9M10 Results Presentation

November 5th, 2010

Dow Jones Sustainability Indexes
Member 2010/11

9M10: Highlights of the period

EBITDA: €2,651m, +9% YoY

EBITDA from Brazil: +28% YoY: 19% of EDP Group EBITDA in 9M10
Electricity distributed +15% YoY

EBITDA Regulated & LT Contracted Iberia: +8%: 50% of EDP Group EBITDA in 9M10
Focus on efficiency + better than expected contribution from new gas assets in Spain

Installed capacity: +11% YoY (wind power represented 60% of capacity increase)
Wind & Hydro represented 64% of EDP power production in 9M10

€115m cost savings achieved in 9M10: 96% of €120m target for 2010 full year
Opex/gross profit ratio stable at 28%

Diversified Low Risk Operations + Profitable Growth + Higher Efficiency

9M10: Highlights of the period

Net Profit: €774m, +4% YoY

Net interest costs down 9% YoY
Average cost of debt down from 4.0% in 9M10 to 3.5% in 9M10

High level of financial liquidity: €3.9bn by Sep-10 + credit line extended/increased in Nov-10
Covers expected funding needs until 2012

Capex 2011-12: Reduction from €2.4bn/year to €2.1bn/year
Downward revision of expansion capex plan in US wind due to lack of visibility over PPA market

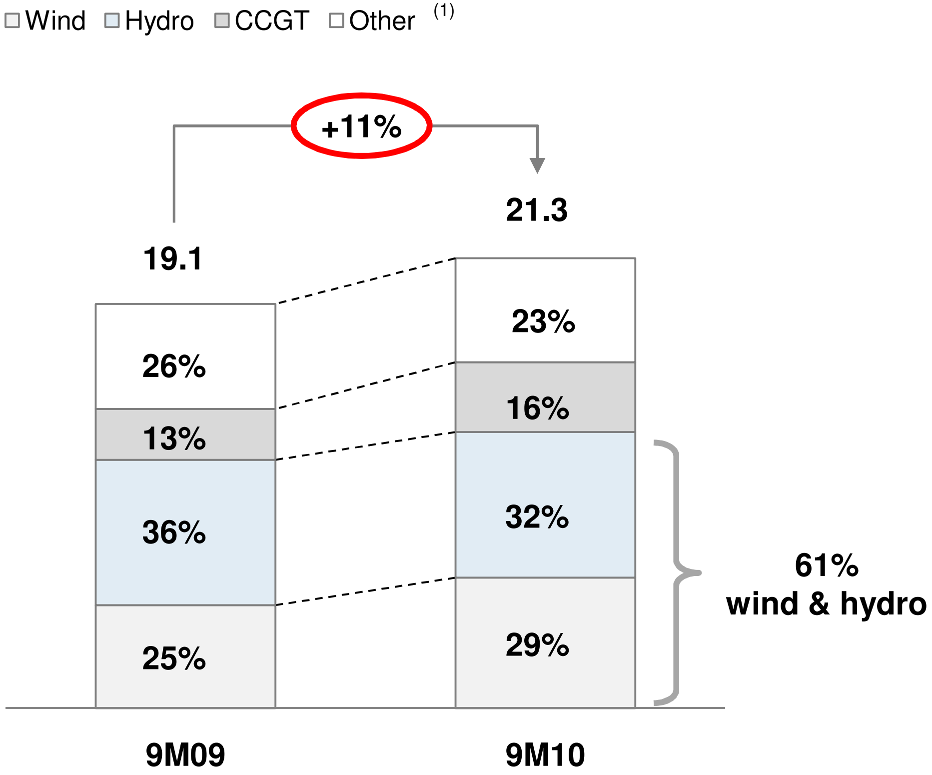
Net debt €16.2bn (includes €1.1bn regulatory receivables, €1.4bn under construction)
Net debt/EBITDA of 4.3x [1], FFO/Net Debt[2] of 17% in 9M10

Efficient capital management + Execution of selective growth opportunities
Maintaining a low risk profile

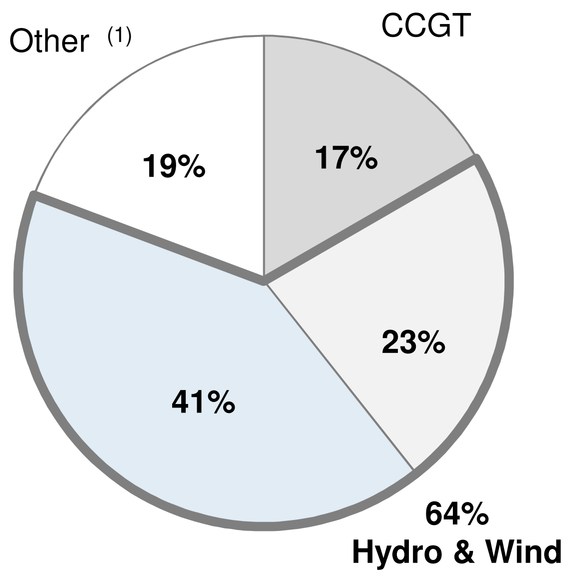
[1] Excluding Regulatory Receivables (2) FFO/Net Debt as reported by EDP

9M10 Operating Headlines

Installed Capacity
(GW)



9M10 Generation Breakdown by Technology
(%)



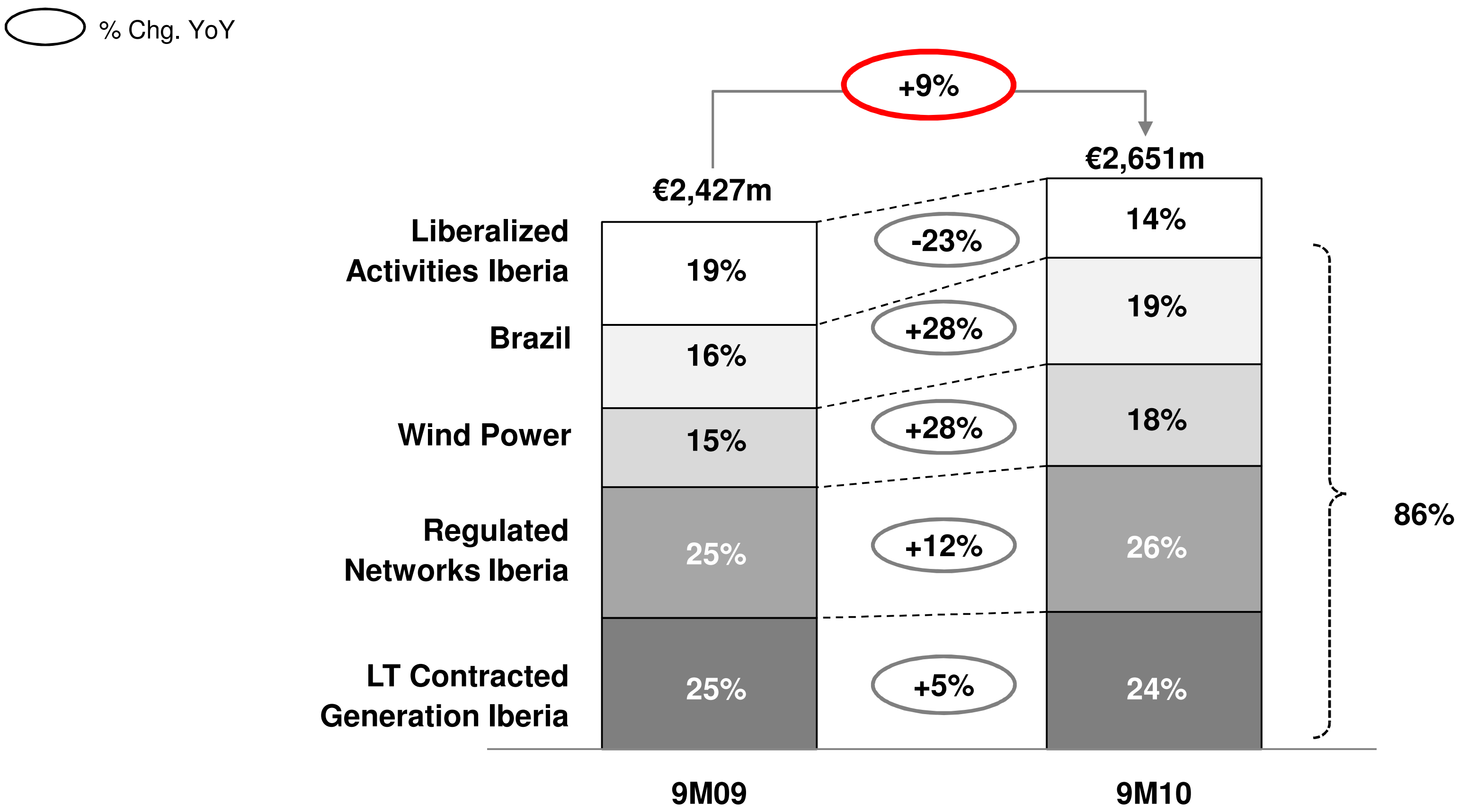
Installed capacity up 11% YoY; Wind & Hydro represent 61% of total capacity

64% of energy produced in 9M10 came from Wind & Hydro

(1) Coal; thermal special regime; nuclear and fuel oil / gasoil.

