Bandeirante: +22.3% in Oct-14)
- ↑ **First time accounting of regulatory receivables:** DisCos to register at the level of P&L and Balance Sheet past/current tariff deviations (recoverable in the future)

## Utilities continue facing significant challenges

**Hydro plants producing below PPA contractual levels; Need for financing of high receivables in distribution**

(1) Source: CCEE: Based on weekly prices (using PLD 1 between Apr-13 and Aug-13);

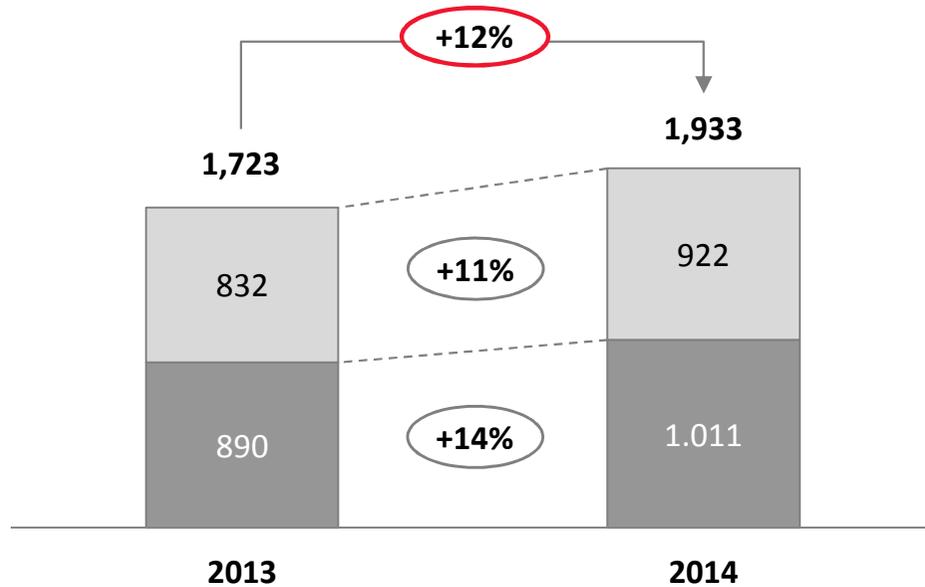
(2) Source: CCEE "Boletim Info PLD";



# EDP Brasil (17% of EBITDA): Reported EBITDA in local currency +12% YoY, adjusted EBITDA -18% YoY

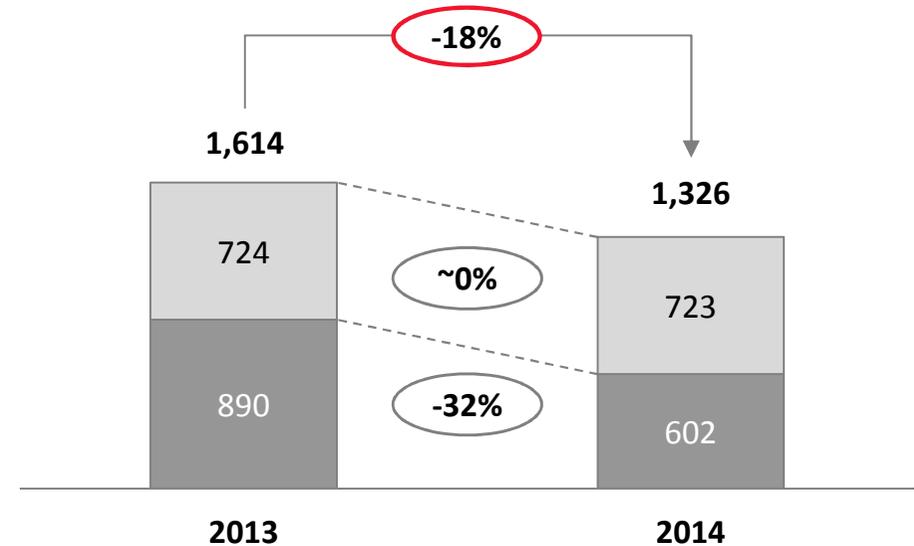
### EDP Brasil reported EBITDA (BRL million)

