



Financial Results 1Q2008

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Lisbon, May 8th 2008

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1Q08 Performance



Results Summary (€ m)	1Q08	1Q07	Δ 08/07
Gross Profit	1.258,3	1.141,7	10,2%
Operating Costs	449,6	436,9	2,9%
EBITDA	808,7	704,8	14,7%
EBIT	541,8	461,4	17,4%
Net Profit	263,3	241,4	9,1%
Net Debt	11.843,0	11.692,2	1,3%

Operating Data	1Q08	1Q07	Δ 08/07
Electricity:			
Installed Capacity (MW)	15.962	13.634	+2.329 MW
Generation (GWh)	12.555	14.131	-11,2%
Distribution (GWh)	21.822	21.736	0,4%
Retail (GWh)	24.125	23.534	2,5%
Clients (thousand)	9.942	9.748	+195 th
Gas:			
Distribution (GWh)	7.125	7.071	0,8%
Retail (GWh)	8.478	7.171	18,2%
Clients (thousand)	800	766	+34 th
Employees (Group)	13.018	13.244	-226

Consolidated EBITDA in 1Q08 increased 15% or +€104m YoY, to €809m. All the divisions reported EBITDA growth with the wind power division EDP Renováveis being the major growth driver of the period with EBITDA rising 128% or +€70m to €126m in 1Q08. Net profit rose 9% YoY to €263m with the 17% growth in EBIT more than compensating the increase of financial costs.

EBITDA from integrated generation and supply in Iberia rose 3% or +9m YoY to €312m following the recovery of the performance of the PPA/CMEC activity and the good performance of liberalized generation in Portugal which more than compensated the negative impact from the CO2 claw-back in Spain and the strong increase in variable generation costs. EBITDA from long term contracted generation (PPA/CMEC in Portugal) rose 13% or +€26m to €226m. Adjusted to non-recurrent items in 1Q07 and 1Q08, EBITDA from LT contracted generation rose 1.6% YoY reflecting this activity's stable cash flow profile with no material exposure to energy markets volatility. On the other hand, EBITDA from liberalized generation and supply fell 17% YoY or €18m, penalized by a €14m negative impact from the RDL11/07 in Spain (CO2 claw-back) in 1Q08 and a 50% increase in variable generation costs per MWh due to change in generation mix, and increase of coal, gas and CO2 prices in international markets. The output from EDP's liberalized generation rose 8.8% YoY, with the 104% YoY increase of CCGT output more than compensating the 32% decline in coal generation. Note that the new CCGT Castejon 3 started operating in late Dec-07 and Soto 3 coal plant was out of service for Desox and maintenance works over the entire 1Q08. Given EDP's generation & supply hedging strategy, a significant part of fuel procurement costs and electricity selling prices to clients are fixed between 6 and 18 months ahead limiting exposure to energy markets volatility. This policy avoided a sharper increase of generation costs in 1Q08. Looking forward, EDP has already contracted 76% of its expected liberalized generation output at an average price of €58/MWh a significant part of fuel costs where fixed over 2007 before recent fuel costs rise, supporting a realized spark spread locked in above €13/MWh and a realized dark spread locked in above €29/MWh for the 2008 electricity sales already contracted.

EBITDA from EDP Renováveis rose +128% or +€70m YoY to €126m. Wind installed capacity increased by 152% to 3,097 MW, following the 45% or +548MW YoY increase of installed capacity in Europe to 1,776 MW in Mar-08 and the 1,321 MW capacity in USA, following the start of consolidation of the USA wind subsidiary Horizon from Jul-07 onwards. Electricity output rose 161% YoY reflecting the increase of installed capacity and the maintenance of high average load factors of 31% in Europe and 38% in USA in 1Q08. Average selling price in the Spanish market, which represented 36% of EDP wind output in 1Q08, increased 37% YoY to €97.6/MWh highlighting the adequate exposure to power prices of our wind power activity. The sum of the 67 MW installed in 1Q08 and the 1,150 MW that were under construction by the end of Mar-08, represents 87% of EDP Renováveis average annual target MW additions of 1,400MW/year, showing the current high level of development works. By the end of Mar-08, EDP Renováveis total pipeline amounted to 16,210 MW of wind power plants' projects under different stages of development.

EBITDA from our energy regulated networks in Iberia rose 8% or +€17m YoY to €228m. Energy demand in the areas of our electricity and gas networks was flat YoY in 1Q08, with no material impact on financials, showing already a recovery in Apr-08. On the other hand operating costs in this activity fell 0.8% or €2m YoY showing a continued effort on efficiency improvement. In Portugal our regulated supply activity showed a tariff deviation due to a rise of electricity prices but with no impact on P&L. Meanwhile EDP transferred to financial institutions in Mar-08 the right to receive the €177m tariff deficits in Portugal accumulated in 2006/2007.

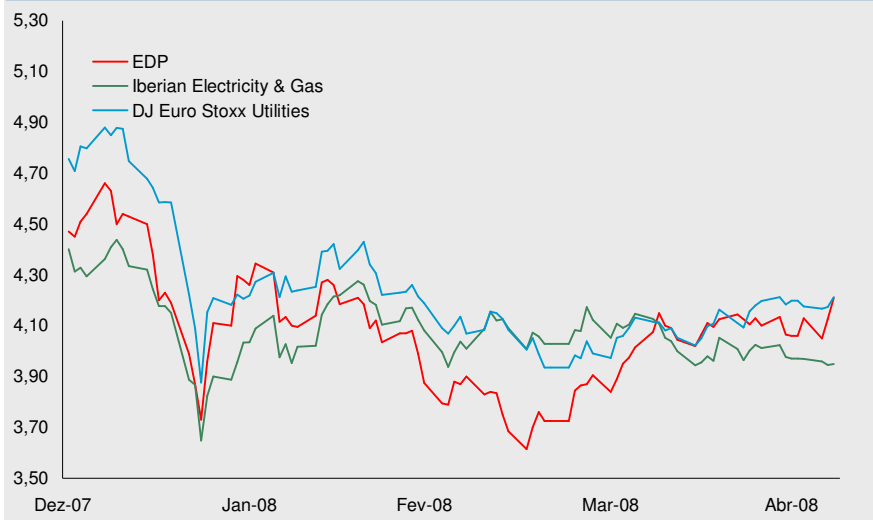
EBITDA from Energias do Brasil increased by 1% or +€2m to €161m in 1Q08. Our electricity distribution activities showed a 28% EBITDA decline YoY, due to lower non-recurrent revenues from tariff receivables which amounted to €48m in 1Q07 and €13m in 1Q08. Excluding this impact, recurrent EBITDA in distribution was flat at €78m in 1Q08, due to the negative impact of 2007 regulatory revisions. In generation EBITDA showed a 95% YoY growth to €67m, driven by the 14% increase of volumes sold and very high electricity spot prices in 1Q08.

Consolidated operating costs rose 2.9% YoY, reflecting efficiency improvements and the expansion of activity namely at the level of EDP Renováveis. Consolidated capex rose 1.9x YoY to €607m, with expansion investments representing 75% of total. **Net debt increased 1% or +€151m from Dec-07 to €11,843m by Mar-08**, reflecting the high level free cash flow generation of existing operations, the increase of expansion capex and the €235m increase of regulatory receivables in Spain and Portugal during the 1Q08 to €954m in Mar-08.

EDP Share Performance



YTD EDP Stock Performance on Euronext Lisbon



EDP Stock Market Performance

YTD

52W

2007

EDP Share Price (Euronext Lisbon - €)

Close	4,21	4,21	4,47
Max	4,76	5,00	5,00
Min	3,54	3,54	3,79
Average	4,10	4,22	4,18

EDP's Liquidity in Euronext Lisbon

Turnover (€ m)	4.784	17.990	21.457
Average Daily Turnover (€ m)	51	69	82
Traded Volume (million shares)	1.168	4.264	5.129
Avg. Daily Volume (million shares)	13	16	20

EDP Market Value

Market Capitalisation (€ million)	15.394	15.394	16.345
Enterprise Value (€ million)	28.073	28.073	26.574

EDP's Main Events

Jan-02 Horizon closes a USD 600 million transaction with institutional equity investors

Jan-08 EDP launches tender for the Alqueva Hydro plant repowering

Jan-09 Energias do Brasil has a new board

Jan-28 EDP initiates preparation for potential IPO of EDP Renewables

Fev-19 EDP acquires 1.050MW of early stage wind projects in the USA

Fev-26 EDP exercises put option over 40% of Edinfor

Fev-26 EDP establishes new renewable energy unit in South America

Mar-31 EDP transfers the right to receive the 2006/2007 tariff deficit in Portugal

Apr-01 Construction and operation of Foz Tua hydro plant awarded to EDP

Apr-08 EDP acquires wind assets from EOLE 76 Group in France

Apr-09 EDP and IPIC agree on a framework for mutual cooperation

Apr-09 IPIC notifies EDP of a 2% ownership in EDP's share capital

Apr-11 Portgás executes concession agreement for regional distribution of gas

Apr-11 ANEEL approves the 2008 tariff reset for Enersul

Apr-29 EDP signed credit facility for €925m

Consolidated Financial Statements



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

Consolidated Income Statement (€ m)	1 Q08	1 Q07	Δ 08/07
Electricity Sales	3,152.7	2,425.8	30.0%
Gas Sales	336.0	390.8	-14.0%
Other Sales	17.2	19.8	-13.2%
Services Provided	25.7	34.9	-26.3%
Operating Revenues	3,531.6	2,871.3	23.0%
Electricity	1,694.0	1,144.5	48.0%
Gas	218.6	313.3	-30.2%
Fuel	351.7	239.6	46.8%
Materials and goods for resale	8.9	32.1	-72.4%
Direct Activity Costs	2,273.2	1,729.5	31.4%
Gross Profit	1,258.3	1,141.7	10.2%
Gross Profit/Revenues	35.6%	39.8%	-4.1 pp
Supplies and services	170.6	155.3	9.9%
Personnel costs	148.5	144.1	3.1%
Costs with social benefits	29.1	24.1	21.0%
Concession fees	59.1	55.0	7.5%
Other operating costs (or revenues)	42.3	58.5	-27.7%
Operating costs	449.6	436.9	2.9%
EBITDA	808.7	704.8	14.7%
EBITDA/Revenues	22.9%	24.5%	-1.6 pp
Provisions for risks and contingencies	0.3	14.3	-97.9%
Depreciation and amortisation	293.1	254.6	15.1%
Comp.of subsidised assets' depreciation	(26.6)	(25.4)	-4.5%
EBIT	541.8	461.4	17.4%
EBIT/Revenues	15.3%	16.1%	-0.7 pp
Capital gains/(losses)	27.0	(0.0)	-
Financial income/(expense)	(184.3)	(86.1)	-114.1%
Income/(losses) from group and associated companies	9.8	6.9	40.8%
Pre-tax profit	394.2	382.2	3.1%
Income taxes	92.8	106.1	-12.5%
Discontinued Activities	-	-	-
Profit of the period	301.4	276.1	9.2%
Equity holders of EDP	263.3	241.4	9.1%
Minority interests	38.1	34.7	9.9%

Assets (€ m)	1 Q08	2007
Property, plant and equipment, net	18.760	18.669
Intangible assets, net	5.489	5.222
Financial Investments, net	698	957
Deferred Tax asset	702	687
Inventories	249	283
Accounts receivable - trade, net	2.009	1.759
Accounts receivable - other, net	3.259	2.993
Financial assets held for trading	60	49
Cash and cash equivalents	663	865
Total assets	31.889	31.484

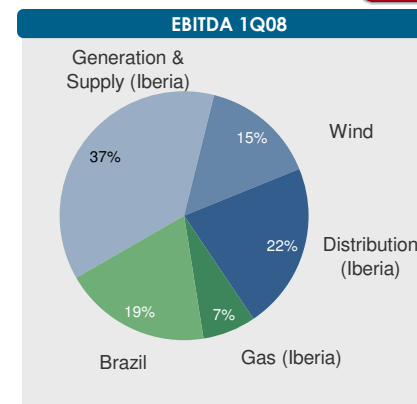
Equity (€ m)	1 Q08	2007
Share capital	3.657	3.657
Treasury stock and share premium	424	436
Reserves and retained earnings	1.999	1.264
Consolidated net profit attributable to equity holders of the parent	263	907
Minority Interest	934	987
Total equity	7.276	7.251

Liabilities (€ m)	1 Q08	2007
Medium/ Long-term debt & borrowings	10.387	10.064
Short-term debt & borrowings	2.179	2.542
Provisions	373	376
Hydrological correction account	230	228
Deferred Tax liability	647	618
Accounts payable - net	10.796	10.406
Total liabilities	24.613	24.233
Total equity and liabilities	31.889	31.484

EBITDA Overview: Consolidated EBITDA up 15%



EBITDA (€ m)	1Q08	1Q07	% Δ	Abs. Δ	1Q07	2Q07	3Q07	4Q07	1Q08	2Q08	3Q08	4Q08
IBERIAN MARKET *	608,5	545,7	11,5%	62,8	545,1	482,3	559,8	422,0	608,5			
Generation & Supply	311,8	302,5	3,1%	9,3	302,5	283,3	311,0	329,0	311,8			
Wind (Power)	125,5	55,1	127,6%	70,4	55,1	37,5	54,4	66,9	125,5			
Distribution	182,0	173,8	4,8%	8,3	173,8	136,2	164,4	(18,9)	182,0			
Gas	59,2	52,5	12,8%	6,7	52,5	46,9	44,4	44,7	59,2			
Brazil	160,7	159,2	1,0%	1,5	159,2	163,9	124,1	139,4	160,7			
Other & Adjustments	(30,6)	(38,2)	19,9%	7,6	(38,2)	(20,0)	(1,7)	18,1	(30,6)			
Consolidated	808,7	704,8	14,7%	103,8	704,8	647,7	696,5	579,2	808,7			



• **Iberian market generation and supply** - Integrated generation and supply EBITDA increased 3.1% or +€9.3m YoY to €312m in 1Q08. EBITDA from long term contracted generation (PPAs/CMECs) rose 13% or €23.1m YoY following the existence of not recurrent trading gains in 1Q08 and trading losses in 1Q07 regarding fuel procurement. Excluding the non-recurrent impacts our EBITDA from LT contracted generation would have increased 1.6% YoY, reflecting the stable profile of this business. Regarding liberalized generation and supply EBITDA fell 17.4% or €18m YoY to €85.6m in 1Q08, penalized by the €14m negative impact from the CO2 claw-back legislation in Spain, the outage over the entire 1Q08 of Soto 3 coal plant for desox and maintenance works and the increase of average generation costs by 50% due to the increase of coal, gas and CO2 prices and the less favorable generation mix with more gas and less hydro, nuclear and coal.