9M10 EBITDA Breakdown

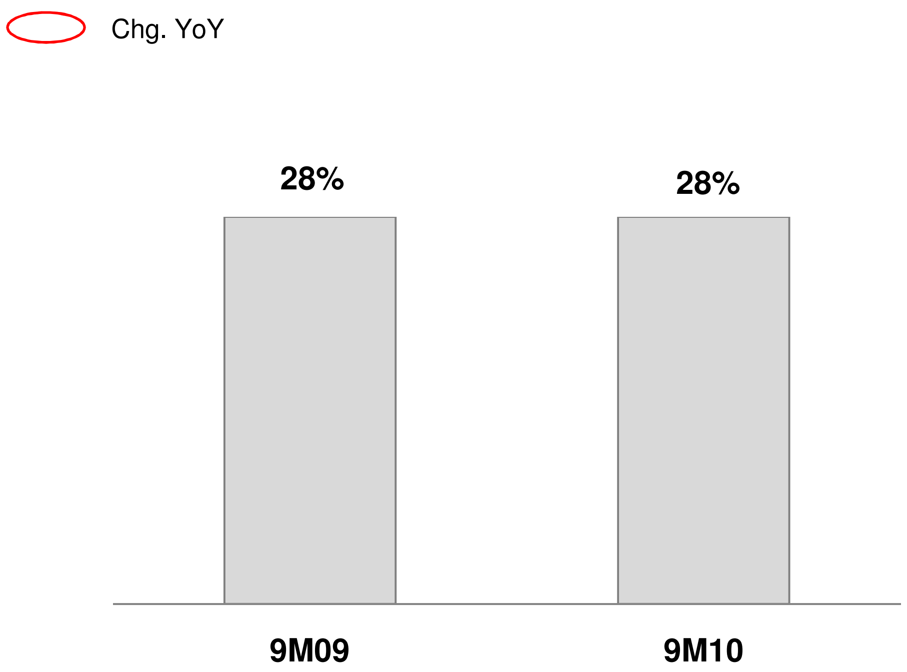
86% of 9M10 EBITDA came from regulated and long-term contracted activities



Excluding forex impact (+€95m from Brazil & US), EBITDA grew 5% YoY

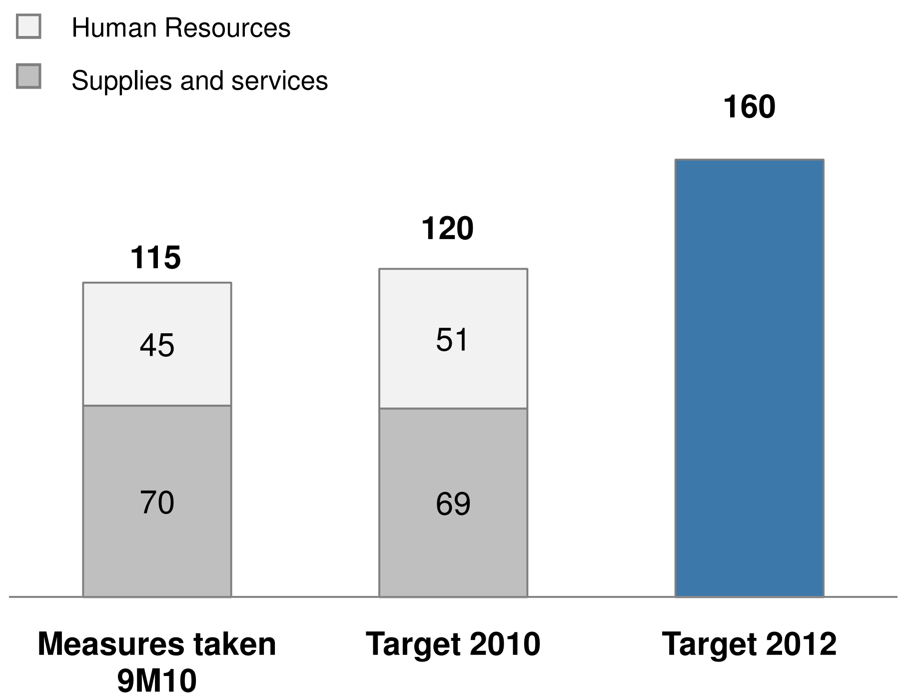
EDP Consolidated operating costs:

OPEX/Gross Profit: 9M10 vs. 9M09
(%)



Maintenance of opex/gross profit efficiency ratio

Efficiency Program 2008-12 annual savings [(1)]
(€ million)

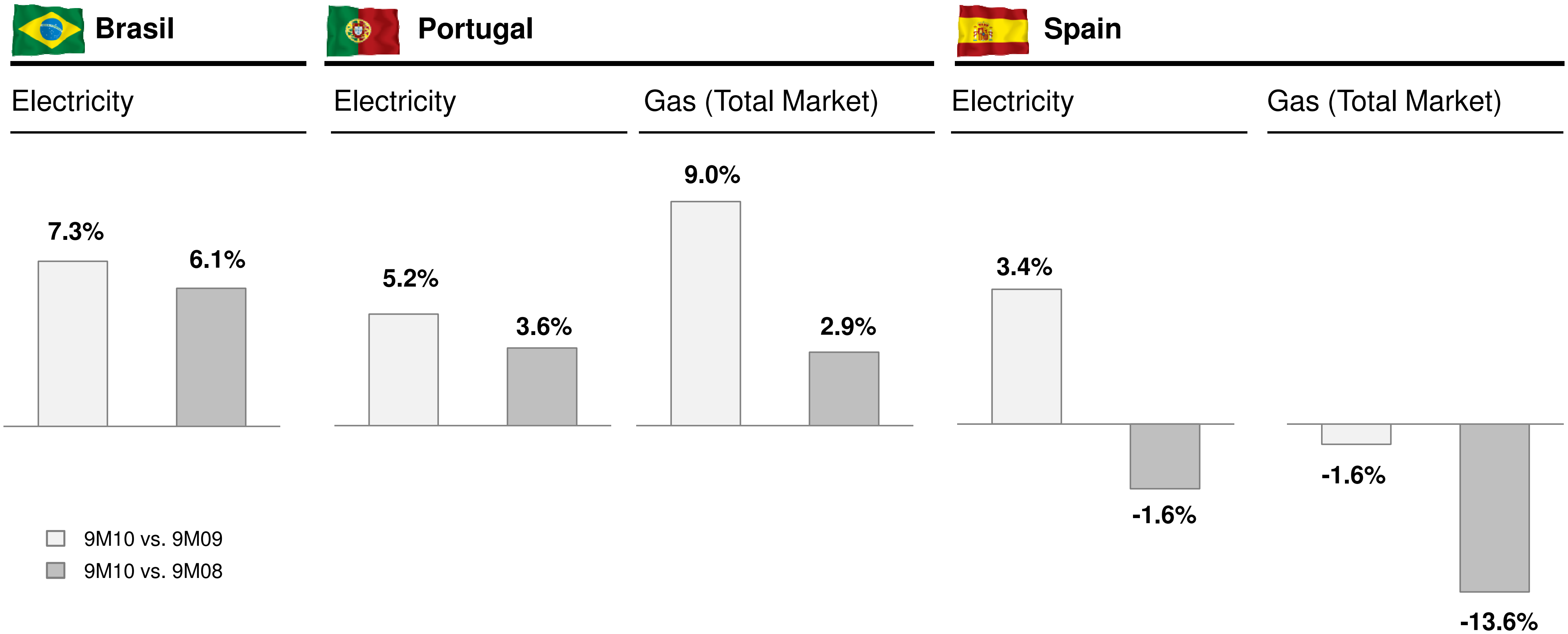


Cost savings achieved in 9M10: 96% of 2010 target

[(1)] Savings measured regarding the 2007 cost base

Business Areas

Electricity & Gas Demand in EDP's Key Markets



Brazil: Sound growth of Brazilian economy, low impact from international crisis

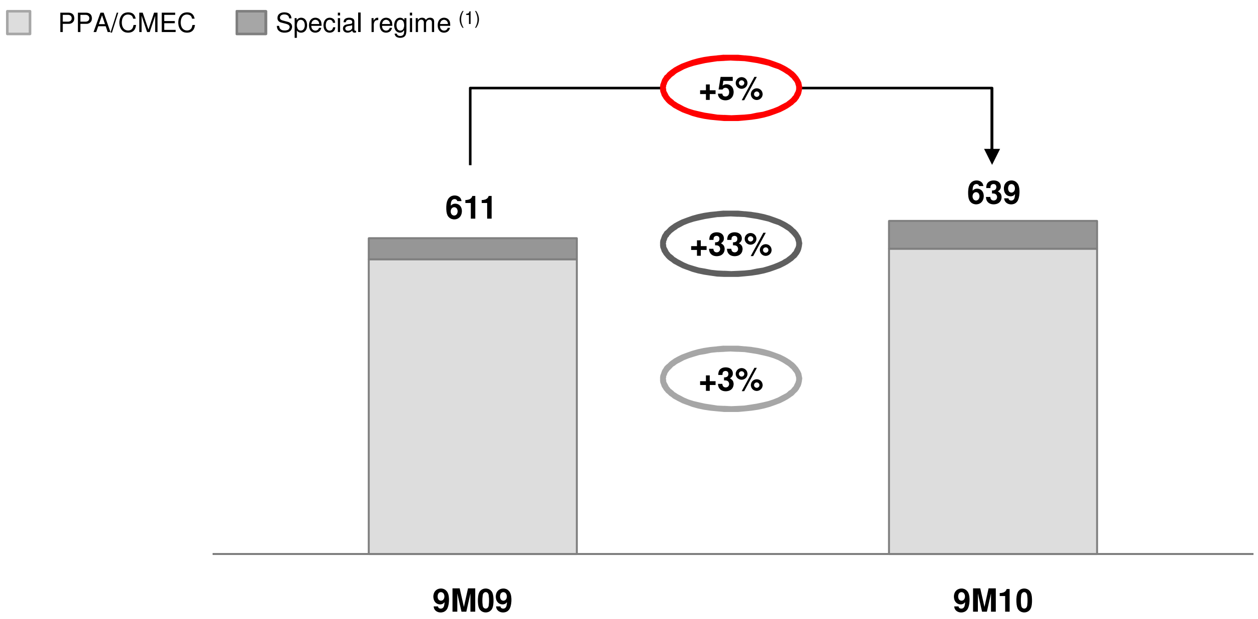
Iberian electricity: Portugal less affected by lower demand from construction related activities

Gas demand Spain: Penalised by higher hydro production and lower CCGT utilisation in 9M10