■ Generation & Other   ■ Distribution



### EDP Brasil Adjusted<sup>(1)</sup> EBITDA (BRL million)

■ Generation & Other   ■ Distribution



- **Distribution: +11% on change in accounting method of regulatory receivables; +R\$599m of regulatory receivables in 2014 (of which R\$199m from previous years vs. +R\$42m impact from deviations in 2013)**
- **Generation: +14% on gain with sale of Jari and C Caldeirão 50% stakes to CTG (R\$408m)**

- **Distribution: flat regulated revenues; demand growth and previous years' settlements offset higher costs with grid losses and Escelsa's last review (RoRAB down to 7.5%)**
- **Hydro generation with PPAs: abnormally low GSF of 91% in 2014 imply unexpected costs with energy purchases to assure delivery of contracted volumes (net impact: -R\$339m YoY)**

(1) Adjustments in Distribution: i) Change in accounting method of regulatory receivables (R\$199m in 2014 vs. R\$42m in 2013); ii) R\$53m capital gain in 2013 on sale of a building; and iii) R\$14m in 2013 on distribution assets' revaluations; Adjustment in Generation and Other: i) R\$408m one-off gain in 2014 with the sale of 50% equity stakes in Jari and Cachoeira Caldeirão

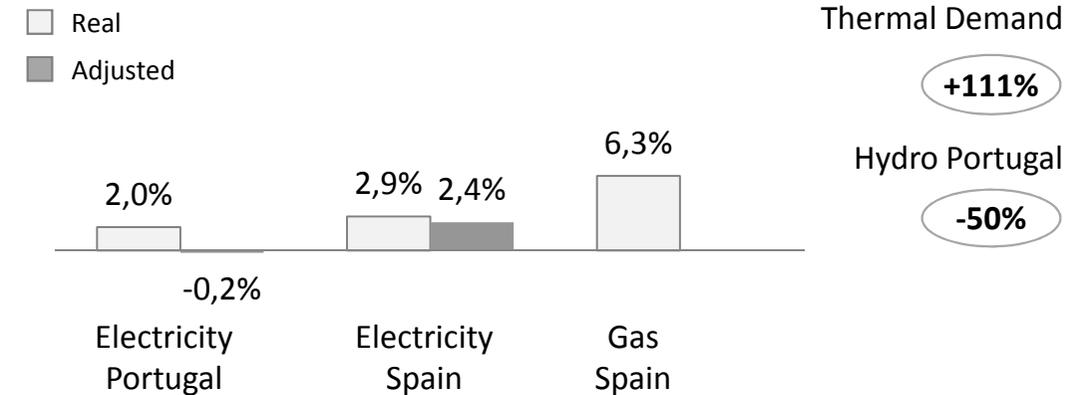


# Outlook

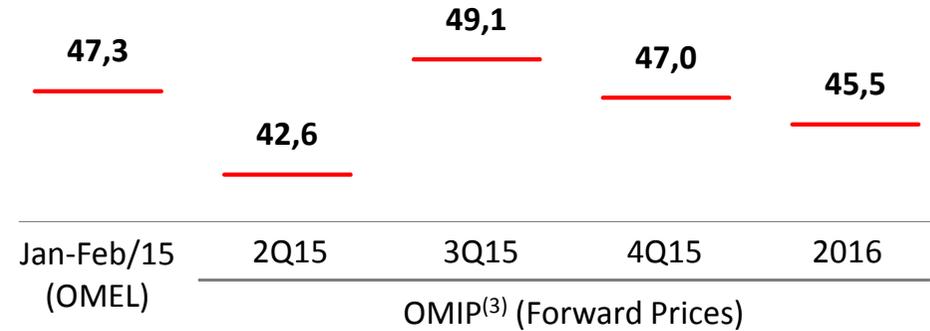
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# 2015 Outlook: Liberalised activities in Iberia