• **Wind Power** – EBITDA from EDP wind farms activity in Europe increased 63,4% YoY, which corresponds to an 81.4% EBITDA margin for the period (up 4.3 p.p. YoY), following the strong growth in EBITDA installed capacity (+44.6%), 31% average load factor in the 1Q08 and also a 25.6% YoY increase in average tariffs to €97/MWh in 1Q08. Horizon, EDP's subsidiary for wind farms activity in the US, started being fully consolidated in Jul-07. Horizon's contribution at the level of EBITDA for the 1Q08 was €35.4m.

• **Regulated electricity distribution in Iberian markets** – EBITDA from regulated electricity distribution in Portugal increased 7.7% YoY to €161.2m in 1Q08. Gross profit increased 2.8% in line with the regulatory assumptions. Starting in 2008, the regulated distribution in Portugal recognizes the tariff deviation in the period as operational revenues, as a result of expected legal and regulatory changes (on course) which determine that tariff deviations will have the same regulatory and legal framework as applied to tariff deficit. This is fully recognized as a 1Q08 revenue to be cash recovered in 2010. In regulated distribution in Spain, EBITDA decreased 0.7% YoY to €20.9m in 1Q08, reflecting an increase in back office expenses.

• **Gas regulated and liberalized activities** – Gas distribution and transmission regulated activities showed a 13.3% increase of EBITDA to €46.0m in 1Q08, reflecting a 4.9% increase in the number of supply points and the 7.7% growth in the extension of our networks. In the liberalized gas procurement and supply business, EBITDA grew 10.4% YoY, supported by the increase both in terms of volumes, clients and gross margin per MWh, based on an integrated management of the existing gas sourcing contracts.

• **Brazil** – Energias do Brasil EBITDA contribution increased by 1.0% YoY to €160.7m in 1Q08, benefiting from a 5.4% appreciation of the Brazilian Real against the Euro between 1Q07 and 1Q08. EBITDA at electricity distribution decreased 27.7% YoY to €90.9m in 1Q08, mostly due to the impact of tariff revisions occurred in our distribution companies, the decrease of receivables through tariffs of regulatory receivables accumulated in previous years and energy costs higher than the ones considered on tariff assumptions. EBITDA of generation activity increased by 95.4% YoY impacted by a one-off increase in electricity sales by Enerpeixe in 1Q08, taking advantage of higher prices in the residual electricity market in 1Q08 and the increase of installed capacity (+25 MW)

• **Consolidated EBITDA** – Overall, EDP reported a consolidated EBITDA of €808.7m in 1Q08, up 14.7% YoY. Excluding impacts from acquisitions (Horizon in Jul-07) pro-forma EBITDA increased 9.7%.

Capital Expenditures



CAPEX (€m)	1Q08	1Q07	Δ 08/07
Existing Plants	6,4	4,9	29,3%
New Plants	77,6	3,8	-
Emissions Improvement	17,0	0,8	-
Portugal	101,1	9,5	-
Existing Plants	7,8	2,0	286,4%
New Plants	6,0	10,6	-43,2%
Emissions Improvement	1,5	7,4	-79,5%
Spain	15,3	20,0	-23,4%
Generation Iberia	116,4	29,5	295,0%
Spain	13,4	54,0	-75,2%
Portugal	127,2	37,8	236,9%
Rest of Europe	7,3	-	-
USA	221,8	-	-
Wind	369,6	91,7	303,0%
Electricity Distribution Portugal (net of subsidies)	37,4	45,5	-17,8%
Electricity Distribution Spain (net of subsidies)	12,1	1,9	-
Gas Distribution Portugal	2,0	3,6	-42,7%
Gas Transmission Spain	3,6	0,5	-
Gas Distribution Spain	3,7	4,7	-21,2%
Regulated Energy Networks Iberia	58,9	56,2	4,7%
Electricity Distribution (net of subsidies)	38,5	23,5	64,0%
Electricity Generation & Other	18,4	8,1	128,1%
Brazil	56,9	31,5	80,4%
Other	4,7	1,2	-
EDP Group	606,5	210,1	188,7%
Expansion Capex	465,6	106,1	338,8%
Maintenance Capex	140,9	104,0	35,5%

• **Consolidated Capex amounted to €607m** in the 1Q08, up 188.7% YoY, reflecting: (i) the start of consolidation in Jul-07 of Horizon, our US wind subsidiary (+€221.8m); (ii) a 61% increase in capex at our European wind business; and (iii) a 294% increase in capex at our Iberian generation activity. About 77% of EDP Group's 1Q08 capex was invested in the expansion of installed capacity, namely in new wind farms in Europe and USA and in new CCGTs in Spain and Portugal (Soto 4, Lares 1 and Lares 2). These investments will enable the medium term growth of our business. It is also worth mentioning that close to 85% of EDP capex was related to regulated businesses and long term contracted generation, which present a low risk of return on investments, such as renewable energies, Iberian electricity and gas distribution and generation under PPA/CMEC.

• **Iberian Generation** – Capex at our generation business in Portugal in the 1Q08 is related to: (i) construction works at Lares 1 CCGT (400 MW) – expected to start operations by the end of 2009; (ii) the beginning of construction works at Lares 2 CCGT (400 MW), also expected to start operations in 3Q09; and (iii) the repowering of hydro plants Bemposta II (231 MW) and Picote II (178 MW) – expected to start operations in 2012. In Spain, investment in new capacity mostly relates to Soto 4 CCGT (400 MW) – expected to start operations in the 3Q08. The new CCGT Castejón 3 (400 MW) started operations in Jan-08. In addition, EDP invested €18.6m in the 1Q08 to reduce the SO₂ and NO_x emissions at coal fired power plants – in order to comply with EU large combustion plants directive by Dec-07 – out of which €17.0m were invested in Sines power plant (remunerated under PPA/CMEC).

• **Wind (EDP Renováveis)** – Capex at Horizon, EDP Renováveis' US subsidiary for wind energy, amounted to USD335.4m (€221.8m) in the 1Q08. Ending March 2008, Horizon had 505 MW of gross capacity under construction. NEO Energia's capex in the 1Q08 amounted to €147.9m, up 61.2% YoY. By the end of the 1Q08, NEO Energia had 644 MW of gross capacity under construction, all expected to start operations in 2008. EDP Renováveis estimates to install on average 1.4 GW per year. The sum of capacity additions achieved during the 1Q08 and the 1,150 MW under construction represent 87% of the average annual target. EDP Renováveis currently has 26 GW of pipeline and prospects and is thus well positioned to deliver future growth and achieve its goals.

• **Iberian Regulated Energy Networks** – In the 1Q08, capex at our Iberian distribution business increased 4.5% YoY to €49.6m, on the back of higher investments at our Spanish distribution grid. In Portugal, following the renegotiation of on-going network maintenance works through a program of pre-contracting, EDP was able to optimize pricing, which reflected into a 17.8% decrease in capex at our Portuguese distribution network. Looking EDP's electricity distribution grid Equivalent Interruption Time (EIT): (i) in Portugal, when adjusted for the non-recurring impacts of the 1Q08 rainstorms and high winds (8 min.), EIT decreased 9.6% YoY to 26 min. on the back of the significant investments recently undertaken to improve network service quality; and (ii) in Spain, EIT improved 33.7% YoY to 19 min. Capex at our gas regulated network activity amounted to €9.3m in the 1Q08, up 6.2% YoY, which was mostly invested in the expansion of our network (+606 Km YoY, out of which +432 Km in Spain).

• **Brazil (Energias do Brasil)** – Capex, in euro terms, increased 80.4% YoY, to €56.9m in the 1Q08, mostly related to the repowering of Suiça and Mascarenhas hydro power plants (+2.3MW and +17.5MW, respectively) and to the start of construction of the new Santa Fé hydro power plants (+29MW), all to start operations in 2009. Capex at distribution activity, which accounted for 68% of Energias do Brasil capex, relates to the extension and improvement the distribution network in the concession areas of Bandeirante, Escelsa and Enersul.

Cash Flow



Consolidated Cash Flow (€ m)	1Q08	1Q07
Net profit before minorities	301,4	276,1
Net depreciation and amortization	266,5	229,4
Net provisions	64,1	54,1
Non cash financial results	(2,1)	(3,1)
Deferred taxes	18,4	(3,8)
Other adjustments	(32,5)	(3,8)
FFO (Funds From Operations)	615,9	549,0
Net financial interest	173,9	99,4
Net Income from Associates and other Investments	(9,8)	(6,9)
Change in operating working capital	(321,5)	13,3
Hydro correction	0,0	8,9
Portugal & Spain Tariff Deficit and deviations	(326,5)	(27,2)
Operating Cash Flow	458,5	654,8
Expansion Capex	(465,6)	(106,1)
Maintenance Capex	(140,9)	(104,0)
Change in working capital related to property and equipment suppliers	(34,5)	-
Net Operating Cash Flow	(182,5)	444,7
Net financial investments	8,6	235,0
Net financial interest paid	(110,6)	(93,8)
Dividends received from Associates and other Investments	0,0	0,0
Dividends paid	(0,0)	-
Anticipated proceeds from institutional partnership in US wind farms	0,0	-
Other non-operating changes	133,8	(61,5)
Decrease/(Increase) in Net Debt	(150,7)	524,4

Major Net Financial Investments (€ m)	1Q08	1Q07
MAJOR FINANCIAL INVESTMENTS	54,1	-
Renewables	8,5	-
Others	45,5	-
MAJOR FINANCIAL DIVESTMENTS	62,7	235,0
ONI (100%)	-	80,3
REN (25%)	-	53,4
Desa (20%)	-	97,1
Renewables	7,7	-
Edinfor (40%)	55,0	-
Others	-	4,2
Major Net Financial Investments	(8,6)	(235,0)

EDP's consolidated FFO rose 12% YoY to €616m in 1Q08 supported on the expansion of the group's activities and efficiency improvements. The 30% decline of operating free cash flow is essentially explained by the €326m increase in tariff deficits and deviations in Portugal and Spain in 1Q08 which penalized EDP's consolidated working capital in the period. These regulatory receivables in Portugal and Spain should be recovered by EDP through tariffs or securitization deals over the next years. Excluding regulatory receivables, adjusted operating cash flow increased 11% YoY.

The increase of financial interest expenses reflects the increase of consolidated net debt. As a result, net debt increased by €151m or 1% higher than in Dec-07.

Financial Debt and Provisions for Social Benefits



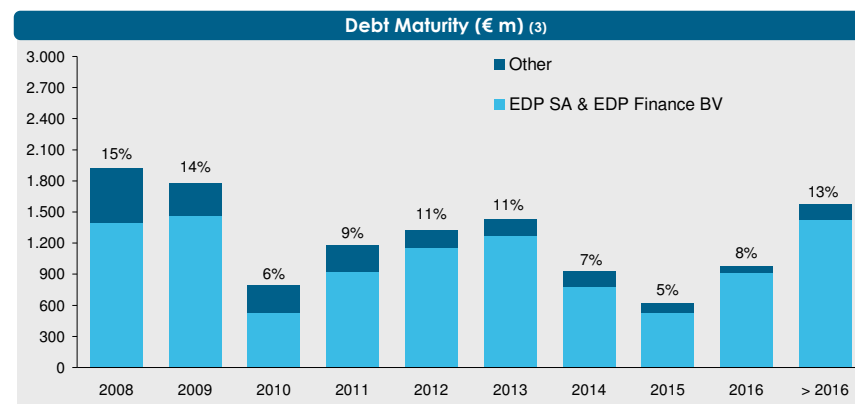
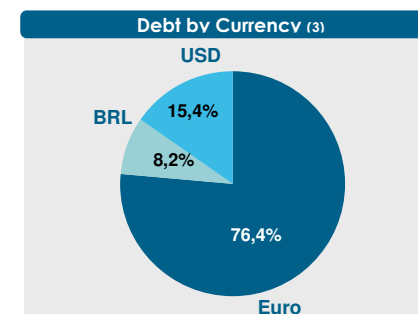
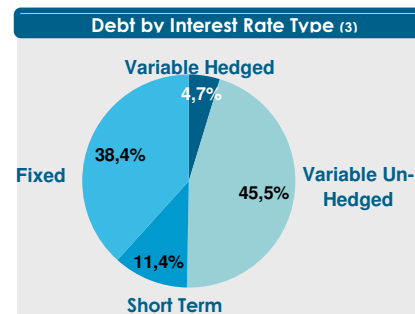
Nominal Financial Debt by Company (€ m)	1Q08	YE2007	EDP %
EDP S.A. and EDP Finance BV	10.377,2	10.393,3	100%
EDP Produção	18,1	19,1	100%
HC Energia	408,3	433,1	97%
NEO Energia	562,3	560,1	99%
Portgás	107,4	106,3	72%
Energias do Brasil	1.038,3	1.058,7	62%
Other	0,5	0,0	-
Nominal Financial Debt	12.512,1	12.570,6	
Accrued Interest on Debt	128,2	100,6	
Nominal Financial Debt + Accrued Interest	12.640,3	12.671,1	
Fair Value of Hedged Debt	(74,0)	(65,1)	
Total Financial Debt	12.566,3	12.606,0	
Cash and cash equivalents	723,3	913,7	
EDP S.A., EDP Finance BV and Other	162,0	179,1	
HC Energia and Subsidiaries	22,2	25,2	
Renewables	242,3	433,3	
Portgás	0,1	0,0	
Energias do Brasil	296,6	276,1	
EDP Consolidated Net Debt	11.843,0	11.692,2	

Future receivables from regulatory act. (€ m)	1Q08	1Q07	Δ 07/06
Portugal ⁽¹⁾	446,2	217,6	105,1%
Spain	239,4	169,0	41,7%
Brazil ⁽¹⁾	60,4	196,2	-69,2%
Annual Deviation - Mkt vs. CMEC	207,5	-	-
Total	953,5	582,7	63,6%

Provisions for Social Benefits (€ m)	1Q08	2007	Δ 07/06
Pensions ⁽²⁾	934,7	934,1	0,1%
Medical Care	785,6	781,2	0,6%
Total	1.720,3	1.715,4	0,3%

Debt Ratios	S&P	Moody's	Fitch
EDP SA & EDP Finance BV	A-/Neg/A2	A2/Neg/P1	A-/Stab/F2
Last Rating Action	18-07-2007	19-10-2007	03-07-2007

Debt Ratios	1Q08	YE2007
Net Debt / EBITDA	3,7x	4,4x



In Apr-08, EDP signed a revolving credit facility in the amount of EUR 925 m maturing in five years, with an initial margin of 45 basis points over Euribor, which will be increased by 10 basis points if utilization exceeds 50% of the facility amount and front-end fees between 25 and 35 basis points depending on participation amounts. The facility will be used to refinance short term debt, as well as for general corporate purposes and is in line with the Group's financial policy of extending the average term of its debt portfolio and reinforcing its financial flexibility.