Source: REN, REE, Enagás and EPE

Long Term Contracted Generation Iberia (24% of EBITDA)

EBITDA Long Term Contracted Generation
(€ million)



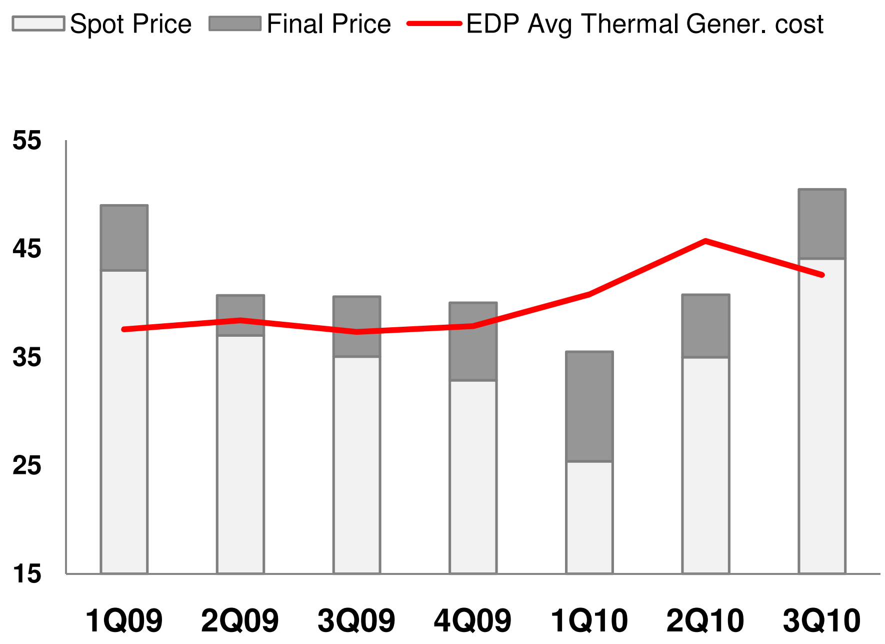
- **Special regime:** +94% output from mini-hydro; +46MW of installed capacity (since Jan-09 to date)
- **PPA/CMEC:** ROA of 8.5% pre-tax real; Higher fuel procurement results, -1% of installed capacity

Stable EBITDA performance, positive impact from mini-hydro output and fuel gains

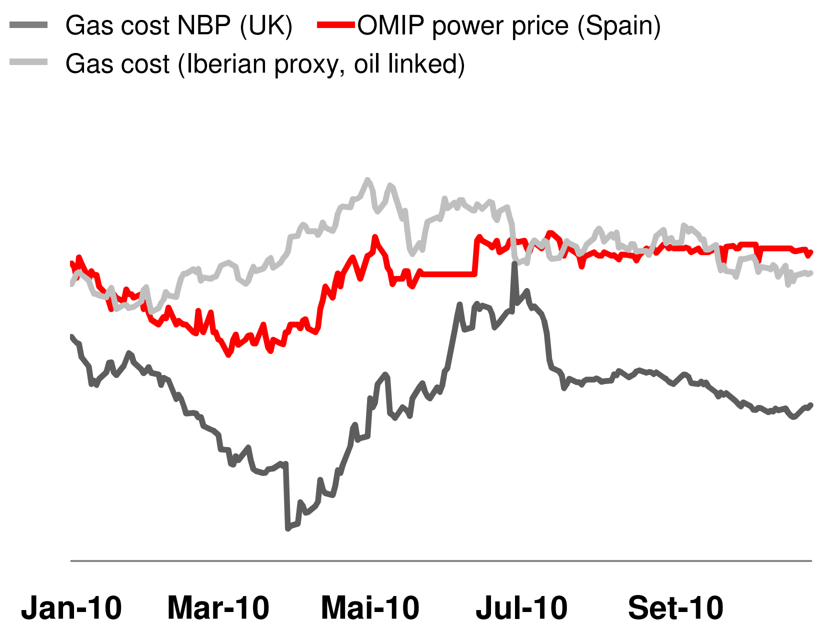
(1) includes mini-hydro, co-generation, biomass and waste in Portugal and Spain; does not include wind power

Market Environment in 9M10

Spain – Electricity wholesale spot and final price
(€/MWh)



Forward Energy Markets for 2011
(€/MWh)



Increase of EDP's thermal production on better thermal spreads: lower pressure for 4Q10

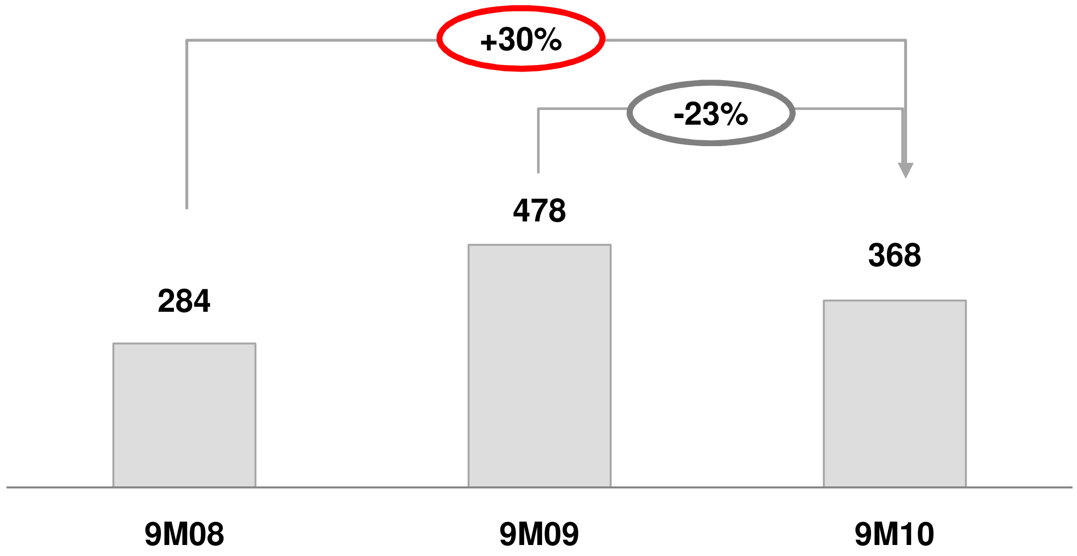
3Q10 with lower arbitrage opportunities between spot market and hedged positions

Lower revenues from ancillary services and restrictions (seasonal low wind & hydro in 3Q)

Forward thermal spreads for 2011 continue tight

Liberalised Energy Activities Iberia (14% EBITDA)

EBITDA Liberalised Activities
(€ million)



	9M09	Change	9M10
Volume sold (TWh)	24	+54%	37
Gross Margin (€/MWh)	20.6	-45%	11.4

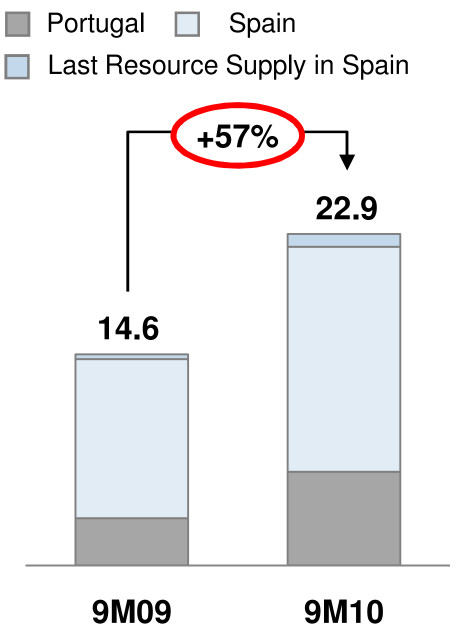
Lower gross margin per MWh vs. 9M09 as expected, in line with hedging previously stated

Higher thermal output, lower arbitrage gains and lower ancillary services in 3Q10 vs. 1H10

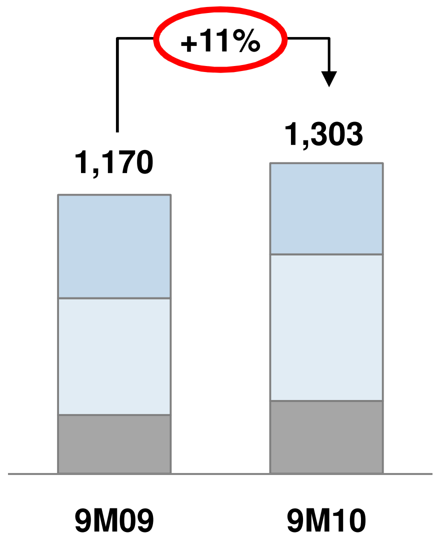
Liberalised Electricity & Gas Supply in Portugal & Spain

Electricity Liberalised Supply – Portugal & Spain

Volume Sold (TWh)

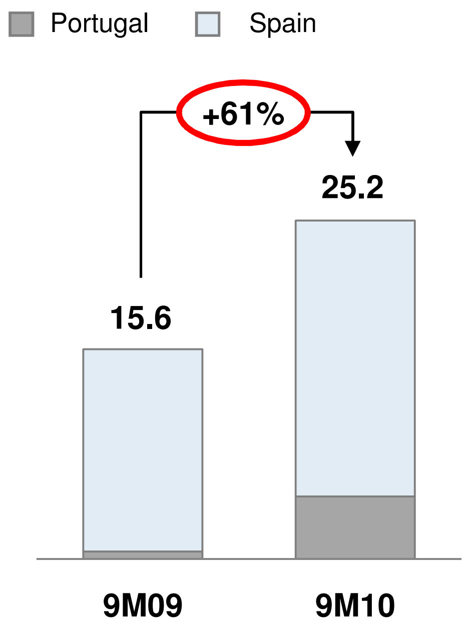


 # Clients ('000)



Gas Supply – Portugal & Spain

Volume Sold (TWh)