## Iberia – Energy Demand YoY Growth, Jan/Feb-15<sup>(1)</sup> (%)

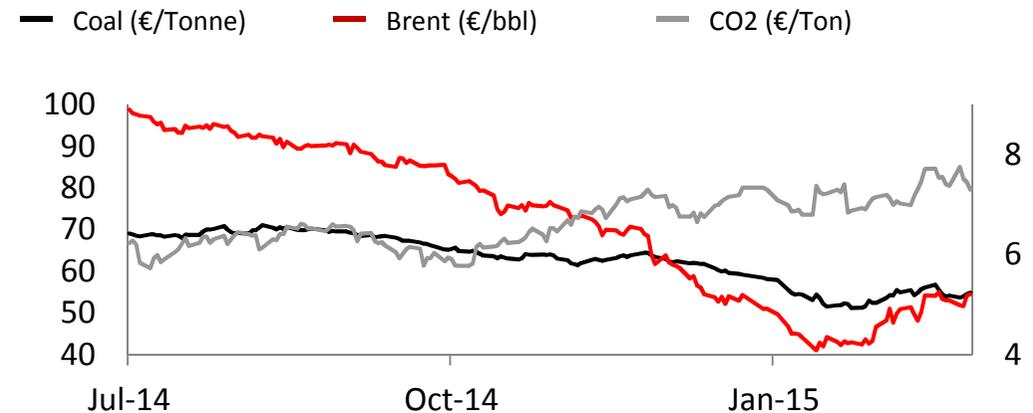


## Spain - Wholesale Electricity Prices (€/MWh)



- Favourable demand** evolution YTD
- Client portfolio expansion in **free market** in Portugal
- Dry weather YTD**: lower hydro output, but higher prices
- Higher thermal demand** and **spreads** on lower fuel costs
- Lower global demand** for LNG

## Forward Energy Markets for 2015<sup>(2)</sup> (€)



EDP hedging for 2015: 23TWh sold at ~€55/MWh; spreads fixed on 85% of gas sourcing and 60% of coal output

**Diversified generation portfolio and hedging based on clients reduces exposure to energy markets' volatility**

(1) Source: REN, REE and Enagas; Electricity growth adjusted for temperature and working days

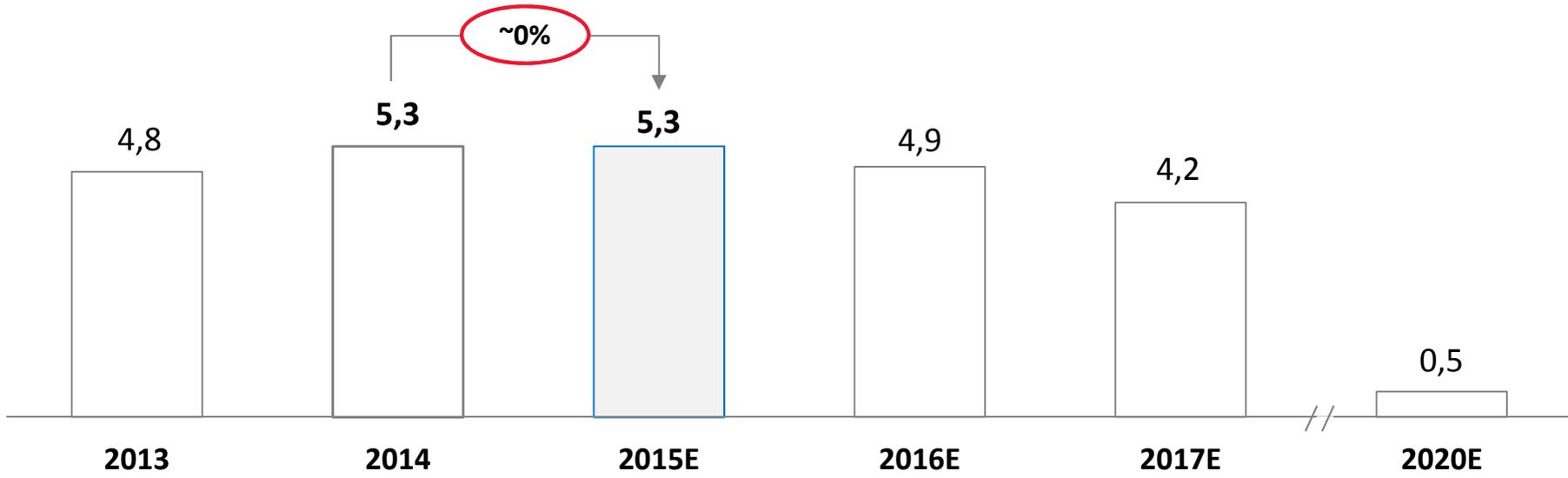
(2) Bloomberg; EUR/USD rate: 1.136

(3) OMEL: YT 28<sup>th</sup> Feb; OMIP: as of Feb 2<sup>nd</sup>, 2015

# Regulatory Receivables in Portuguese Electricity System; No tariff deficit expected for 2015



Portugal: Electricity System Regulatory Receivables (€bn)