As at Mar-08, 38% of our debt carried a fixed rate and our available committed liquidity facilities amounted to €3,086m, of which € 1,973m were available.

In Mar-08, EDP transferred to banks without recourse, the current amount still pending to be received of the tariff deficit related to 2006 and 2007. The proceeds, in the amount of €177 million were used to repay debt.

Our net debt/EBITDA and net debt/EBITDA adjusted for regulatory receivables was 3.7x and 3.4x in the 1Q08.

⁽¹⁾ Tariff deficits and tariff deviations to be recovered in the following years through tariffs

⁽²⁾ Pensions include the Provision for the HR Restructuring Program costs of EDP Distribuição, which are being recovered through the tariffs

⁽³⁾ Nominal Value

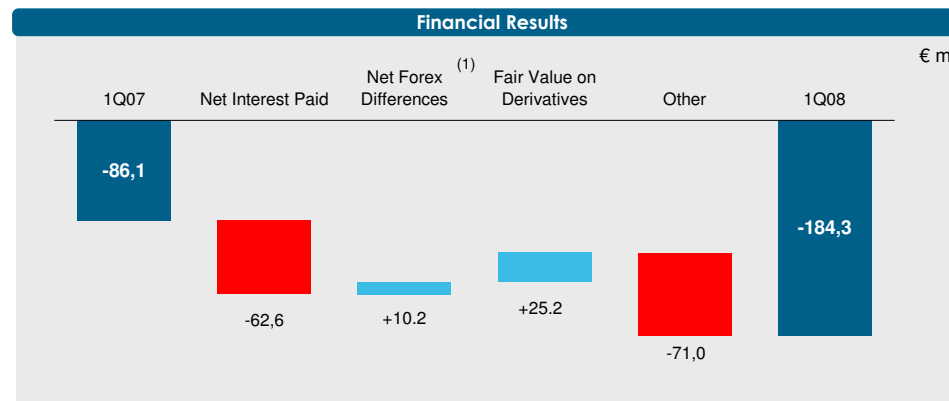
Financial Income/(Expense) & Minority Interests



Financial Results (€ m)	1Q08	1Q07	Δ 08/07
Investment income	0,0	0,0	-
Financial Investments Gains/(Losses)	0,0	0,0	-
Net financial interest paid	(168,8)	(106,2)	-59,0%
Net foreign exchange differences	2,1	5,0	-58,5%
Other Financials	(17,6)	15,1	-
Financing Gains/(Losses)	(184,3)	(86,1)	-114,1%
Financial results	(184,3)	(86,1)	-114,1%

Income from Equity Method (€ m)	1Q08	1Q07	Δ 08/07
Edinfor (40%)	-	(1,8)	-
Setgás (19,8%)	0,9	0,9	8,6%
CEM (22%)	2,7	1,7	60,4%
Turbogás (40%)	3,2	3,3	-1,8%
DECA II (EEGSA (21%))	2,0	1,9	0,4%
NEO's subsidiaries	0,6	0,8	-32,9%
Other	0,4	0,1	-
Income from group & associated companies	9,8	6,9	40,8%

Minority Interests (€ m)	1Q08	1Q07	Δ 08/07
NEO Energia	1,8	0,7	157,1%
HC Energia + Naturgas	1,4	4,8	-70,8%
Portgás	1,9	1,7	11,8%
Energias do Brasil	32,4	26,6	21,8%
Other	0,6	0,9	-33,3%
EDP Group	38,1	34,7	9,8%



• Financial results at EDP Group reflect:

a) a 59% YoY increase in net financial interests paid due to: i) an 60 bps increase in EDP Group's average cost of debt (5.7% in the 1Q08 vs. 5.1% in the 1Q07), following the increase of interest rates in the period, and ii) the 28% increase of average level of net debt;

b) a decrease in other financials due to: i) a €34m loss in 1Q08 to reflect the decrease of the market value of EDP's 8% stake in Sonaecom and ii) the inclusion of hedging financial results in energy markets which changed from €17m gains in 1Q07 and €2m losses in 1Q08.

• Income from group and associated companies amounted to €9.8m in the 1Q08, up from €6.9m in the 1Q07: i) the 1Q08 include a €2.7m equity contribution from CEM, vs. €1.7m in the 1Q07; and ii) the 1Q07 include a €1.8m loss regarding Edinfor's equity contribution, vs. no contribution in the 1Q08. Note that in Feb-08, EDP announced its intention to exercise its put option over the 40% owned in Edinfor for a minimum pre-agreed price of €55m. This transaction was completed in the 1Q08, which effected into a €4.8m capital gain.

⁽¹⁾ Net Forex Differences in chart were adjusted for hedge instruments accounted in "Other Financials"



Business Areas



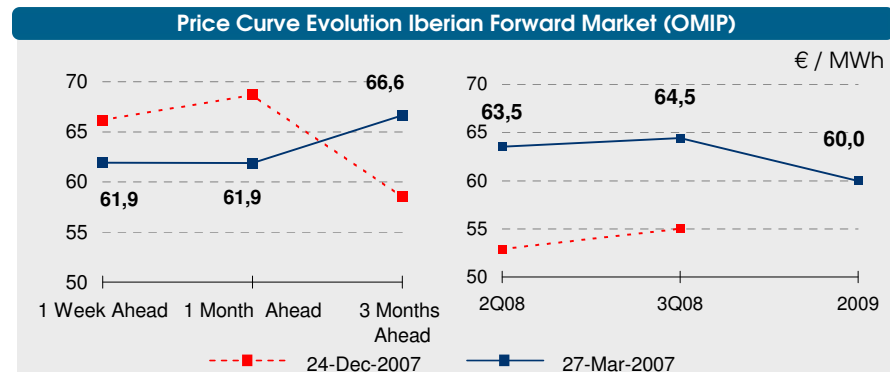
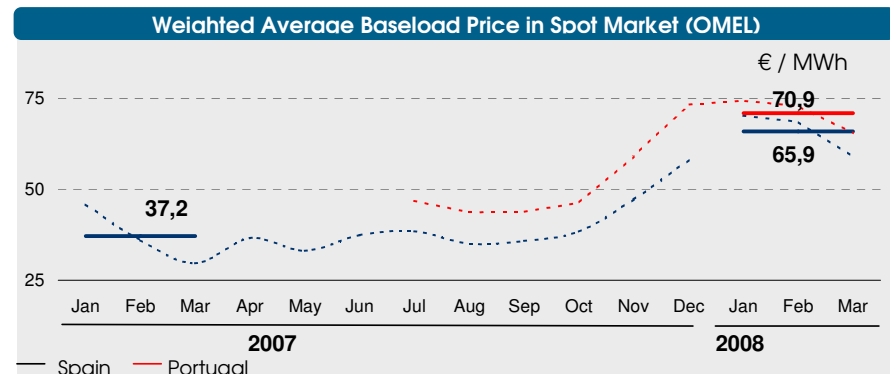
Energy Balance (GWh)	Portugal			Spain		
	1Q2008	1Q2007	Δ 08/07	1Q2008	1Q2007	Δ 08/07
Hydro	1.234	3.871	-68,1%	3.478	8.745	-60,2%
Nuclear	-	-	-	16.526	15.718	5,1%
Coal	3.207	2.919	9,9%	14.077	16.819	-16,3%
CCGT	3.371	1.911	76,4%	23.300	13.993	66,5%
Fuel/Gas/Diesel	68	594	-88,6%	380	596	-36,2%
Own consumption	-	-	-	(2.148)	(2.088)	2,9%
(-)Pumping	(255)	(160)	59,4%	(1.235)	(1.127)	9,6%
Conventional Regime	7.625	9.135	-16,5%	54.378	52.656	3,3%
Wind	1.509	1.076	40,2%	8.754	7.740	13,1%
Other	1.486	1.823	-18,5%	8.470	7.630	11,0%
Special Regime	2.995	2.899	3,3%	17.224	15.370	12,1%
Import / (Export) net	7.488	5.440	37,6%	(2.317)	(384)	503,4%
Gross demand (before grid losses)	13.150	13.225	-0,6%	69.285	67.641	2,4%
Adjusted to temperature and working days			0,9%			3,3%
Regulated System	13.137	12.140	8,2%	48.601	51.908	-6,4%
Liberalized Market	547	1.227	-55,4%	20.638	15.804	30,6%

In 1Q08, electricity demand in Iberia increased by 1.8% YoY as a result of a 0.6% decline in Portugal and a 2.4% increase in Spain. Adjusted by the effect of temperature and working days, demand was up by 0.9% in Portugal and 3.3% in Spain.

On the supply side, hydro production in the Iberian market fell 63% YoY to 4,723GWh in 1Q08, 30% of the historical average output in 1Q. Additionally a significant part of coal capacity was out of service in 1Q08 for Desox investments, thus reducing the coal availability. Wind output rose 16% YoY slightly below the 26% growth in wind installed capacity. The decline in hydro and coal output was fully compensated by the 68% increase in CCGT output, an increase which did not have a large impact on load factors given the 28% increase in CCGT installed capacity in the period. The abovementioned changes in the generation mix were one of the key drivers for the increase of generation costs in the period. Moreover, fuel costs on conventional thermal generation, namely CCGTs and coal plants, recorded a sharp increase YoY with coal and brent (the key reference for LT gas contracts in Iberia) increasing 77% and 56% YoY respectively in USD terms. Regarding cost of CO2 allowances, increased from €1.3/ton in 1Q07 to €21.8/ton in 1Q08. In Spain, electricity generation was also penalized by regulatory changes, namely the reduction of capacity payment revenues and the new CO2 claw-back legislation which withdraws the extra-revenues associated to the increase of price of CO2 allowances in the electricity market. This strong increase of generation costs led to a 77% increase in average pool price. In Portugal, given the interconnection capacity restrictions within 54% of the hours of 1Q08 the average pool price was €5/MWh higher than in Spain in 1Q08.

Volumes of electricity sold to retail in the market fell by 55% YoY in Portugal in 1Q08, after a mere 2.9% increase in tariffs as from Jan-08 (assumption of 2008 avg pool price of €48/MWh). In Spain, volumes sold to retail increased 31% YoY following the increase of contracting by electricity suppliers in the 2H07, before the recent increase of fuel and electricity prices.

Installed Capacity Iberian Market (MW)	Iberian Peninsula		
	1Q2008	1Q2007	Δ 08/07
Hydro	21.235	21.235	-
Nuclear	7.439	7.439	-
Coal	12.422	12.643	-1,7%
CCGT	21.882	17.123	27,8%
Fuel/Gas/Diesel	6.320	6.527	-3,2%
Wind	17.057	13.544	25,9%
Other Special Regime	12.276	11.709	4,8%
Total	98.631	90.220	9,3%



Main Drivers of Generation Costs	1Q2008	1Q2007	Δ 08/07
Hydro Coefficient (1.0 = average year)			
Portugal	0,31	0,89	-65,2%
Spain	0,30	0,66	-54,5%
CO ₂ Allowances €/t ¹	21,8	1,3	-
Coal (API2 CIF ARA) USD/t ¹	127,2	71,8	77,2%
Gas €/MWh (CMP)	21,9	21,2	3,5%
Brent (USD/bbl) ¹	104,2	66,7	56,2%
Eur/USD ¹	1,57	1,34	17,2%

¹ End of Period

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



Financial Highlights (€ m) ⁽¹⁾ | 1Q2008 | 1Q2007 | Δ 08/07

PPA Revenues (1Q07)	3,8	312,6	
Capacity Charge	0,6	231,1	
Energy Charge	3,2	81,5	
PPA/CMEC Revenues (1Q08)	420,6		
Revenues in the market	336,9		
Annual Deviation - Market vs. CMEC Assumptions	106,0		
PPAs/CMECs Accrued Income	(41,8)		
Base CMEC Fee	19,5		
PPA/CMEC Direct Costs	169,4	90,4	87,4%
Coal	63,3	51,7	22,4%
Fuel Oil	8,1	36,2	-77,7%
Other Costs (Net)	98,1	2,5	3843%
Gross Profit PPAs/CMECs	255,0	222,2	14,8%

Cogeneration, Waste & Biomass	13,4	12,6	6,4%
Mini-Hydro	3,7	5,4	-31,7%

Gross Profit Special Regime	17,1	18,0	-5,0%
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Gross Profit Other	-	-	-
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Operating Costs	45,9	40,7	12,7%
EBITDA	226,2	200,1	13,1%
Depreciation & Provisions	57,2	56,9	0,5%
EBIT	169,1	143,2	18,1%

Real/Contracted Availability Factor (Km) | 1Q2008 | 1Q2007 | Δ 08/07

Hydro Plants	1,02	1,03	-1,3%
Thermal Plants	1,06	1,08	-1,6%

Electricity Generation Output (GWh) | 1Q2008 | 1Q2007 | Δ 08/07

Hydro Plants	1.097	3.680	-70,2%
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Thermal Plants	2.304	2.996	-23,1%
Sines	2.231	2.402	-7,1%
Setúbal	51	454	-88,7%
Carregado	(3)	99	-
Barreiro	25	41	-38,7%
Tunes	-	0	-

Total PPAs/CMECs	3.401	6.676	-49,1%
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Cogeneration Portugal	178	195	-8,5%
Cogeneration + Waste Spain	170	112	52,0%
Mini-Hydro Portugal	40	72	-44,3%
Biomass Portugal	7	7	-1,9%

Total Special Regime	395	386	2,4%
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Special Regime Tariffs (€/MWh) | 1Q2008 | 1Q2007 | Δ 08/07

Cogeneration Portugal	92	90	1,8%
Mini-Hydro Portugal	91	82	11,1%
Biomass Portugal	114	112	2,1%

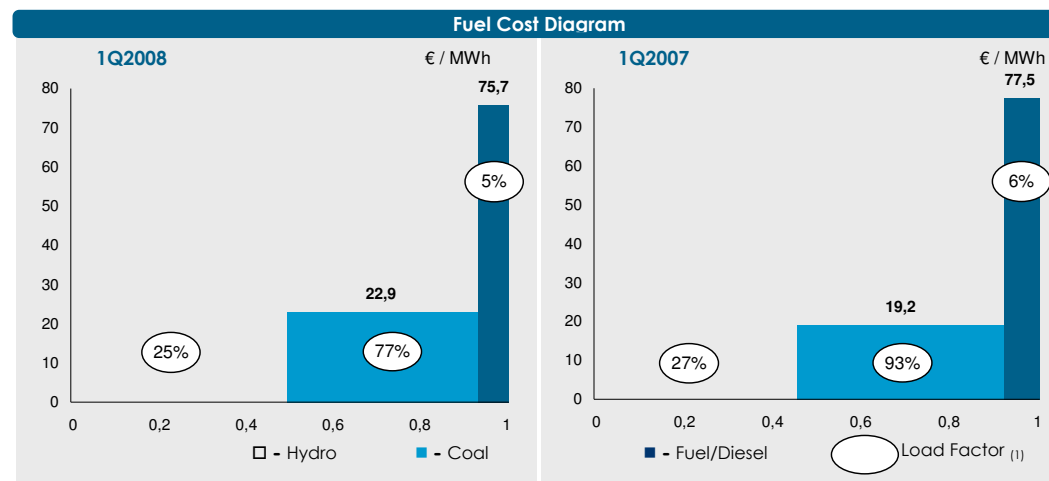
In June 2007 the long term contracts that EDP has with the Portuguese electricity regulated system (the so called PPAs - Power Purchase Agreements) were replaced by the CMECs financial system to conciliate: (1) the preservation of the NPV of these PPAs and a stable contracted gross profit over the next 10 years with an implicit real pre-tax 8.5% ROA 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 the new CMECs financial system will keep the same profile over the next 10 years as the former PPA.