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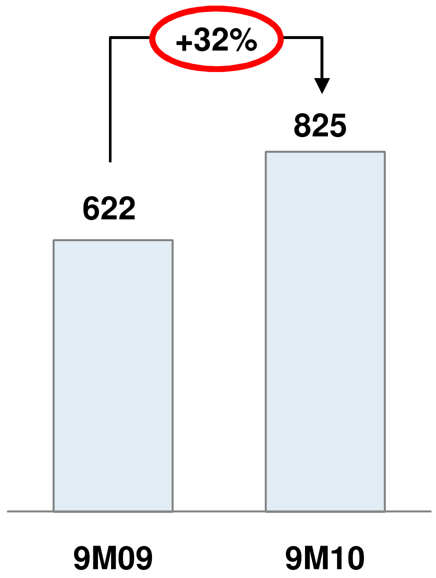


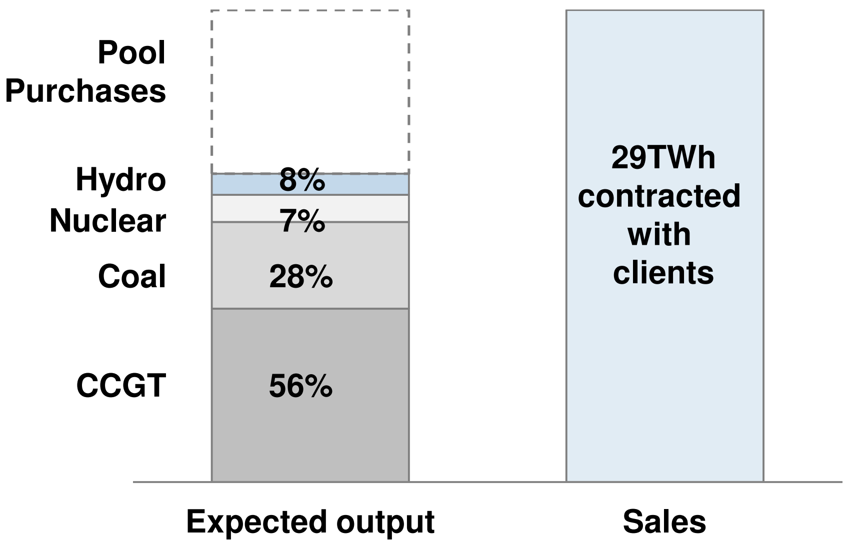
- **Growth driven by liberalisation and low pool prices**

- **Recovery in industrial demand**
- **Integration of clients acquired from Gas Natural**
- **Portugal (since Apr-10): 37%[1] market share**

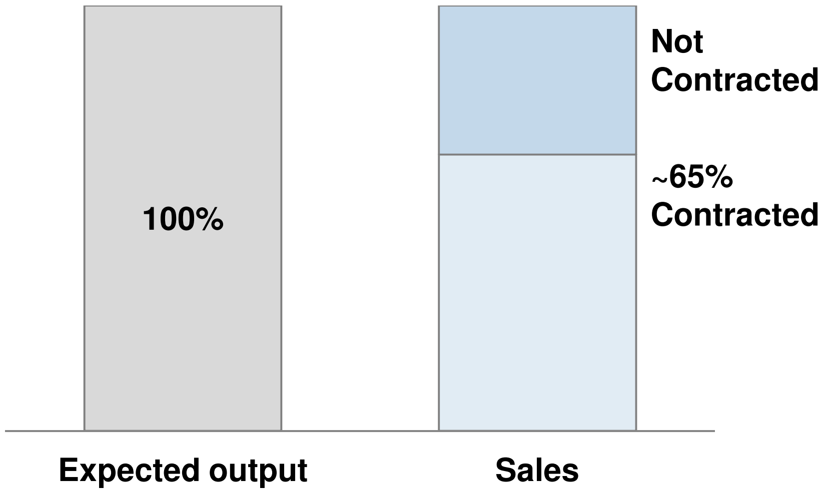
[1] 9M10; Based on annualised consumption, including cogeneration plants

Liberalised Energy Activities Iberia:

EDP: Electricity Forward Contracting - 2010
(%)



EDP: Electricity Forward Contracting – 2011
(%)

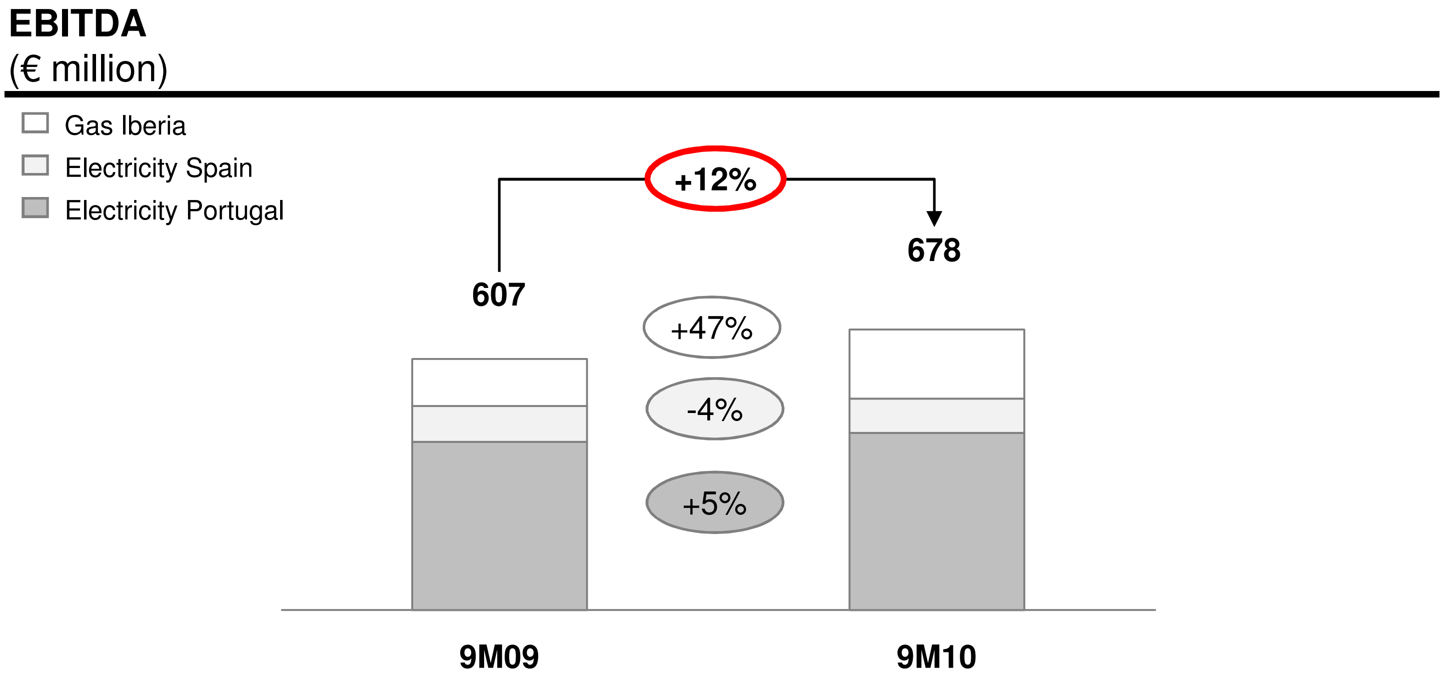


- 29 TWh forward contracted with clients in free market
- Avg. price:~€50/MWh
- Avg. Clean Thermal Spread Locked in: ~€10/MWh

- Continuing strategy to forward contract sales and lock-in margins at satisfactory levels
- 12TWh sold to clients in free market
- Price and Thermal Spread Locked in: similar to 2010

Hedging through forward contracting of electricity sales & fuel costs to reduce risk

Regulated Energy Networks Iberia (26% of EBITDA):



- **Electricity Portugal:** 1% YoY rise in regulated revenues, 2%YoY decline in operating costs.
- **Electricity Spain:** Recurrent EBITDA +1% YoY; Adjusted for positive impacts of upfront connection fees recognition in 9M09 (€17m) and IFRIC18[1] in 9M10 (€13m; neutral at EBIT level); Lower costs YoY
- **Gas Iberia:** EBITDA +18% YoY ex-assets acquired from GasNat (€32m EBITDA contribution in 9M10)

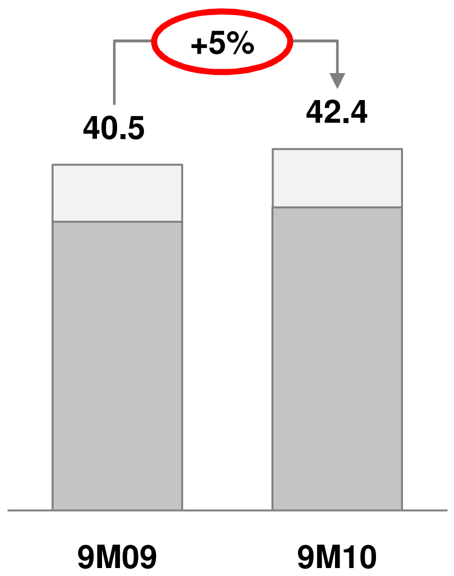
Excluding one-offs and gas acquisitions, EBITDA from Iberian regulated energy networks +7% YoY

(1) IFRIC 18: asset received from clients is registered by estimated cost of construction vs. operating revenues. Considering that IAS 16 establishes that the depreciation of the asset should be done within the time period during which economic benefits are generated, assets are depreciated almost fully within the same year.