	2014 Real	2015 ERSE	Jan/Feb-15
Demand (YoY; %)	-0.1%	+1.8%	+2.0% <sup>(1)</sup>
Pool Price (€/MWh)	41.9	50.5	47.7
Special Regime Prod. (TWh)	21.9	-0.9TWh YoY	-0.7TWh YoY

- Tariff surplus expected from 2016 onwards
- Full payment of accumulated Regulatory Receivables by around 2020

**Financial sustainability of Portuguese electricity system clearly on track**

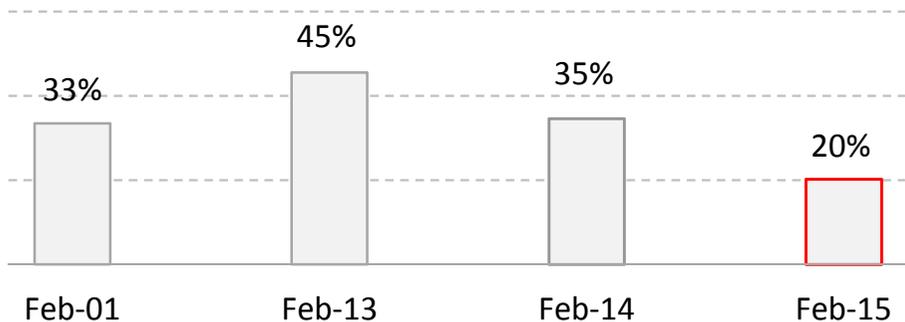
(1) Source: REN; Considering gross electricity consumption.

# 2015 outlook: EDP Brasil

## Adverse market environment

↓ **Rainfall /Natural energy inflow** (as % of historical average)<sup>(1)</sup>:  
**Jan-15: 38%** (worst January in 84 years); Feb-15E: 59%

↓ **Hydro reservoirs – Southeast/Center-West Regions** <sup>(2)</sup>  
 (%)



↓ **Gen. Scaling Factor (GSF):** Jan-15: 81% / Feb-15E: 78%<sup>(2)</sup>

➡ **Electricity Demand Jan-15<sup>(4)</sup>:** +1.1% YoY

## Recent or Under Discussion Regulatory Measures

↑ **Spot price (PLD) new methodology: Cut on price cap** from R\$822/MWh in 2014 to R\$388/MWh in 2015 (PLD price in Jan-15/Feb-15<sup>(3)</sup> at cap level, -32% YoY)

↑ **“Tariffs Flags”** (variable tariffs) to signal consumers for higher costs/increase demand sensitivity to price: “red flag” for **Jan/Feb-15: +R\$3 per 100kWh**

↑ **Extraordinary tariff increase approved:** +32.18% at Bandeirante, +33.27% at Escelsa as from March 2<sup>nd</sup>

➡ **Government campaigns to promote efficiency;** initial target of 5% decrease in power consumption

↑ **DisCos’ 4<sup>th</sup> revision cycle:** ANEEL final proposal for regulatory **WACC is 8.09%** (real post-tax); vs. initial expectation of 7.16%

**Active management of regulatory agenda and optimization of assets’ portfolio by EDP Brasil**

**Targeting to mitigate adverse impacts from tough market environment**



# EDP is back to Investment Grade status following the recent credit rating actions

## Most recent Credit Rating Actions on EDP:

### Moody's: Baa3 / stable outlook (investment grade)

February 13<sup>th</sup> 2015: one notch upgrade

- *"tariff deficit in Portugal is gradually stabilising..."*
- *"progress on delivery of deleveraging strategy..."*