Regarding gross profit break down there are now 4 components: 1) Revenues in the market: Results from the sale of electricity in the Iberian wholesale market, including ancillary services and in the future capacity payments; 2) Annual deviation - market vs. CMECs calculation assumptions: Difference between CMECs main assumptions (outputs, market prices and fuel costs) and the market real data. These deviations will be paid/received by EDP through regulated tariffs one year after they take place. 3) PPAs/CMECs Accrued Income - Reflects the differences in the period in terms of cash flow profile between PPAs and CMECs, assumed at the beginning of the system. The sum of these differences will be zero at the end the 20.5 years lifetime of the CMEC system, guaranteeing the full preservation of the net present value of PPAs. 4) Base CMEC Fee: Fixed monthly fee of €6.5m to be received by EDP through regulated tariffs over the 20.5 years lifetime of the CMECs system, if not securitize before.

In 1Q08, gross profit from PPAs/CMECs increased 14.8% (or +€32.8m) YoY as a result of 1) a €7m negative impact in 1Q07 gross profit due to consumption of fueloil at prices above international market indexes; 2) a €19m positive impact in 1Q08 gross profit due to consumption of coal at prices below international market indexes and 3) a €3m negative impact in 1Q08 gross profit due a decline in hydro real/contract availability factor, related to the repowering works of Picote hydro plant. Excluding these non recurrent impacts EBITDA in LT contracted generation rose 3.0% YoY.

Note EDP hedges through financial derivatives deviations in fuel costs over the time lag that goes between fuel procurement and consumption date in our PPA/CMEC activity, resulting that in 1Q08 our financial results include €19m costs with fuel hedging, which match the gains at the gross profit level in the period. Overall, adjusted PPA/CMEC gross profit including hedging costs increased by 6.7% or (+€14m YoY). Moreover, 1Q08 financial results include €13m gains related to the mark-to-market of hedging derivatives on fuel already procured and to be consumed over the next quarters.

The 5% (or €1m) YoY decline of gross profit of special regime is explained by the dry 1Q08 which led to a 44% decline in mini-hydro output.



⁽¹⁾ Pro-forma 1Q2007 figures including the cogeneration business, biomass and waste.

⁽¹⁾ Load Factor: number of equivalent hours to the output of a power plant relative to the total number of hours in the period

Liberalised Electricity Generation and Supply in the Iberian Market



Financial Highlights (€ m)		1Q2008	1Q2007	Δ 08/07
Gross Profit - Liberalized Generation and Supply		138,1	140,1	-1,5%
Generation in the market		116,4	136,3	-14,6%
Portugal		48,7	28,7	70,1%
Spain		67,7	107,7	-37,1%
Supply		21,7	3,8	471,3%
Portugal ⁽¹⁾		6,7	(1,0)	-
Spain		15,0	4,8	215,4%
Operating costs		52,5	36,5	43,9%
EBITDA		85,6	103,6	-17,4%
Depreciation and amortization		34,2	32,8	4,2%
EBIT		51,4	70,8	-27,4%
At Financial Results Level:				
Hedging Gains (Losses) in Energy Markets		4,1	16,7	-75,6%

Market Performance		1Q2008	1Q2007	Δ 08/07	1Q2008	1Q2007	Δ 08/07
		Output (GWh)			Variable Cost (€/MWh)		
Generation Output		5.246	4.823	8,8%	37,0	24,6	50,4%
CCGT		2.866	1.403	104,2%	50,5	43,1	17,2%
Coal		1.783	2.619	-31,9%	27,2	21,9	24,5%
Hydro		279	467	-40,2%	-	-	-
Nuclear		318	333	-4,5%	3,1	3,0	3,0%
Electricity Purchases & Other		1.239	339	265,6%	68,4	29,4	132,4%
Electricity Sources		6.485	5.161	25,6%	43,0	25,0	72,3%
		Volume Sold (GWh)			Average Price (€/MWh)		
Grid Losses & Other		178	109	-			
Portugal		376	439	-14,2%	67,7	50,2	34,8%
Spain		2.814	2.272	23,8%	60,7	58,2	4,3%
Retail		3.190	2.711	17,7%	61,5	56,9	8,1%
Wholesale Spot Market		2.898	1.402	106,7%	74,6	51,1	46,0%
Wholesale Forward Market		218	939	-76,8%	66,6	43,8	51,8%
Total Volume		6.485	5.161	25,7%	67,7	52,6	28,6%

Load Factor		1Q2008	1Q2007	Δ 08/07
CCGT		66%	41%	25,0 pp
Coal		56%	79%	-22,6 pp
Hydro		14%	32%	-17,8 pp
Nuclear		94%	98%	-4,2 pp

Number of Supply Clients		1Q2008	1Q2007	Δ 08/07
Number of Clients (th)		253,6	137,9	84%
Portugal		162,8	43,6	273%
Spain		90,8	94,2	-4%

In 1Q08, gross profit in the liberalised electricity generation and supply in the Iberian market fell 1.5% YoY and EBITDA decreased 17% YoY. In detail, the strong increase in gross profit of liberalized generation activity in Portugal (essentially Ribatejo CCGT) and the growth of gross profit in supply both in Spain and Portugal matched the decline of gross margin in generation in Spain, penalised by the outage of Soto 3 coal plant and the increase of coal and CO2 costs. Adding the €14m provision related to the CO2 claw back in Spain (RDL 11/07) booked at operating level and the hedging results in energy markets booked at financial results level, adjusted gross profit fell 19% YoY to €127m and adjusted EBITDA fell by 26% YoY to €90m.

EDP's liberalized output in the Iberian market grew by 8.8% YoY mainly supported by a 104% increase in our CCGT production (with load factor reaching 66% vs. 41% in 1Q07), and by the positive contribution of the new Castejon 3 CCGT (which started operating in late Dec-07). Note that our CCGT load factor in 1Q08 was 82% in Portugal vs. 43% in Spain reflecting the lower reserve margin in Portugal than in Spain, the maintenance of restrictions in interconnection between Portugal and Spain and the lower levels of hydro production in Portugal in 1Q08. The increase in CCGT output compensated the decline in coal output by 32% YoY driven essentially by the outage of Soto 3 coal plant (346MW) over the entire 1Q08 for large maintenance works and Desox investment, and the strong increase in coal generation costs due to coal price, CO2 price and CO2 claw back in Spain. Our coal average load factor fell to 56% in 1Q08, but excluding Soto 3, this figure would have fallen just to 74% reflecting our efficient coal fired generation portfolio, namely Aboño 1 and Aboño 2 plants which are among the most efficient in Spain. The 40% decline in hydro output, even considering the Alqueva 240 MW capacity increase reflects the dry 1Q08.

Average generation costs rose by 50% YoY to €37.0/MWh reflecting the change in the generation mix and the increase of gas, coal and CO2 costs. Note that these figures do not include the €14m impact in 1Q08 of the CO2 claw-back legislation in Spain. Nevertheless, the increase in our fuel procurement costs is significantly lower than the increases recorded in the period in international energy spot markets, given that following our hedging policy, all the fuel needs to satisfy supply sales were fixed in 1H07 at the same time that contracts for 1Q08 consumption were closed with our clients.

Regarding electricity volumes sold per market segment, the weight of retail supply in our sales mix was flat at 50% of total sales, with volumes increasing 24% in Spain but decreasing 14% in Portugal, due to the concentration of supply sales in Portugal only in the residential/SME segment. Volumes sold in wholesale forward market decreased by 77% following the end of assimilated bilateral contracts with regulated distribution in Spain.

Average selling price rose 29% YoY to €68/MWh reflecting a 8% increase in average net supply price to €62/MWh (including capacity payment, ancillary services and supply margin) and a 54% YoY increase of our average selling price in the Portuguese and Spanish spot markets to €74/MWh.

For 2008 EDP has already contracted 76% of expected output of its liberalized generation plants in the Iberian market at an average price above €58/MWh through sales contracts with retail customers or in forward markets. For the volume already contracted for 2008 EDP has already locked-in an average spark spread of €13/MWh and an average dark spread of €29/MWh (already considering CO2 emissions licences bought and the RD 11/07 impact).

⁽¹⁾ Excludes the monthly rent paid by EDP Generation to EDP Supply which is the owner Belver hydro plant in Portugal until Dec-07

Iberian Electricity Generation and Supply



Electricity Generation							Electricity Supply						Generation & Supply		
Income Statement (€ m)	Portugal			Spain			Portugal			Spain			Total ⁽¹⁾		
	1Q2008	1Q2007	Δ 08/07	1Q2008	1Q2007	Δ 08/07	1Q2008	1Q2007	Δ 08/07	1Q2008	1Q2007	Δ 08/07	1Q2008	1Q2007	Δ 08/07
Operating Revenues	801,8	468,8	71,0%	198,3	186,7	6,2%	58,8	66,5	-11,6%	252,6	158,7	59,2%	-	-	-
Direct Activity Costs	492,5	207,0	138,0%	122,6	79,0	55,2%	52,1	67,5	-22,7%	237,6	153,9	54,4%	-	-	-
Gross Profit	309,2	261,8	18,1%	75,7	107,7	-29,7%	6,7	(1,0)	-	15,0	4,8	215,4%	410,2	376,4	9,0%
Gross Profit/Revenues	38,6%	55,8%	-17,3 pp	38,2%	57,7%	-19,5 pp	11,3%	-1,5%	12,8 pp	5,9%	3,0%	2,9 pp			
Supplies and services	24,0	21,2	13,0%	11,7	10,0	16,9%	3,3	3,8	-15,2%	8,6	7,0	23,6%	47,1	43,1	9,3%
Personnel costs	20,8	21,8	-4,7%	8,8	7,2	20,9%	1,2	1,3	-9,1%	1,7	1,4	25,4%	32,5	32,1	1,2%
Costs with social benefits	5,7	4,6	23,5%	0,4	0,3	31,7%	0,0	0,1	-22,3%	0,0	0,0	30,1%	6,2	5,0	23,7%
Generation centre rentals	1,0	1,0	2,0%	-	-	-	-	0,0	-	-	-	-	1,0	1,0	1,5%
Other operating costs / (revenues)	(2,4)	(4,1)	41,8%	15,4	2,4	547,1%	(0,5)	(0,0)	148,4%	(5,0)	(4,6)	7,8%	11,6	(7,2)	-
Operating Costs	49,1	44,5	10,3%	36,3	20,0	81,9%	4,0	5,2	-22,1%	5,4	3,8	43,9%	98,4	73,9	33,1%
EBITDA	260,2	217,3	19,7%	39,4	87,7	-55,1%	2,6	(6,1)	-	9,6	1,0	853,0%	311,8	302,5	3,1%
EBITDA / Revenues	32,5%	46,4%	-13,9 pp	19,9%	47,0%	-27,1 pp	4,5%	-9,2%	13,7 pp	3,8%	0,6%	3,2 pp			
Provisions for risks and contingencies	(0,0)	5,3	-	0,0	-	-	0,8	0,6	34,1%	0,1	(1,3)	-	0,9	4,7	-80,1%
Depreciation and amortization	65,6	55,7	17,7%	25,3	23,2	9,0%	0,2	1,2	-79,8%	0,3	0,6	-45,5%	91,4	82,6	10,7%
Comp. of subsidised assets' depr.	(0,9)	(0,9)	2,5%	(0,1)	(0,0)	196,7%	-	-	-	-	-	-	(1,0)	(1,0)	2,5%
EBIT	195,5	157,2	24,4%	14,2	64,6	-78,0%	1,5	(8,0)	-	9,2	1,7	443,7%	220,5	216,2	2,0%
EBIT / Revenues	24,4%	33,5%	-9,1 pp	7,2%	34,6%	-27,4 pp	2,6%	-12,0%	14,6 pp	3,6%	1,1%	2,6 pp			
Employees	1.560	1.561	-0,1%	638	596	7,0%	74	83	-10,8%	88	92	-4,3%	2.360	2.379	-0,8%

Taken as a whole, our integrated generation and supply business showed a 9% growth in gross profit with the increase in gross profit of generation in Portugal and supply in Portugal and Spain more than compensating the decline in generation in Spain. Considering hedging costs with fuels, gross profit would have increased by 7% and EBITDA by 1%.

Operating costs of integrated generation & supply rose 33%, boosted by the inclusion in 1Q08 of €14m of other operating costs related to the CO2 claw-back. Excluding this item, operating costs rose 14% YoY reflecting the increase of installed capacity (Castejon 3 CCGT and Alqueva hydro plant), development of new capacity (new hydro plants and CCGTs) and the increase of commercial activity in supply to clients.

Total net depreciation provisions rose 5.8% YoY as the additional depreciation of the new installed capacity was partially compensated by the reversion of provisions in supply in Portugal. Overall, integrated generation and supply EBIT rose 2% YoY.

Taking into account the generation in Portugal, operating costs increased 10.3% YoY (or +€4.6m). The main growth driver was the 13% increase in supplies & services, mostly related with the increase of O&M costs and development costs of new capacity.

In generation in Spain, operating costs rose by 82% YoY (or €16.3m). This was mainly driven by the inclusion in 1Q08 "other operating costs" of €14m related to the CO2 claw-back impact from the RDL11/2007 regulation which did not exist in 1Q07. The increase by 19% (or €3.3m) YoY in supplies and services and personnel costs is related to the increase of capacity following the start up of operations of the new Castejon 3 CCGT (December 2007).

On the supply side, integrated operating costs of supply in Portugal and Spain rose 4.4% to €9.4m, reflecting the increase of supply activity both in terms of volumes sold and number of clients supplied.