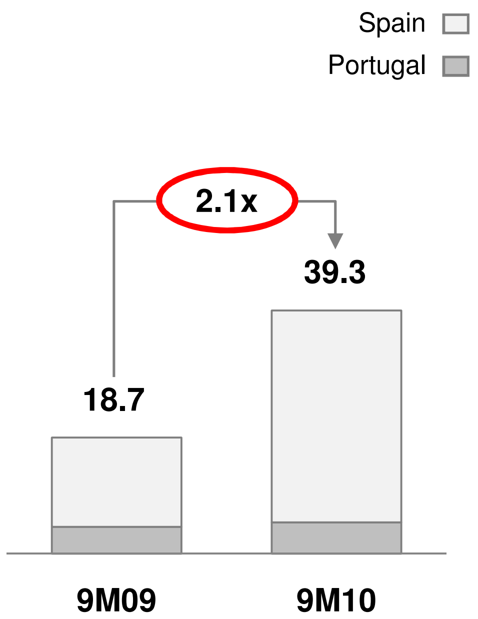
Regulated Energy Networks Iberia: Demand recovery from industrial sector, efficiency improvements

Energy Distributed
(TWh)

Electricity Distributed

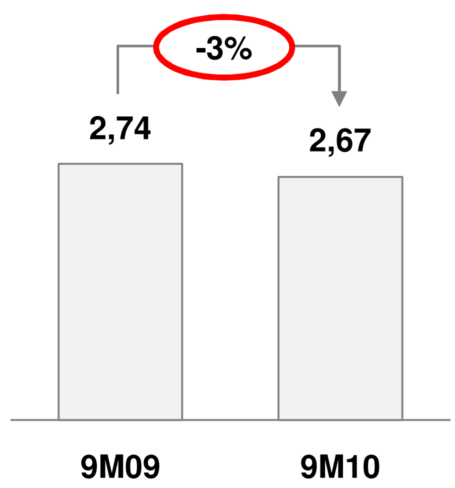


Gas Distributed

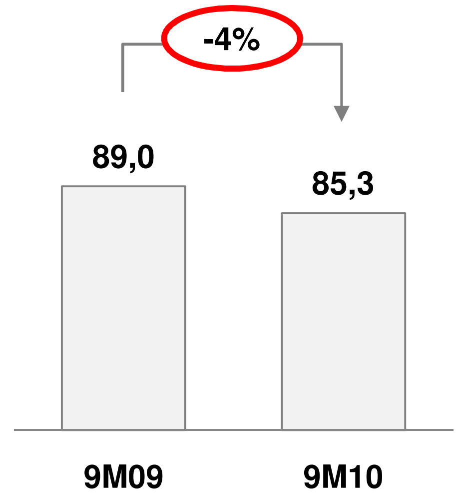


Efficiency Ratios (annualised)
(€)

Opex[1]/Km Network



Opex[1]/Client Connected



Electricity: industrial sector recovery and cold winter

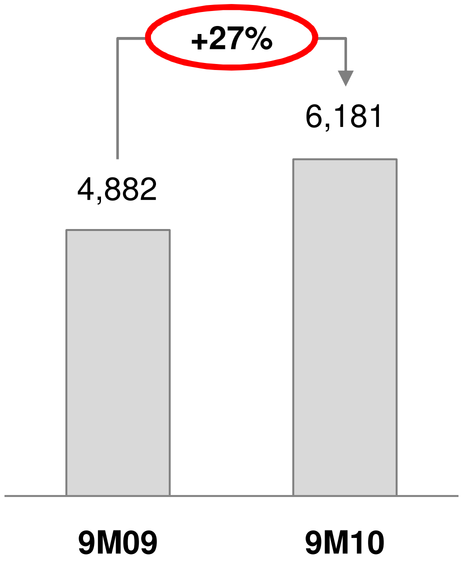
Gas: consolidation of distribution assets acquired from GN and industrial sector recovery

Improvements of Efficiency ratios even considering the adverse weather conditions in Portugal in 1Q10

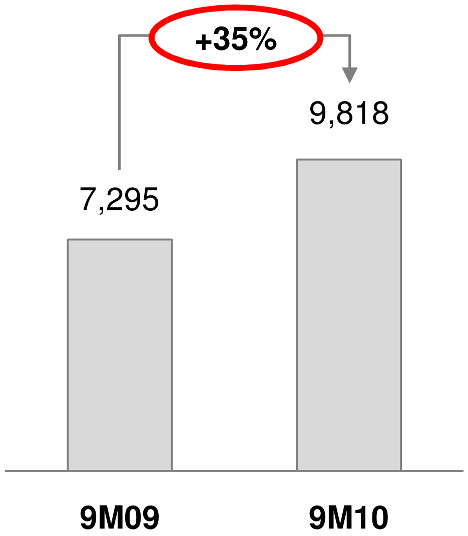
[1] Supplies & Services, Personnel Costs and Costs with Social Benefits (excluding HR Restructuring costs)

EDP Renováveis (18% of EBITDA): EBITDA up 28% YoY

Installed Capacity
(EBITDA MW)

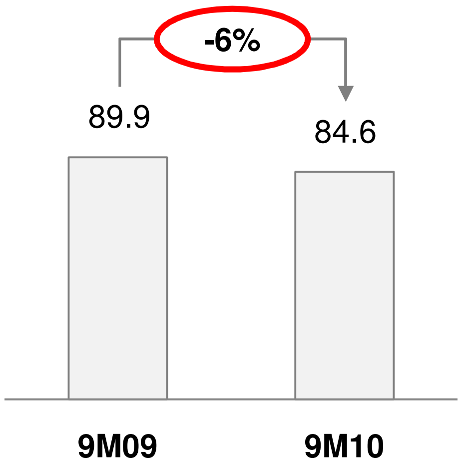


Output
(GWh)

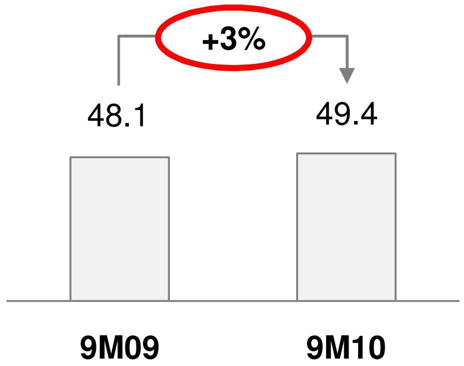


Average Selling Prices

Europe (€/MWh)



USA ($/MWh)

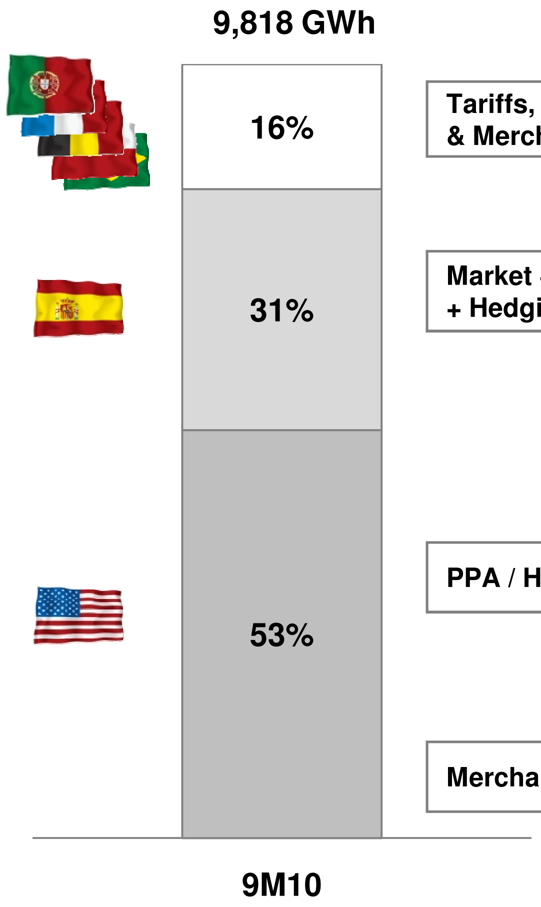


27% increase of installed capacity; 35% growth of total wind power production

Decline of average selling prices in Spain; Slight recovery in USA

Wind power prices

Production Breakdown



Avg. Selling Price per MWh

	9M10	9M09	△%
Tariffs, PPAs & Merchant	€98	€97	+1%
Market + Premium + Hedging	€78	€86	-10%
PPA / Hedged (2)	$55	$52	+5%
Merchant (1)	$34	$26	+30%

Portugal/France: Tariffs CPI updated
Poland: first park in 2010: (€109/MWh: market + PPA on green certificates)

- ✓ 78% hedged or protected by floor price
- ✓ 22% sold @ pool+premium

Reflecting higher prices achieved on the latest contracts

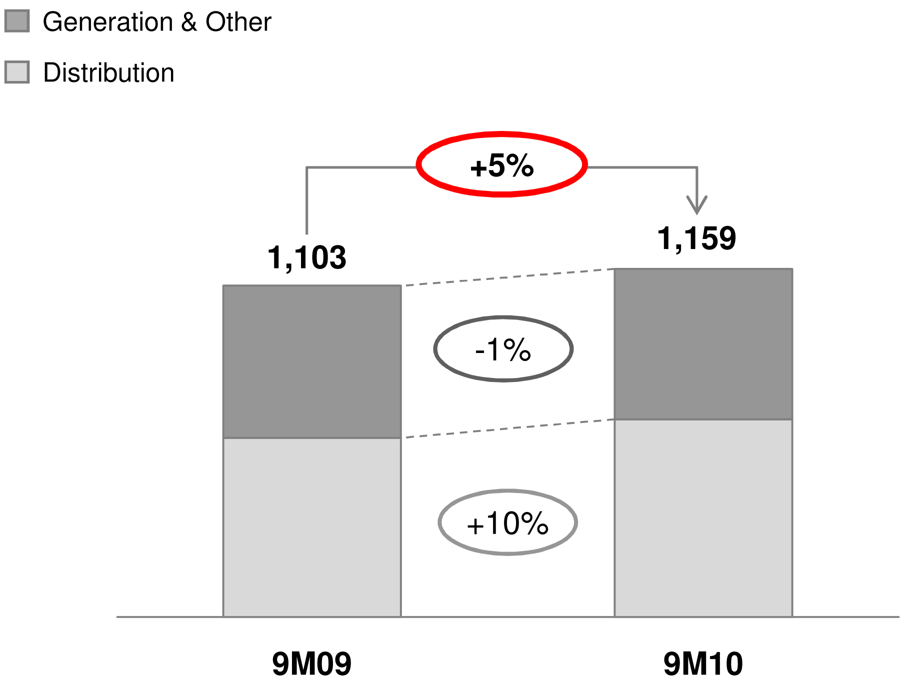
In 9M10, 27% of output in USA was sold in merchant (vs. 16% in 9M09)