### Fitch: BBB- / stable outlook (investment grade)

January 19<sup>th</sup> 2015: rating reaffirmed

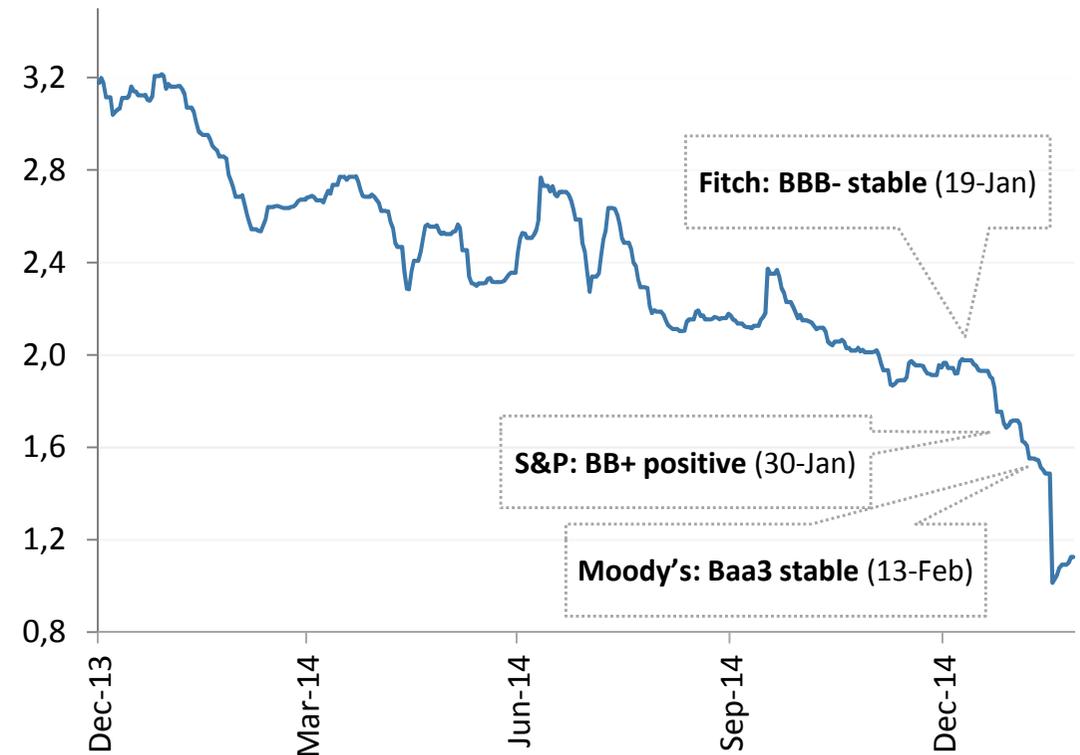
- *"resilience of the business model and the benefits coming from diversification..."*

### S&P: BB+ / positive outlook

January 30<sup>th</sup> 2015: outlook revised upwards to positive

- *"EDP's credit metrics could strengthen close to our guidelines for an upgrade"*