⁽¹⁾ Pro-forma 1Q2007 figures including the cogeneration business, biomass and waste.

Wind Europe (NEO)



Income Statement (€ m)	1Q08	1Q07	Δ 08/07
Gross Profit	109,7	67,8	61,8%
Gross Profit/Revenues	99,1%	94,9%	4,3 pp
Supplies and services	12,1	7,8	54,6%
Personnel costs	4,6	3,8	20,3%
Generation centre rentals	1,1	0,5	115,6%
Other operating costs / (revenues)	1,9	0,6	-
Operating Costs	19,6	12,7	54,7%
EBITDA	90,1	55,1	63,4%
EBITDA / Revenues	81,4%	77,1%	4,3 pp
Provisions for risks and contingencies	-	(0,1)	-
Depreciation and amortization	26,9	22,5	19,3%
Compensation of subsidised assets' depreciation	(0,2)	(0,1)	-176,9%
EBIT	63,4	32,7	93,9%
EBIT / Revenues	57,3%	45,8%	11,5 pp

Number of Employees	1Q08	1Q07	Δ 08/07
Number of employees	296	239	+ 57

• As of Mar-08, EDP Renováveis wind EBITDA installed capacity in Europe totalled 1,776 MW, up 548 MW YoY, reflecting the delivery of wind farms' pipeline on schedule. By the end of Mar-08, EDP Renováveis had 644 MW under construction in Europe, out of which 492 MW in Spain, 93 MW in Portugal, 47 MW in Belgium and 12 MW in France, all expected to enter into operation in 2008, in line with this year's targets.

• EDP Renováveis' electricity output from wind power in Europe totalled 1,072 GWh, up 37.8% YoY, on the back of the additional capacity that was brought on stream. Our portfolio of wind in Europe recorded a 31% (1) average load factor in the 1Q08, reflecting the premium locations of our wind farms in terms of wind resources vs. the sector's average. The months of January and February 2008 were weak when compared to last year in terms of wind conditions, but there was a recovery in March. Note that wind farms average availability during the first 3 months of the year in Spain was affected by an accident with a crane that temporarily caused a grid disconnection at our Pebema wind farm (102.4 MW). Excluding this impact average availability rounded 97% during the 1Q08.

• Gross Profit increased 61.8% YoY, not only thanks to the above mentioned increase in capacity and high load factors but also thanks to a 25.6% yoy increase in average tariffs. In Spain, wind average wind tariffs increased 36.7% YoY on the back of an increase in pool prices. Currently, 88% of EDP Renováveis installed capacity in Spain is under the old 436/2004 tariff regime, thus not subject to a cap on selling prices.

• Supplies and services and personnel costs increased 43.3% YoY, reflecting an increase in O&M expenses (entry into operation of new capacity), higher operating activity, international expansion and a related increase in the number of employees.

EBITDA Installed Capacity (MW)	1Q08	1Q07	Δ 08/07
Portugal	424	319	+105
Spain	1.265	869	+396
France	87	41	+46
Wind Europe	1.776	1.229	+548

Electricity Output (GWh)	1Q08	1Q07	Δ 08/07
Portugal	286	183	56,1%
Spain	730	576	26,6%
France	56	18	205,5%
Total	1.072	778	37,8%

Ava. Load Factors (%)	1Q08	1Q07	Δ 08/07
Portugal	32,4%	26,8%	5,5 pp
Spain	30,7%	34,5%	(3,8 pp)
France	35,5%	29,7%	5,7 pp
Total	31,3%	32,2%	(0,9 pp)

Wind Average Tariffs (€/MWh)	1Q08	1Q07	Δ 08/07
Portugal	99,5	96,6	3,0%
Spain	97,6	71,3	36,7%
France	83,9	82,0	2,3%
Total	97,4	77,6	25,6%

Gross Profit (€ m)	1Q08	1Q07	Δ 08/07
Portugal	28,6	17,9	60,2%
Spain	71,2	44,3	60,8%
France	4,7	1,5	212,5%
Wind	104,5	63,7	64,2%
Other & Adjustments	5,2	4,1	25,1%
Total	109,7	67,8	61,8%

• All in all, EBITDA improved by €35.0m YoY to €90.1m in the 1Q08, which corresponds to an 81.4% EBITDA margin for the period (up 4.3 p.p. YoY).

• In Apr-08, EDP Renováveis, through NEO Energia, reinforced the visibility of its European wind generation portfolio through the acquisition in France, of EOLE 76 and Eurocape, with 3 operating wind farms located in the Normandy region, with a gross installed capacity of 35 MW (with an average load factor of 27%), and several wind farm projects under development, mostly located in the Normandy and Rhône-Alpes region, with an expected average load factor of 28%, representing a total gross capacity of 560 MW. Out of these projects under development, 8 MW are under construction, 12.5 MW already have all the necessary authorizations to start construction and are expected to enter into operation between 2009 and 2010, while construction licenses were already submitted for another 43 MW.

(1) Average wind load factor does not include 102.4 MW Pebema wind farm in Spain (out of service due to an accident in the grid connection service).

Wind USA (Horizon)



Income Statement (€ m)	1 Q08
Gross Profit	31,4
Gross Profit/Revenues	100%
Supplies and services	7,8
Personnel costs	4,1
Generation centre rentals	-
Other operating costs / (revenues)	(15,9)
Operating Costs	(4,0)
EBITDA	35,4
EBITDA / Revenues	112,4%
Provisions for risks and contingencies	-
Depreciation and amortization	18,6
Compensation of subsidised assets' depreciation	-
EBIT	16,8

Number of Employees	1 Q08
Number of employees	223

• In Jul-07, EDP concluded the acquisition of Horizon – leading developer, owner and operator of wind power generation in the United States – which thus started being fully consolidated in Jul-07. Horizon was incorporated in EDP Renováveis with its creation in Dec-07.

• In Feb-08, EDP Renováveis, through Horizon, acquired a portfolio of 6 early stage projects in an aggregate of 1,050 MW of wind capacity. These projects are located in some of the most attractive wholesale electricity markets in the US and are expected to contribute to the consolidation of Horizon's leading position in these regions.

• By the end of Mar-08, EDP Renováveis wind EBITDA installed capacity in the USA totalled 1,321 MW – or 1,556 Gross MW (1) – reflecting the end of construction of the 67 MW of additional capacity that was under construction ending 2007. Currently, EDP Renováveis has another 505 MW under construction in the USA, which is in line with the plan for 2008.

• In the 1Q08, Horizon produced 960 GWh. Load factor in the 1Q08 reached 38% (2), reflecting a recovery of availability factors when compared with the 2H07. Note that availability reductions in newly operated wind farms are financially covered under the existing manufacturers' warranties.

• Net benefits from PTCs ("Production Tax Credits") and other related operating revenues from Horizon Equity Partners amounted to USD21.8m (or €14.4m) in the 1Q08. When adjusted to include PTCs and deferred revenues allocated to Horizon and to the institutional Investors, contribution of EDP Renováveis wind USA operations at the level of gross profit amounted to USD69.3m in the 1Q08 (or €45.8m).

Installed Capacity (MW)	COD	% held	Cons.	1 Q08
Madison	2000	100%	Full	12
Blue Canyon I	2003	25%	Equity	74
Blue Canyon II	2005	100%	Full	151
Maple Ridge I	2006	50%	Proportional	231
Maple Ridge II	2006	50%	Proportional	91
Twin Groves I	2007	100%	Full	198
Lone Star I	2007	100%	Full	200
Elkhorn Valley	2007	100%	Full	101
Prairie Star	2007	100%	Full	101
Lone Star II	2008	100%	Full	200
Twin Groves II	2008	100%	Full	198
Gross				1.556
EBITDA MW				1.321

Electricity Generation (GWh)	1 Q08
Wind USA	960

Average Price (USD/MWh)	1 Q08
Avg. Electricity Price	49,3
Institutional Partnership Revenues ⁽³⁾	34,3
Avg. Total Selling Price	83,6

Adjusted Gross Profit (€ m)	1 Q08
Electricity Revenues & RECs	31,5
Services Rendered & Other	(0,1)
Gross Profit	31,4
PTC Revenues & Other Related Revenues from Horizon Equity Partners ⁽⁴⁾	14,4
Adjusted Gross Profit	45,8

• Recall that in Jul-07, Horizon closed a transaction with institutional equity investors for a portfolio of wind projects with 722 MW of net installed capacity. Total contribution from the investors was about USD 700m. Also, in Dec-07, another similar transaction was closed for a portfolio of 4 wind farm projects with a net installed capacity of 600 MW. In this second transaction contribution from investors will total USD600m of which USD340m were funded in 2007 and USD240m in May 2008 (balance to be invested in 2008).

Note: Between Dec-07 and Mar-08, the US Dollar recorded a 8% depreciation against the Euro – Average exchange rate in the 1Q08 was 1.51 USD/EUR.

(1) Of which 52 Gross MW are fully constructed, with commissioning to occur in the 2Q08.

(2) Calculated for projects which have started commercial operation

(3) Institutional partnership revenues grossed up for taxes.

(4) Includes accounting for the net benefit of accelerated depreciation allocated to Horizon and to the institutional investors.

Distribution in Portugal



Electricity Consumers (thousand)	1Q08	1Q07	Δ 08/07
Regulated Supply	5.886	5.948	-62
Liberalized Market Supply	164	47	117
Total Electricity Consumers	6.050	5.995	55

Electricity Delivered to the Distribution Grid (GWh)	1Q08	1Q07	Δ 08/07
Regulated System	12.502	11.910	5,0%
Liberalised Market	537	1.179	-54,4%
Electricity Delivered to the Distribution Grid	13.039	13.089	-0,4%

Electricity Sales & Gross Profit (€ m)	1Q08	1Q07	Δ 08/07
Electricity Sales & Tariff Deviations and Deficits Accounted as Revenue	1.500,7	1.201,0	25,0%
Electricity Purchases	1.159,4	865,4	34,0%
Electricity Gross Profit	341,3	335,7	1,7%
(-) Tariff Deficit's Accounting Adjustment Repository ⁽²⁾	(1,1)	-	-
Adjusted Electricity Gross Profit	342,5	335,7	2,0%
Total Allowed Revenues	342,5	321,1	6,7%

Equivalent Interruption Time (min.)	1Q08	1Q07	Δ 08/07
Equivalent Interruption Time	34	29	5

• Electricity entering the distribution network in Portugal decreased 0.4% YoY to 13.0 TWh in 1Q08. When adjusted for co-generators' consumption as well as for the temperature and working days effects, electricity entering the distribution network in Portugal increased 0.9% YoY, mostly reflecting the slowdown of the Portuguese macroeconomic environment and, to a lower extent, some energy saving behaviours. There was a significant transfer of residential clients from the regulated to the liberalised market. However, when looking at volumes of electricity distributed, this effect did not compensate the transfer of industrial clients back to the regulated tariff, as they are being charged higher prices in the liberalised market, which reflected into a 54.4% YoY decrease of electricity distributed in the liberalised market to 0.5 TWh in the 1Q08, compared with 1.4 TWh forecasted by ERSE.

• Allowed revenues in the 1Q08 increased 6.7% YoY, reflecting higher revenues from the recovery of previous years' costs and of 2006 and 2007 tariff deficits. In Mar-08, EDP Group transferred without recourse the amount of the tariff deficits (including interests) still pending to be received for a price of €177m, with no impact on EBITDA as these tariff deficits were already accounted as revenues in 2006 and 2007.

• Starting in 2008, electricity revenues include the recognition of tariff deviations of 1Q08, as a result of the currently in course change in regulatory legislation which will determine the same regulatory/legal framework of tariff deviations and tariff deficits.

Income Statement (€ m)	1Q08	1Q07	Δ 08/07
Gross Profit	347,8	338,4	2,8%
Gross Profit/Revenues	23,0%	28,0%	-5,0 pp
Supplies and services	67,0	65,3	2,5%
Personnel costs	44,7	49,0	-8,8%
Costs with social benefits	20,0	18,7	6,7%
Concession fees	57,0	52,0	9,6%
Other operating costs / (revenues)	(2,0)	3,6	-
Operating Costs	186,6	188,7	-1,1%
EBITDA⁽¹⁾	161,2	149,7	7,7%
EBITDA / Revenues	10,7%	12,4%	-1,7 pp
Provisions for risks and contingencies	0,5	3,8	-87,9%
Depreciation and amortization	84,4	83,4	1,3%
Compensation of subsidised assets' depreciation	(21,3)	(21,0)	-1,6%
EBIT	97,6	83,5	17,0%
EBIT / Revenues	6,5%	6,9%	-0,4 pp

Number of Employees	1Q08	1Q07	Δ 08/07
Number of Employees	4.762	5.143	-381
Employee/TWh	91	98	-7,1%
Clients / Employee	1.271	1.166	9,0%

• Recall that in Dec-07, the Portuguese regulator (ERSE) announced a 2.9% average tariff increase for 2008 electricity tariffs in Portugal and no ex-ante tariff deficit based on an assumption of a €50/MWh wholesale price of electricity purchase for 2008 (including ancillary services) and a 2.7% increase in consumption.

• Supplies and services increased 2.5% YoY following an increase in insurance premiums as well as in billing and cutting expenses and in back-office costs, which more than compensated the decrease in some other costs with external services such as IT services and O&M.

• Personnel Costs decreased by 8.8% YoY, or 5.2% excluding severance payments and personnel costs capitalization, reflecting the decrease in the number of employees that resulted from the HR Restructuring Program undertaken until now. Recall that in the 4Q07, in order to improve efficiency levels, the company managed to anticipate its HR Restructuring Program, which translated into a total of 512 retirements and early retirements agreed and signed in the 4Q07, out of which 228 left the company in 2007, while the remaining 284 signed to leave in 2008 (some of these already left the company during the 1Q08). Costs with social benefits increased 6.7% YoY, reflecting an increase Pension Premiums as well as higher provisions for medical care.

• As already stated, the reduction in the number of employees was mostly achieved through the ongoing HR Restructuring Program. Recurring efforts to improve efficiency levels reflected into a significant improvement of efficiency ratios – Clients/Employee improved 9.0% YoY to 1,271 – narrowing the gap to Iberian best practices.