82% of production in 9M10 sold with no exposure (or limited) to market volatility

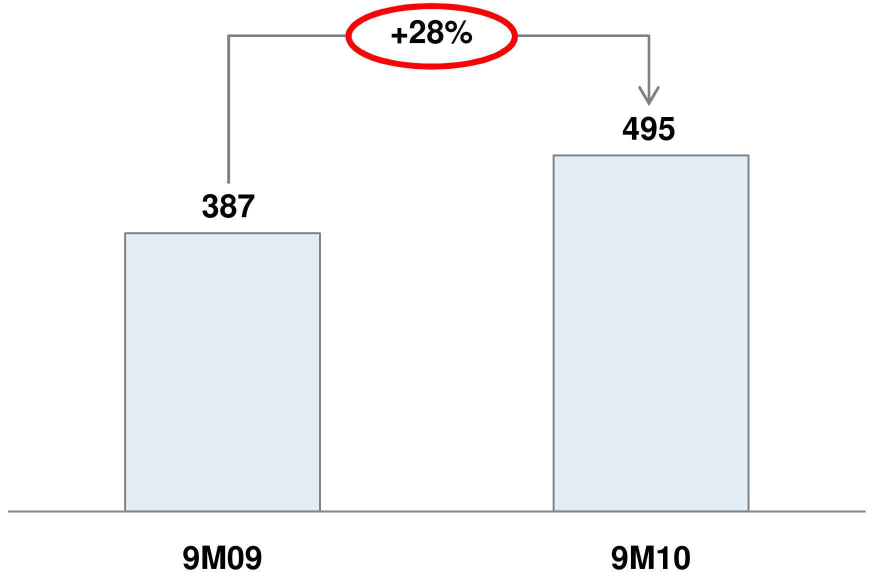
(1) Excluding sale of interests in institutional partnerships.

Brazil (19% of EBITDA)

Evolution of EBITDA of EDP Brasil
(BRL millions)



Evolution of EBITDA of EDP Brasil
(€ million)



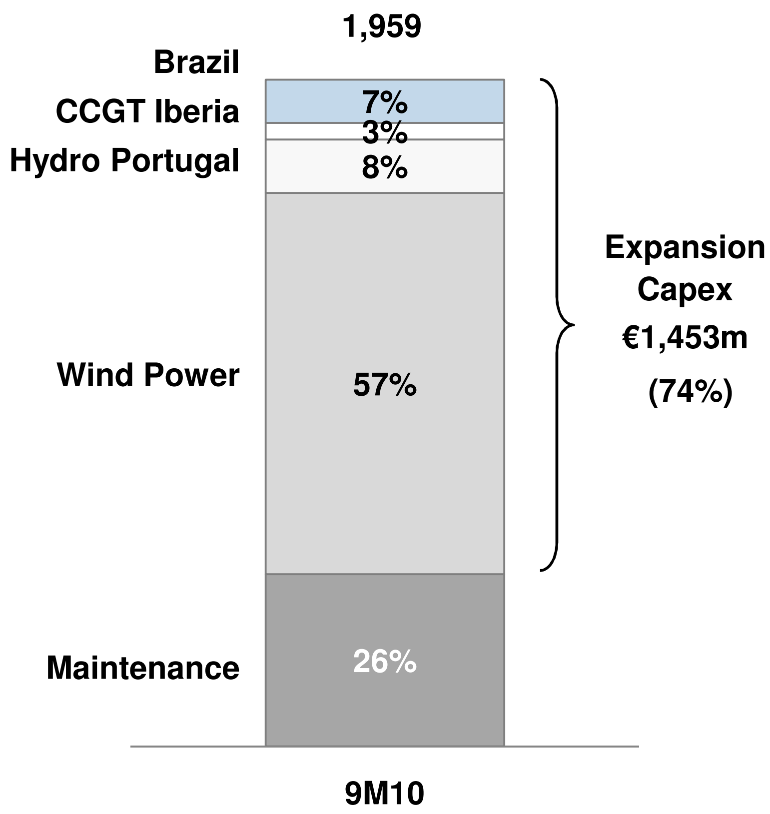
EBITDA +28% YoY; +5% in local currency + 22% appreciation of BRL vs. EUR

Electricity distributed: +15% driven by recovery in industrial segment

Consolidated Financials

Consolidated Capex 9M10: 74% invested in expansion

Consolidated Capex
(€ million)



Wind Power
- 62% USA, 11% Spain, 23% Rest of Europe
- Projects ongoing: 48%; projects concluded: 52%

Hydro in Portugal under construction
- 1.8GW, €0.4bn accumulated capex by Sep-10

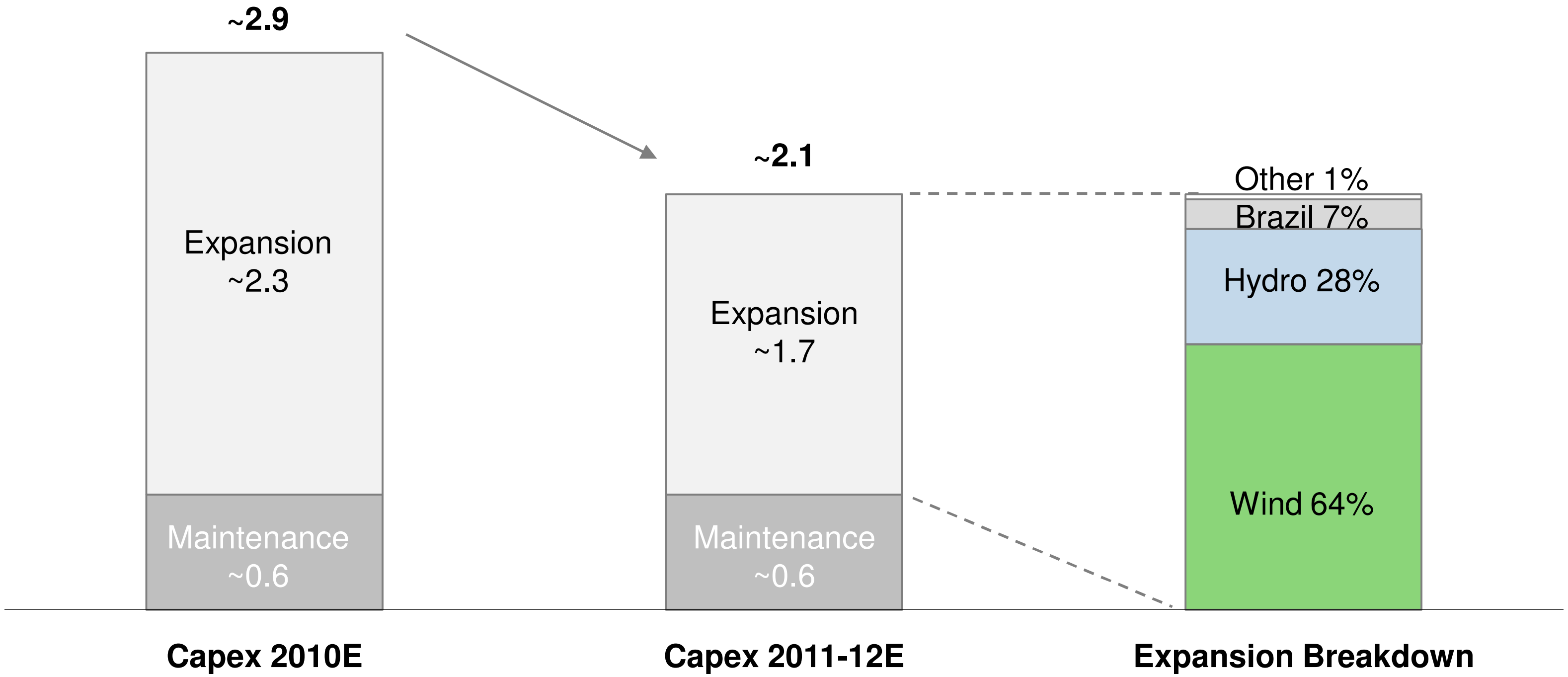
Brazil New Generation Plant with PPAs
- €0.4bn of accumulated capex, to start in Jan-12

New CCGT in Spain
- 424MW, 93% capex incurred, already on tests

88% of expansion capex was wind and hydro power

Capex 2011-12: Reduction to €2.1bn/year

Avg. Capex 2011-12E: ~€2.1bn/year
(GW)

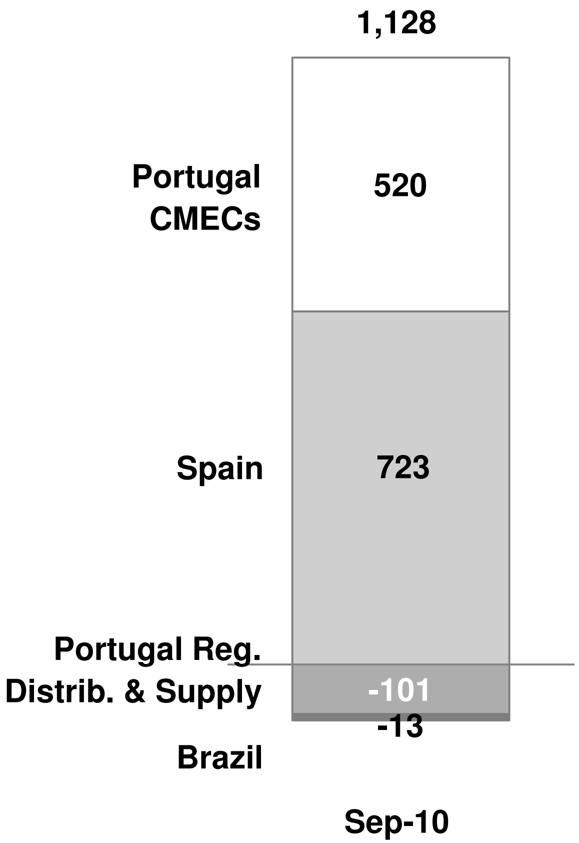


Downward revision of expansion capex plan in US wind for 2011 and 2012

Average annual capex in 2011/2012 from previous €2.4bn/year to €2.1bn/year

Net Regulatory Receivables by Sep-10

Regulatory Receivables
(€ million)