## EDP 5 year bond yield (%)

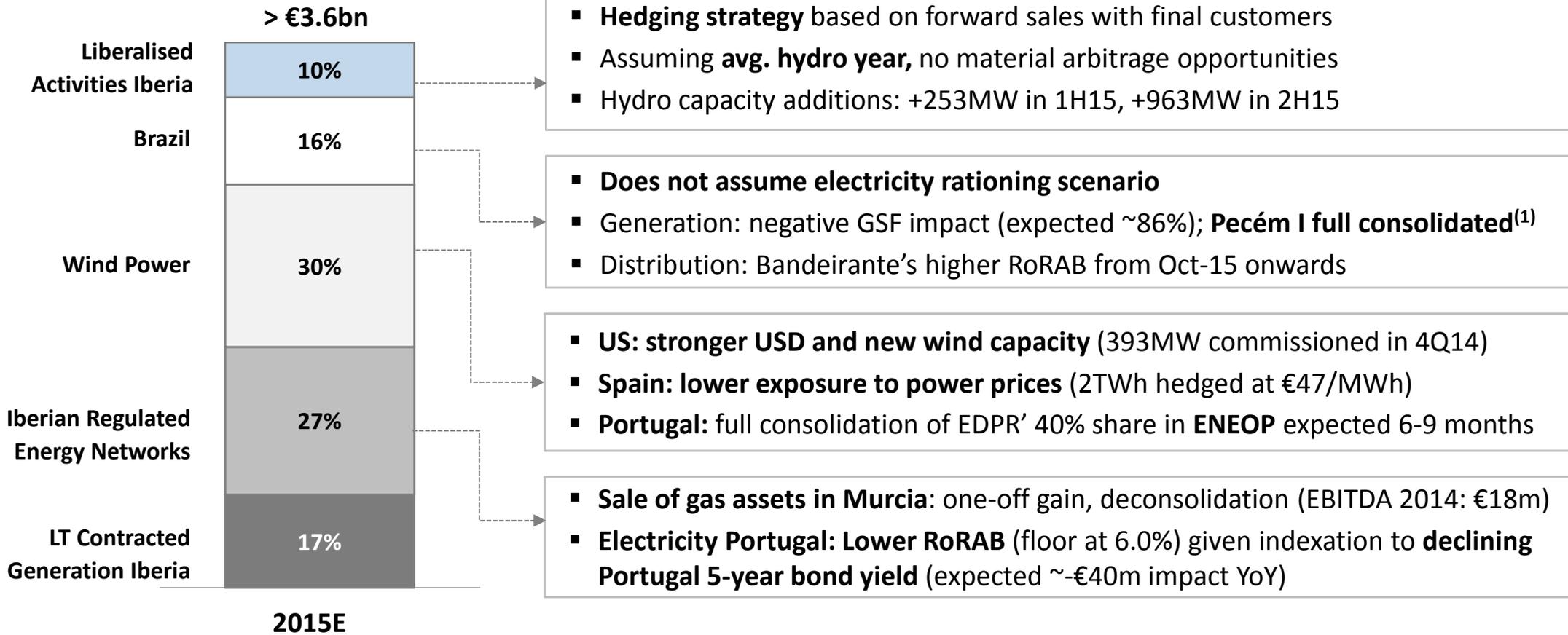


**EDP is now well positioned to extend its debt maturity profile (currently at 4 years) at competitive interest rates**  
**Significantly lower marginal cost of funding to have a positive impact on future earnings**

# 2015 Outlook

## EBITDA Breakdown

(%)



- **Net Profit > €900m:** assuming an avg. cost of debt of ~4.6%
- **Net Debt < €17bn<sup>(2)</sup>:** execution of tariff deficit securitisations, asset rotation deals and CTG partnership

# A resilient business model in a challenging environment



## Resilient performance enhanced by diversification

- **EBITDA +1%** resilient performance under regulatory costs in Iberia and drought in Brazil
- **Net profit +4%** gains on execution of CTG partnership, extraordinary energy tax in Portugal
- **Improving efficiency:** operating costs -1% YoY; OPEX/Gross profit of 28%

## Profitable Growth

- **Expansion capex:** Execution of hydro in Portugal and Brazil (Jari); new wind in US (with PPAs)

## Keeping Low Risk profile

- **Tariff deficit securitisations: €1.5bn in 2014** (€1.3bn in Portugal, €0.2bn in Spain)
- **Disposals: €0.4bn in 2014** (execution of EDPR's asset rotation strategy and CTG partnership)
- **Net debt flat YoY:** including €0.4bn negative impact from forex
- **EDP Credit Profile back to Investment Grade Status:** Positive impact on marginal cost of debt

**Earnings Per Share of €0.285; Dividend per Share 2014: €0.185<sup>(1)</sup> fully in cash (65% pay-out)**

**Improvement on the visibility of EDP's medium term Free Cash Flow potential**

**Based on high quality asset mix, sustainable returns, diversified markets and good risk management**

(1) Dividend to be proposed by EDP's Executive Board of Directors and subject to approval in the next EDP shareholders' meeting



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## Visit EDP Website

**Site: [www.edp.pt](http://www.edp.pt)**

**Link Results & Presentations:**

**<http://www.edp.pt/en/Investidores/Resultados/Pages/Resultados.aspx>**

## Next Events

**Mar 3<sup>rd</sup>: Release of 2014 FY Results**

**Mar 9<sup>th</sup>-10<sup>th</sup>: Citigroup European Utilities Conference in London**

**Mar 11<sup>th</sup>-12<sup>th</sup>: Citigroup West-coast Symposium in San Francisco**