⁽¹⁾ Normalized EBITDA (excluding tariff deviations and t-2 and t-1 tariff adjustments): €130.9m in 1Q08 and €139.1m in 1Q07;

⁽²⁾ Related to reversal of previously accounted tariff deficit. - 18 -

Distribution in Spain



Electricity Consumers (thousand)	1Q08	1Q07	Δ 08/07
Regulated Supply	567	551	2,8%
Liberalized Market Supply	53	55	-3,3%
Total Electricity Consumers	620	606	2,3%

Electricity Distribution (GWh)	1Q08	1Q07	Δ 08/07
High Voltage	1.471	1.491	-1,3%
Medium Voltage	302	305	-1,0%
Low Voltage	724	708	2,3%
Electricity Distributed	2.497	2.504	-0,3%
o/w Third-Party Access	449	352	27,6%

Regulated Revenues (€ m)	1Q08	1Q07	Δ 08/07
Transmission	1,0	1,5	-31,3%
Distribution	33,3	31,3	6,4%
Supply	2,0	1,9	2,8%
Electricity Regulated	36,4	34,8	4,5%

Equivalent Interruption Time - HC Energia (min.)	1Q08	1Q07	Δ 08/07
Equivalent Interruption Time	19	29	-10

• In the 1Q08, electricity distributed in Asturias decreased by a mere 0.3% YoY to 2.5 TWh, mostly due to a 1.3% YoY decrease in the HV segment.

• Gross profit in Spanish distribution activity increased by 10.8% YoY to €38.6m in the 1Q08, reflecting: (1) a 4.5% YoY increase in the remuneration of HC Distribuição regulated activities recognized in the 2008 tariffs, which were set to increase 3.3% in 2008 (revenues for the system's regulated activities increased 5.2% YoY to €1 bn in the 1Q08); and (2) a €1.7m increase in services rendered.

• Operating costs increased by 28.3% YoY, (or €3.9m) to €17.8m in the 1Q08:

a) Supplies and services increased by €1.8m mostly due to an increase in back office expenses and costs with advertising and marketing;

b) Personnel costs and costs with social benefits increased by €0.6m during the period reflecting the 2008 salary increase as well as the accounting in the 1Q08 of a €0.3m cost related to salary adjustments, which resulted from deviations between projected and real inflation – as established by the general labour agreement of HC Energia.

c) Other operating revenues decreased €1.5m mostly due to the accounting in the 1Q07 of a €1.3m operating revenue related to the reversal of a provision that had been created for doubtful debts.

Income Statement (€ m)	1Q08	1Q07	Δ 08/07
Gross Profit	38,6	34,8	10,8%
Gross Profit/Revenues	100%	98,7%	1,4 pp
Supplies and services	14,3	12,4	14,8%
Personnel costs	7,0	6,5	8,2%
Costs with social benefits	0,3	0,2	14,0%
Other operating costs / (revenues)	(3,8)	(5,3)	28,7%
Operating Costs	17,8	13,8	28,3%
EBITDA	20,9	21,0	-0,7%
EBITDA / Revenues	54,1%	59,5%	-5,4 pp
Provisions for risks and contingencies	0,1	-	-
Depreciation and amortization	6,8	6,6	3,8%
Compensation of subsidised assets' depreciation	(0,7)	(0,6)	-22,8%
EBIT	14,7	15,0	-2,2%
EBIT / Revenues	38,1%	42,6%	-4,5 pp

Number of Employees	1Q08	1Q07	Δ 08/07
Number of Employees	396	394	2
Employee/TWh ⁽¹⁾	39,6	39,3	0,8%
Consumers / Employee	1.566	1.539	1,7%

• Overall EBITDA from our Spanish distribution activity remained flat at €21m in the 1Q08. Note that the company's continued efforts to improve efficiency levels translated into an improvement of efficiency ratios such as Consumers/Employee, which improved 1.7% in the period, allowing the company to keep up with Iberian best practices.

• Electricity tariffs in Spain were not enough to cover for electricity procurement costs, reflecting into a €32m tariff deficit in 1Q08 for HC Energia (accounted as a receivable at the level of Spanish generation activity), which compares with a €53m tariff deficit in 2007. Recall that during the 4Q07, the Spanish government's first attempt to close the securitization of a €1.5bn tariff deficit for year 2007 was not concluded. Another attempt for tariff securitization should take place in Jun-08 – (Total amount to be securitized will comprise €1.5bn of 2007 tariff deficit and €1.2bn of 2008 tariff deficit). For what regards the 2006 tariff deficit, even though the final amount to be recovered was not defined yet, a provisional amount is being recovered through the tariffs – 15 years period that started in 2007. In 2008, electricity tariffs in Spain were set to increase 3.3%, assuming a 4.2% growth in electricity demand and a €53.7/MWh average wholesale price of electricity (excluding ancillary services).

Gas - Regulated Activity



Income Statement (€ m)	Portugal			Spain			Total		
	1Q08	1Q07	Δ 08/07	1Q08	1Q07	Δ 08/07	1Q08	1Q07	Δ 08/07
Gross Profit	16,3	15,9	3,0%	42,0	40,7	3,2%	58,3	56,5	3,1%
Supplies and services	2,7	2,1	29,1%	5,0	6,0	-17,4%	7,7	8,1	-5,5%
Personnel costs	1,5	1,3	19,3%	5,0	4,4	13,5%	6,5	5,7	14,8%
Costs with social benefits	0,0	0,0	-	0,1	0,1	17,5%	0,1	0,1	26,6%
Other operating costs / (revenues)	(0,4)	0,6	-	(1,6)	1,4	-	(2,1)	2,0	-
Operating Costs	3,8	3,9	-4,4%	8,5	11,9	-28,9%	12,3	15,9	-22,8%
OPEX / Gross Profit	23,1%	24,8%	-1,8 pp	20,2%	29,4%	-9,1 pp	21,0%	28,1%	-7,1 pp
EBITDA	12,6	11,9	5,5%	33,5	28,7	16,5%	46,0	40,7	13,3%
EBITDA / Gross Profit	76,9%	75,2%	1,8 pp	79,8%	70,6%	9,1 pp	79,0%	71,9%	7,1 pp
Provisions risks and contingencies	-	0,1	-	0,0	-	-	0,0	0,1	-95,2%
Depreciation and amortization	3,3	2,0	64,7%	8,2	7,9	3,5%	11,5	9,9	16,0%
Comp. of subsidised assets' depr.	(0,4)	(0,3)	5,7%	(0,5)	(0,4)	25,3%	(0,8)	(0,7)	16,0%
EBIT	9,6	10,2	-5,6%	25,8	21,2	21,5%	35,4	31,4	12,7%
EBIT / Gross Profit	58,8%	64,1%	-5,4 pp	61,5%	52,2%	9,3 pp	60,7%	55,6%	5,2 pp

Regulated Activity	1Q08	1Q07	% Δ	Abs. Δ
Number of supply points (th)	855,1	815,4	4,9%	+40
Portugal	184,3	167,6	9,9%	+17
Spain	670,9	647,8	3,6%	+23
Final Clients	176,6	315,0	-43,9%	-138
Access Clients	494,3	332,8	48,5%	+162
Gas Distributed (GWh)	7.125	7.071	0,8%	+54
Portugal	793	780	1,6%	+13
Spain	6.332	6.290	0,7%	+42
Final Clients	949	2.377	-60,1%	-1.428
Access Clients	5.383	3.914	37,6%	+1.470
Regulated Revenues (€ m)	54,8	55,0	-0,5%	-0,3
Portugal	16,3	15,9	3,0%	+0,5
Spain	38,4	39,1	-1,9%	-0,7
Transmission	4,0	4,2	-4,6%	-0,2
Distribution	31,8	30,7	3,6%	+1,1
Regulated Supply	2,5	4,2	-39,5%	-1,7
Network (Km)	8.521	8.109	5,1%	+413
Portugal - Distribution	3.001	2.827	6,2%	+174
Spain - Distribution	5.213	4.975	4,8%	+239
Spain - Transmission	307	307	0,0%	-0

Our gas regulated activity, includes EDP Gás Distribuição's (ex-Portgás) regional gas distribution concession and EDP Gás Serviço Universal in Portugal (72% owned by EDP), and Naturgas gas distribution and transmission networks in Spain (63.51% owned by EDP), which are present essentially in the Basque and Asturias regions.

Overall, our gas regulated activity showed a 13.3% YoY growth of EBITDA to €46.0m, reflecting the 4.9% increase in the number of supply points to 855,100 customers (+40,000 customers connected), a 5.1% increase in the extension of our networks to 8,521 Kms and 0.8% increase on volume of gas distributed.

In Spain, our gas regulated revenues decreased by 1.9% YoY to €38.4m in 1Q08:

- **Gas distribution regulated** revenues grew by 3.6% yoy to €31.8m reflecting 3.6% YoY increase in the number of supply points in our distribution network to 670,900 customers (23,000 additional customers connected), and a 4.8% YoY increase in the extension of our gas distribution network to 5,213 kms. The volume of gas distributed grew 0.7% YoY comparing with a 1.2% growth in conventional gas demand in the Spanish market.

- **Gas transmission regulated** revenues fell by 4.6% YoY to €4.0m, due to the fact that in 1Q07 regulated revenues included a non-recurrent positive impact from the accounting of the upgrade of Septentrional Gas network as a primary gas infrastructure, with retroactive impact from 2004 (€0.3m). In 1Q08, there was the entrance into service of the pipeline to Soto de Ribera (€0.1m). Note that excluding the two facts explaining above mentioned the gas transmission regulated revenues would have been (€3.9m), in line with the stability of the extension of our network.

- **Regulated supply revenues** fell 39.5% YoY to €2.5m. Note that regulated gas supply tariffs in Spain are expected to end in Jun-08. Nevertheless, this eventual measure should have no major impact on Naturgas results, given that more 74% of our supply points are already access clients. In addition, Naturgas will be the last resort supplier in the Basque and Asturias regions and so expects to retain part of its current regulated supply customers in the liberalized market.

In Portugal, our gas regulated revenues grew by 3.0% YoY to €16.3m, reflecting a 9.9% YoY increase in the number of supply points to 184,300, the 1.6% growth of volumes distributed and a 6.2% increase of the extension of our network to 3,001 kms. Our strategy to increase of penetration rates and efficiency ratios is giving results with an increase of the supply points YoY and an improvement in clients/Kms ratio from 59 to 61 YoY.

In Apr-2008, EDP Gás agreed with the Portuguese State on new concession agreement for the regional distribution of natural gas, with 40 years duration, starting in January 1st 2008. This new concession agreement ensures the maintenance of the concession's economic and financial balance. A new regulatory period for gas distribution in Portugal will start in Jul-08 and the regulatory assumptions for Jul-08 to Jun-11 were announced by regulator (ERSE) in Apr-08. The main assumptions presented were: return on assets ("ROA") set in 9% and revaluation of regulated asset base every regulatory cycle to distribution activities.

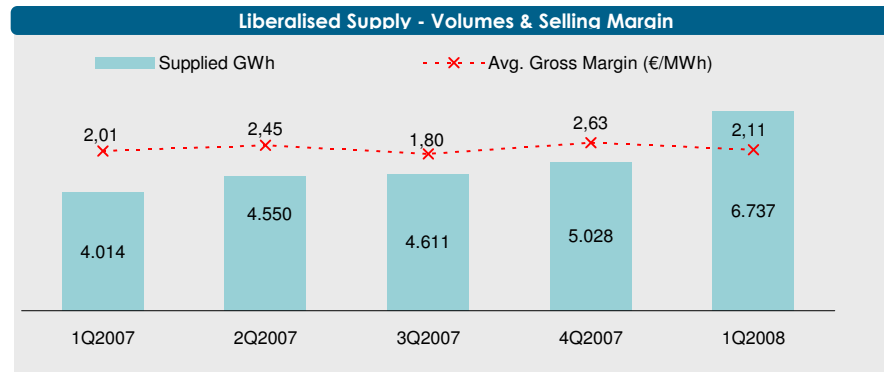
Supplies and services, personnel costs and costs with social benefits increased by 5.2% in line with the increase of the gas regulated activity. Nevertheless, operating costs decreased 22.8%, mainly due to a one off operating revenue related to the disposal of a commercial store in Spain (+€2.4m).

Gas - Liberalized Activity



Income Statement (€ m)	1Q08	1Q07	Δ 08/07
Gross Profit	21,0	17,1	22,7%
Supplies and services	4,6	2,6	77,8%
Personnel costs	0,9	0,5	59,5%
Costs with social benefits	0,0	0,0	-2,0%
Other operating costs / (revenues)	2,4	2,0	15,2%
Operating Costs	7,8	5,2	50,9%
OPEX / Gross Profit	37,2%	30,3%	7,0 pp
EBITDA	13,2	11,9	10,4%
EBITDA / Gross Profit	62,8%	69,7%	-7,0 pp
Provisions for risks and contingencies	0,1	-	-
Depreciation and amortization	0,1	0,1	-25,3%
Compensation of subsidised assets' depreciation	-	-	-
EBIT	13,0	11,8	10,3%
EBIT / Gross Profit	62,0%	68,9%	-6,9 pp

Supply Activity	1Q08	1Q07	Δ 08/07
Number of Clients	439,0	283,2	55,0%
Gas Supplied (GWh)	6.737	4.014	67,8%
Industrial	5.312	3.151	68,6%
Residencial/Commercial	1.425	863	65,1%
Avg. Gross Margin (€/MWh)	2,11	2,01	5,2%



Our gas liberalised activity includes our gas supply business (through Naturgas and HC Energia in Spain and EDP Gás.Com in Portugal) and our wholesale gas sourcing activities. EBITDA from gas liberalized activity grew 10.4% YoY:

Our **gas sourcing activity** is currently based on an existing 4.8bcm/year portfolio on long term contracts which include 4 contracts currently at cruise speed in terms of deliveries (1bcm/year with Trinidad & Tobago, currently swapped with Gas Natural, 0.5bcm/year with ENI, 1.2bcm/year with Galp and 0.5bcm/year with Gas Natural) and a new contract of 1.6bcm/year with Sonatrach, signed in 2007, with deliveries starting in Apr-08, which is expected to reach cruise speed by 2010. This portfolio of gas sourcing contracts is managed on an integrated way taking into consideration the fuel needs of our current 2,000 MW CCGT fleet, the 1,200 MW CCGT capacity currently under construction and other retail gas supply activity in Spain. The 68% increase in the volume of gas sourced in 1Q08 is related with an integrated management of the existing contracts and the programmed delivery of the first gas volumes by Sonatrach in the 2Q08.