Regulatory Receivables from CMECs: €520m (-€66m vs. Dec-09)

- €120m created in 9M10 (low coal production and low electricity prices)
- ~€275m are being recovered in 2010; remaining to be recovered in 2011

Spanish Tariff Deficit: €723m (+€221m vs. Dec-09):

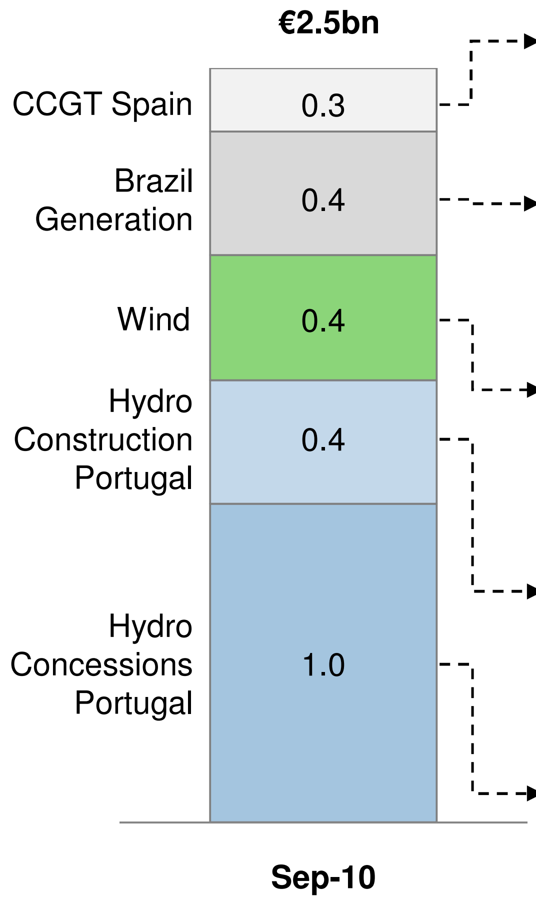
- €320m from 2006-08 deficit included in the ongoing securitization process
- Additional tariff deficit being created in 2010

Portugal last resort supply & distribution: -€101m (+€408m vs. Dec-09)

- €509m being returned to the tariffs in 2010
- Total amount expected to become closer to zero by Dec-10

Spanish tariff deficit is the largest component, but represents 4% of EDP's net debt

Construction in Progress & Hydro Concession Payments



Soto 5 424 MW CCGT in Spain: To start operations in Jan-11

- ✓ 93% of total investment already incurred

Pécem Coal plant in Brazil: 15 Year PPA contract, 360 MW attributable capacity

- ✓ Total investment: BRL1.5bn, 67% of which already incurred
- ✓ Operation starts in Jan-12; **Expected EBITDA in 2012: BRL240m (€100m)**

743 MW under construction: 30% in Spain, 30% in Romania, 15% in US

- ✓ 1.3GW capacity added between Sep-09 and Sep-10 (EBITDA growth for 2011)
- ✓ 300 MW to be installed in 4Q10, reaching 6.5GW by Dec-10: €850m-€900m 12 months EBITDA

7 hydro plants under construction (1.8 GW capacity);

- ✓ **2012: 3 plants in operation; Expected EBITDA €40m**
- ✓ 2016: 7 plants in operation; EBITDA ~€c170m
- ✓ Total capex in these plants €1.7bn, from which €0.9bn in 4Q10-2012

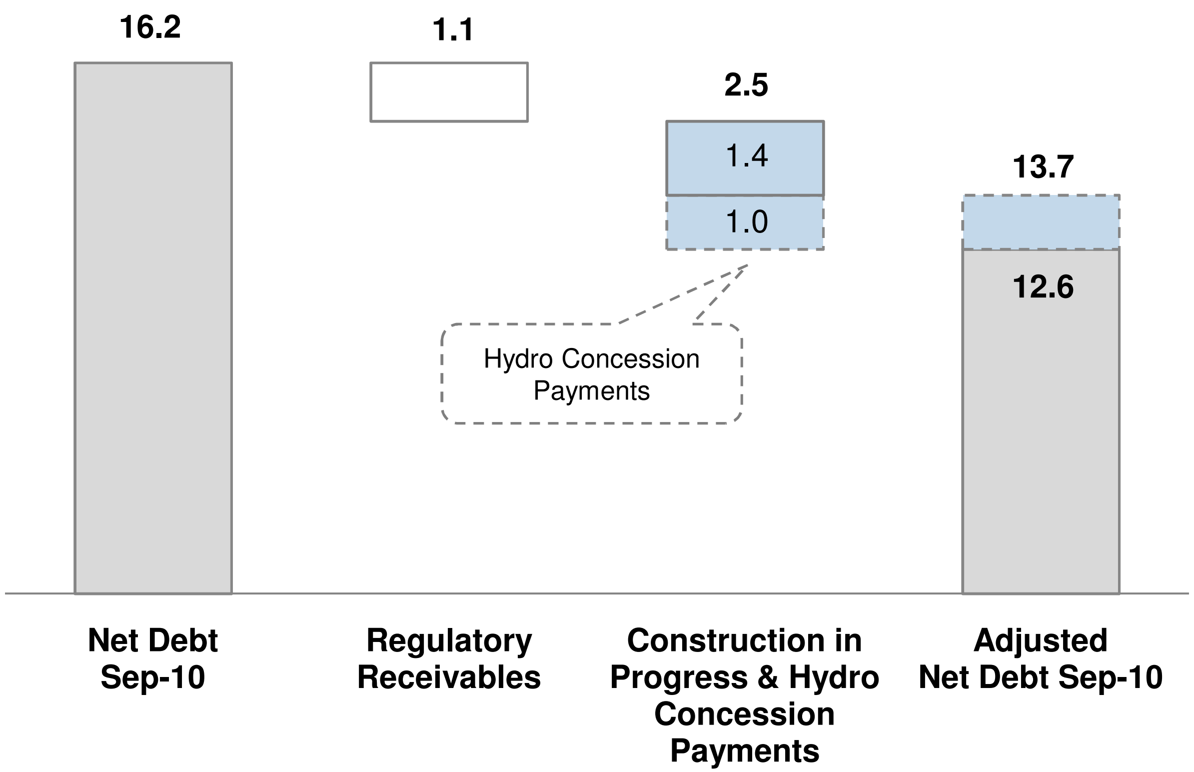
€1bn paid for hydro concessions in Portugal in 2008/2009

- ✓ €759m for extension by ~30 year in 26 plants: EBITDA +€80m in 2014, +€10m in 2016
- ✓ €285m for concession rights to build 3 new hydro plants: EBITDA contribution in 2015/16

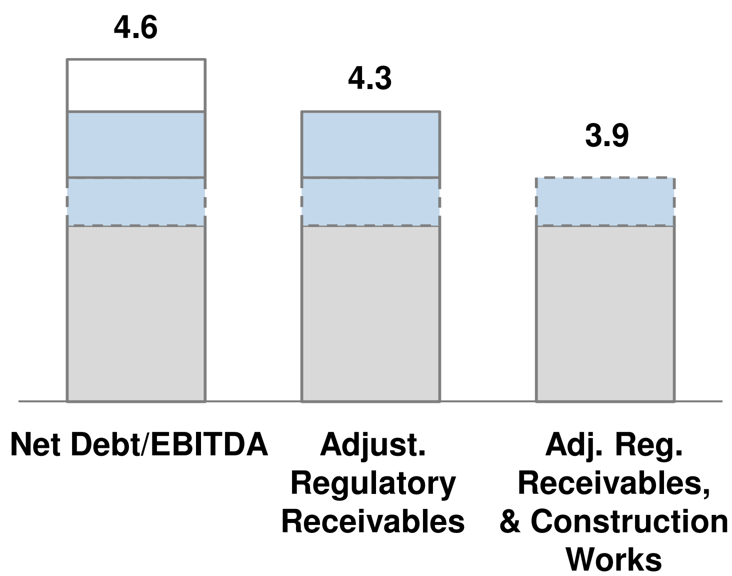
3.4GW under construction, €1.4bn already invested
Coal in Brazil + Hydro in Portugal: +€140m of EBITDA from new capacity already in 2012
Hydro concessions Portugal: €1bn already invested, EBITDA only from 2014 onwards

EDP Net Debt Sep-10
Impacted by Construction in Progress & Regulatory Receivables

Impact on Regulatory Receivables & Works in Progress on Net Debt
(€ billion)



Net debt / EBITDA
(X)

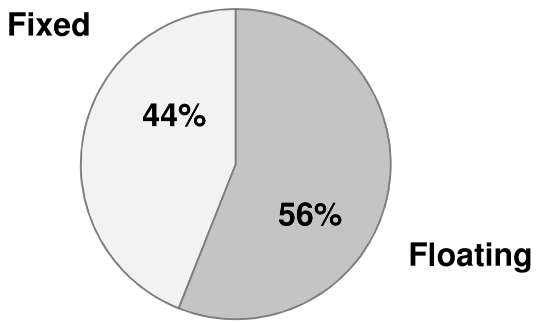


Net Debt & Net debt/EBITDA impacted by regulatory receivables / works in progress

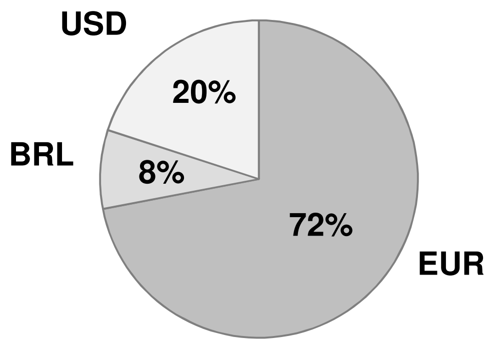
(1) Adjusted by Regulatory Receivables (2) Adjusted by Regulatory Receivables and construction in progress

Net Debt Breakdown

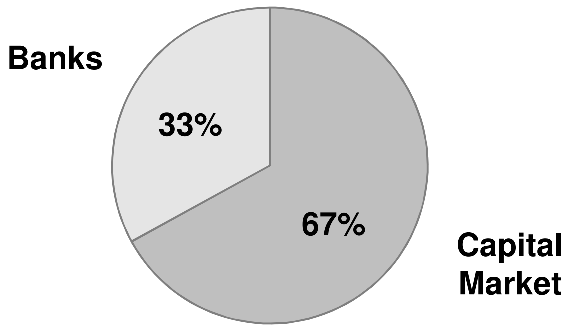
Debt by Interest Rate Term



Debt by Currency



Debt by Source of Funds



	Dec-09	Sep-10
Net Debt/EBITDA	4.2x	4.6x
Net Debt/EBITDA Adjusted [(1)]	3.9x	4.3x
FFO / Net Debt	16%	17%

	Rating	Last Rating Action
Standard & Poors	A-/Negative/A2	29/10/2010
Moody's	A3/Stable/P2	13/07/2010
Fitch	A-/Stable/F2	17/06/2010

A- reaffirmed by Standard & Poors in Oct-10 and A3 reaffirmed by Moody's in Jul-10

Net debt/EBITDA in 9M10 calculated based on the annualized value of 9M10 EBITDA [(1)] Adjusted for Regulatory Receivables and payment of assets acquired to Gas Natural on 31-Dec-09

EDP financial liquidity position

(€ million) **Sources of liquidity (Sep-10)**

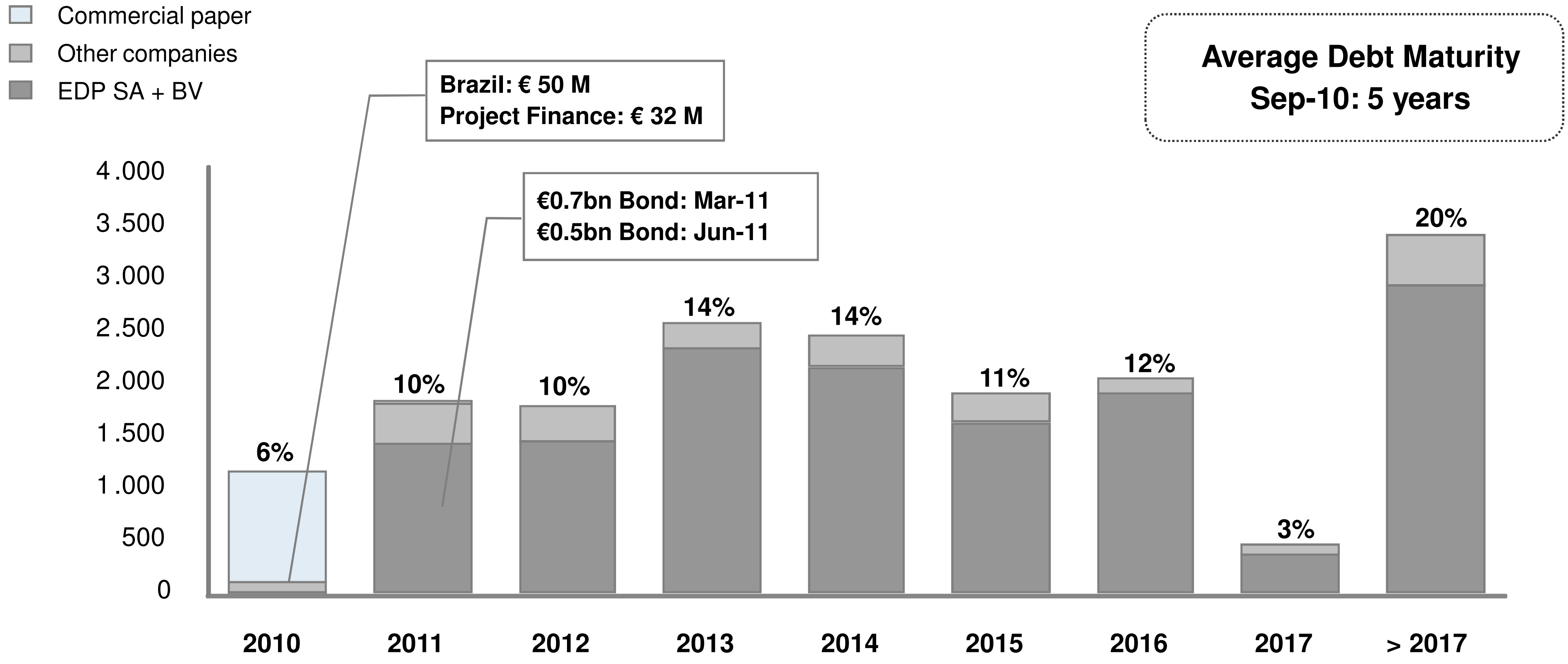
Instrument	Maximum Amount	Number of counterparties	Utilised	Available	Maturity
Revolving Credit Facility (US$1.5bn)	1,099	22	1,099	-	02-07-2014
Revolving Credit Facility	1,600	19	-	1,600	04-03-2012
Domestic Credit Lines	244	14	-	244	Renewable
Underwritten CP Programmes	650	3	-	650	Renewable
Total Credit Lines	3,593		1,099	2,494	
Cash and Equivalents:				1,419	
Total Liquidity Available				3,913	

Nov-10: €1.6bn RCF increased to €2.0bn with a new 5 year maturity, 21 counterparties

€4.3bn of cash and liquidity facilities available by Nov-10

EDP consolidated debt maturity profile

EDP consolidated debt maturity profile (September 30, 2010)
(€ million)



€3.9bn financial liquidity by Sep-10 + new RCF closed in Nov-10: cover funding needs until 2012

EDP main sources and uses of funds in 2010-2012

Sources of funds

- Cash & Equivalents (Sep-10): €1.4bn
- Available Credit Lines (Sep-10): €2.5bn
- Credit line Increase (Nov-10) €0.4bn

Total: €4.3bn

Use of funds

- Refinancing needs in the bond market 2010-2012:

Bond maturing in Mar-11:	€0.7bn
Bond maturing in Jun-11:	€0.5bn
Bond maturing in Jun-12:	€0.5bn
Bond maturing in Nov-12:	€0.8bn

Total: €2.5bn

Comfortable liquidity position covers funding needs until 2012

Net Profit up 4% YoY

(€ million)	9M09	9M10	Δ %	Δ Abs.
EBITDA	**2,427**	**2,651**	**+9%**	**+224**
Net Depreciations and Provisions	955	1,148	+20%	+193
EBIT	**1,472**	**1,503**	**+2%**	**+31**
Net Interest Costs	(439)	(401)	-9%	+38
Other [1]	111	74	-33%	-37
Income Taxes	309	306	-1%	-4
Minority Interests	87	96	+10%	+9
Net Profit	**748**	**774**	**+4%**	**+26**

11% increase of installed capacity
Acquisition of gas networks + IFRIC18 in Spain

Lower cost of debt: 3.5% in 9M10 vs. 4.0% in 9M09

€31m capital gains in 9M09 vs. immaterial in 9M10

Effective tax rate flat YoY: 26.0% in 9M10

Brazil: EDP's economic interest down from 72% to 65%

[1] Results from associated companies, capital gains, impairments and discontinued activities

Prospects:

EBITDA 2010E	Regulated & LT contracted activities: Stable operating performance in line with low risk profile **EDP expects to deliver current consensus**
Net Debt 2010E	Timing for securitization of Spanish tariff deficit still not 100% clear **Net debt 2010E: ~€16.0bn (assuming stable forex rates and securitisation in Spain before YE)**
Net Profit 2010E	Average cost of debt expected to be below 4.0% in 2010 No material forex impact on net profit **EDP expects to deliver current consensus**

Free Cash Flow positive in 2011 and 2012 (excluding regulatory receivables)

High weight of regulated & LT contract + hedging policy (both in forex and energy markets)

Visibility and predictability on EDP's financial performance

A resilient business model in a challenging environment

Improvement of returns

- **Reported EBITDA +9% (key growth drivers: Brazil and Wind Power)**
- **Net interest costs: -9%** (cost of debt down from 4.0% to 3.5%)
- **Net Profit: +4%**

Continued Profitable Growth

- **Total Installed capacity: +11% YoY in 9M10 (wind capacity +27%)**
- **Focus on Wind, Hydro in Portugal, Brazil: high returns, controlled risk**
- **€1.4bn already invested in 3.4GW capacity under construction**

Controlled risk

- **>80% EBITDA from regulated or LT contracted activities**
- **Market diversification with forex hedging: funding in local currencies**
- **financial liquidity covers funding needs until 2012**
- **A- reaffirmed by Standard & Poor's in Oct-10**

Maintaining a low risk + profitable growth profile

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http://www.edp.pt/EDPI/Internet/EN/Group/Investors/Publications/default.htm

Next Events

November 17th/19th: London Roadshow

November 30th: NYC, JP Morgan Iberian Conference

December 1st : Boston Roadshow

December 2nd/3rd: NYC, UBS European Large Caps Confer.