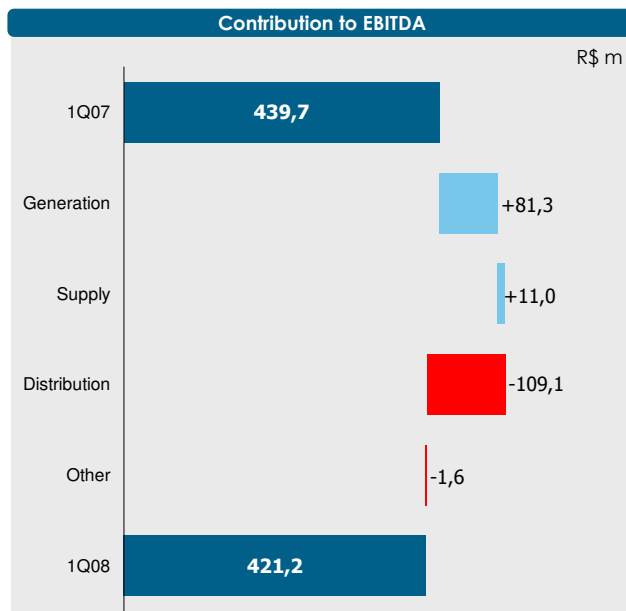
The volume of gas sold to **clients in the retail liberalized market** grew by 68% YoY vs. a 13.5% YoY increase of conventional gas demand in the Spanish gas liberalized market. This growth rate clearly above market average was similar both in the industrial segment, with the closing of new contracts with some large clients, and in the residential segment, following a 55% increase in the number of clients. Note that gas supply tariffs will end in Spain by Jun-08, and this has been a key driver from the massive switching of clients from the regulated tariff system to the liberalized market. This increase of market share both in terms of volumes and number of customers reflects the growth of our competitive gas sourcing portfolio and the strong commercial capabilities of our Naturgas/HC Energia commercial platforms in Spain.

Our **average gross margin per MWh** sold in gas supply increased by 5.2% YoY, being slightly below the €2.23/MWh average in 2007. The increase of **operating costs** is related to the reinforcement of commercial platform in Spain, namely through higher marketing costs and commercial team.

Brazil: Energias do Brasil



	R\$ million												€ million		
Income Statement	Distribution			Generation			Supply			Consolidated			Consolidated		
	1Q08	1Q07	Δ 08/07	1Q08	1Q07	Δ 08/07	1Q08	1Q07	Δ 08/07	1Q08	1Q07	Δ 08/07	1Q08	1Q07	Δ 08/07
Operating Revenues	1.022,6	1.234,3	-17,2%	221,0	137,6	60,6%	210,9	132,7	58,9%	1.272,3	1.349,5	-5,7%	485,4	488,5	-0,6%
Direct Activity Costs	609,6	659,3	-7,5%	25,9	14,9	74,0%	187,1	120,0	55,9%	640,3	639,8	0,1%	244,3	231,6	5,5%
Gross Profit	413,0	575,0	-28,2%	195,1	122,8	58,9%	23,8	12,7	88,1%	632,0	709,8	-11,0%	241,1	256,9	-6,2%
Gross Profit/Revenues	40,4%	46,6%	-6,2p.p.	88,3%	89,2%	-0,9p.p.	11,3%	9,5%	1,8p.p.	49,7%	52,6%	-2,9p.p.	49,7%	52,6%	-2,9p.p.
Supplies and services	85,2	73,1	16,7%	8,0	12,9	-37,8%	1,2	1,1	14,2%	100,9	90,2	11,9%	38,5	32,6	17,9%
Personnel costs and soc. benefits	63,8	58,0	10,0%	6,0	5,8	3,5%	1,5	1,6	-7,0%	75,7	69,9	8,3%	28,9	25,3	14,1%
Other operating costs/(revenues)	25,5	96,3	-73,5%	4,6	8,9	-48,4%	3,5	3,3	-	34,3	110,1	-68,9%	13,1	39,8	-67,2%
Operating Costs	174,6	227,4	-23,2%	18,6	27,6	-32,5%	6,2	6,0	3,4%	210,8	270,1	-21,9%	80,4	97,8	-17,7%
EBITDA	238,4	347,6	-31,4%	176,5	95,2	85,4%	17,6	6,7	164,6%	421,2	439,7	-4,2%	160,7	159,2	1,0%
EBITDA / Revenues	23,3%	28,2%	-4,8p.p.	79,9%	69,2%	10,7p.p.	8,3%	5,0%	3,3p.p.	33,1%	32,6%	0,5p.p.	33,1%	32,6%	0,5p.p.
Prov. for risks and contingencies	11,0	12,9	-14,7%	0,4	-	-	-	-	-	11,3	12,9	-11,9%	4,3	4,7	-7,1%
Depreciation and amortization	61,0	54,6	11,7%	19,8	16,3	21,5%	0,1	0,1	-8,5%	84,9	74,8	13,6%	32,4	27,1	19,7%
Comp. of subsid. assets' depreciat	(6,2)	(5,6)	-11,8%	0,0	-	-	-	-	-	(6,2)	(5,6)	-11,8%	(2,4)	(2,0)	-17,9%
EBIT	172,7	285,6	-39,6%	156,3	78,9	98,2%	17,5	6,6	166,7%	331,1	357,6	-7,4%	126,3	129,4	-2,4%
EBIT / Revenues	16,9%	23,1%	-6,3p.p.	70,8%	57,3%	13,4p.p.	8,3%	5,0%	3,4p.p.	26,0%	26,5%	-0,5p.p.	26,0%	26,5%	-0,5p.p.
Employees	2.729	2.918	-189	231	240	-9	15	14	+1	3.035	3.222	-187			



EDP's activities in Brazil, through Energias do Brasil (owned 64.6% by EDP), where negatively affected by the reduction of the amount of regulatory receivables recovered in 1Q08 and the adverse tariff revisions for the new regulatory periods. These effects were partially compensated by the seasonal gains in generation business. In 1Q08, Energias do Brasil's contribution to consolidated EBITDA benefited from 5.4% appreciation of the Real against the Euro, with an average BRL/Euro rate of 2.76 in 1Q07 evolving to 2.62 in 1Q08 (+€8m impact at the EBITDA level).

In 1Q08, Energias do Brasil's EBITDA decreased by 4.2% to R\$ 421.2m. EBITDA in generation activity increased by 85.4% YoY impacted by a one-off increase in electricity sales by Enerpeixe in 1Q08, taking advantage of higher prices in the residual market and the increase of installed capacity (+25 MW). In distribution, EBITDA decreased by 31.4% driven essentially by: i) impact of tariff revisions occurred in our distribution companies (see table in next page), ii) energy costs higher than the ones considered on tariff assumptions and iii) the decrease in receivement through tariffs of regulatory receivables accumulated in previous years which was partially offset by iv) demand growth. Excluding non recurrent tariff deviations normalized EBITDA in distribution would have decreased 10.1% from R\$318.5m to R\$286.5m. EBITDA of liberalized supply increased following an rose by 1.6% in volume sold and an increase of spot market prices.

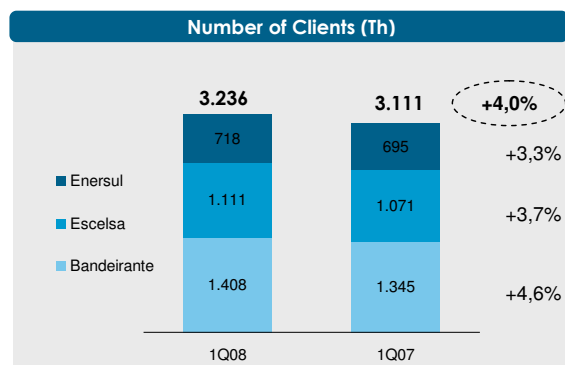
Operating costs of Energias do Brasil decreased by 21.9%. Excluding one-offs (regulatory costs which in 1Q07 are compensated in the revenues line at the gross profit level), operating costs rose by 5.6%:

- a supplies and services increase of 11.9%, essentially due to: i) the increase in expenditure with maintenance of distribution networks, resulting from a load growth due to market expansion , ii) operating efficiency programs, IT expenses, call centers and customer services and iii) consulting costs;
- b) a 8.3% increase of personnel costs, reflecting an increase in average wages, a new healthcare plan started in 2Q07 and the decrease in capitalization costs due to a change of capitalization criteria used by the regulator in Apr-07.
- c) a 68.9% decrease in "Other operating costs" is explained by: i) one-off regulatory costs which in 1Q07 had been compensated in the revenues line and ii) a decrease in provisions for doubtful clients in distribution. Excluding the one-off cost booked in 1Q07, "Other operating costs" would have decreased by 14.6%.

Brazil: Distribution



Distribution Activity		Bandeirante			Escelsa			Enersul			Distribution		
		1Q08	1Q07	Δ 08/07	1Q08	1Q07	Δ 08/07	1Q08	1Q07	Δ 08/07	1Q08	1Q07	Δ 08/07
GWh	Final Clients	2.050	1.952	5,0%	1.294	1.219	6,1%	715	716	-0,1%	4.059	3.887	4,4%
	Third-party access	1.264	1.262	0,2%	848	886	-4,2%	115	108	6,8%	2.228	2.255	-1,2%
	Electricity Distributed	3.314	3.214	3,1%	2.142	2.105	1,8%	830	823	0,8%	6.286	6.143	2,3%
Losses/EIT	Equiv. Interrupt. Time (Hours)	10,6	7,6	39,2%	12,3	7,9	55,0%	12,5	13,4	-6,3%			
	Technical Losses	5,17%	5,01%	0,03 pp	8,05%	7,55%	0,07 pp	14,33%	13,88%	0,03 pp	6,97%	7,15%	-0,03 pp
	Commercial Losses	5,51%	5,67%	-0,03 pp	5,58%	5,35%	0,04 pp	8,49%	7,58%	0,12 pp	6,49%	5,84%	0,11 pp
	Total Electricity Losses	10,68%	10,68%	0,00 pp	13,64%	12,90%	0,06 pp	22,82%	21,46%	0,06 pp	13,46%	12,99%	0,04 pp
R\$ million	IFRS Gross Profit	129	244	-47,4%	148	192	-22,8%	136	139	-1,7%	413	575	-28,2%
	Rationing Losses and Parcela A	11	(18)	-	7	(14)	-	2	(10)	-	20	(43)	-
	Adjustments of Tariff Revisions	-	(4)	-	-	(4)	-	(17)	(15)	-9,3%	(17)	(23)	28,3%
	Tariff dev. in recuperation	(25)	(16)	-56,4%	(19)	(17)	-13,7%	(15)	(3)	-329,1%	(59)	(36)	-62,4%
	Tariff dev. to be recovered	31	(20)	-	2	(9)	-	14	(1)	-	48	(29)	-
	Others	3	(6)	-	(12)	(0)	-5976,4%	(6)	(7)	14,4%	(14)	(13)	-10,7%
	Brazilian GAAP Gross Profit	149	181	-17,7%	126	148	-14,6%	116	102	13,2%	391	431	-9,3%
	Regulatory Receivables	72	165	-56,1%	144	189	-23,7%	(58)	188	-	158	542	-70,8%



Last Tariff Revisions and Readjustments			
	Bandeirante Out-07 Revision	Escelsa Ago-07 Revision	Enersul Abr-08 Readjust.
Part A	-5,87%	-4,88%	4,10%
Part B	-2,35%	-1,73%	-9,65%
Readjust. Index	-8,22%	-6,61%	-5,55%
Past Costs	-3,67%	-2,70%	-2,08%
Other	-0,58%	-0,31%	0,45%
Financial Items	-4,25%	-3,01%	-1,63%
Total Index	-12,47%	-9,62%	-7,18%

Notes:
Part A: Non-controllable costs, which is a pass-through to the tariff
Part B: Controllable costs, depreciation and return on invested capital, which are updated to inflation (IGP-M) and adjusted by an X factor.
Readjustment Index: Gives the total increase to be applied to electricity base revenues
Financial Items: Recovery (or return) of past costs (or revenues) for a period of 12 months

PERFORMANCE OF DISTRIBUTION GROSS PROFIT:

The gross profit of the DisCos in 1Q08 decreased by 28.2% YoY impacted by: (1) higher than expected energy costs vs. the ones assumed in tariffs' calculation which will be recover in the next annual tariff revisions, (2) tariff revisions occurred in our distribution companies and (3) the YoY decrease in cash-in through tariffs of regulatory receivables accumulated in previous years which were partially offset by a 2.3% YoY growth of electricity distributed volumes. On a normalized base, gross profit decreased by 9.3% YoY.

- 1. Recurrent growth of electricity distribution gross profit:** Total electricity distributed by Energias do Brasil increased by 2.3% YoY supported by an increase in the number of clients (4.0%), and an increase of consumption per capita reflecting a strong economic growth (namely at Bandeirante and Escelsa regions).
- 2. Tariff revisions:** New regulatory period for all distribution companies set a decrease in tariffs (see table).
- 3. Negative tariff deviation:** Distribution gross profit in 1Q08 includes a R\$48m negative tariff deviation from energy procurement costs higher than the ones set in the regulator's assumptions for tariff calculation. Note that in 1Q07 distribution gross profit recorded a R\$29m positive tariff deviation. These non recurrent component of gross profit will be recovered to the system through a positive impact in the next annual tariff adjustment.
- 4. Recovery through tariffs of regulatory receivables accumulated in the past:** The regulatory receivables which the system owed us due to lower than expected gross profit in past periods and that our distribution activity is recovering through tariffs decreased 46% YoY from R\$153m to R\$83m. In 1Q08, our distribution activity had total regulatory receivables of R\$158m, which should be recovered over the next quarters, meaning that Energias do Brasil distribution gross profit is expected to continue to be positively impacted by the cash-in through tariffs of these receivables.

Total electricity losses increased in distribution activity in distribution activity due to the increase in commercial losses, mainly due to the effects of the "Light for All" Universalization programme.

REGULATORY UPDATE:

New regulatory periods of 4 years, 3 years and 5 years started for Bandeirante in Oct-07, for Escelsa in Aug-07 and for Enersul in Apr-08 respectively. The Brazilian regulator, ANEEL, set a return of RAB after taxes of 9.95% for the new regulatory periods, and established new regulatory asset bases (Bandeirante's RAB still on a preliminary basis) and accepted controllable costs (still on a preliminary basis) which are in line with the company's expectations.

Brazil: Generation and Supply



Generation

Hydro Installed Capacity (MW)

	1Q08	1Q07	Δ 08/07
Lajeado (27.65%)	250	250	-
Peixe Angical	452	452	-
Energst (13 Hydro plants)	342	317	+25

Total **1.044** **1.018** **+25**

Electricity Generated (GWh)

	1Q08	1Q07	Δ 08/07
Lajeado (27.65%)	375	307	22,2%
Enerpeixe	664	680	-2,3%
Energst (13 Hydro plants)	454	482	-5,8%

Total **1.493** **1.469** **1,7%**

Electricity Sold (GWh)

	1Q08	1Q07	Δ 08/07
Lajeado (27.65%)	284	278	2,1%
Enerpeixe	693	590	17,5%
Energst (13 Hydro plants)	561	485	15,8%

Total **1.538** **1.352** **13,7%**

Gross Profit (R\$ million)

	1Q08	1Q07	Δ 08/07
Lajeado (27.65%)	21,2	22,7	-6,6%
Enerpeixe	109,9	65,4	68,0%
Energst (13 Hydro plants)	63,9	34,6	84,7%

Total **195** **123** **58,9%**

Average Selling Price (R\$/MWh)

	1Q08	1Q07	Δ 08/07
Lajeado	93,4	85,8	8,9%
Peixe Angical	132,0	125,6	5,1%
Energst (13 Hydro plants)	117,7	81,1	45,2%

Total **119,7** **101,5** **17,9%**

GENERATION CAPACITY IN OPERATION:

In 1Q08, Energias do Brasil had an installed capacity of 1,044 MW, which represents more 25 MW YoY due to the start of São João mini hydro plant (25 MW) during 2Q07. The high growth of generation volumes sold is explained by a seasonal increase of energy sales by Enerpeixe in the 1Q08 which allowed it to take advantage of higher prices in the residual electricity market in 1Q08. Note that this impact will be partially reverted in the following quarters.

GENERATION CAPACITY UNDER DEVELOPMENT:

In February 2008, Energias do Brasil has established a new business unit, Enernova (EDP Renováveis 55%; Energias do Brasil 45%), which will hold the company's investments in renewable sources of energy in South America. The new business unit will incorporate the projects currently held by Energst (30 new mini hydro plants with a total potential installed capacity of 581MW in the states of de Goiás, Minas Gerais, Espírito Santo and Mato Grosso do Sul - 6 of these projects with a capacity of 116 MW already presented to the regulator) and will develop studies in wind with a total potential installed capacity of 500MW, after all due regulatory and creditor approvals have been granted.

In March 2008, Energias do Brasil acquired rights to build a CCGT (UTE Resende) with 500 MW of capacity in the state of Rio de Janeiro, increasing the portfolio of CCGT projects to 1,000 MW. In April 2008, Energias do Brasil signed an agreement with Petrobras for the supply of natural gas to UTE Resende and UTE Norte Capixaba projects. However, the actual sale of the energy to be generated by the two CCGT's projects will depend on the commercial and financial terms attained in the auction.

On October 2007, Energias do Brasil announced the sale of energy from the coal power plant Pecém, project in which it 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 signed with suppliers, the new plant will represent a USD1.3bn capex. The project should be financed with 75% of long term debt with the Brazilian development bank BNDES and in the market.

Regarding new hydro capacity, the installation license to begin the construction of Santa Fé mini-hydro was issued in the beginning of October 2007. Santa Fé will have an installed capacity of 29 MW (assured energy of 16 MW) and should start-up in Jul-09. The total estimated investment for the construction is R\$120 million.

Additionally, ANEEL ratified a 17.5 MW and a 5 MW power upgrade in the Mascarenhas and Rio Bonito Hydro Plant. The additional capacity should be fully operational by the end of 2009. The ratification process for the 2.3 MW power upgrade to Suíça Hydro Plant is currently in progress, and should be operational in 2009. Assured energy from both power upgrades (11.7 average MW) has been contracted in the liberalised market at R\$ 130.00/MWh.

Moreover, Energias do Brasil is also carrying out feasibility studies for new hydro projects with a total installed capacity of 1,439 MW.

Trading and Supply

Financial and Operating Data

	1Q08	1Q07	Δ 08/07
Number of clients	94	73	28,8%
Electricity Sales (GWh)	1.789	1.707	4,8%
Gross Profit / GWh	13,3	7,4	79,5%

Electricity volumes sold to liberalized customers grew 4.8% YoY, capturing customers that switched from the regulated system to the liberalised market and the increase of demand in the liberalised market (+28.8% in terms of number of clients)

Overall, the increase in volumes coupled with a margin improvement and an increase in the electricity spot market price (an average increase of 52.0%) implied an growth in the gross profit of Enertrade of 88.1%.



Income Statements

Income Statement by Business Area



1Q08 (€ m)	Generation Iberia	Supply Iberia	Renewables Europe	Horizon	Distribution Iberia	Gas Iberia	Energias do Brasil	Other & Adjustments	EDP Group
Electricity Sales	981,0	296,8	104,4	31,5	1.529,9	0,2	483,0	(274,1)	3.152,7
Gas Sales	-	-	-	-	-	337,0	-	(1,1)	336,0
Other Sales	10,4	0,1	-	-	0,9	0,0	-	5,8	17,2
Services Provided	8,6	14,6	0,4	0,0	18,0	4,7	2,4	(23,0)	25,7
Operating Revenues	1.000,0	311,4	104,8	31,5	1.548,8	342,0	485,4	(292,3)	3.531,6
Electricity	301,5	285,8	0,0	0,1	1.159,6	0,0	242,1	(295,1)	1.694,0
Gas	-	1,8	-	-	-	253,4	-	(36,6)	218,6
Fuel	304,2	1,5	0,1	-	-	12,7	-	33,3	351,7
Materials and goods for resale	5,8	0,7	(0,0)	-	2,7	(3,3)	2,2	0,9	8,9
Direct Activity Costs	611,4	289,8	0,1	0,1	1.162,3	262,8	244,3	(297,5)	2.273,2
Gross Profit	388,5	21,7	104,7	31,4	386,5	79,2	241,1	5,2	1.258,3
Gross Profit/Revenues	38,9%	7,0%	99,9%	99,7%	25,0%	23,2%	49,7%	-1,8%	35,6%
Supplies and services	35,2	11,9	10,9	7,8	81,2	12,1	38,5	(27,0)	170,6
Personnel costs	29,5	2,9	1,0	3,9	51,7	7,4	24,2	27,9	148,5
Costs with social benefits	6,1	0,1	0,0	0,2	24,4	0,1	4,6	(6,4)	29,1
Concession fees	1,0	-	1,1	-	57,0	-	-	-	59,1
Other operating costs (or revenues)	17,1	(5,4)	2,1	(15,9)	(9,9)	0,4	13,1	41,0	42,3
Operating costs	89,0	9,4	15,0	(4,0)	204,4	20,0	80,4	35,4	449,6
EBITDA	299,6	12,2	89,6	35,4	182,0	59,2	160,7	(30,2)	808,7
EBITDA/Revenues	30,0%	3,9%	85,6%	112,4%	11,8%	17,3%	33,1%	10,3%	22,9%
Provisions for risks and contingencies	0,0	0,9	-	-	0,5	0,1	4,3	-5,6	0,3
Depreciation and amortisation	90,8	0,6	27,3	18,6	91,2	11,6	32,4	20,5	293,1
Comp. of subsidised assets' depreciation	(1,0)	-	(0,2)	-	(22,1)	(0,8)	(2,4)	(0,1)	(26,6)
EBIT	209,7	10,7	62,5	16,8	112,3	48,4	126,3	(45,0)	541,8
EBIT/Revenues	21,0%	3,4%	59,7%	53,4%	7,3%	14,2%	26,0%	15,4%	15,3%

Income Statement by Business Area



1Q07 (€ m)	Generation Iberia	Supply Iberia	Renewables Europe	Distribution Iberia	Gas Iberia	Energias do Brasil	Other & Adjustments	EDP Group
Electricity Sales	634,6	209,3	63,4	1.228,2	26,5	453,4	(189,6)	2.425,8
Gas Sales	-	6,3	-	-	391,5	-	(7,0)	390,8
Other Sales	9,7	0,0	7,1	1,9	0,2	-	1,0	19,8
Services Provided	18,7	9,6	1,0	13,7	18,0	2,4	(28,5)	34,9
Operating Revenues	663,1	225,2	71,5	1.243,7	436,2	455,7	(224,1)	2.871,3
Electricity	61,6	212,3	0,0	865,4	26,3	201,8	(222,9)	1.144,5
Gas	-	4,5	-	-	327,1	-	(18,3)	313,3
Fuel	221,2	4,6	-	-	6,4	-	7,4	239,6
Materials and goods for resale	7,6	0,0	3,6	5,1	2,7	-	13,1	32,1
Direct Activity Costs	290,4	221,4	3,7	870,5	362,5	201,8	(220,8)	1.729,5
Gross Profit	372,6	3,8	67,8	373,2	73,6	253,9	(3,3)	1.141,7
Gross Profit/Revenues	56,2%	1,7%	94,9%	30,0%	16,9%	55,7%	1,5%	39,8%
Supplies and services	32,3	10,8	7,8	74,7	10,8	35,2	(16,3)	155,3
Personnel costs	29,4	2,7	3,8	55,5	6,2	21,2	25,3	144,1
Costs with social benefits	4,9	0,1	0,0	19,0	0,1	4,0	(4,1)	24,1
Concession fees	1,0	0,0	-	52,0	-	-	2,0	55,0
Other operating costs (or revenues)	(2,6)	(4,7)	1,1	(1,7)	4,0	14,4	48,0	58,5
Operating costs	65,0	8,9	12,7	199,5	21,2	74,9	54,8	436,9
EBITDA	307,6	(5,1)	55,1	173,8	52,5	179,0	(58,1)	704,8
EBITDA/Revenues	46,4%	-2,3%	77,1%	14,0%	12,0%	39,3%	25,9%	24,5%
Provisions for risks and contingencies	5,3	(0,6)	(0,1)	3,8	0,1	4,7	1,1	14,3
Depreciation and amortisation	80,8	1,8	22,5	90,0	10,1	25,0	24,4	254,6
Comp. of subsidised assets' depreciation	(1,0)	-	(0,1)	(21,6)	(0,7)	-	(2,1)	(25,4)
EBIT	222,5	(6,3)	32,7	101,6	43,1	149,3	(81,5)	461,4
EBIT/Revenues	33,6%	-2,8%	45,8%	8,2%	9,9%	32,8%	36,4%	16,1%



Annex

EDP installed capacity & electricity generation



Installed Capacity - MW ⁽¹⁾	1Q08	1Q07	Δ MW
Europe	13.598	12.615	982
LT Contracted Generation (PPAs/CMECs)	6.987	7.164	-177
Hydro	4.094	4.094	-
Run off the river	1.860	1.860	-
Reservoir	2.234	2.234	-
Coal	1.180	1.192	-12
Sines	1.180	1.192	-12
Fuel oil	1.713	1.878	-165
Setúbal	946	946	-
Carregado	710	710	-
Barreiro	56	56	-
Tunes	-	165	-165
Special Regime	2.098	1.540	558
Small-Hydro	79	69	10
Cogeneration+Waste	231	231	-
Biomass	11	11	-
Wind	1.776	1.229	548
Portugal	424	319	105
Spain	1.265	869	396
France	87	41	46
Liberalised Electricity Generation	4.513	3.911	602
Hydro	910	670	240
Portugal	484	244	240
Spain	426	426	-
Coal	1.460	1.523	-63
Aboño I	342	342	-
Aboño II	536	536	-
Soto Ribera I	-	63	-63
Soto Ribera II	236	236	-
Soto Ribera III	346	346	-
CCGT	1.987	1.563	425
Ribatejo (3 groups)	1.176	1.176	-
Castejón I (1 group)	393	387	6
Castejón III (1 group)	418	-	418
Nuclear	156	156	-
Trillo	156	156	-
Brazil	1.044	1.018	25
Hydro	1.044	1.018	25
USA	1.321	-	1.321
Wind	1.321	-	1.321
TOTAL	15.962	13.634	2.329

Electricity Generation	1Q08	1Q07	Δ GWh
Europe	10.102	12.662	-2.560
LT Contracted Generation (PPAs/CMECs)	3.401	6.676	-3.275
Hydro	1.097	3.680	-2.583
Run off the river	622	2.254	-1.632
Reservoir	475	1.426	-951
Coal	2.231	2.402	-171
Sines	2.231	2.402	-171
Fuel oil	73	594	-520
Setúbal	51	454	-402
Carregado	-3	99	-103
Barreiro	25	41	-16
Tunes	-	0	-0
Special Regime	1.467	1.164	303
Small-Hydro	40	72	-32
Cogeneration+Waste	346	304	43
Biomass	8	10	-2
Wind	1.072	778	294
Portugal	286	183	103
Spain	730	576	154
France	56	18	38
Liberalised Electricity Generation	5.234	4.823	412
Hydro	267	467	-200
Portugal	128	148	-20
Spain	139	319	-179
Coal	1.783	2.619	-836
Aboño I	581	626	-46
Aboño II	969	1.046	-77
Soto Ribera I	-	-1	1
Soto Ribera II	238	347	-109
Soto Ribera III	-4	600	-604
CCGT	2.866	1.403	1.463
Ribatejo (3 groups)	2.089	1.103	986
Castejón I (1 group)	574	300	274
Castejón III (1 group)	203	-	203
Nuclear	318	333	-15
Trillo	318	333	-15
Brazil	1.493	1.469	25
Hydro	1.493	1.469	25
USA	960	-	960
Wind	960	-	960
TOTAL	12.555	14.131	-1.576

⁽¹⁾ Installed capacity that contributed to the revenues in the period.

EDP Wind Capacity and CO2 Emissions



Wind Farms in 1Q08	Installed Capacity		
	100%	% Held ⁽¹⁾	EBITDA
PORTUGAL	424	419	424
Enernova	424	419	424
SPAIN	1.639	1.215	1.265
Genesa	1.008	703	752
Desa	431	383	381
Agrupación Eólica / Ceasa	200	129	133
TOTAL IBERIA	2.063	1.633	1.689
FRANCE	87	87	87
NEO	30	30	30
Agrupación Eólica	57	57	57
TOTAL EUROPE	2.150	1.720	1.776
USA	1.556	1.339	1.321
Horizon ⁽²⁾	1.556	1.339	1.321
TOTAL EUROPE AND USA	3.706	3.060	3.097

CO2 Emissions	CO2 Emissions (absolute, MtCO2)		Specific (tones/GWh)		Gross Production (GWh)	
	1Q08	1Q07	1Q08	1Q07	1Q08	1Q07
TOTAL PPA's/CMECs	2.045	2.657			2.564	3.302
Coal	1.934	2.148	0,82	0,84	2.372	2.544
Fuel Oil + Natural Gas	111	509	0,58	0,67	192	758
TOTAL LIBERALISED GENERATION	3.018	3.435			4.871	4.211
Coal	2.129	2.921	1,11	1,05	1.912	2.773
CCGT	889	514	0,30	0,36	2.959	1.438
SPECIAL REGIME	245	228	0,31	0,28	795	803
TOTAL PRODUCTION THERMAL	5.308	6.320	0,64	0,76	8.229	8.316
CO₂ FREE GENERATION					5.071	6.434
TOTAL PRODUCTION			0,40	0,43	13.301	14.750

(1) MW not adjusted for the fact that Neo has an 80% stake in Genesa and Desa.

(2) Of which 52 Gross MW are fully constructed, with commissioning to occur in the 2Q08.